



# **MEGA RE INTERNATIONAL, INC.**

## **NOMINATION COMMITTEE CHARTER**

### **SECTION 1. Roles of the NOMINATION COMMITTEE**

The functions of Nomination Committee ("Committee") shall be to principally assist and make proper recommendations to the Board of Directors with respect to:

- A. the review and assessment of the qualifications of all persons nominated to the Board and other appointments that need prior approval of the Board; and
- B. the evaluation of existing processes and procedures in the election, removal, replacement or disqualification of a new or existing director.

### **SECTION 2. Duties and Responsibilities**

The following are the specific responsibilities of the Committee:

- A. Periodic review and monitor of the structure and composition of the Board and make proper recommendations to the Board if the required number of Independent Directors taking into consideration the qualifications and none of the disqualifications have been met or observed as provided in the existing laws, rules, regulations and/or circulars.
- B. Conduct a background check on the character and integrity of a nominated and shortlisted candidate to become a member of the Board in accordance with the qualifications and none of the disqualifications as provided in the existing laws, rules, regulations and/or circulars.
- C. Identify and recommend qualified individuals for nomination and election as additional Directors or to fill up any vacancy due to resignation, removal or disqualification of a member as the case may be.
- D. Properly ensure that the Corporation shall have at least two (2) Independent Directors and/or shall constitute at least twenty percent (20%) of the members of the Board.
- E. Make proper recommendation for the position of Chairman per committee which shall be subject to prior approval of the Board as a whole.
- F. Perform other related duties and responsibilities as provided by the Articles of Incorporation, By-laws, any amendments thereto and the Manual on Corporate Governance.

### **SECTION 3. Committee Composition**

A. The Committee shall be composed of at least three (3) members but not more than five (5) members which shall be appointed by the Board of Directors annually including the Chairman. The Chairman or any member of the Committee can be removed from office only by the Board of Directors.

The Corporate Secretary shall provide the necessary staff support to the Committee upon its written request.

### **SECTION 4. Committee Procedures**

#### **A. Meetings**

(i). The Committee shall hold a meeting at least once a year. However, the Chairman may, upon his own judgment or as the necessity may arise, call for a special meeting, at any given time upon due notification to all members of the committee.

(ii). Meetings of the Committee shall be presided over by the Chairman of the Committee either upon his own initiative to call a meeting or upon the request of a majority of the members of the Committee.

(iii). Notice about the meeting shall be put in writing indicating the place, date and time and the corresponding agenda. The Corporate Secretary shall ensure receipt of the notice at least one (1) week of the intended date of meeting, except in case of urgency as may be determined by the Chairman of the committee.

(iv). Notice of a meeting of the Committee shall be deemed to be duly given to a Member if it is handed to him personally, in writing or orally, or sent to him thru registered mail or by private courier to his address, e-mail address as provided by him to the Corporate Secretary.

(v). A majority of all the Members of the Committee present shall constitute a quorum.

(vi). Members of the Committee may, except in cases of exigency, participate in a meeting of the Committee through teleconference or videoconference.

(vii). Any resolution of the Committee, where there is a quorum shall be passed upon by a majority of votes of the members present at such meeting. Each member is counted as one

(1) vote. In case there exists a conflict of interest or he has material interest in the subject matter to be voted or resolved upon, such member shall be disallowed to cast his vote. In case of a tie, the resolution shall be automatically referred to the Board which shall be constituted as a Committee of the Whole. A majority of those present shall constitute a quorum may be passed upon the resolution subject of a tie.

## **B. Minutes and Records**

(i). The Committee shall appoint the Corporate Secretary or any deputized officer under its direct control and supervision who shall issue notices and agenda for the meetings; disseminate reading materials, if necessary; prepare minutes of meetings and keep books and records of the Committee.

(ii). The Committee shall cause the following records to be kept

- a. Appointment, removal and resignation of members of the Committee;
- b. All agenda and other documents of the Committee; and c. Minutes of proceedings and meetings of the Committee.

(iii). Any such books and records shall be accessible for ocular inspection by any Member of the Committee upon reasonable prior notice during usual office hours and working day of the company.

(iv). The minutes of the meeting of the Committee duly signed by the Chairman of the Committee shall be regarded as conclusive evidence of the proceedings and resolutions of such meeting.

(v). The Corporate Secretary shall make sure that the draft and final versions of the minutes of Committee meetings shall be sent to all its Members who attended the meeting, for their comment and records, within a reasonable period of time after the meeting but in no case shall exceed more than thirty (30) days from such meeting.

## **C. Process and criteria for nominations**

The Committee shall observe the following process and criteria in receiving and evaluating nominations to the Board taking into consideration the Corporation's strategic directions in relation with its Board Diversity Policy:

(i). Receive all written nominations to the Board submitted by stockholders, including minority stockholders, not later than the date prescribed by law, rules and regulations or at such earlier or later date as the Board of Directors may fix before the date of the next annual meeting of the stockholders.

(ii). Review and evaluate the qualifications of all the nominees in accordance with the following criteria:

- a. Ownership of at least one (1) share of common stocks of the company;
- b. At least thirty (30) years of age at the time of his election or appointment;
- c. A college degree or its equivalent or adequate competence and understanding of the fundamentals of doing business or membership in good standing in relevant industry including membership in business or

professional organizations or sufficient experience and competence in managing a business to substitute for such formal education;

d. Possesses integrity, probity and shall be diligent and assiduous in the performance of his functions; and

Not disqualified as provided for in the New Corporation Code, Amended Insurance Code, Circulars issued by the Insurance Commission, SEC Rules and Regulations and the Company's Corporate Governance Manual. The Committee may also adopt other selection procedures as it may deem proper based on its own independent judgment and other standards to validate the integrity of the candidate and able to identify possible conflicts of interest.

(iii). Assess and shortlist qualified individuals for election as a director to ensure that only those possessing all the qualifications and none of the disqualifications for directorship in accordance with the provisions of the Corporation's Articles of Incorporation, By-Laws, Corporate Governance Manual and relevant laws, circulars, rules and regulations may be elected to the Board.

(iv). Identify and prepare a final list of qualified nominees, endorse for approval by the Board of such final list, and recommend to the stockholders the qualified nominees included in the final list for election in the annual meeting of stockholders.

## **SECTION 5. Remuneration of Members**

Only per diem or allowances authorized and approved by the Board shall be granted with respect to their attendance at meetings of the Committee.

## **SECTION 6. Committee Reports and Performance Evaluation**

- A. The Committee shall render a report of its activities to the Board on a regular basis and other matters as it may deem necessary.
- B. The Committee shall prepare its annual performance evaluation and set its goals and objectives for the following year which shall be subject for further review by the Board.

## **SECTION 7. Amendment, Alteration or Modification**

This Charter shall be subject to amendment, alteration or modification by a majority vote of the Board constituting a quorum called for the purpose.