
JACKSTONES, INC.

593 Antonio Drive, Bagumbayan, Taguig City 1630

<u>NOMINATION AND ELECTION POLICY</u>	Version No:
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Section 1. Purpose.

The present Nomination and Election Policy (“**Policy**”) contains the principles, rules and procedures to be followed and observed in the nominations and election for Directors of Jackstones, Inc. (“**Corporation**”).

Section 2. Guiding Principles.

The Corporation hereby declares the following as its basic guiding principles for the Policy:

- a. All regular and active stockholders of the Corporation shall be provided equal opportunity to serve as Director of the Corporation;
- b. The rights of the stockholders to select their leaders shall be upheld through transparency and fairness of the nominations and election process
- c. The nominated and elected Directors of the Corporation have served and shall serve for the best interest of the Corporation.

Section 3. Qualifications of the Candidates for Nomination and Election.

Any regular and active stockholder of the Corporation in good standing for at least two (2) years before the Nomination and Compensation Committee (“**Committee**”) opens the floor for nomination and election of the Directors of the Corporation may be nominated as a candidate.

In addition, he or she must possess the following qualifications:

- a. Must be of good standing, without any unpaid subscription to the Corporation; and
- b. Must not have a negative record regarding his/her ethical behavior.

Further, the following additional qualifications must be possessed by the candidates for Independent Directors pursuant to the Guidelines on the Nomination and Election of Independent Directors under SEC Memorandum Circular No. 16-02 dated 28 November 2002:

- a. He shall be at least a college graduate or he shall have been engaged or exposed to the business of the corporation for at least five (5) years;
- b. He shall possess integrity/probity; and
- c. He shall be assiduous.

In addition, said candidates for Independent Directors must not possess the following disqualifications during his tenure under the following instances or causes:

- a. He becomes an officer or employee of the Corporation, or becomes any of the persons enumerated as follows:
 - a director or officer or substantial stockholder of the corporation or of its related companies or any of its substantial shareholders;
 - a relative of any director, officer or substantial shareholder of the corporation, any of its related companies or any of its substantial shareholders. For this purpose, relatives

- includes spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;
- acting as a nominee or representative of a substantial shareholder of the corporation, any of its related companies or any of its substantial shareholders;
 - employed in any executive capacity by that public company, any of its related companies or by any of its substantial shareholders within the last five (5) years;
 - retained as professional adviser by that public company, any of its related companies or any of its substantial shareholders within the last five (5) years, either personally or through his firm;
 - engaged and does not engage in any transaction with the corporation or with any of its related companies or with any of its substantial shareholders, whether by himself or with other persons or through a firm of which he is a partner or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arm's length and are immaterial or insignificant.
- b. His beneficial security ownership exceeds 10% of the outstanding capital stock of the company where he is such director;
- c. Fails, without any justifiable cause, to attend at least 50% of the total number of Board meetings during his incumbency unless such absences are due to grave illness or death of an immediate family.
- d. Such other disqualifications which the Corporation's other policy may provide.

Section 4. Nominations for Directors of the Corporation.

- a. *Opening of the Floor for Nominations.* The President of the Corporation shall announce through the Committee at least four (4) months before the scheduled Annual Stockholders' Meeting of the Corporation that the floor for the nomination of the Directors for the succeeding fiscal year is open. Such announcement of the Committee shall be announced through the website of the Corporation and through the public disclosures in the Philippine Stock Exchange.
- b. *Nomination Requirements.* Any active and regular stockholders of the Corporation may nominate a maximum of three (3) candidates. Nomination must be done in writing together with the information required by the Committee as may be included in the said announcement. The Committee can adopt other nomination requirements provided they are in accordance with the Corporation's By-laws and with the principles of this Policy.
- c. *Nomination Process.* Any active and regular stockholders of the Corporation shall send the nominations to the Committee via the email account included in the announcement.

For the verification of the said nomination made, the following details shall be provided:

For individual Stockholders:

1. Complete Name (*Last Name, First Name, Middle Name*)
2. Birthdate
3. Address
4. Mobile Number
5. Phone Number
6. Email Address
7. Current photograph of the Stockholder, with the face fully visible (*uploaded in PDF or JPEG format*);
8. Valid government-issued ID exhibiting the signature of the Stockholder (*uploaded in PDF or JPEG format*);

9. For Stockholders with joint accounts: A scanned copy of an authorization letter signed by all Stockholders, identifying who among them is authorized to cast the vote for the account (*uploaded in PDF or JPEG format*);

For corporate/organizational Stockholders:

1. SEC/DTI Registered Name
 2. Address
 3. Mobile Number
 4. Phone Number
 5. Email Address
 6. Complete Name (*Last Name, First Name, Middle Name*) of the individual authorized to cast the vote for the account (the "Authorized Voter")
 7. Current photograph of the individual authorized to cast the vote for the account (the "Authorized Voter")
 8. Valid government-issued ID of the Authorized Person exhibiting his or her signature (*uploaded in PDF or JPEG format*)
 9. A scanned copy of the Secretary's Certificate or other valid authorization in favor of the Authorized Person(*uploaded in PDF or JPEG format*)
- d. *Nomination Period and the Close of the Floor for Nominations.* The Committee shall accept nominations until the close of the floor thereof. The floor for nomination shall close two (2) months after the said announcement made by the Committee.
- e. *Screening of Nominees.* The Committee, upon receiving the nomination, will immediately screen the nominees based on the eligibility rules under Section 2 and 3 of this Policy. The Committee can adopt other screening criteria provided they are in accordance with the Corporation's By-Laws and with the principles of this Policy.
- The Committee shall inform the nominee of his/her nomination in writing or via email. The nominee must accept in writing to acknowledge the nomination and affirm his/her intention to pursue office. This acceptance document (signed document or email) must be forwarded to the Committee within five (5) working days from receipt of such notice thereof. The Committee can only include in the candidates' roster those who have acknowledged and accepted their nominations.
- f. *Candidates Profiles.* The Committee shall request the candidates to fill out a profile sheet to gather information about their personal and professional background. At least two (2) weeks after the close of the floor for nominations, the Committee shall publish through the Corporation's website the profiles of the candidates.

Section 5. Elections of Directors.

- a. *Place and Time of Elections.* Elections shall be conducted during the Corporation's Annual Stockholders' Meeting.
- b. *Member's Eligibility to Vote.* Only stockholders as of a certain record date to be announced by the Corporation shall be eligible to vote.
- c. *Acceptable Manner of Voting.* All eligible stockholders of the Corporation shall vote in person or in absentia, in accordance with the manner of voting adapted by the Corporation as announced in its Definitive Information Statement.

- d. *Absentee Voting.* Absentee voting shall be allowed subject to the terms and conditions that the Corporation may issue and promulgate.
- e. *Declaration of Winners.* The winners shall be declared by the Committee before the end of the Annual Stockholders' Meeting.
- f. *Election Protests.* Any active stockholder can file within twenty-four (24) hours an election protest, in writing, addressed to the Committee. All election protests shall be resolved by the Committee within five (5) working days after the receiving the written protest.

Section 6. Changes to the Procedures Provided.

The Committee may alter and revise the above mentioned rules and procedures and adopt and implement others rules and procedures provided, that at all times, they are in accordance or aligned with the Corporation's By-laws and this Policy.

Section 7. Effectivity.

This Policy shall take effect upon approval of the Board of Directors.