

ALTERNATIVE DISPUTE RESOLUTION (ADR) POLICY

Value Care Health Systems, Inc. (“ValuCare” or the “Company”) commits itself to an alternative dispute resolution (ADR) system and a conflict resolution environment that will minimize conflicts or differences with shareholders and key stakeholders, and will encourage their fair, efficient and equitable resolution, **thus the creation of the Alternative Dispute Resolution (ADR) Policy.**

The Company’s Alternative Dispute Resolution Policy (ADR) is to encourage and promote the use of dispute resolution options and processes while avoiding or discouraging recourse to litigation in the settlement of corporate governance related disputes or conflict. The Policy specifies dispute resolution principles and guidelines.

This policy establishes a framework for resolving disputes through ADR methods, prioritizing voluntary, confidential, and cost-effective solutions over traditional litigation. It applies to all employees, contractors, and external parties engaged with the organization

1. Principles

The Policy promotes the following principles in the resolution of disputes:

- Quality Resolution settlements must be voluntary, fair and equitable to parties concerned.
- Efficiency Dispute resolution options will be appropriate to the dispute, cost-effective and minimize delay in reaching a resolution.
- Enforceability Resolution agreements and settlements must be made in good faith and honored by the parties.
- Resolutions when appropriate shall be in writing and signed by the parties who shall be duly authorized for said purpose.
- Corporate Governance Related Disputes. The following are categories of corporate governance related disputes. It is recognized that there are other disputes which can equally consider the use of ADR tools and processes in their resolution.

2. Purpose

- To promote amicable conflict resolution, preserve relationships, and reduce the burden of formal legal processes. ADR methods like mediation, facilitation, and arbitration are encouraged to address workplace conflicts, contract disputes, and other issues.

3. Scope

ADR may be used to resolve:

- Workplace disagreements (e.g., employee/employee, supervisor/employee)
- Performance issues
- Grievances and discrimination complaints
- Contract controversies
- Patient complaints (where legally permissible) .
- Other clients and partners arising from contracts.

4. Definitions

- **ADR:** Processes like mediation, facilitation, or arbitration to resolve disputes outside courts or formal litigation .
- **Mediator:** A neutral third party who facilitates communication and helps parties reach mutually acceptable agreements.
- **Confidential:** All ADR proceedings are confidential, except for settlement agreements.

5. Key Principles

- **Voluntariness:** Participation in ADR is voluntary, and parties retain the right to pursue formal legal remedies if ADR fails.
- **Neutrality:** Mediators must be impartial and avoid legal advice or coercion.
- **Confidentiality:** Parties agree to keep ADR discussions private, protecting sensitive information.
- **Timeliness:** Disputes should be addressed promptly to prevent escalation.

6. Procedures

a. Requesting ADR

- Either party may initiate ADR by contacting the designated ADR coordinator.
- Both parties must agree to participate.

b. Mediation Process

- A trained mediator guides parties through joint problem-solving.
- Sessions are informal, with no rules of evidence.

If resolved, a written settlement agreement is signed. If not, parties may pursue formal processes.

c. Arbitration

- For complex or unresolved matters, binding arbitration may be used.
- Rules of arbitration (ADR Rules of Philippines) apply .

7. Reporting and Evaluation

- ADR outcomes are tracked to assess effectiveness.
- Feedback is collected through surveys and evaluations.

8. Exceptions:

ADR is not suitable for:

- Legal violations (e.g., harassment, criminal activity)
- Matters requiring immediate disciplinary action.

9. Compliance

- All parties must participate in good faith.
- Violations of confidentiality or policy may result in disciplinary action.