



## CALL FOR NOMINATIONS

### Board of Directors

The terms of the current Board of Directors including its three Independent Directors will expire on 31 August 2023. Hence, this is an official call for nomination to the ASIA PACIFIC MEDICAL CENTER (APMC) – AKLAN BOARD OF DIRECTORS, formerly known as ACEMC- Aklan.

We are inviting all the investors/stockholders of APMC-AKLAN to nominate candidates for the Board who meet the following qualifications:

- I. Ownership of at least two hundred (200) blocks\* of shares of the capital stock of the Corporation standing in his name in the books of the Corporation at the time of his election;
- II. 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;
- III. Relevant qualification, such as previous business experience, membership in good standing in relevant industry, and membership in business or professional organizations;
- IV. Integrity, probity and diligence and assiduousness in the performance of his functions.

For Independent Directors, beneficial equity ownership in the Corporation or in its related companies, which must not exceed two percent (2%) of the outstanding capital stock

The following shall be considered as grounds for the permanent disqualification of a director:

- A. Any person convicted by final judgment or order by a competent judicial or administrative body of any crime that:
  - i) involves the purchase or sale of securities, as defined in the Securities Regulation Code;
  - ii) arises out of the person's conduct as an underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker; or
  - iii) arises out of his fiduciary relationship with a bank, quasi-bank, trust company, investment house or as an affiliated person of any of them;
- B. Any person who, by reason of misconduct, after hearing, is permanently enjoined by a final judgment or order of the SEC, Bangko Sentral ng Pilipinas (BSP) or any court or administrative body of competent jurisdiction from:



- i) Acting as underwriter, broker, dealer, investment adviser, principal distributor, mutual fund dealer, futures commission merchant, commodity trading advisor, or floor broker;
- ii) Acting as director or officer of a bank, quasi-bank, trust company, investment house, or investment company or as an affiliated person of any of them;
- iii) Engaging in or continuing any conduct or practice in any of the capacities mentioned in sub-paragraphs (a) and (b) above, or willfully violating the laws that govern securities and banking activities.

The disqualification should also apply if:

- 1) such person is the subject of an order of the SEC, BSP or any court or administrative body denying, revoking or suspending any registration, license or permit issued to him under the Revised Corporation Code of the Philippines, Securities Regulation Code or any other law administered by the SEC or BSP, or under any rule or regulation issued by the Commission or BSP;
  - 2) such person has otherwise been restrained to engage in any activity involving securities and banking; or
  - 3) such person is the subject of an effective order of a self-regulatory organization suspending or expelling him from membership, participation or association with a member or participant of the organization;
- C. Any person convicted by final judgment or order by a court, or competent administrative body of an offense involving moral turpitude, fraud, embezzlement, theft, estafa, counterfeiting, misappropriation, forgery, bribery, false affirmation, perjury or other fraudulent acts;
- D. Any person who has been adjudged by final judgment or order of the SEC, BSP, court, or competent administrative body to have willfully violated, or willfully aided, abetted, counseled, induced or procured the violation of any provision of the Corporation Code, Securities Regulation Code or any other law, rule, regulation or order administered by the SEC or BSP;
- E. Any person judicially declared as insolvent;
- F. Any person found guilty by final judgment or order of a foreign court or equivalent financial regulatory authority for acts, violations or misconduct similar to any of the acts, violations or misconduct enumerated above;

\*1 block is equivalent to 10 shares



- G. Conviction by final judgment of an offense punishable by imprisonment for more than six years, or a violation of the Revised Corporation Code of the Philippines and Securities Regulation Code committed within five years prior to the date of his election or appointment; and
- H. Other grounds as the SEC may provide pursuant to the provisions of the Revised Corporation Code of the Philippines, Securities Regulation Code and other related laws.

In addition, the following shall be grounds for temporary disqualification of a director:

- A. Absence in more than fifty percent (50%) of all regular and special meetings of the Board during his incumbency, or any 12-month period during the said incumbency, unless the absence is due to illness, death in the immediate family or serious accident. The disqualification should apply for purposes of the succeeding election;
- B. Dismissal, termination or removal for cause as director of any publicly-listed company, public company, registered issuer of securities and holder of a secondary license from the Commission. The disqualification should be in effect until he has cleared himself from any involvement in the cause that gave rise to his dismissal, termination or removal;
- C. If the beneficial equity ownership of an independent director (ID) in the corporation or its subsidiaries and affiliates exceeds two percent (2%) of its subscribed capital stock. The disqualification from being elected as an ID is lifted if the limit is later complied with; and
- D. If any of the judgments or orders cited in the grounds for permanent disqualification has not yet become final

Independent Directors shall, apart from their fees and shareholdings, be independent from Management and free from any business or other relationship which would, or could reasonably be perceived to, materially interfere with the exercise of independent judgment in carrying out his responsibilities as a Director of the Corporation. For this purpose, an Independent Director shall submit to the Corporate Secretary a letter of confirmation stating that he holds no interests affiliated with the Corporation, Management or controlling shareholder at the time of his election or appointment and/or re-election as a Director.



An Independent Director refers to a person who, ideally:

- a. Is not, or has not been a senior officer or employee of APMC-AKLAN unless there has been a change in the controlling ownership of the Company;
- b. Is not, and has not been in the three years immediately preceding the election, a director of APMC-AKLAN; a director, officer, employee of the covered Company's subsidiaries, associates, affiliates or related companies; or a director, officer, employee of the covered Company's substantial shareholders and its related companies;
- c. Has not been appointed in APMC-AKLAN, its subsidiaries, associates, affiliates or related companies as Chairman "Emeritus," "Ex-Officio" Directors/Officers or Members of any Advisory Board, or otherwise appointed in a capacity to assist the Board in the performance of its duties and responsibilities within three years immediately preceding his election;
- d. Is not an owner of more than two percent (2%) of the outstanding shares of APMC-AKLAN, its subsidiaries, associates, affiliates or related companies;
- e. Is not a relative of a director, officer, or substantial shareholder of APMC-AKLAN or any of its related companies or of any of its substantial shareholders. For this purpose, relatives include spouse, parent, child, brother, sister and the spouse of such child, brother or sister;
- f. Is not acting as a nominee or representative of any director of APMC-AKLAN or any of its related companies;
- g. Is not a securities broker-dealer of listed companies and registered issuers of securities. "Securities broker-dealer" refers to any person holding any office of trust and responsibility in a broker-dealer firm, which includes, among others, a director, officer, principal stockholder, nominee of the firm to the Exchange, an associated person or salesman, and an authorized clerk of the broker or dealer;
- h. Is not retained, either in his personal capacity or through a firm, as a professional adviser, auditor, consultant, agent or counsel of APMC-AKLAN, any of its related companies or substantial shareholder, or is otherwise independent of Management and free from any business or other relationship within the three years immediately preceding the date of his election;
- i. Does not engage or has not engaged, whether by himself or with other persons or through a firm of which he is a partner, director or substantial shareholder, in any transaction with APMC-AKLAN or any of its related companies or substantial shareholders, other than such transactions that are conducted at arm's length and could not materially interfere with or influence the exercise of his independent judgment;



- j. Is not affiliated with any non-profit organization that receives significant funding from APMC-AKLAN or any of its related companies or substantial shareholders; and
- k. Is not employed as an executive officer of another Company where any of APMC-AKLAN's executives serve as directors. Related companies, as used in this section, refer to (a) the covered entity's holding/parent Company; (b) its subsidiaries; and (c) subsidiaries of its holding/parent Company.

An Independent Director shall be disqualified during his tenure under the following instances or causes:

- 1) He becomes an officer or employee of the Corporation or becomes any of the persons enumerated above;
- 2) His beneficial security ownership in the Corporation or in its related companies exceeds two percent (2%), in which case the Corporation shall forthwith cease to consider him as an Independent Director until his beneficial security ownership is reduced to two percent (2%) or lower.
- 3) He fails to meet the attendance requirement as set forth under this code and/or in the Corporation's By-laws

An Independent Director shall also possess the qualifications and none of the disqualifications for an Independent Director under the Philippine Requirements provided and except that, when relevant in the application of the qualifications and disqualifications, a "substantial stockholder" shall mean a stockholder who possesses the power to direct or govern, directly or indirectly, the financial and operating policies of the Corporation so as to obtain benefits from its activities.

All nominees must be willing to serve the Board from August 2023 to April 2024.

**All nominations for Directors and Independent Directors shall be submitted to the Nominations Committee and/or Corporate Governance Committee through any of the Members or to the Corporate Secretary of the Corporation. Deadline will be on 15 July 2023.**

The nomination shall be in writing duly signed by the nominating stockholder or representative duly authorized in writing, with the written acceptance and conformity of the nominee. The nomination must indicate whether the nominee is intended to be an independent director and shall contain the nominee's age, educational attainment, and full disclosure of work and/or business experience and/or affiliations. The attached Nomination Form may be used for convenience. In addition to the Nomination Form, the Nominees for Independent Directors shall also submit a Certificate of Qualification a format of which is also attached herewith.



The Nomination Committee shall pre-screen the qualifications of the nominees on the basis of the nominations and/or supporting papers and prepare a final list of candidates containing all relevant information about the nominees, and indicate the nominees for independent directors, if any. In the unlikely event that no one among the stockholders who made the nominations indicated any particular candidate as nominee for independent director, the Committees shall endorse by majority vote of their members the nominees for independent directors who meet the guidelines/criteria set by the SEC and other relevant laws.

If there is not enough nominees for directors and/or independent directors, the Nominations and/or Corporate Governance Committees, jointly or separately, as may be agreed upon among the members, may by majority vote nominate such number of nominees for the said position/s and include them in the final list to be submitted at the stockholders' meeting.

The final list shall be included in the information statement to be sent to all stockholders.

Noted by:

**SGD. Dr. Darcy A. Quindor**  
**Head, Nominations and Election Committee**

**For more inquiries, please contact the Corporate Secretary:**

**Dr. Marsha Lourdes P. Conanan-Morato**

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