

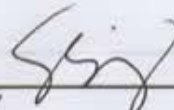
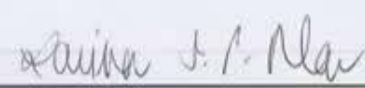
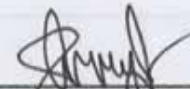
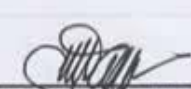
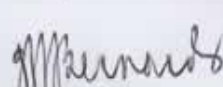
ANNUAL CORPORATE GOVERNANCE REPORT OF
OPTIMUM MEDICAL AND HEALTHCARE SERVICES, INC.

1. For the fiscal year ended: 2021
2. Certificate of Authority Number: HMO-2020-19-R
3. National Capital Region, Philippines
(Province, Country or other jurisdiction of incorporation or organization)
4. Suite 705-C Atlanta Centre, #31 Annapolis St., San Juan City 1502
(Address of principal office) (Postal Code)
5. (+632) 77297968
(Company's telephone number, including area code)
6. www.optimumhealthcareinc.com
(Company's official website)
7. Not Applicable
(Former name, former address, and former fiscal year, if changed since last report)

CERTIFICATION

The undersigned certify that the responses and explanations set forth in the above Company's Annual Corporate Governance Report are true, complete and correct of our own personal knowledge and/or based on authentic records.

Signed in the City of _____ on _____.

 DR. GERALD SY President/CEO and Chairman Signature over printed name	 DR. LARISSA ISABEL BLAS Director and Corporate Secretary Signature over printed name
 DR. SHERRY LEE Director and Corporate Governance Compliance Officer Signature over printed name	 DR. RENÉ CHAN Independent Director Signature over printed name
 DR. CONNIE BERNARDO Independent Director Signature over printed name	

MAY 23 2022

SUBSCRIBED AND SWORN to before me this _____ by the following who are all whom I have identified through competent evidence of identity and who exhibited to me their respective identification document as follows:

Name	I.D. No.	Date/Place Issued or Until:
1. Gerald Sy	PRC#0069844	March 19, 2024
2. Larissa Isabel Blas	PRC#0086320	April 1, 2022
3. Sherry Lee	PRC#0091296	July 13, 2023
4. Rene Chan	PRC#0064479	August 1, 2022
5. Connie Bernardo	PRC#0074468	December 12, 2024

Doc No: 270
Page No: 55
Book No: 147
Series of 2022

ATTY. JOSHUA P. LAPUZ
 Notary Public for Makati City
 Appointment #M-019 until 12/31/2023
 PTR No. 8852510 - Jan. 3, 2022 Makati City
 Roll No. 45790, IBP Lifetime #048977-3-03
 MCLE No. VI-0016565/ Jan. 14 2019
 G/F Fedman Suites, 159 Salcedo Street
 Legaspi Village, Makati City

ANNUAL CORPORATE GOVERNANCE REPORT			
	COMPLIANT/ NON- COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
The Board's Governance Responsibilities			
Principle 1: The company should be headed by a competent, working board to foster the long- term success of the corporation, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the long- term best interests of its shareholders and other stakeholders.			
Recommendation 1.1			
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.	Compliant	The Board represents a diverse mix of professionals equipped with the necessary competencies to properly discharge his/her duties and to exercise independent judgment on various matters requiring board ratification. The members of the current Board are experienced in their chosen field of medicine, insurance and business. Click Here for the Corporate Governance Manual	
2. Board has an appropriate mix of competence and expertise.	Compliant		
3. Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant		
Recommendation 1.2			
1. Board is composed of a majority of non-executive directors.	Non-Compliant		All members of the Board of Directors are executives and there are two (2) non-executive directors who are also independent directors.
Recommendation 1.3			
1. Company provides in its Board Charter and Manual on Corporate Governance a policy on training of directors.	Compliant	Found on the topic: Responsibilities of a Director, page 12, letter (i) of the	

2. Company provides in its Board Charter or Manual on Corporate Governance an orientation program for first time directors.	Compliant	enumeration in the Corporate Governance Manual Click Here for the Corporate Governance Manual	
3. Company has relevant annual continuing training for all directors.	Compliant	Click Here for the Certificates of Participation	
Recommendation 1.4			
1. Board has a policy on board diversity.	Compliant	The board is composed of experts in the field of medicine, business and insurance. Diversity is present in the various fields of expertise, gender representation and varying degrees of professional experience. Click Here for the Corporate Governance Manual	
Recommendation 1.5			
1. Board is assisted by a Corporate Secretary.	Compliant	The Corporate Secretary is Dr. Larissa P. Blas and the Compliance Officer is Dr. Sherry Lim Lee. Both are members of the Board and shareholders.	
2. Corporate Secretary is a separate individual from the Compliance Officer.	Compliant		
3. Corporate Secretary is not a member of the Board of Directors.	Non-Compliant	Click Here for the Corporate Governance Manual	Considering the size of the company and present circumstances, there is still no need to have a corporate secretary separate from Dr. Larissa Blas who is at the same time, a member of the Board.
4. Corporate Secretary attends training/s on corporate governance.	Compliant	Click Here for the Certificates of Participation	
Recommendation 1.6			
1. Board is assisted by a Compliance Officer.	Compliant	The Compliance Officer is Dr. Sherry Lim Lee, a member of the Board, an officer and also a shareholders.	
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation.	Compliant		

3. Compliance Officer is not a member of the board.	Non-Compliant	Click Here for the Corporate Governance Manual	Considering the size of the company and present circumstances, there is still no need to have a compliance officer separate from Dr. Sherry Lim, who at the same time, is a member of the Board.
4. Compliance Officer attends training/s on corporate governance annually/	Compliant	Click Here for the Certificates of Participation	

Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company's articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.

Recommendation 2.1

1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company.	Compliant	Found on the topic: Board Responsibility for Good Governance in the Corporate Governance Manual Click Here for the Corporate Governance Manual	
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Recommendation 2.2

1. Board oversees the development, review and approval of the company's business objectives and strategy.	Compliant	Found on the topic: Duties of a Director in the Corporate Governance Manual	
2. Board oversees and monitors the implementation of the company's business objectives and strategy in order to sustain the company's long-term viability and strength.	Compliant	Click Here for the Corporate Governance Manual	

Recommendation 2.3

1. Board is headed by a competent and qualified Chairperson.	Compliant	Found on the topic: Executive Officers; The Chairman of the Board, in the Corporate Governance Manual Click Here for the Corporate Governance Manual	
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Recommendation 2.4

1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	Non-Compliant		Considering the young age of the company, the management is currently in the process of drafting the succession program and retirement policy for the directors and key officers of the company.
2. Board adopts a policy on the retirement for directors and key officers.	Non-Compliant		
Recommendation 2.5			
1. Board formulates and adopts a policy specifying the relationship between remuneration and performance of key officers and board members	Non-Compliant		<p>The board is currently drafting the charter of the personnel and compensation committee which shall provide a clear and written relationship of performance with remuneration.</p> <p>Although there is no written policy about it yet, the board adopts an unwritten policy for remuneration principally based on performance and comparable remuneration based on industry standards. While not in writing, the same is applied by the board as can be seen in the performance of its employees, members of the board and key officers.</p>
2. Board aligns the remuneration of key and board members with long-term interests of the company.	Non-Compliant		
3. Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant		
Recommendation 2.6			
1. Board has a formal and transparent board nomination and election policy.	Compliant	This is found on the topic: Stockholders Rights in the Corporate Governance Manual	
2. Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	Click Here for the Corporate Governance Manual	
3. Board nomination and election policy includes how the company accepted nominations from minority shareholders.	Compliant	New Link: Charter of the Board of Directors	

4. Board nomination and election policy includes how the board shortlists candidates.	Non-Compliant		
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	Non-Compliant		
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	Partially Compliant		Although there is no written policy on the matter yet, the other members of the Board are aware of the qualities needed for prospective directors.
Recommendation 2.7			
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	<p>New Link: Charter of the Board of Directors</p>	<p>While the company has not yet established the RPT Committee, the Board, as a policy, shall make sure that there are no conflicts of interest and all transactions are at arm's length making sure that the company is not put in a disadvantageous position.</p> <p>As a matter of practice, all directors, officers and employees have to declare any interest which could conflict with the Company's interest and abstain from voting or approving on matters in which they have an interest.</p>
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Non-Compliant		
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	Non-Compliant		
Recommendation 2.8			
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	Compliant	<p>This is found on the topic: Executive Officers in the Corporate Governance Manual</p> <p>Click Here for the Corporate Governance Manual</p>	

<p>2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).</p>	<p>Partially Compliant</p>	<p>This is found on the topic: Board Responsibility for Good Governance in the Corporate Governance Manual</p> <p>Click Here for the Corporate Governance Manual</p> <p>New Link: Charter of the Board of Directors</p>	<p>Although contained in the Manual, the company has yet to appoint other heads and therefore could not yet make an assessment for those positions not yet occupied.</p>
<p>Recommendation 2.9</p>			
<p>1. Board establishes an effective performance management framework that ensures that Management, including the Chief Executive Officer performance is at par with the standards set by the Board and Senior Management.</p>	<p>Partially-Compliant</p>	<p>New Link: Charter of the Board of Directors</p>	<p>Although the Board has adopted the policy that all the members of the management has to be evaluated, the board is still currently in the process of consulting a professional in the establishment of a performance framework which would clearly identify KRAs or KPIs of the personnel and even the executives.</p>
<p>2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.</p>	<p>Partially-Compliant</p>		
<p>Recommendation 2.10</p>			
<p>1. Board oversees that an appropriate internal control system is in place.</p>	<p>Compliant</p>	<p>This is found on the topic: Board Responsibility for Good Governance in the Corporate Governance Manual</p> <p>Click Here for the Corporate Governance Manual</p>	
<p>2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members and shareholders.</p>	<p>Compliant</p>		
<p>3. Board approves the Internal Audit Charter.</p>	<p>Non-Compliant</p>		<p>The company is currently drafting the charter of the audit committee and the internal audit charter.</p>

Recommendation 2.11			
1. Board oversees that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	Found on the topic: Duties of a Director, General Responsibilities of Management in the Corporate Governance Manual.	
2. The risk management framework guides the board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant	Click Here for the Corporate Governance Manual	
Recommendation 2.12			
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	Compliant	New Link: Charter of the Board of Directors	
2. Board Charter serves as a guide to the directors in the performance of their functions.	Compliant		
3. Board Charter is publicly available and posted on the company's website.	Compliant		
Principle 3: Board committees should be set up to the extent possible to support the effective performance of the Board's functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.			
Recommendation 3.1			
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	Found on the topic: Board Committees in the Corporate Governance Manual. Click Here for the Corporate Governance Manual New Link: Charter of the Board of Directors	

Recommendation 3.2			
1. Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Non-Compliant		The company is currently drafting the Audit Committee Charter.
2. Audit Committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	Non-Compliant		
3. All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Non-Compliant		
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	Non-Compliant		
Recommendation 3.3			
1. Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Non-Compliant		The company is currently drafting the charter of the Corporate Governance Committee.
2. Corporate Governance Committee is composed of at least three members, all of whom should be independent directors.	Non-Compliant		
3. Chairman of the Corporate Governance Committee is an independent director.	Non-Compliant		
Recommendation 3.4			
1. Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Non-Compliant		The company is currently drafting the charter of the Board Risk Oversight Committee (BROC).

2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	Non-Compliant		
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	Non-Compliant		
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Non-Compliant		
Recommendation 3.5			
1. Board establishes a Related Party Transactions (RPT) Committee, which is tasked with reviewing all material related party transactions of the company.	Non-Compliant		The company is currently drafting the charter of the Related Party Transactions (RPT) Committee.
2. RPT Committee is composed of at least three non-executive directors, two of whom should be independent, including the Chairman.	Non-Compliant		
Recommendation 3.6			
1. All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Non-Compliant		The company is currently drafting the charters of the various committees which shall include their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information, standards for evaluating the performance and will be disclosed on the website.
2. Committee Charters provide standards for evaluating the performance of the Committees.	Non-Compliant		
3. Committee Charters were fully disclosed on the company's website.	Non-Compliant		
Principle 4: To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.			
Recommendation 4.1			

1. The Directors attend and actively participate in all meetings of the Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	Found on the topic: Duties of a Director in the Corporate Governance Manual Click Here for the Corporate Governance Manual	
2. The directors review meeting materials for all Board and Committee meetings.	Compliant		
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant		
Recommendation 4.2			
1. Non-executive directors concurrently serve in a maximum of five publicly-listed companies to ensure that they have sufficient time to fully prepare for minutes, challenge Management's proposals/views, and oversee the long-term strategy of the company.	Compliant	Found on the topic: Policy on Multiple Board Seats in the Corporate Governance Manual Click Here for the Corporate Governance Manual	
Recommendation 4.3			
1. The directors notify the company's board before accepting a directorship in another company.	Compliant	Found on the topic: Responsibilities of a Director, in the Corporate Governance Manual Click Here for the Corporate Governance Manual	
Principle 5: The board should endeavor to exercise an objective and independent judgment on all corporate affairs			
Recommendation 5.1			
1. The Board is composed of at least twenty percent (20%) independent directors.	Compliant	Click Here for the Corporate Governance Manual	The Board has 2 independent directors – Directors Chan and Bernardo

Recommendation 5.2			
1. The independent directors possess all the qualifications and none of the disqualifications to hold the positions.	Compliant	Found on the topic: Board of Directors in the Corporate Governance Manual Click Here for the Corporate Governance Manual	
Recommendation 5.3			
1. The independent directors serve for a maximum cumulative term of nine years. As far as Insurance Companies are concerned, the foregoing term limit shall be reckoned from 02 January 2015 while the reckoning date for the Pre-Need Companies and Health Maintenance Organizations shall be from 21 September 2016. For other covered entities, all previous terms served by existing independent directors prior to the effectivity of this Circular shall not be included in the application of the term limit prescribed in this item.	Compliant	Found on the topic: Independent Directors, in the Corporate Governance Manual Click Here for the Corporate Governance Manual	
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	Compliant	Found on the topic: Independent Directors, in the Corporate Governance Manual Click Here for the Corporate Governance Manual	
3. In the instance that the company retains an independent director in the same capacity after nine years, the board submits to the Insurance Commission a formal written justification and seek shareholders' approval during the annual shareholders' meeting.	Compliant	Found on the topic: Independent Directors, in the Corporate Governance Manual Click Here for the Corporate Governance Manual	

Recommendation 5.4			
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	Non-Compliant		Considering the age and size of the company, the Board has yet to consider appointing the position of CEO to a non-director. While the Chairman and CEO is the same person, the company has enough independent parties to be able to monitor and check the acts of the Chairman/CEO
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	Compliant	Found on the topic: Part III: Management sub-heading Executive Officers; A and B, in the Corporate Governance Manual Click Here for the Corporate Governance Manual	
Recommendation 5.5			
1. If the Chairman of the Board is not an independent director, or where the roles of Chairman and CEO are being held by one person, the Board should designate a lead director among the independent directors.	Non-Compliant		The Company's Chairman is not an ID. Furthermore, the Company has yet to appoint a lead ID but intends to do so and include in the Board Charter.
Recommendation 5.6			
2. Directors with material interest in a transaction affecting the corporation abstain from taking part in the deliberations for the same	Compliant	Found on the topic: Policy on Conflict of Interest, in the Corporate Governance Manual Click Here for the Corporate Governance Manual	
Recommendation 5.7			
1. The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance and risk functions, without any executive directors present to ensure that	Non-Compliant		Considering the age and size of the company, the Board has yet to draft the charter of the audit committee. Nonetheless, the Board still makes sure that proper

proper checks and balances are in place within the corporation.			checks and balances are in place within the corporation.
2. The meetings are chaired by the lead independent director.	Non-Compliant		

Principle 6: The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.

Recommendation 6.1

1. Board conducts an annual self-assessment of its performance as a whole.	Compliant	<p>New Link: Charter of the Board of Directors</p>	<p>The Board adopts a policy to have an annual self-assessment but the assessment due every three years, with the aid of an external facilitator, has yet to be practiced and it shall be integrated into the Board Charter and each committee's charters.</p>
2. The performance of the Chairman is assessed annually by the Board.	Compliant		
3. The performance of the individual member of the Board is assessed annually by the Board.	Compliant		
4. The performance of each committee is assessed annually by the Board.	Non-Compliant		
5. Every three years, the assessments are supported by an external facilitator.	Non-Compliant		

Recommendation 6.2

1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	Compliant	<p>Found on the topic: Board Self-Assessment in the Corporate Governance Manual.</p> <p>Click Here for the Corporate Governance Manual</p>	
2. The system allows for a feedback mechanism from the shareholders.	Compliant	<p>Moreover, the current system allows feedback from the shareholders as they are also members of the Board.</p>	

Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

Recommendation 7.1

1. Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of the company.	Non-Compliant		The Code of Ethical standards is still being discussed and is still being drafted. It shall be disseminated and disclosed to the public through the website.
2. The Code is properly disseminated to the Board, senior management and employees.	Non-Compliant		
3. The Code is disclosed and made available to the public through the company website.	Non-Compliant		
Recommendation 7.2			
1. Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Non-Compliant		The Code of Ethical standards is still being discussed and is still being drafted. Nonetheless, the same is still being monitored and all are enjoined to comply with the existing policies directly relating to ethical standards as found in the manual. At present no one has yet to be found non-compliant.
2. Board ensures the proper and efficient implementation and monitoring of compliance with company internal policies.	Non-Compliant		
Disclosure and Transparency			
Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.			
Recommendation 8.1			
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	Found on the topic: Stockholders Rights in the Corporate Governance Manual. Click Here for the Corporate Governance Manual	
Recommendation 8.3			
1. Board fully discloses all relevant and material information on individual board members to evaluate their experience and	Compliant	Found on the topic Part II: Governance and Policy on Conflict of Interest in the Corporate Governance Manual.	

qualifications, and assess any potential conflicts of interest that might affect their judgment		Click Here for the Corporate Governance Manual	
2. Board fully discloses all relevant and material information on key executives to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.	Compliant		
Recommendation 8.4			
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	Non-Compliant		While policies for board remuneration, executive remuneration and individual remuneration have not been set in writing yet, the company shall create the compensation committee and shall include it in the charter and adopt the recommendation of the latter.
2. Company provides a clear disclosure of its policies and procedure for setting Executive remuneration, including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	Non-Compliant		
3. Company discloses the remuneration on an individual basis, including termination and retirement provisions.	Non-Compliant		
Recommendation 8.5			
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions.	Non-Compliant		The company is still drafting the charter of the RPT Committee. The charter shall provide that the committee report all RPTs in the annual report.
2. Company discloses material or significant RPTs in its Annual Company Report or Annual Corporate Governance Report, reviewed and approved by the Board, and	Non-Compliant		

submitted for confirmation by majority vote of the stockholders in the annual stockholders' meeting during the year.			
Recommendation 8.7			
1. Company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Found on the topic Part II: Governance in the Corporate Governance Manual. Click Here for the Corporate Governance Manual	
2. Company's MCG is posted on its company website.	Compliant		
Principle 9: The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor's independence and enhance audit quality.			
Recommendation 9.1			
1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	Non-Compliant		The company is currently drafting the charter of the audit committee which shall include the process for approving and recommending the appointment, reappointment, removal, fees of the external auditors, the action on the change or removal of whom would be based on the recommendation of the audit committee NS the reasons for the removal or change of the external auditor are disclosed to the regulators and the public through the company website and required disclosures.
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	Non-Compliant		
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosures.	Non-Compliant	Provide information on or link/reference to a document containing the company's reason for removal or change of external auditor.	
Recommendation 9.2			
1. Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors;	Non-Compliant		The company is still drafting the charter of the audit committee.

<p>ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and</p> <p>iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.</p>			
<p>2. Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.</p>	Non-Compliant		
Recommendation 9.3			
<p>1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.</p>	Partially Compliant	<p>New Link: Charter of the Board of Directors</p>	<p>Although the company is still drafting the charter of the audit committee, the disclosure of non-audit services is still being monitored.</p>
<p>2. Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor's objectivity.</p>	Partially Compliant		<p>Although the company is still drafting the charter of the audit committee, the disclosure of non-audit services is still being monitored and made sure that the objectives of the external auditor are not being impaired.</p>
Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.			
Recommendation 10.1			
<p>1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance</p>	Non-Compliant		<p>The charter of the sustainability committee is still being drafted. It shall include and recommend policies including disclosure of</p>

(EESG) issues of its business, which underpin sustainability.			non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business and shall adopt a globally recognized standard/framework in reporting sustainability and non-financial issues
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	Non-Compliant		

Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.

Recommendation 11.1

1. The company should have a website to ensure a comprehensive, cost efficient, transparent, and timely manner of disseminating relevant information to the public.	Compliant	Company website: https://optimumhealthcareinc.com/	
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Internal Control System and Risk Management Framework

Principle 12: To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management framework.

Recommendation 12.1

1. Company has an adequate and effective internal control system in the conduct of its business.	Compliant	Found on the topic Board Responsibility for Good Governance in the Corporate Governance Manual. Click Here for the Corporate Governance Manual	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	Found on the topic Duties of a Director and General Responsibilities of Management in the Corporate Governance Manual. Click Here for the Corporate Governance Manual	

		<p>The Key risks the company is currently facing are:</p> <ol style="list-style-type: none"> 1. Patient safety and medical liability; 2. Financial risks and 3. Operational risks <p>The company manages these risks by:</p> <ol style="list-style-type: none"> a. Accreditation of hospitals/clinics, physicians and specialists b. Orientation of hospitals and clinics re procedures and policies c. Screening/approval of availments d. Compliance with requirements of IC 	
Recommendation 12.2			
1. Company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Compliant	Audit functions of the company are primarily outsourced.	
Recommendation 12.3			
1. Company has a qualified Chief Audit Executive (CAE) appointed by the Board.	Partially Compliant	<p>Found on the topic Part V: Audit and Compliance in the Corporate Governance Manual.</p> <p>Click Here for the Corporate Governance Manual</p>	
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third-party service provider.	Partially Compliant		
3. In case of a fully outsourced internal audit activity, a qualified independent executive or			

senior management personnel is assigned the responsibility for managing the fully outsourced internal audit activity.	Partially Compliant		
Recommendation 12.4			
1. Company has a separate risk management function to identify, assess and monitor key risk exposures.	Compliant	Provide information on company's risk management function.	
Recommendation 12.5			
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO), who is the ultimate champion of Enterprise Risk Management (ERM).	Partially Compliant		The company has yet to appoint a chief risk officer but intends to meet with the board to discuss the necessity of the same considering the size and nature of operations of the company. Although there is no appointed CRO, risks are properly managed as the members of the Board have an insurance expert and businessmen who are equipped to manage risks.
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	Compliant		
Cultivating a Synergic Relationship with Shareholders			
Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.			
Recommendation 13.1			
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	Compliant	Found on the topic Part VII: Stockholders Rights in the Corporate Governance Manual.	
2. Board ensures that basic shareholder rights are disclosed on the company's website.	Compliant	Click Here for the Corporate Governance Manual	
Recommendation 13.2			
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders' Meeting with sufficient and relevant information at least 21 days before the meeting.	Compliant	Found on the topic Part VII: Stockholders Rights in the Corporate Governance Manual. Click Here for the Corporate Governance Manual	

Recommendation 13.3			
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	Compliant	Found on the topic Part VII: Stockholders Rights in the Corporate Governance Manual. Click Here for the Corporate Governance Manual The shareholders are also the members of the Board themselves.	
2. Minutes of the Annual and Special Shareholders' Meetings were available on the company website within five business days from the end of the meeting.	Non-Compliant		The website was only created after the recent ASM.
Recommendation 13.4			
1. Board has an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	Found on the topic Part VII: Stockholders Rights in the Corporate Governance Manual.	
2. The alternative dispute mechanism is included in the company's Manual on Corporate Governance.	Compliant	Click Here for the Corporate Governance Manual	
Duties to Stakeholders			
Principle 14: The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.			
Recommendation 14.1			
1. Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Partially Compliant		While there is no written policy on the matter, the company promotes cooperation with its stakeholders.
Recommendation 14.2			
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	Partially Compliant		While there is no written policy on the matter, the company adopts the general

			principles of law to promote equality and fair treatment with its stakeholders.
Recommendation 14.3			
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	Compliant	Found on the topic Part VII: Stockholders Rights in the Corporate Governance Manual. Click Here for the Corporate Governance Manual	
Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company's goals and participate in its corporate governance processes.			
Recommendation 15.1			
1. Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	The Board, through the Human Resource department, implements several programs and procedures aimed to encourage employees to actively participate in the realization of the Company's goals and its governance	
Recommendation 15.2			
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	Non-Compliant		No Whistle blowing policy has been approved yet but management is currently drafting the same
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	The Board, through the Human Resource department, implements several programs and trainings to embed to the employees its culture.	
Recommendation 15.3			

1. Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation	Non-Compliant		No Whistle blowing policy has been approved yet but management is currently drafting the same
2. Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Non-Compliant		
3. Board supervises and ensures the enforcement of the whistleblowing framework.	Non-Compliant		
<p>Principle 16: The company should be socially responsible in all its dealings with the communities where it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.</p>			
<p>Recommendation 16.1</p>			
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Non-Compliant		While there are no written policy on CSR, the management intends to introduce activities and programs to promote CSR into the company's culture.