

**CHARTER OF THE  
NOMINATION, COMPENSATION, AND PERSONNEL COMMITTEE**

**1.0. RATIONALE**

The Board of Directors (the “Board”) of Citicore Energy REIT Corp. (the “Company”), in pursuit of good corporate governance, hereby constitutes a Nomination, Compensation, and Personnel Committee (“NCPC”) and adopts this NCPC Charter (this “Charter”) to govern its oversight functions and activities.

**2.0. COMPOSITION OF THE NCPC**

**2.1. Membership**

The NCPC shall have three (3) members, composed of three (3) Directors, who shall be appointed by the Board on an annual basis. At least one (1) member of the NCPC shall be an independent director.

The Board shall appoint the Chairman and Vice-Chairman of the NCPC. Further, the Corporate Secretary of the Company or any of his/her designated assistant/s shall act as the Secretary of the NCPC’s meetings.

The members of the NCPC shall serve at the pleasure of the Board, and under such terms as the Board may determine. The members of the NCPC may be removed, with or without cause, by the action of the Board.

**2.2. Role of the Chairman**

The Chairman shall provide leadership in the NCPC and ensure that it is properly performing its duties and responsibilities. The Chairman shall, among others:

- s. preside over meetings;
- t. approve the agenda of each meeting;
- u. convene or cancel meetings when, in his/her reasonable opinion, the same is warranted;
- v. ensure that sound decisions are being made, which are in accordance with the direction of the Board and the policies of the Company;
- w. encourage and promote open dialogue during meetings, where dissenting views may be expressed and discussed; and
- x. ensure that members of the NCPC receive accurate, timely, and relevant information necessary to carry out its functions.

**2.3. Role of the Vice-Chairman**

In the absence or inability of the Chairman to perform his/her role, the Vice-Chairman shall act in his/her stead, and shall have the authority to exercise the powers and fulfill the duties of the Chairman.

The Vice-Chairman shall also perform any tasks or responsibilities delegated to him/her by the Chairman or the Board.

**2.4. Role of the Secretary**

The Corporate Secretary of the Company or his/her designated assistant/s shall serve as the Secretary of the NCPC. The following are the key responsibilities of the Secretary:

- m. draft the agenda for each meeting and have the same reviewed by the Chairman or, in his/her absence, the Vice-Chairman;
- n. send notices and agendas of the meetings at least five (5) calendar days before the actual date of the meetings;
- o. take the minutes of the meetings and keep in his/her custody any and all documents and records pertaining to the NCPC and its meetings; and
- p. perform other tasks and duties as assigned by the Chairman.

**3.0 POWERS AND RESPONSIBILITIES OF THE NCPC****3.1. Powers and Functions**

The NCPC shall exercise the following powers and functions with regard to the Board's duties on:

- a. the nomination and election process of Directors, where the NCPC shall be tasked to implement guidelines and standards for its members that will facilitate the selection of potential nominees for Board seats, and to serve as a benchmark for the evaluation of the said nominee's qualifications. The process shall be transparent and include a procedure for accepting nominations from minority shareholders and vetting nominated candidates;
- b. the selection and supervision of executive officers and senior managers, which allows the NCPC to identify, recommend, recruit, vet, and interview qualified and competent individual, who fit the requirements of the Company;
- c. determining the appropriate compensation of Directors, executive officers, and senior managers, where the NCPC is tasked to oversee the establishment and administration of the Company's compensation program, and align the remuneration of its Directors, executive officers, and senior managers with its long-term interests. The NCPC shall also formulate and adopt a policy which takes into account the relationship between remuneration and performance; and
- d. providing the overall strategic direction and guidance on the human resources management of the Company, by monitoring and supervising the human resources department of the Company.

Moreover, the Board of the Company has delegated to the NCPC the authority to approve all transactions, policies, procedures, rules, regulations, and all other activities, which are necessary, in relation, or incidental to its powers, functions, roles, and responsibilities, as provided in the Charter.

**3.2. Roles and Responsibilities**

Pursuant to the powers and functions of the NCPC, its key roles and responsibilities, shall include, but not be limited to, the following:

- a. recommend the continuing education or training programs for directors, assignment of tasks or projects to Board committees, and adoption of succession plan for the members of the Board;

- b. develop a criterion for identifying, selecting, and evaluating candidates for the Board, executive officers, or senior managers. The NCPC may also recruit and vet individuals for such positions by themselves or secure the assistance of an executive search firm, if necessary;
- c. receive nominations of candidates for election as directors from the Board or the Company’s stockholders either by electronic mail, regular mail, or personal delivery. Moreover, it shall review and evaluate the qualifications of all persons nominated to the Board, in relation to the criteria set forth in the Company’s By-Laws, the Revised Corporation Code of the Philippines (“RCC”), and other applicable laws, rules, and regulations;
- d. conduct a periodic review of the Board’s committee structure, including evaluation of board size, composition and activities, practices, committees and committee membership. Review and recommend to the Board concerning qualifications, appointment, removal and replacement of directors and committee members. The process shall also include monitoring the qualifications of the directors and the grounds for the disqualification of a director;
- e. oversee and evaluate the Company’s human resource planning process and succession plans for the Chief Executive Officer (“CEO”) and other senior executive positions. Recommend for Board approval short-listed candidates for these positions;
- f. evaluate the performance of the CEO, approve annual salary, bonus and other incentive awards, remuneration or executive benefits to the CEO. It shall also review and approve senior officers’ salary, bonus and awards based on the NCPC’s established criteria and oversees regulatory compliance with respect to these compensation matters. Review and approve any severance or similar termination payments proposed to be made to any current or former member of senior officers of the Company;
- g. review periodically and make recommendations to the Board concerning the level/status of the Board compensation in relation to best practices of other similarly situated companies; and
- h. monitor and oversee the execution of the following responsibilities of the human resources department of the Company:
  - i. engagement of the right talent for the organizational and manpower needs of the Company, which includes the implementation of manpower planning and talent management processes in order to review qualified internal talents and external candidates, and continuously build the talent pool and succession plans of the Company;
  - ii. conduct of regular organizational reviews to ensure that the respective job profiles and manning levels are aligned to support the achievement of the Company’s strategic objectives and priorities;
  - iii. develop a compensation and benefits programs to motivate, reward, and retain top talents and outstanding performers, as well as implement a holistic employee relations program to effectively manage labor-related issues and concerns; and
  - iv. produce or update appropriate policies in relation to human resources and ensure proper implementation and management of such policies across organization.



#### 4.0. POLICIES AND PROCEDURES OF THE NCPC

##### 4.1. Meetings

- a. **Schedule.** The NCPC shall meet at least once every calendar quarter and at such dates, times, and places, as deemed appropriate by the Chairman or upon the request of a majority of its members.
- b. **Attendance.** All members are expected to attend meetings of the NCPC. They are required to attend in person, but in special circumstances are allowed to be present by means of video conference, teleconference, or other electronic means. Should any member, advisor, or observer participate in a meeting of the NCPC through teleconference or video conference, all persons participating in the meeting should be able to hear each other.
- c. **Quorum.** The quorum for any meeting of the NCPC shall be at least a majority of the members present throughout the meeting, and every decision of a majority of those present in which there is a quorum shall constitute a valid and effective act or decision of the NCPC. However, in no case shall a meeting proceed without the presence of the Chairman or, in his/her absence, the Vice-Chairman.
- d. **Notices and Agendas.** The Secretary shall send notice of each meeting to the members of the NCPC at least five (5) calendar days before any such meeting, specifying the place, date and time, and the agenda thereof.

The agenda of the NCPC's meetings shall be prepared by the Secretary and approved by the Chairman or, in his/her absence, the Vice-Chairman. The agenda shall include, among others, the following: (i) updates on previous action items or deliverables from the previous meeting of the NCPC; (ii) review of strategic initiatives; (iii) core matters for discussion by the NCPC; and (iii) any other items, as determined by the NCPC and/or the Chairman or the Vice-Chairman, as the case may be, of the NCPC.

- e. **Other Invitees.** The NCPC may invite officers, employees, or any members of the departments or teams of the Company to attend or report during its meetings.
- f. **Minutes and Records.** The Secretary shall prepare the minutes of the NCPC meetings and take custody of its records. Such records shall be open for inspection by any member upon reasonable prior notice and during office hours. The minutes of any meeting shall be signed by the NCPC's Chairman and the members present during the meeting.

##### 4.2. External Advisors and Access to Information

- a. **Engagement of External Advisors.** In carrying out its duties or responsibilities, the NCPC may directly engage external advisors, such as, but not limited to, legal and accounting, and audit. The Company shall provide the necessary funding therefor, as recommended by the NCPC. The advisors may be required by the NCPC to submit written opinions or to attend any part of its meetings. Any members of the NCPC may, however, ask for the exclusion of any advisor from its meetings.
- b. **Access to Information and Employees.** The NCPC is empowered to inquire, should it deem necessary or appropriate, any matter in relation to its purpose, duties or responsibilities and shall have full and direct access to all books, records, facilities, and personnel of the Company.

**4.3. Performance Evaluation**

The NCPC shall review its performance annually with respect to the fulfillment of its duties, functions, and responsibilities, as mandated by this Charter.

**4.4. Review of this Charter**

This Charter shall be reviewed at least annually by the Board to ensure its continuing adequacy and consistency with its direction or initiatives, including the Company’s policies and programs. Furthermore, the provisions of this Charter will be modified, to the extent necessary, to comply with the Revised Corporation Code of the Philippines, or any amendments thereto, its implementing rules and regulations, and circulars, as well as other applicable local and foreign laws.

**4.5. Approval and Effectivity of this Charter**

This Charter was approved by the Board on 26 July 2021 and shall take effect immediately upon such approval.