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<tr><td colspan="5">Principle 1. ESTABLISHING A COMPETENT BOARD</td></tr>
<tr><td colspan="5">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 growth in a manner consistent with its corporate objectives and the long-term best interests of its shareholders/members and other stakeholders.</td></tr>
<tr><td colspan="5">Recommendation 1.1</td></tr>
<tr><td>1</td><td>The Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company's industry/sector.</td><td>Compliant</td><td rowspan="3">Section 2, Article 3.1.1 of the Revised Manual of Corporate Governance of Asian Hospital, Inc. ("AHI")[1] provides:

x x x

The Board shall be composed of fifteen (15) members, with collective working knowledge, experience or expertise relevant to the Corporation's business, and shall adhere to a policy of diversity in gender, age, ethnicity, culture, skills, competence and knowledge. A majority of the Board shall be non-executive directors with the necessary qualifications to effectively participate and help secure objective, and independent judgment on corporate affairs and to carry out proper checks and</td><td rowspan="3">The business background and qualifications of the Company's directors can be found in the Company's Annual Report and Definitive Information Statement, which were submitted to the SEC and posted in the Company's website.

https://www.asianhospital.com/annual-meeting/</td></tr>
<tr><td>2</td><td>The Board has an appropriate mix of competence and expertise.</td><td>Compliant</td></tr>
<tr><td>3</td><td>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.</td><td>Compliant</td></tr>
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[1] Attached as **Annex "A"** is a copy of the Revised Manual of Corporate Governance of AHI.

			balance. At least three (3) members of the Board shall be independent directors. x x x Section 2, Article 3.1.1.2.1 of the Revised Manual of Corporate Governance of AHI likewise provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: 3.1.1.2.1 Install a process of selection to ensure an appropriate mix of competent, expert and qualified directors and officers, and ensure that said members and officers remain qualified for their positions individually and collectively, through an annual evaluation, to enable it to fulfill its roles and responsibilities and respond to the needs of the Corporation based on evolving medical, business environment and strategic direction.	
Recommendation 1.2				

1	The Board is headed by a competent and qualified Chairperson.	Compliant	Section 2, Article 3.1.1 of the Revised Manual of Corporate Governance of AHI provides: x x x The Board shall be headed by a competent and qualified Chairman.	In 2024 and at present, the Board is headed by Mr. Augusto P. Palisoc, Jr. His profile and background, which shows his qualifications as Chairperson of the Board is provided in the Company's Annual Report and Definitive Information Statement, which were submitted to the SEC and posted in the Company's website. https://www.asianhospital.com/annual-meeting/
Recommendation 1.3				
1	The company provides a policy on training of directors.	Compliant	Section 2, Article 6 of the Revised Manual of Corporate Governance of AHI provides: 6.1 If necessary, funds shall be allocated by the CEO or its equivalent officer for the purpose of conducting an orientation program or workshop and annual continuing training to operationalize this Manual. 6.2 A director shall, before assuming as such, be required to attend a seminar on corporate governance which shall be conducted by a duly recognized private or pulic institute.	The Company's policy on training is provided in Section 2, Article 6 of the Revised Manual of Corporate Governance.
2	The company has an orientation program for first-time directors.	Compliant		The Company has no formal orientation program at the moment. Currently, new directors undergo an informal orientation program and onboarding process facilitated by the Company's parent company, Metro Pacific Health Corporation, to acquaint them with relevant information regarding the Company's operations. The Directors also regularly attend annual corporate governance enhancement sessions. Moving forward, the Company intends to come up with a formal orientation and onboarding policy for its directors.

3	The company has relevant annual continuing training for all directors.	Compliant		Metro Pacific Investments Corporation ("MPIC") conducts an Annual Corporate Governance Enhancement Session ("ACGES"), which is accredited by the SEC. The ACGES is made available to all directors and officers of MPIC's subsidiaries and affiliates, which include the Company. The content of the ACGES varies each year and covers a range of matters, including traditional corporate governance topics such as audit, internal controls, anti-corruption and risk management as well as new and forward-looking areas of interest. In 2024, the ACGES, which was on artificial intelligence, was held on 27 September 2024.
Recommendation 1.4				
1	The Board has a policy on board diversity.	Compliant	Section 2, Article 3.1.1 of the Revised Manual of Corporate Governance of AHI provides: The Board shall be composed of fifteen (15) members, with collective working knowledge, experience or expertise relevant to the Corporation's business, and shall adhere to a policy of diversity in gender, age, ethnicity, culture, skills, competence and knowledge. A majority of the Board shall be non-executive directors with the necessary qualifications to effectively participate and	The Company's diversity policy is provided in Section 2, Article 3.1.1 of the Revised Manual of Corporate Governance. In 2024 and at present, the Board is composed of directors with a wide age range and with different expertise, qualifications and academic backgrounds. The 2024 Board was composed of nine (9) male directors and one (1) female director.

			help secure objective, and independent judgment on corporate affairs and to carry out proper checks and balance. At least three (3) members of the Board shall be independent directors.	

The composition of the Board of Directors of the Corporation for the year 2024 is as follows:

Name of Director	Age	Citizenship	Date of First Election to the Board
Fernandino Jose A. Fontanilla (Independent Director)	59	Filipino	July 25, 2006
Manuel V. Pangilinan	77	Filipino	December 6, 2011
Augusto P. Palisoc Jr. (Chairperson)	66	Filipino	December 6, 2011
Carmelita I. Quebengco (Independent Director)	76	Filipino	March 21, 2012
Jose Noel C. de la Paz	67	Filipino	April 30, 2015
Sol Z. Alvarez	91	Filipino	August 7, 2015
Retired Chief Justice Artemio Panganiban (Independent Director)	87	Filipino	March 3, 2017
Reymundo S. Cochangco	57	Filipino	September 15, 2020
Celso Bernard G. Lopez	50	Filipino	September 15, 2020
Beaver R. Tamesis (President and Chief Executive Officer)	64	Filipino	1 November 2022

Recommendation 1.5				
1	The Board is assisted by a Corporate Secretary.	Compliant	Section 2, Article 3.2.4 of the Revised Manual of Corporate Governance of AHI provides: 3.2.4.1 The Corporate Secretary is an officer of the company and he must perform his duties and functions in accordance with the highest professional standards. Likewise, he must exhibit loyalty to the mission, vision	The Company's Corporate Secretary is Atty. Gilbert Raymund T. Reyes, who was first appointed on 21 October 2021.
2	The Corporate Secretary is a separate individual from the Compliance Officer.	Compliant		Atty. Reyes is not the Compliance Officer of the Company.
3	The Corporate Secretary is not a member of the Board of Directors.	Compliant		Atty. Reyes is not a member of the Board of the Company.

			and specific business objectives of the corporate entity. 3.2.4.2 The Corporate Secretary shall be a Filipino citizen. 3.2.4.3 The Corporate Secretary shall not be a member of the Board. 3.2.4.4 Considering his varied functions and duties, he must possess administrative and interpersonal skills, and if he is not the general counsel, then he must have some legal knowledge. He must also have some financial and accounting skills.	
4	The Corporate Secretary attends annual training/s on corporate governance.	Compliant	Section 2, Article 3.2.5.9 of the Revised Manual of Corporate Governance of AHI provides: 3.2.4.5 Duties and Responsibilities: x x x 3.2.4.5.9 Attend annual training on corporate governance.	Atty. Reyes attended the ACGES organized by MPIC on 27 September 2024.[2]
Recommendation 1.6				

[2] A copy of the Certificate of Attendance issued to Atty. Reyes is attached as **Annex "B"**.

1	The Board is assisted by a Compliance Officer.	Compliant	Section 2, Article 3.2.8.1 of the Revised Manual of Corporate Governance of AHI provides: 3.2.8 Compliance Officer 3.2.8.1 To ensure adherence to corporate principles and best practices, the Chairman of the Board shall designate a Compliance Officer who shall hold the position of a Senior Officer or its equivalent. He shall not be a member of the Board but have direct reporting responsibilities to the Board at large, and his recommendation/s should be acted upon by the Board at large.	The Company's Compliance Officer is Arvin Mark T. Pascual, who assumed his position on 16 June 2021 and whose designation as such was ratified by the Board of Directors on 6 June 2022.
2	The Compliance Officer has a rank of Senior Vice-President or an equivalent position with adequate stature and authority in the corporation.	Compliant		Mr. Pascual, as the Compliance Officer, is a senior officer of the Company based on the Revised Manual of Corporate Governance and the Company's Leadership Structure, which is available at : https://www.asianhospital.com/leadership/
3	The Compliance Officer is not a member of the board.	Compliant		Mr. Pascual is not a member of the Board of Directors of the Company.
4	The Compliance Officer attends annual training/s on corporate governance.	Compliant	Section 2, Article 3.2.8.2 of the Revised Manual of Corporate Governance of AHI provides: 3.2.8 Compliance Officer x x x 3.2.8.2 He shall perform the following duties: 3.2.8.2.1 Monitor compliance with the provisions and requirements of this Manual and all relevant laws and	Mr. Pascual attended the ACGES organized by MPIC on 27 September 2024.[3]

[3] A copy of the Certificate of Attendance issued to Mr. Pascual is attached as **Annex "C".**

			regulations of the Republic of the Philippines. 3.2.8.2.2 Appear before the Securities and Exchange Commission ("the Commission") upon summon on similar matters that need to be clarified by the same; 3.2.8.2.3 Determine violation/s of the Manual and recommend penalty to the Board for violation thereof; 3.2.8.2.4 Issue certification every January 30th of the year on the extent of the Corporation's compliance with this Manual for the completed year, explaining the reason/s of the latter's deviation from the same, if any; and 3.2.8.2.5 Identify, monitor and control compliance risks.	
Principle 2. ESTABLISHING CLEAR ROLES AND RESPONSIBILITIES OF THE BOARD				
The fiduciary roles, responsibilities, and accountabilities of the Board, as provided under the law, the company's articles of incorporation and bylaws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to shareholders/members and other stakeholders.				
Recommendation 2.1				
1	The Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company, shareholders and stakeholders.	Compliant	Section 2, Article 3.1.1 of the Revised Manual of Corporate Governance of AHI provides: It shall be the Board's responsibility to foster the	The undersigned Chairman of the Board of Directors, Compliance Officer, and Corporate Secretary attest that: a. Directors actively attend regular board and committee meetings;

			long-term success of the Corporation and secure its sustained competitiveness in a manner consistent with its fiduciary responsibility, which it shall exercise in the best interest of the Corporation, its stockholders and other stakeholders. The Board shall conduct itself with utmost honesty and integrity in the discharge of its duties, functions and responsibilities.	b. In 2024, the Board held fourteen (14) meetings, all of which were attended by most of the directors. In all meetings, at least seven (7) directors attended and actively participated; c. To ensure that directors are able to act on a fully informed basis, they receive copies of the Notice, Agenda and relevant materials ahead of the meeting.
Recommendation 2.2				
1	The Board oversees the development and approval of the company's business objectives and strategy.	Compliant	Section 2, Article 3.1.1.2.19 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: 3.1.1.2.19 Oversee the development of and approve the Corporation's business and strategy, and monitor its implementation, in order to sustain the Corporation's long-term viability and strength.	The undersigned Chairman of the Board of Directors, Compliance Officer, and Corporate Secretary attest that: a. The Board of Directors approves the annual budget of the Company, which includes the approval of the Company's objectives and strategy for the upcoming year; b. The President and Chief Finance Officer report to the Board of Directors during regular Board meetings on the implementation of the Company's business objectives and strategy; and c. The Board of Directors approves the financial report and financial position of the Company, as embodied in the Company's Audited Financial Statements filed with the SEC.
2	The Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant		
Recommendation 2.3				
1	The Board ensures and adopts an effective succession planning	Non-compliant		For AHI Management Employees & Staff, the Corporation has an existing Succession Planning Policy.[4] The policy was

[4] A copy of the Succession Planning Policy is attached as **Annex "T"**.

	program for directors, key officers and management.		Section 2, Article 3.1.1.2.7 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: 3.1.1.2.7 Ensure and adopt an effective succession-planning program for members of the Board, key officers and Management, including the adoption of a retirement policy.	reviewed/updated on 2 February 2024, and the Succession Planning Templates were updated in the first quarter of 2025 as part of the annual Succession Planning exercise specified in the policy. The Board has yet to formulate a formal succession planning program for its members, but it intends to take steps towards the formal adoption of a policy.
2	The Board adopts a policy for the retirement of directors and key officers.	Non-compliant		The Board has yet to formulate a formal retirement policy for its directors and key officers.
Recommendation 2.4				
1	The Board aligns the remuneration of key officers and board members with the long-term interests of the company.	Compliant	Section 2, Article 3.1.1.2.20 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x 3.1.1.2.20 Align the renumeration of key officers and Directors with the long-term interest of the Corporation. In doing so, it should formulate and adopt a policy specifying the relationship between renumeration and performance. No Director	
2	The Board adopts a policy specifying the relationship between remuneration and performance.	Compliant		
3	The Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant		

			should participate in the determination of his own per diem or compensation.	
Recommendation 2.5				
1	The Board has a formal and transparent board nomination and election policy.	Non-compliant	Article III, Sections 2 of the Amended By-laws of the AHI provides: Section 2. Election and Term – The Board of Directors shall be elected during each regular meeting of stockholders and shall hold office for one (1) year and until their successors are elected and qualified. Section 2-A. Independent Directors. From among the number of directors provided in the Articles of Incorporation, two (2) shall be independent directors. The qualifications of independent directors of the Corporation and the procedure for their nomination and election shall be in accordance with Section 38 of the Securities and Regulation Code (Rep. Act No. 8799 [2000], SRC Rule 38, SEC Memorandum Circular No. 02-02 dated April 5, 2002 and SEC Memorandum Circular No. 16-02 dated November 28, 2002, as any of the foregoing may be promulgated in connection with the qualification, nomination, and election of independent directors of the corporations.	The Company has no separate formal nomination and election policy, but it intends to come up with the said policy moving forward. In any case, the Company complies with the relevant laws, the SEC rules, and the Company's By-Laws regarding nomination and election of directors.
2	The Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Non-compliant		The manner of election of directors is set out in the Company's By-Laws, but not in its Corporate Governance Manual.
3	The Board nomination and election policy includes how the company accepted nominations from shareholders/members.	Non-compliant		Same explanation as Item 1.
4	The Board nomination and election policy includes how the board reviews the qualifications of nominated candidates.	Non-compliant		Same explanation as Item 1.
5	The Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement/removal of a director.	Non-compliant		Same explanation as Item 1.
6	The Board has a process for identifying the quality of directors/trustees that is aligned with the strategic direction of the company.	Non-compliant		

			Section 3. Vacancies – Any vacancy occurring in the Board of Directors other than by removal by the stockholders or by expiration of term, may be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum; otherwise, the vacancy must be filled by the stockholders at a regular or at any special meeting of stockholders duly called for the purpose. A director so elected to fill a vacancy shall be elected only for the unexpired term of his predecessor in office. Any directorship to be filled by reason of an increase in the number of directors shall be filled only by an election at a regular or at a special meeting of stockholders duly called for the purpose, or the same meeting authorizing the increase of directors if so stated in the notice of the meeting. The vacancy resulting from the removal of a director by the stockholders in the manner provided by law may be filed by election at the same meeting of stockholders without further notice, or at any regular or at any special	

			meeting of stockholders called for the purpose, after giving notice as prescribed in these by laws.	
Recommendation 2.6				
1	The Board has overall responsibility in ensuring that there is a policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Non-Compliant	Section 2, Article 3.1.1.2.21 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x 3.1.1.2.21 Ensure that the Corporation adopt a policy and system governing related party transactions and other unusual or infrequently occurring transaction, including appropriate review and approval of material related party transactions guaranteeing fairness and transparency.	The Company currently has no RPT policy. However, the Company has the following policies, which are currently being revised and updated: a. Conflict of Interest Policy,[5] which deals with the management of conflicts of interest among clinical and non-clinical staff members, directors and officers of the Company, in order to maintain the integrity of their professional judgment and to sustain public confidence in that judgment; b. Vendor Policy,[6] which sets out clear and consistent rules governing all vendors and vendor representative's activities while conducting business with Asian Hospital and Medical Center, which rules include the Conflict of Interest Policy; c. Third Party Risk Management Policy,[7] which requires the conduct of a Third Party Due Diligence Review to, among other things, check and resolve any conflicts of interest. The Conflict of Interest Policy ensures that the principles of integrity, transparency, accountability and fairness are upheld in all transactions and official actions of the Company. It also provides for the rules on reporting and investigation of activities that constitute conflict of interest or irregular activities/transactions. It is submitted that in some instances, the Policy may also cover RPTs.
2	The RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Non-Compliant		

[5] A copy of the Conflict of Interest Policy is attached hereto as **Annex "D".**
[6] A copy of the Vendor Policy is attached hereto as **Annex "E".**
[7] A copy of the Third Party Risk Management Policy is attached hereto as **Annex "F".**

				The Vendor Policy requires vendors who are doing business with the Company's to strictly adhere to its Conflict of Interest Policy, while the Third Party Risk Management Policy ensures that conflicts of interest are discovered and resolved. Moving forward, the Company will endeavor to adopt a formal policy on RPTs.
Recommendation 2.7				
1	The Board is primarily responsible for approving the selection of Management, led by the Chief Executive Officer (CEO) or his/her equivalent, and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive, as may be applicable).	Compliant	Section 2, Article 3.1.1.2.25 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x 3.1.1.2.5 Appoint the hospital's chief executive(s) who is responsible for operating the hospital and complying with applicable laws and regulations, and evaluate his/her performance.	For 2024, the Company's management officers, such as its President and Chief Executive Officer ("CEO"), Chief Financial Officer, and Chief Medical Officer, were appointed by the Board during its organizational meeting held on 30 April 2024.
2	The Board is primarily responsible for assessing the performance of Management, led by the CEO or his/her equivalent and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer, and Chief Audit Executive, as may be applicable).	Compliant	Section 2, Article 3.1.1.2.25 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x	

			3.1.1.2.5 Appoint the hospital's chief executive(s) who is responsible for operating the hospital and complying with applicable laws and regulations, and evaluate his/her performance.	
Recommendation 2.8				
1	The Board establishes an effective performance evaluation framework that includes a standard or criteria for assessment and ensures that Management's performance is on par with the standards set by the Board and Senior Management.	Compliant	Section 2, Article 3.2.1.3 of the Revised Manual of Corporate Governance of AHI provides: 3.2.1.3 The Board shall be evaluated annually, and the results of which are documented based on their duties and responsibilities." Section 3, Article 9.1 of the Revised Manual of Corporate Governance of AHI likewise provides: 9.0 MONITORING AND ASSESSMENT 9.1 The Board shall establish an effective performance evaluation framework, which includes the standard criteria for assessment, that will ensure that the Management Committee, including the Chief Executive Officer, and personnel's performance is at par with the standards set by the Board and Senior Management.	
2	The Board establishes an effective performance evaluation framework that includes a standard or criteria for assessment and ensures that personnel's performance is on par with the standards set by the Board and Senior Management.	Compliant		

Recommendation 2.9				
1	The Board ensures that an appropriate internal control system is in place.	Compliant	Section 2, Article 3.1.1.2.22 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x 3.1.1.2.22 Oversee that an appropriate internal control system is in place, including setting a up a mechanism for monitoring and managing potential/actual conflicts of interest of board members, management, and shareholders. The Board should also adopt an Internal Audit Charter.	The Company has an Internal Audit Manager who reports to the President and CEO, with functional reporting to the Audit Committee.
2	The internal control system includes a mechanism for monitoring and managing potential/actual conflicts of interest of the board members/trustees, management and shareholders/members.	Compliant		Same explanation as Item No. 1.
3	The Board adopts an Internal Audit Charter.	Compliant	Section 2, Article 3.1.1.2.22 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x	The Company adopted an Internal Audit Charter on 17 August 2022, which was revised on 5 January 2024[8].

[8] A copy of the revised Internal Audit Charter is attached hereto as **Annex "G".**

			3.1.1.2.22 Oversee that an appropriate internal control system is in place, including setting a up a mechanism for monitoring and managing potential/actual conflicts of interest of board members, management, and shareholders. The Board should also adopt an Internal Audit Charter.	
Recommendation 2.10				
1	The Board ensures that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	Section 2, Article 3.1.1.2.14 of the Revised Manual of Corporate Governance of AHI provides: "To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: 3.1.1.2.14 Identify key risk areas and key performance indicators and monitor these factors with due diligence and oversee that a sound Enterprise Risk Management framework is in place to effectively identify, monitor, assess and manage key business risk. The risk management framework should guide the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies."	The Company has adopted a Third Party Risk Management Policy, which establishes an organization-wide process of assessing, reducing, eliminating and managing all forms of risks.[9]
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		
Recommendation 2.11				

[9] A copy of the Company's Third Party Risk Management Policy is attached hereto as **Annex "F".**

1	The Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	Compliant	Section 2, Article 3.1.1.2.23 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x 3.1.1.2.23 The Board shall create a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties. The Board Charter should serve as a guide to the directors in the performance of their functions and should be made publicly available.	The duties and powers of the members of the Board are enumerated in Article III of the Company's By-laws, which is a publicly-available corporate document.
2	The Board Charter serves as a guide to the directors/trustees in the performance of their functions.	Compliant		
3	The Board Charter is publicly available.	Compliant		
Principle 3. ESTABLISHING BOARD COMMITTEES				
The 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, compliance and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all the board committees should be contained in their respective board committee charters.				
Recommendation 3.1				
1	The Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	Section 2, Article 3.2.9 of the Revised Manual of Corporate Governance of AHI provides: To aid in complying with the principles of good corporate governance, the Board shall establish Board committees that focus on specific Board	During the organizational meeting of the Board held on 30 April 2024, the Board organized themselves into the following committees: (i) Executive Committee, (ii) Nomination Committee, (iii) Audit Committee, and (iv) Compensation and Renumeration Committee.

			functions to aid in the optimal performance of its roles and responsibilities.	
Recommendation 3.2				
1	The 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.	Compliant	The members of the Audit Committee are Dr. Fernandino Jose A. Fontanilla (Independent Director and Chairman), Mr. Ricardo V. Buencamino and Mr. Reymundo S. Cochangco. Said information was disclosed to the SEC through the SEC Form 17-C filed by the Company on 3 May 2024.[10]	
2	The Audit Committee is composed of at least three (3) qualified non-executive directors, the majority of whom, including the Chairperson, are independent directors.	Non-compliant	As disclosed to the SEC through SEC Form 17-C filed by the Company on 3 May 2024.	The 2024 Audit Committee was composed of three (3) members. However, only the Chairperson (Dr. Fernandino Jose A. Fontanilla) is an Independent Director.
3	All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	The professional background, knowledge, skills, and/or experience of the members of the Audit Committee are provided in the in the Company's Annual Report and Definitive Information Statement, which were submitted to the SEC and posted in the Company's website. https://www.asianhospital.com/annual-report/	While Dr. Fontanilla is a medical doctor by profession, he holds a Master's Degree in Business Administration and Health from the Ateneo Graduate Business School. Mr. Reymundo S. Cochangco is a Certified Public Accountant with over 30 years of experience in finance, treasury, controllership, audit and business operations. Mr. Celso Bernard Lopez has a Bachelor of Arts degree in Management Economics from Ateneo de Manila University and an Executive Master's in Business Administration from the Asian Institute of Management. He was previously

[10] Attached as **Annex "H"** is a copy of SEC Form 17-C filed on 3 May 2025.

				Executive Vice President of East West Banking Corporation, and First Vice President of Security Bank Corporation.
4	The Chairperson of the Audit Committee is not the Chairperson of the Board or of any other committee.	Compliant	As disclosed to the SEC through SEC the Form 17-C filed by the Company on 3 May 2024.	During his term as Chairperson of the Audit Committee in 2024, Dr. Fontanilla was not the Chairperson of the Company's Executive Committee, Nomination Committee, and/or Compensation and Renumeration.
Recommendation 3.3				
1	The 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.	Compliant	Section 2, Article 3.2.9.3 of the Revised Manual of Corporate Governance of AHI provides: 3.2.9.3 Organizational Ethics and Compliance Committee x x x 3.2.9.3.1 Considers and recommends corporate governance principles to be adopted by the Management Committee. 3.2.9.3.2 Monitors best practices in corporate governance worldwide. 3.2.9.3.7 Assist the Management Committee in the performance of its continuous governance responsibilities. The Organizational Ethics and Compliance Committee has adopted its Charter on 23 November 2021.[11]	The Company has organized an Organizational Ethics and Compliance Committee which handles the corporate governance matters of the Company. The Organizational Ethics and Compliance Committee was established on 23 November 2021, and is composed of the following: Dr. Roseny Mae Singson (a physician at Asian Hospital and Medical Center ("AHMC")) as Chairperson, and the Compliance Officer, Human Resources ("HR") Manager, Nursing Associate Director, Supply Chain Senior Manager, and Finance Manager, as members.

[11] A copy of the Organizational Ethics and Compliance Committee Charter is attached hereto as **Annex "I".**

2	The Corporate Governance Committee is composed of at least three (3) members, majority of whom, including the Chairperson, should be independent directors.	Non-Compliant	Section 2, Article 3.2.9.3 of the Revised Manual of Corporate Governance of AHI provides: The Board shall establish an Organizational Ethics Committee, which will be composed of six (6) members, with at least one (1) Physician, who shall act as the head of the committee. The Organizational Ethics and Compliance Committee Charter further provides: 5.1 The Committee shall be composed of at least seven (7) members, all of whom shall be at least holds a senior managerial position. To greatest extent possible, the membership of the Committee shall comply with the following general guidelines: a. The Chairman of the Committee shall be an active professional staff or an employee of Asian Hospital b. The Committee membership shall not include executive directors; and c. The members shall possess the experience, capacity, and resources to meaningfully carry out their functions.	The Committee is composed of Dr. Roseny Mae Singson as Chairperson, and the Compliance Officer, HR Manager, Nursing Associate Director, Supply Chain Senior Manager and Finance Manager, as members.
Recommendation 3.4				

1	The 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	Section 2, Article 3.2.9.2 of the Revised Manual of Corporate Governance of AHI provides: 3.2.9.2 Quality Management Committees The Hospital shall establish a Quality Council, Risk Management Committee and Patient Safety Committee, which shall be responsible for the oversight of the hospital's Quality, Risk Management and Patient Safety program to ensure that a high quality and safe care is delivered at all times. The chairperson of the committee shall be appointed by the President and Chief Executive Officer every three years. At least two (2) members of the committee including the chairperson of the committee must have relevant, thorough knowledge and experience on risk and risk management.	The Board has yet to create a Board Risk Oversight Committee. However, the Company has a Quality Management Office, composed of the Quality Council, Risk Management Committee and Patient Safety Committee[12], which functions similar to the Board Risk Oversight Committee. Moving forward, the Company plans to create a separate Board Risk Oversight Committee.
2	The BROC is composed of at least three (3) members, the majority of whom should be independent directors, including the Chairperson.	Non-compliant	Section 2, Article 3.2.9.2 of the Revised Manual of Corporate Governance of AHI provides: 3.2.9.2 Quality Management Committees The Hospital shall establish a Quality Council, Risk Management Committee and	Same explanation as Item 1.

[12] The Charters of the Quality Council, Risk Management Committee and Patient Safety Committee are attached hereto as **Annexes "J"**, **"K"** and **"L"**, respectively.

			Patient Safety Committee, which shall be responsible for the oversight of the hospital's Quality, Risk Management and Patient Safety program to ensure that a high quality and safe care is delivered at all times. The chairperson of the committee shall be appointed by the President and Chief Executive Officer every three years. At least two (2) members of the committee including the chairperson of the committee must have relevant, thorough knowledge and experience on risk and risk management.	
3	At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Non-compliant	Section 2, Article 3.2.9.2 of the Revised Manual of Corporate Governance of AHI provides: 3.2.9.2 Quality Management Committees The Hospital shall establish a Quality Council, Risk Management Committee and Patient Safety Committee, which shall be responsible for the oversight of the hospital's Quality, Risk Management and Patient Safety program to ensure that a high quality and safe care is delivered at all times. The chairperson of the committee shall be appointed by the President and Chief Executive Officer every three	Same explanation as Item 1.

			years. At least two (2) members of the committee including the chairperson of the committee must have relevant, thorough knowledge and experience on risk and risk management.	
Recommendation 3.5				
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		Same explanation as Item 1.
2	The Committee Charters provide standards for evaluating the performance of a committee and its members.	Non-compliant		Same explanation as Item 1.
Principle 4. FOSTERING COMMITMENT				
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.				
1	The Directors attend and actively participate in all meetings of the Board, Committees and shareholders/members in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	Section 2, Article 3.1.1.2..15 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x 3.1.1.2.15 Properly discharge Board functions by meeting regularly, such as for example	The undersigned Chairman of the Board of Directors, Compliance Officer, and Corporate Secretary attest that the directors actively attend and participate in board and shareholders' meetings, which are conducted in person or through videoconferencing, in accordance with the rules and regulations of the SEC.
2	The Directors review meeting materials for all Board and Committee meetings.	Compliant		The undersigned Chairman of the Board of Directors, Compliance Officer, and Corporate Secretary attest that meeting materials are distributed ahead of all Board meetings to allow the directors to act on pending matters with full information.

			at least once every two (2) months, or when circumstances requires a special meeting, shall be convened to address urgent important matters. Board members will be compensated for attendance at each board meeting with a reasonable per diem as determined by the compensation committee and approved by a simple majority of the board. Independent views during Board meetings shall be given due consideration and all such meetings shall be duly minutes.	
3	The Directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant		The undersigned Chairman of the Board of Directors, Compliance Officer, and Corporate Secretary attest that in all Board meetings, directors engage in fruitful discussions. They propound questions and request explanations or clarifications from the relevant management officers and resource persons.
1	Non-executive directors concurrently serve in not more than ten (10) public companies and/or registered issuers. If concurrently sitting in at least three (3) publicly listed companies, the maximum concurrent directorships shall be five (5) public companies and/or registered issuers.	Non-Compliant		The Company has not yet formally adopted a policy setting the limit of board seats that a non-executive director can hold simultaneously. Nonetheless, Section 2, Article 3.2.14.8 of AHI's Revised Manual of Corporate Governance provides that the directors are required to notify the Board before accepting a directorship in another corporation.
Recommendation 4.3c				

1	The Directors notify the company's board before accepting a directorship in another company.	Compliant	Section 2, Article 3.2.1.4.8 of the Revised Manual of Corporate Governance of AHI provides: 3.2.1.4 Duties and Responsibilities of a Director A director shall have the following duties and responsibilities: x x x 3.2.1.4.8 To notify the Board before accepting a directorship in another corporation.	
Principle 5. REINFORCING BOARD INDEPENDENCE				
The Board should endeavor to exercise an objective and independent judgment on all corporate affairs.				
Recommendation 5.1				
1	The Board is composed of a majority of non-executive directors who possess the necessary qualifications.	Compliant	Section 2, Article 3.1.1.2.6 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: 3.1.1.2.6 Ensure that its directors possess the necessary qualifications and none of the disqualifications for a director to hold the position.	Of the ten (10) directors of AHI elected in 2024, only two (2) held executive positions: (a) Dr. Beaver R. Tamesis, who also acted as the President and CEO during his tenure; and (b) Mr. Reymundo S. Cochangco, who was the Treasurer.

			Section 2, Article 3.1.1 of the Revised Manual of Corporate Governance of AHI likewise provides: 3.1.1 Board of Directors x x x The Board shall be composed of fifteen (15) members, with collective working knowledge, experience or expertise relevant to the Corporation's business, and shall adhere to a policy of diversity in gender, age, ethnicity, culture, skills, competence and knowledge. A majority of the Board shall be non-executive directors with the necessary qualifications to effectively participate and help secure objective, and independent judgment on corporate affairs and to carry out proper checks and balance. At least three (3) members of the Board shall be independent directors.	
Recommendation 5.2				
1	The Board has at least two (2) independent directors or such number as to constitute one-third (1/3) of the board, whichever is higher.	Compliant	Section 2, Article 3.1.1 of the Revised Manual of Corporate Governance of AHI provides: 3.1.1 Board of Directors x x x	For 2024, the Company had three (3) independent directors, which accounts for more than 1/3 of the ten (10) members of the Board of Directors.

			The Board shall be composed of fifteen (15) members, with collective working knowledge, experience or expertise relevant to the Corporation's business, and shall adhere to a policy of diversity in gender, age, ethnicity, culture, skills, competence and knowledge. A majority of the Board shall be non-executive directors with the necessary qualifications to effectively participate and help secure objective, and independent judgment on corporate affairs and to carry out proper checks and balance. At least three (3) members of the Board shall be independent directors.	
Recommendation 5.3				
1	The independent directors possess all the qualifications and none of the disqualifications to hold the position.	Compliant	Section 2, Article 3.1.1.2.6 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x 3.1.1.2.6 Ensure that its directors possess the necessary qualifications and none of the disqualifications for a director to hold the position.	The Company's independent directors possess all the qualifications and none of the disqualifications to hold the position, as shown by the Certifications of Independent Director appended to the Definitive Information Statement, which is accessible at: https://www.asianhospital.com/annual-meeting/

Recommendation 5.4				
1	The company perpetually bars an independent director from serving in such capacity after the term limit of nine (9) years.	Compliant	Section 2, Article 3.2.1.5.1 of the Revised Manual of Corporate Governance of AHI provides: The Board's independent directors shall serve for a maximum cumulative term of nine (9) years. After which, the independent director shall be perpetually barred from re-election as such but may continue to qualify for nomination and election as a non-independent director, except for meritorious justification/s and upon approval of shareholders during the annual shareholders meeting.	
2	In the instance that the company retains an independent director in the same capacity after nine (9) years, the Board provides meritorious justification and seeks shareholders'/members' approval during the annual regular meeting.	Compliant	Section 2, Article 3.2.1.5.1 of the Revised Manual of Corporate Governance of AHI provides: The Board's independent directors shall serve for a maximum cumulative term of nine (9) years. After which, the independent director shall be perpetually barred from re-election as such but may continue to qualify for nomination and election as a non-independent director, except for meritorious justification/s and upon approval of shareholders during the annual shareholders meeting.	In a letter dated 13 March 2024 (Annex "B" of the 2024 Definitive Information Statement), the Company notified the SEC of its intention to re-elect its incumbent independent directors, (i) Dr. Fernando Jose Fontanilla, and (ii) Dra. Carmelita I. Quebengco. The Company requested for their re-election since the Company was unable to find replacements that will provide the same comparable skills, qualifications, and experience that the said independent directors were then currently providing. This matter was also disclosed to the stockholders as the letter to the SEC was attached as Annex "B" of the 2024 Definitive Information Statement, which was made available to the stockholders.
Recommendation 5.5				

1	The positions of Chairperson of the Board and Chief Executive Officer (or its equivalent) are held by separate individuals.	Compliant	Section 2, Article 3.2.2.4 of the Revised Manual of Corporate Governance of AHI provides: 3.2.2.4 The Chairman shall be a separate individual from the Chief Executive Officer. Section 2, Article 3.2.10 of the Revised Manual of Corporate Governance of AHI also provides: x x x The roles of the Chairman and the Chief Executive Officer are separated to ensure an appropriate balance of power, increased accountability a greater capacity of the Board for independent decision-making.	For 2024, the Chairman of the Board was Mr. Augusto P. Palisoc, while the Chief Executive Officer and President was Dr. Beaver R. Tamesis.
2	The Chairperson of the Board and Chief Executive Officer (or its equivalent) have clearly defined responsibilities.	Compliant	Section 2, Article 3.2.2 of the Revised Manual of Corporate Governance of AHI provides the responsibilities of the Chairman: 3.2.2 Chairman of the Board The duties of the Chairman of the Board of Directors shall include: 3.2.2.1 Schedule meetings to enable the Board to perform its duties responsibly while not interfering with the flow of the company's operations.	

			3.2.2.2 Approve meeting agenda prepared by the President and CEO. 3.2.2.3 Vote on matters when there are deadlocks among the Board Members. 3.2.2.4 The Chairman shall be a separate individual from the Chief Executive Officer." Section 2, Article 3.2.10 of the Revised Manual of Corporate Governance of AHI provides the responsibilities of the Chief Executive Officer/President. Section 2, Article 3.2.9.1 of the Revised Manual of Corporate Governance of AHI also provides: The Management Committee is composed of the President and Chief Executive Officer, and Directors as may be designated by the President and Chief Executive Officer who heads the Management Committee. This Committee shall implement all Board-approved policies and strategic directions governing the organization, management and operation of the Hospital. The Committee shall regularly report to the Board through the President and Chief Executive Officer on all matters concerning the	

			Hospital's operation as well as significant events or Occurrences affecting the Hospital. x x x	
Recommendation 5.6				
1	The Board designates a lead director among the independent directors if the Chairperson of the Board is not an independent director.	Non-compliant	Section 2, Article 3.2.10 of the Revised Manual of Corporate Governance of AHI provides: 3.2.10 Chief Executive Officer / President x x x The Board shall designate a lead director among the independent directors if the Chairman of the Board is not independent. x x x	The Board has not yet designated the "lead director" among the independent directors.
Recommendation 5.7				
1	The Directors/Trustees with material interest in a transaction affecting the corporation fully disclose his/her adverse interest, abstain from taking part in the deliberations for the same, and recuse from voting on the approval of transaction.	Compliant	Section 2, Article 3.2.1.4.9 of the Revised Manual of Corporate Governance of AHI provides: 3.2.1.4 Duties and Responsibilities of a Director A director shall have the following duties and responsibilities:	

			3.2.1.4.9 To, in any transaction affecting the Corporation, fully disclose his adverse interest, abstain from taking part in the deliberations for the same and recuse from voting on the approval of the transaction wherein he has a material or potential interest.	
Recommendation 5.8				
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.	Compliant		The Audit Committee and the Company's External Auditor, SyCip Gorres Velayo & Co., met on 14 October 2024 to discuss the proposed external audit plan for the year ending 31 December 2024. A closing meeting with the Audit Committee, as part of the 2024 audit process, was held on 19 February 2025.
2	The meetings are chaired by the lead independent director, if applicable.	Non-compliant		The Board has not yet designated the "lead director" among the independent directors.
Principle 6. ASSESSING BOARD PERFORMANCE				
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	The Board conducts an annual self-assessment of its performance as a whole.	Compliant	Section 3, Article 9.2 of the Revised Manual of Corporate Governance of AHI provides: 9.0 MONITORING AND ASSESSMENT	The Board, as a whole, has conducted a self-assessment of its performance for year 2024, which was reported during the 19 February 2025 Regular Meeting of the Board of Directors.[13]
2	The Chairperson conducts an annual self-assessment of his performance.	Non-compliant		The Chairman has yet to conduct a formal self-assessment of his performance.

[13] A copy of the Board of Directors' Self-Assessment is attached hereto as **Annex "M"**.

3	The individual members conduct a self-assessment of their performance.	Compliant	9.2 The Board should conduct an annual self-assessment of its performance.	The directors have conducted a self-assessment of their performance for year 2024, which was reported during the 19 February 2025 Regular Meeting of the Board.[14]
4	Each committee conducts a self-assessment of its performance.	Non-compliant		The Committees have yet to conduct formal self-assessments of their respective performances.
1	The Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors/trustees and committees.	Non-compliant		The Board has yet to formally set up a system that provides criteria and process to determine the performance of the Board, the individual directors, and the committees. It will do so at the soonest practicable time.
2	The system allows for a feedback mechanism from the shareholders/members.	Non-compliant		Same explanation as Item 1.
Principle 7. STRENGTHENING BOARD ETHICS				
The Board directors are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.				
Recommendation 7.1				
1	The 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 board members.	Compliant	Section 2, Article 3.1.1.2.17 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x 3.1.1.2.17 Ensure that the Hospital operates ethically and responsibly and in compliance with internal codes of conduct,	The Company currently has a Code of Ethics[15] in place and in use since November 17, 2021. A revised edition is planned for release before the end of the year.

[14] *Ibid.*
[15] A copy of the Code of Ethics is attached hereto as **Annex "N".**

			including the establishment of a framework for ethical management that ensures that patient care is provided within business, financial, ethical and legal norms that protect patients and their rights. A Code of Business Conduct and Ethics shall be adopted for this purpose.	
2	The Code is properly disseminated to the members of Board.	Compliant		The Compliance Officer has disseminated a copy of the Code of Ethics to the directors.
3	The Code is disclosed and made available to the public through the company website.	Compliant	Section 2, Article 7.8 of the Revised Manual of Corporate Governance of AHI provide: 7.8 The Corporation shall have a website to ensure a comprehensive, cost-effective transparent and timely manner of disseminating relevant information to the public.	The Code has been uploaded to the Company's website, as Annex "N" of the Company's Annual Corporate Governance Report ("ACGR") for the year 2023, which is accessible at: https://www.asianhospital.com/corporate-governance/
Recommendation 7.2				
1	The Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	Section 2, Article 3.1.1.2.18 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x	

			3.1.1.2.18 The Board should ensure the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	
Principle 8. ENHANCING COMPANY DISCLOSURE POLICIES AND PROCEDURES				
The Board should establish corporate disclosure policies and procedures that are practical and in accordance with generally accepted best practices and regulatory expectations.				
Recommendation 8.1				
1	The Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders/members and other stakeholders that gives a fair and complete picture of a company's financial condition, results and business operations.	Compliant	Section 2, Article 3.1.1.2.18 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: 3.1.1.2.24 The Board shall establish 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 Corporation's financial condition, results and business operations.	The Board of Directors recognizes that it is primarily accountable to the shareholders. A comprehensive report on the Company's performance, position, and prospects are disseminated to the shareholders on an annual basis, particularly through the publication of its Annual Report and Information Statement. The Company dedicates a section of its website to said corporate disclosures at: https://www.asianhospital.com/annual-meeting/
Recommendation 8.2				
1	The company has a policy requiring all directors to disclose/report to the company any dealings in the company's	Compliant	Section 2, Article 7.6 of the Revised Manual of Corporate Governance of AHI provides:	To the undersigned's knowledge, the directors had no dealings involving the Company's shares in 2024.

	shares within five (5) business days.		7.6 All directors and officers shall disclose/report to the Corporation within fifteen (15) business days, any dealings in the Corporation's shares by the said directors and officers.	
2	The company has a policy requiring all officers to disclose/report to the company any dealings in the company's shares within five (5) business days.	Compliant		To the undersigned's knowledge, the officers had no dealings involving the Company's shares in 2024.
Recommendation 8.3				
1	The company's corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Section 2, Article 5 of the Revised Manual of Corporate Governance of AHI provides: 5.0 COMMUNICATION PROCESS 5.1 This manual shall be available for inspection by any stockholder of the Corporation at reasonable hours on business days. 5.2 All directors, executives, department/group heads are tasked to ensure the thorough dissemination of this Manual to all employees and related third parties, and to enjoin compliance in the process. 5.3 An adequate number of printed copies of this Manual must be reproduced under the supervision of QMG and at least one (1) hard copy of the Manual shall be issued per department/group.	The Revised Manual of Corporate Governance of AHI was filed with the SEC on 13 June 2022.
2	The company's MCG is submitted to the SEC.	Compliant		
3	The company's MCG is posted on the company website.	Compliant		The MCG has been uploaded to the Company's website, as Annex "A" of the Company's ACGR for the year 2023, which is accessible at: https://www.asianhospital.com/corporate-governance/

			5.4 This Manual shall be posted on the Corporation's website.	
Recommendation 8.4				
1	The company's corporate governance policies and practices and all relevant information are disclosed in its Annual Corporate Governance Report (ACGR).	Compliant		
2	The company's ACGR is submitted to the SEC.	Compliant		
3	The company's ACGR is posted on the company website.	Compliant		The Company's 2023 ACGR is posted at a dedicated section in the Company's website, which is accessible at: https://www.asianhospital.com/corporate-governance/
Principle 9. STRENGTHENING EXTERNAL AUDITOR'S INDEPENDENCE AND IMPROVING AUDIT QUALITY				
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	The Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of external auditors.	Compliant	Section 2, Article 3.2.6.1 of the Revised Manual of Corporate Governance of AHI provides: 3.2.6 External Auditor 3.2.6.1 An external auditor shall be selected, appointed and reappointed, and its fees approved, by the Board and stockholders upon recommendation of the Audit and Finance Committee. He/she shall enable an environment of good corporate governance as	

			reflected in the financial records and reports of the Corporation.	
2	The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and the shareholders/members.	Compliant	Section 2, Article 3.2.6.1 of the Revised Manual of Corporate Governance of AHI provides: 3.2.6 External Auditor 3.2.6.1 An external auditor shall be selected, appointed and reappointed, and its fees approved, by the Board and stockholders upon recommendation of the Audit and Finance Committee. He/she shall enable an environment of good corporate governance as reflected in the financial records and reports of the Corporation.	
3	For the removal of external auditor, the reasons for such removal or change are disclosed to the SEC, the shareholders/members, and the public through the company website and required disclosures.	Compliant	Section 2, Article 3.2.6.2 of the Revised Manual of Corporate Governance of AHI provides: 3.2.6 External Auditor 3.2.6.2 The reason/s for the resignation, dismissal or cessation from service and the date thereof of an external auditor shall be reported in the company's annual and current reports. Said report shall include a discussion of any disagreement with said former external auditor on any matter of accounting principles or	This is not applicable because the Company did not remove or change its external auditor in the preceding year.

			practices, financial statement disclosure or auditing scope or procedure.	
Recommendation 9.2				
1	The Audit Committee Charter includes the Audit Committee's responsibility on: i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor's independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	Non-compliant		The Audit Committee has not yet adopted an Audit Committee Charter. However, the Company adopted an Internal Audit Charter on 17 August 2022,[16] which was further updated on 5 January 2024.
2	The Audit Committee Charter contains the Committee's responsibility on reviewing and monitoring the external auditor's suitability and effectiveness on an annual basis.	Non-compliant		Same explanation as Item No. 1.
Recommendation 9.3				
1	The company discloses the nature of non-audit services performed by its external auditor in the Annual Report to manage potential conflict of interest cases.	Compliant	Section 2, Article 3.2.6.3 of the Revised Manual of Corporate Governance of AHI provides: 3.2.6 External Auditor	The Company's External Auditor, Sycip Gorres & Velayo, provided the following non-audit services to the Company during the preceding year: 1. Electronic Invoicing System (EIS) Technology Consulting; 2. Electronic Invoicing System (EIS) Tax Advisory Services; and

[16] A copy of the revised Internal Audit Charter is attached hereto as **Annex "G".**

			3.2.6.3 The external auditor shall not at the same time provide to the Corporation the services of an internal auditor. The Corporation shall ensure that other non-audit work shall not be in conflict with the functions of the external auditor.	3. Assistance in DOH accreditation and BOI registration.
2	The 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.	Non-Compliant		Although not expressly documented, the Audit Committee stays alert for non-audit work, which may conflict with the functions of the external auditor, thus effectuating Section 2, Article 3.2.6.3 of the Revised Manual of Corporate Governance.
Principle 10. INCREASING FOCUS ON NON-FINANCIAL AND SUSTAINABILITY REPORTING				
The Board should ensure that the company discloses material and reportable non-financial and sustainability issues.				
Recommendation 10.1				
1	The Board has a clear and focused strategy on the disclosure of non-financial information.	Compliant	The Company is included in MPIC Group's 2024 Integrated Report providing for information relating to its EESG impacts for year 2024. The 2024 Integrated Report is available at: https://www.mpic.com.ph/wp-content/uploads/2025/04/MPIC-IR-2024.pdf	
2	The company discloses to all shareholders/members and other stakeholders the company's strategic and operational objectives with emphasis on the management of environmental, economic, social and governance (EESG) issues of its business which underpin sustainability.	Compliant		
Principle 11. PROMOTING A COMPREHENSIVE AND COST-EFFICIENT ACCESS TO RELEVANT INFORMATION				
The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for an informed decision-making by investors, stakeholders and other interested users.				

Recommendation 11.1				
1	The company has a website to ensure a comprehensive, cost-efficient, transparent and timely manner of disseminating relevant information to the public.	Compliant	Section 2, Article 7.8 of the Revised Manual of Corporate Governance of AHI provide: "7.8 The Corporation shall have a website to ensure a comprehensive, cost-effective transparent and timely manner of disseminating relevant information to the public."	The Company's website may be accessed at: https://www.asianhospital.com/
Principle 12. STRENGTHENING INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS				
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 system.				
Recommendation 12.1				
1	The company has an adequate and effective internal control system in the conduct of its business.	Compliant	Section 2, Article 3.1.1.2.22 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x 3.1.1.2.22 Oversee that an appropriate internal control system is in place, including setting up a mechanism for monitoring and managing potential/actual conflicts of interest of board members, management, and shareholders. The Board should also adopt an Internal Audit Charter.	At the Board level, the Audit Committee ensures that internal audit functions and internal control systems are in place and working effectively. The Internal Auditor supports the Board and provides assurance that its key organizational and procedural controls are effective, appropriate, and complied with.

			Section 2, Article 3.2.7 of the Revised Manual of Corporate Governance further states: 3.2.7 Internal Auditor 3.2.7.1. The Corporation shall have in place an independent internal audit function which shall be performed by an Internal Auditor who shall provide Board, senior management, and stockholders with reasonable assurance that the company's key organizational and procedural controls are effective, appropriate and complied with. 3.2.7.2. The Internal Auditor shall report to the Audit committee. 3.2.7.3. The minimum internal control mechanisms for management's operational responsibility shall center on the CEO, being ultimately accountable for the Corporation's organizational and procedural controls.	

2	The company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	Section 2, Article 3.1.1.2.14 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x 3.1.1.2.14 Identify key risk areas and key performance indicators and monitor these factors with due diligence and oversee that a sound Enterprise Risk Management framework is in place to effectively identify, monitor, assess and manage key business risk. The risk management framework should guide the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	The Company has adopted a Third Party Risk Management Policy, which establishes an organization-wide process of assessing, reducing, eliminating and managing all forms of risks.[17] The Policy is currently undergoing revision.
Recommendation 12.2				
1	The company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value	Compliant	Section 2, Article 3.2.7.1 of the Revised Manual of Corporate Governance of AHI provides: 3.2.7.1 The Corporation shall have in place an independent internal audit function which	The Company's internal audit function is handled in-house. The Internal Auditor's added value to the company in terms of independent and objective assurance and consulting services proceeds from his duties, as outlined in Section 2, Article 3.2.7 of the Revised Manual on Corporate Governance.

[17] A copy of the Company's Third Party Risk Management Policy is attached hereto as **Annex "F".**

	and improve the company's operations.		shall be performed by an Internal Auditor who shall provide Board, senior management, and stockholders with reasonable assurance that the company's key organizational and procedural controls are effective, appropriate and complied with.	
Principle 13. PROMOTING SHAREHOLDER/MEMBER RIGHTS				
The company should treat all shareholders/members fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.				
Recommendation 13.1				
1	The Board ensures that basic shareholder/member rights are disclosed in the Manual on Corporate Governance.	Compliant	Section 2, Article 8 of the Revised Manual of Corporate Governance of AHI enumerates the Shareholders'' Benefits (i.e., rights of shareholders).	
Recommendation 13.2				
1	The Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders'/Members' Meeting with sufficient and relevant information at least twenty-one (21) days before the meeting.	Compliant		The notice and agenda for the 2024 Annual Stockholders' Meeting conducted on 30 April 2024 were posted in the Company's website[18] and published in the business section of The Philippine Daily Inquirer and the Philippine Star on April 5 and 6, 2024, or more than twenty-one (21) days before the meeting.
Recommendation 13.3				
1	The Board encourages active shareholder/member participation by making the result of the votes taken during the most recent Annual or Special Shareholders'/Members' Meeting publicly available the next working day.	Compliant		Votes taken during the Annual Stockholders' Meeting are announced on the same day.

[18] Accessible at: https://www.asianhospital.com/annual-meeting/

2	The minutes of the Annual and Special Shareholders'/ Members' Meetings were made available on the company website within five (5) business days from the date of the meeting.	Compliant		The minutes of the Annual Stockholders' Meeting were made available on the Company's website as part of the materials for the 2024 Annual Stockholders' Meeting.[19]
Recommendation 13.4				
1	The Board makes available, at the option of a shareholder/member, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Compliant	Section 2, Article 8.9 of the Revised Manual of Corporate Governance of AHI provides: 8.1.9 The Board shall make available, at the option of a shareholder, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	
Recommendation 13.5				
1	The Board establishes an Investor Relations Office (IRO) or Customer Relations Office (CRO) or its equivalent to ensure constant engagement with its shareholders/members.	Non-compliant	Section 2, Article 8.10 of the Revised Manual of Corporate Governance of AHI provides: 8.1.10 The Board should establish an Investor Relations Office (IRO) to ensure constant engagement and communication with its shareholders. The IRO shall be present at every shareholders' meeting.	The Board has not yet appointed an IRO for the Company. Shareholders' issues are directly handled by the Corporate Secretary and the Stock Transfer Agent of the Company.
2	The IRO or CRO or its equivalent is present at every shareholders'/members' meeting.	Compliant	Section 2, Article 8.10 of the Revised Manual of Corporate Governance of AHI provides: 8.1.10 The Board should establish an Investor Relations	Same explanation as Item No. 1.

[19] Accessible at: https://www.asianhospital.com/annual-meeting/

			Office (IRO) to ensure constant engagement and communication with its shareholders. The IRO shall be present at every shareholders' meeting.	
Principle 14. RESPECTING RIGHTS OF STAKEHOLDERS AND EFFECTIVE REDRESS FOR VIOLATION OF STAKEHOLDER'S RIGHTS				
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	The Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	Section 2, Article 3.1.1.2.22 of the Revised Manual of Corporate Governance of AHI provides: To insure a high standard of best practice for the Corporation, its stockholders and other stakeholders, the Board shall: x x x 3.1.1.2.2 Identify the corporation's stakeholders in the community in which it operates or are directly affected by its operations and formulate a clear policy of accurate, timely and effective communication with them and promote cooperation between them and the corporation in creating wealth, growth and sustainability.	The Company identifies the following to be its stakeholders: patients, guests, employees, suppliers, stockholders, the government, and the community in which it operates. The Company's objective is to promote a mutually beneficial relationship with its stockholders and stakeholders.
Recommendation 14.2				

1	The Board establishes clear policies and programs to provide a mechanism on the fair treatment, protection and enforcement of the rights of stakeholders.	Compliant	Section 2, Article 8 of the Revised Manual of Corporate Governance of AHI provides: The company recognizes that the most cogent proof of good corporate governance is that which is visible to the eyes of its investors. The Board shall establish clear policies and programs to provide a mechanism on the fair treatment, protection and enforcement of the rights of stakeholders. Therefore, the following provisions are issued for the guidance of all internal and external parties concerned, as a governance covenant between the company and all its investors: x x x	The Company has adopted a Culture of Safety Program issued on 20 July 2015, and revised on 10 October 2021.[20] The Program is currently undergoing revision.
Principle 15. ENCOURAGING EMPLOYEES' PARTICIPATION				
A mechanism for employee participation should be developed to create a symbiotic working environment consistent with the realization of the company's objectives and good corporate governance goals.				
Recommendation 15.1				
1	The 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 Company recently issued its Code of Organizational Ethics,[21] which disseminates its Vision, Mission, and Values, as well as its specific policies and principles on matters such as patient relations, pharmaceutical relations, billing, supply chain ethics, staff relations, training, and research.	The Code of Organizational Ethics encourages its employees to know, understand, comply with, and report actual or suspected violations of the Code as well as applicable laws, rules, and regulations. The Board also welcomes and encourages the active participation of the Company's employees in the realization of the Company's goals and its governance.

[20] A copy of the Company's Culture of Safety Program is attached hereto as **Annex "O".**

[21] A copy of the Company's Code of Organizational Ethics is attached hereto as **Annex "P".**

Recommendation 15.2				
1	The Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Business Conduct and Ethics.	Compliant	The Code of Ethics (Annex "O") provides for the Company's policy on non-acceptance of gifts and entertainment. In addition, the Company has adopted an Anti-Bribery and Anti-Corruption Policy on 1 November 2021.[22]	
2	The Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant		The Company provides online training modules to disseminate policies and procedures for all hospital and medical staff.
Recommendation 15.3				
1	The Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	Compliant	Section 2, Article 9.8 of the Revised Manual of Corporate Governance of AHI provides: 9.8 The Board shall establish a suitable framework that allows employees to freely communicate their concerns about illegal or unethical practices through the Code of Business Conduct and Ethics. The Company has a Whistleblowing Policy issued on 1 October 2021, and revised on 15 November 2021.[23] The Code of Ethics (Annex "O") further provides for the Company's policy on safe reporting.	
2	The 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.	Compliant		
3	The Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	Under Sec. 5.4.2.3 of the Whistleblowing Policy, the Compliance Officer is responsible for ensuring	

[22] A copy of the Company's Anti-Bribery and Anti-Corruption Policy is attached hereto as **Annex "Q".**
[23] A copy of the Company's Whistleblowing Policy is attached hereto as **Annex "R".**

			appropriate monthly reporting to the Board of the receipt, disposition, and resolution of all whistleblowing reports.	
Principle 16. ENCOURAGING SUSTAINABILITY AND SOCIAL RESPONSIBILITY				
The company should be socially responsible in all its dealings with the communities in which 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.				
Recommendation 16.1				
1	The 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.	Compliant	The Company has adopted a Volunteers' Circle Policy[24], as part of its Corporate Social Responsibility program, on 10 March 2016. The Policy is currently undergoing revision.	

[24] A copy of the Company's Volunteer Policy is attached hereto as **Annex "S".**