



NOMINATION AND ELECTION POLICY

(Amended November 2017)

Purpose

The purpose of this policy is to provide clear protocols and procedures for the nomination and election of Directors that are consistent with the Company's By-laws. These procedures and protocols will be applied by the Company consistently, provided that they may be adapted to specific circumstances that may subsequently arise.

Nomination Procedures

1. Candidates for the Board of Directors shall be nominated by a stockholder of the Corporation. Pursuant to the Corporation Code, any stockholder (including a minority stockholder) shall be entitled to nominate a director.
2. The nominating stockholder shall submit a nomination letter to the Nomination and Election Committee (NOMELEC) together with the written consent of the nominee. In accordance with the provisions of Article III, Section 3 of the Amended By-Laws of the Corporation, all nominations for the election of directors shall be submitted in writing to the Board of Directors, with the consent of the nominees, at least sixty (60) days before the scheduled annual stockholders' meeting.
3. The NOMELEC shall review and pre-screen the qualifications of each candidate in accordance with the qualifications and disqualifications set in the Corporation's Amended By-Laws and Manual on Corporate Governance.

To ensure that these qualifications are aligned with the corporate strategic direction of the Corporation, the NOMELEC shall consider the following in the screening of candidates:

- a. **Expertise - candidates with different backgrounds and who understand how the company's strategy aligns with the emerging trends and technology**

- b. Experience – candidates with sufficient abilities and knowledge on the Company’s businesses and strategic direction**
- c. Diversity – appropriate mix of experience in relevant industry sectors, general management and finance**
- d. Integrity – candidates who will observe the Company’s Code of Business Conduct and Ethics**

- 4. The shortlist of candidates shall be disclosed in the Definitive Information Statement to be distributed to the stockholders.

Qualifications of Directors

Any stockholder of the Corporation who possesses the following qualifications is eligible for election as Director of the Corporation:

- 1. Holder of at least one (1) share of stock of the Corporation;
- 2. He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education;
- 3 He shall be at least thirty (30) years old;
- 4 He shall have proven to possess integrity and probity; and
- 5 He shall be assiduous.

Disqualifications of Directors

Pursuant to the Company’s Amended By-Laws, no person shall qualify or be eligible for nomination or election to the Board of Directors if he is engaged in any business which competes with or is antagonistic to that of the Corporation or any of its subsidiaries and affiliates. Without limiting the generality of the foregoing, a person shall be deemed to be so engaged:

- a) If he is an officer, manager or controlling person of, or the owner (either or record or beneficially) of 10% or more of any outstanding class of shares of any corporation (other than one in which the Corporation owns at least 30% of the capital stock) engaged in a business which the Board, by at least two-thirds vote of the directors present constituting a quorum, determines to be competitive or antagonistic to that of the Corporation or its subsidiaries and affiliates: or
- b) If he is an officer, manager or controlling person of or the owner (either of record or beneficially) of 10% or more of any outstanding class of shares of any other corporation or entity engaged in any line of business of the Corporation or that of its subsidiaries and affiliates and in the judgment of the Board by at least two-thirds

vote of the directors present constituting a quorum, the laws against combinations in restraint of trade shall be violated by such person's membership in the Board of Directors; or

- c) If the Board, in the exercise of its judgment in good faith, determines by at least two-thirds vote of the directors present constituting a quorum that he is the nominee of any person set forth in (a) and (b).

Elections

1. A majority of the outstanding shares of stocks present in person or represented by proxy, shall be sufficient at a stockholders' meeting to constitute a quorum for the election of directors. A person who holds at least one (1) common share of stock of the Corporation is eligible to be nominated and elected as a director.
2. At least five days prior to the stockholders' meeting, the Committee of Inspectors designated by the Board shall pass on the validity of proxies submitted for the particular stockholders' meeting.
3. The Board shall designate a Board of Canvassers to perform the following:
 - a) independent counting and tabulation of ballots
 - b) observe execution of registration and voting procedures
 - c) summarize the votes for, against and abstain for each agenda item
 - d) rank elected directors based on number of votes received by each nominee
4. A Record Date will be set by the Board of Directors to determine the shareholders who are entitled to vote in the stockholders' meeting. Record Date must not be more than forty five (45) days prior to the stockholders' meeting.
5. In the election of directors, every stockholder entitled to vote shall have the right to vote in person or by proxy the number of common shares of stock standing in his name as of Record Date. A stockholder entitled to vote may vote such number of shares for as many persons as there are directors to be elected, or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit. Provided, that the total number of votes cast by a stockholder shall not exceed the number of shares owned by him as shown in the books of the Corporation multiplied by the whole number of directors to be elected.
6. With respect to the other matters to be submitted for stockholders' approval, each outstanding common share shall be entitled to one vote.

Board Term

The elected members of the board of directors shall hold office for one (1) year, or until their successors are elected and qualified.