



**MEDICAL DOCTORS, INC.**  
**NOMINATION, ELECTION AND REMUNERATION COMMITTEE CHARTER**

**I. Purpose**

This Nomination, Election and Remuneration Committee (the "Committee") Charter ("the Charter") of Medical Doctors Inc. (the "Corporation") shall ensure that the Board of Directors (the "Board") of the Corporation will have a formal and transparent Board nomination and election policy. The Committee shall also be responsible to assist and advise the Board in establishing and reviewing policies on compensation, benefits and retirement of the directors, employees, executive and corporate officers of the Corporation, ensuring that it is consistent with the culture, strategy and the business environment on which the Corporation operates.

**II. Members**

The Committee shall be composed of at least five (5) members, of which at least three (3) are voting members composed of Directors (one of whom must be Independent) and two (2) non-voting members in the person of the Corporate Secretary and the Human Resource Director.

The Committee members shall be appointed by the Board at its annual organizational meeting, and each member shall serve upon election until the next organizational meeting of the Board, or until a successor is duly appointed, or until resignation or removal of such member. The members of the Committee may be removed or replaced by the Board in its discretion, and any vacancies in the Committee shall be filled by a majority vote of the Board.

**III. Key Responsibilities**

The Committee shall have the following duties and responsibilities:

1. It shall determine the nomination and election process for the Corporation's Directors, define the general profile of Board members that the Corporation may need, and ensure appropriate knowledge, competencies and expertise that complement the existing skill of the Board;
2. It shall receive all nominations for Directors from stockholders and review their respective qualifications;
3. It shall assess the effectiveness of the Board's process and procedures in the nomination, election, or replacement/removal of a Director;
4. It shall pre-screen and shortlist all candidates nominated to become a Director in accordance with the qualifications and disqualifications as

provided in applicable laws, rules and regulations and internal policies of the Corporation;

5. In consultation with the Executive Management or Management Committee/s, it shall redefine the role, duties and responsibilities of the Chief Executive Officer by integrating the dynamic requirements of the business as a going concern in future expansionary prospects within the realm of good corporate governance at all times;
6. It shall oversee the conduct of actual elections of the Directors during the annual stockholders' meeting;
7. It shall recommend to the Board, candidates for the positions of Corporate Officers to be appointed by the Board at its organizational meeting to or to fill any position created by the Board, including the filling in of any vacancies to these positions;
8. It shall review and consider letters of resignation tendered by any director and make recommendations to the Board as to actions that should be taken, including whether to accept or reject the tendered resignations;
9. It shall monitor the structure, size and composition of the Board and make recommendations to ensure that the Board has the required number of Independent Directors and that all directors possess the qualifications and none of the disqualifications as provided in applicable laws, regulations and internal policies of the Corporation;
10. It shall review and recommend succession plans for members of the Board and key executives; and
11. It shall perform such other duties and responsibilities that may be delegated to the Committee by the Board.

#### Compensation, Remuneration and Retirement Functions:

1. Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration and benefit packages of senior officers and directors and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Corporation's culture, strategy and control environment;
2. Designate amount of remuneration which shall be in a sufficient level to attract and retain directors and officers who are needed to run the Corporation successfully;
3. Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration and benefit packages of individual directors, if any, and officers;
4. Develop a form on Full Business Interest Disclosures as part of the pre-employment requirements for all incoming officers, which among others compel all officers to declare under the penalty of perjury all their existing



- business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired;
5. Disallow any director to decide on his or her own remuneration;
  6. Provide in the Corporation's annual reports, information and proxy statement a clear, concise and understandable disclosure of aggregate compensation of its executive officers for the previous fiscal year and ensuring year;
  7. Review existing Human Resources Development or Personal Handbook, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts;
  8. Review the policies on and the management of retirement and retirement funds of the Hospital, corporate officers and employees; and
  9. Perform any other functions required to carry out its responsibilities under this Charter.
  10. The Committee shall also perform such other functions as are delegated to it by the Board.

#### **IV. Criteria**

The Committee shall seek candidates to serve as directors of the Corporation who possess the knowledge, experience, skill and expertise to make a significant contribution to the Corporation and its shareholders that are relevant to the Corporation's business concern. It shall ensure that the candidates it nominates possess all the qualifications and none of the disqualifications in accordance with the Corporation's By-Laws, Revised Corporation Code, Manual of Corporate Governance and relevant laws, rules and regulations. In addition, the Committee shall ensure that there is an appropriate mix of competence and expertise amongst the directors.

In reviewing and evaluating the qualifications of the candidates for directorship, the Committee shall be guided with the following guidelines:

1. Ownership of at least one (1) share of the capital stock of the Corporation;
2. A college degree or its equivalent or adequate competence and understanding of the fundamentals of doing business or sufficient experience and competence in managing a business to substitute for such formal education;
3. Relevant qualification, such as previous business experience, membership in good standing in relevant industry, and membership in business or professional organizations;
4. Possesses the knowledge, skills, experience, and particularly in case of non-executive directors, independence of mind given their responsibilities to the Board and in light of the Corporation's business and risk profile;



5. Possesses integrity, probity, diligence, loyalty and assiduousness in the performance of his functions;
6. Has the sufficient time to carry out the responsibilities of the directorship;
7. Has the ability to promote a smooth interaction among board members;
8. Has the willingness to assume the fiduciary responsibilities of a director;
9. Directorships in other companies, taking into account the following:
  - a. The nature of the business of the other companies;
  - b. The number of directorships in other companies;
  - c. Any possible conflict of interest; and
  - d. The age of the director;
10. If the beneficial equity ownership of an independent director in the Corporation or its subsidiaries and affiliates exceeds two percent (2%) of its subscribed capital stock; and
11. The term limit set for independent directors under applicable laws, rules and regulations.

#### **V. Meetings**

The Committee shall meet as often as its members may deem necessary and appropriate in order to perform its functions, but not less than two (2) meetings in a year at a time and place determined by its Chairman.

The meetings of the Committee shall be conducted in accordance with the provisions of the By-Laws of the Corporation and this Charter.

The quorum necessary for the transactions of business shall be a majority of the total Committee membership. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion vested in or exercisable by the Committee.

The Committee shall appoint a Secretariat who shall issue notices and agenda for the meetings; disseminate meeting materials, if necessary; prepare minutes of the meetings of the Committee and keep books and records of the Committee. Any such books and records shall be open for inspection by any Member of the Committee upon reasonable prior notice during business hours of the Corporation.

The Committee shall report matters or issues which require immediate attention and resolution by the Board and make such recommendations with respect thereto which the Committee deems necessary or appropriate.

#### **VI. Resources of the Committee**

The Committee may request that any Director, Corporate Officer or employee of the Corporation or other persons whose advice and counsel are sought by the





Committee to attend any of its meetings to provide such pertinent information as the Committee may require.

The Committee has the sole authority to appoint, retain and terminate, as it deems necessary or appropriate, any legal advisor or other consultants, including search firms or other professionals to advise and assist the Committee in fulfilling its duties and responsibilities. The Committee shall approve the fees to be paid as well as the terms of engagement.

#### **VII. Remuneration of Members**

No fees or other remuneration shall be payable to the Members of the Committee in respect of their services provided in connection with the Committee or in respect of their attendance at meetings of the Committee, except the per diem or remuneration authorized and approved by the Board of any fees or remuneration to such Member/Advisor that would otherwise be entitled to in his capacity as consultant, advisor or employee of the Corporation.

#### **VIII. Performance Assessment**

The Committee shall conduct an annual self-assessment of its performance, including the performance of its individual Members. The assessment shall be prepared to compare the performance of the Committee with the requirements of its Charter, and to set forth the goals and objectives of the Committee for the ensuing year and include any recommendation to the Board on any improvement to the Charter deemed necessary by the Committee.

#### **IX. Amendments**

This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by resolutions of the Board.

#### **X. Effectivity**

This Charter shall take effect immediately upon approval by the Board and shall apply prospectively.

Date of Approval by the Board: DEC 09 2024

Certified by:

  
**Atty. German Q. Lichauco II**  
Corporate Secretary