VALUECARE HEALTH SYSTEMS INC.
PRIVACY AND INTERNAL CONTROLS AUDIT CHARTER

I. Introduction

The Privacy & Internal Controls Audit Charter (the "Charter") establishes the organizational role of the Internal Audit function at Valuecare Health Systems, Inc., detailing its goals, authority, responsibilities, reporting relationships, and its oversight of the internal audit operations of the company's subsidiaries and affiliates. The Charter shall be approved by the Audit Committee of the Board of Directors. Additionally, the charter undergoes an annual review and adheres to the same approval process for any revisions or updates.

II. Policy Statement

Valuecare Health Systems, Inc. adheres to a policy of instituting and endorsing an internal audit function as an integral aspect of its Corporate Governance procedures. The Privacy & Internal Controls Audit Department ("PICAD" or the "Department") is functionally accountable to ValuCare's Board Audit Committee and the VP for Cybersecurity of MiCare Healthtech Holdings Pte Ltd ("MiCare"), and administratively overseen by the President & CEO or their designee.

III. Mission and Scope of Work

At Valuecare Health Systems, Inc., PICAD provides impartial and objective assurance and consulting services to elevate the organization's operations and contribute value. In harmony with the shared objective of fostering and advancing stakeholder value, PICAD strives to support all members of the organization in reaching their goals. This is accomplished through the systematic and disciplined evaluation and improvement of the company's risk management, control, and governance processes. In pursuit of this mission, PICAD delivers analyses, recommendations, advice, and information concerning the reviewed activities to both Management and the Audit Committee of the Board.

A. Internal Controls Function

1. **Assurance Services.** PICAD furnishes reasonable and independent risk-based assurance on the following aspects, with the aim of assisting management in augmenting the Company's value in a constantly evolving and highly competitive marketplace:
   - The overall efficiency of governance, control environment, and the risk management process.
   - Adherence to policies, laws, rules, and regulations.
   - Safeguarding of assets
   - Assessment of the reasonableness of financial information, in coordination with the activities of external/independent auditors.

2. **Consulting Services.** PICAD may also conduct management advisory services, the specifics of which are mutually defined with the client, aiming to enhance value and refine the Company's operations. Illustrations of such consulting services include:
   - Aiding in risk management endeavors.
   - Providing recommendations and advice on business processes being reviewed
   - Any additional projects and reviews as requested by the Audit Committee and Executive Management.

Acceptance of consulting assignments will be contingent upon the competency of the auditors, the urgency of the situation, and the perceived risk to the Company. PICAD may offer assurance services in cases where it has previously undertaken consulting services, as long as the nature of the consulting work does not compromise the Department's objectivity. Additionally, individual objectivity must be carefully managed when allocating resources to the engagement. Consulting activities that affect the fulfillment of the approved annual audit plan will necessitate approval from the Audit Committee.

B. Data Privacy Functions

1. Creation and Development of Privacy Policies
2. Privacy Impact Assessments.
3. Compliance Audits and Monitoring.
4. Review of Data Protection Measures.
5. Incident Management and Breach Investigations.
6. Data Subject Rights Compliance.
7. Third-Party and Vendor Risk Management

IV. Authority

ValuCare's Board grants PICAD the mandate to provide the board and senior management with objective assurance, advice, insight, and foresight. PICAD's authority is created by its direct reporting relationship to the Audit Committee. Such authority allows for unrestricted access to the board.

The board authorizes the internal audit function to:

- Have full and unrestricted access to all functions, systems, data, records, information, documents, personnel and other tangible and intangible company properties pertinent to carrying out internal audit responsibilities. Internal auditors are accountable for confidentiality and safeguarding records and information.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques, and issue communications to accomplish the function's objectives.
- Obtain assistance from the necessary personnel of Valucare and other specialized services from within or outside Valucare to complete internal audit services.

V. Reporting & Working Relationships

Reporting Lines

The functional reporting of the PICAD Manager is to the Audit Committee of the Board, and administratively to the President & CEO or their designate. The manager also maintains a functional reporting relationship with the VP for Cybersecurity of MiCare Healthtech Holdings Pte Ltd ("MiCare"). This positioning provides the organizational authority and status to bring matters directly to senior management and escalate matters to the board, when necessary, without interference and supports the internal auditors' ability to maintain objectivity. Oversight and responsibility for the internal audit activity of the organization, including any outsourced or co-sourced components, fall under the purview of the PICAD Manager.

All PICAD Personnel are required to refrain from assuming responsibility for processes beyond the Privacy & Internal Controls Audit function. In instances where additional roles are deemed necessary, precautions must be implemented to minimize any potential impact on independence or objectivity. The PICAD Manager will confirm to the board, at least annually, the organizational independence of the internal audit function. If the governance structure does not support organizational independence, the PICAD Manager will document the characteristics of the governance structure limiting independence and any safeguards employed to achieve the principle of independence. The PICAD Manager will disclose to the board any interference auditors encounter related to the scope, performance, or communication of internal audit work and results. The disclosure will include communicating the implications of such interference on the internal audit function's effectiveness and ability to fulfill its mandate.

Changes to the Mandate and Charter

Circumstances may justify a follow-up discussion between the PICAD Manager, board, and senior management on the internal audit mandate or other aspects of the Charter. Such circumstances may include but are not limited to:

- A significant change in the Global Internal Audit Standards.
- A significant acquisition or reorganization within the organization.
- Significant changes in the chief audit executive, board, and/or senior management.
- Significant changes to the organization's strategies, objectives, risk profile, or the environment in which the organization operates.
- New laws or regulations that may affect the nature and/or scope of internal audit services.

Working Relationships

- ***Audit Committee:*** PICAD plays a crucial role in supporting the Audit Committee in effectively fulfilling its oversight responsibilities. A strong and collaborative relationship between the Department and the Audit Committee is essential. The Audit Committee is tasked with closely collaborating with the PICAD Manager to ensure the maintenance of an effective internal audit function within Valuecare Health Systems, Inc. Simultaneously, PICAD is responsible for working with the Audit Committee to collectively establish expectations, reporting requirements, and offering day-to-day assistance and secretariat support. A defined reporting protocol and process are adhered to, ensuring timely provision of pertinent information and fostering effective interaction.

- ***Management:*** PICAD aims to cultivate an effective and unbiased working relationship with the management of Valuecare Health Systems, Inc. It is imperative for the Department to consistently fulfill its duties and responsibilities by delivering value-adding activities to the management, while concurrently upholding independence and objectivity. Adherence to reporting processes and protocols that safeguard independence and objectivity is a constant requirement. At the same time, the Department must also coordinate with the Management in their role of oversight and assessing the sufficiency and effectiveness of compliance and risk management systems.

- ***Process and Activity Owners***: PICAD depends on information provided by process and activity owners for its evaluations, assessments, and recommendations. In the service delivery process, it is essential for the Department to actively participate in co-developing expectations, discussing audit objectives and methodology, and adhering to reporting protocols. This ensures the creation of an effective and impartial working relationship with process and activity owners. The collaborative efforts between the Department and these stakeholders should jointly contribute value to management in the form of assurance and improvements in process controls.

- ***External Auditors:*** Scheduled meetings between PICAD and external/independent auditors are vital for maximizing the utilization of audit resources and sharing perspectives on significant issues and concerns. These interactions play a crucial role in facilitating effective coordination between the two functions, offering reasonable assurance, and minimizing the risks associated with duplicated efforts.

- ***Parent Company and Affiliates:*** The cooperation between PICAD and the parent company, along with its affiliates, enables the sharing of knowledge and best practices concerning business processes and operations within the network. This collaborative effort also includes exchanging insights and recommendations to address concerns and improve overall governance.

- ***Other Stakeholders:*** PICAD, on occasions, may require collaboration with various entities within or outside the Valuecare Health Systems, Inc. organization. It is crucial to clearly define and consistently adhere to working relationships, particularly with Legal Counsel and other relevant consultants. This ensures the achievement of effective coordination in all circumstances.

VI. Key Responsibilities

PICAD Auditors need to possess the requisite knowledge, skills, and competencies to effectively carry out their individual responsibilities. Moreover, the all auditors must either possess or acquire the necessary knowledge, skills, and competencies to collectively fulfill its obligations.

PICAD Auditors are required to exercise due care and demonstrate the expected level of skill for a reasonably prudent and competent internal auditor.

Maintaining an impartial and unbiased attitude is crucial for internal auditors, and they must diligently avoid any conflicts of interest. In instances where independence or objectivity is compromised, a disclosure detailing the nature of the impairment must be provided to the relevant parties. The specific format and extent of the disclosure will depend on the nature of the impairment.

General Duties and Responsibilities

- Evaluate the efficacy of identifying and managing risks that could pose threats to organizational and financial reporting objectives.
- Assess the reliability and integrity of the financial reporting process, operational information, and business processes utilized in the identification, measurement, classification, and reporting of such information.
- Perform an assessment of the Company's internal controls, covering financial, operational, information technology, data privacy controls, compliance controls, and risk management.
- Review crisis management, business continuity, and disaster recovery plans, including the results of annual testing.
- Appraise the effectiveness of management controls aimed at ensuring the economical and efficient utilization of resources, in alignment with the Company's corporate vision and objectives.
- Scrutinize the adequacy, existence, and adherence to Company policies, procedures, and sound business practices.
- Present the findings of audit reviews and other activities in a manner that enables management to address identified risk issues and concerns, taking appropriate action within a reasonable timeframe.
- Evaluate the sufficiency of actions taken by management in response to reported risk issues, control weaknesses, and opportunities for improvement.

Duties on Corporate Governance

- Assist the Audit Committee in fulfilling its oversight function related to corporate governance. This involves establishing a communication process to discuss issues and controls impacting financial reporting, risk management processes, compliance with laws and regulations, and internal controls.
- Collaborate with Management and/or designated personnel at Valuecare to supervise regulatory compliance, ensuring thorough adherence to Valuecare Health Systems, Inc.'s corporate governance manual.
- Report recommended improvements in the company's ethics-related programs and activities, identified during regular internal audit reviews, to the Board through the Audit Committee.
- Keep the Audit Committee and Senior Management informed about developments and emerging trends and issues in corporate governance, particularly those directly impacting their roles and responsibilities.
- Fulfill the specific requirements outlined in Valuecare Health Systems, Inc.'s corporate governance manual, as specified for the internal audit activity, to cite:
  - Evaluate and provide reasonable assurance that the risk management, internal control, and governance systems are operating as intended, aligning with the company's strategy, objectives, and goals.
  - Prepare a risk-based Internal Audit Plan outlining IA priorities, scope, and resource requirements, ensuring consistency with the organization's goals, for review and approval by the Audit Committee.
  - Review and adjust the plan, as needed, in response to changes in the organization's business, risks, operations, programs, systems, and controls. Obtain approval from the Audit Committee for any deviations from the approved Annual Internal Audit Plan.
  - Maintain sufficient documentation supporting engagement results and conclusions.
  - Provide periodic reports to the Audit Committee on the internal audit activity's status, achievements, key findings, and recommendations.
  - Report the outcomes and implementation status of the Quality Assurance and Improvement Program (QAIP) and the independent external assessment conducted at least once every five years.
  - Assist in investigations resulting from whistleblower disclosures. Engage independent counsel, professional experts, or others as needed for the investigation.
  - Deliver an Internal Audit Annual Report to the Audit Committee on the Department's activity, purpose, authority, responsibility, and performance. The annual report should include the results of the review of the risk management process and significant exposures, along with a report on governance issues.
  - Provide a report to the Audit Committee confirming that Valuecare Health Systems, Inc.'s internal audit activity for the given year has adhered to the provisions of the International Standards for the Professional Practice of Internal Auditing (ISPPIA).

Duties on Enterprise-Wide Risk Management

- Assess the sufficiency of the risk management policy and its adherence to compliance standards.
- Evaluate the efficiency of the risk management process and the risk mitigation strategies formulated by the designated risk owners.
- Engage in risk assessment workshops and other ValueCare Management activities.

Duties on Data Protection

- Develops, reviews, and updates privacy policies to ensure compliance with the Philippine Data Privacy Act (DPA), NPC regulations, and industry standards. It evaluates internal policies, recommends updates based on emerging risks, and monitors policy implementation to strengthen personal data protection.
- Conducts privacy risk assessments to identify vulnerabilities and areas for improvement. It develops a risk-based audit plan to prioritize high-risk areas and assesses the effectiveness of internal privacy controls.
- Audits compliance with the DPA, NPC guidelines, and internal privacy policies, covering data retention, archiving, and disposal. It also ensures that third-party vendors and business partners comply with regulatory and contractual data protection requirements.
- Assesses organizational, technical and physical security measures such as encryption, access controls, and logging mechanisms.
- Creates and reviews the data breach response plan and monitors privacy training programs to ensure employees comply with data protection requirements.
- Investigates security incidents and/or data breaches, ensures proper response procedures, identifies root causes, recommends corrective actions, and complies with NPC breach notification requirements.
- Manages data subject requests, including access, correction, deletion, and data portability. It validates consent mechanisms and oversees the proper handling of consent withdrawals.
- Reviews data-sharing agreements, vendor contracts, and outsourced service providers to verify compliance with data privacy regulations and ensure the implementation of necessary security controls.

Other Activities

PICAD will undertake additional activities as per requests from the Audit Committee, Chairman of the Board, Micare VP for Cybersecurity, President and other senior management members. Requests from the latter will be subject to further approval from the Audit Committee based on the materiality of the requests and an evaluation of whether these activities would compromise the independence and objectivity of PICAD.

The Department is expressly prohibited from engaging in or assuming responsibility for the following:

- Executing operational duties or engaging in day-to-day internal checking systems within the operational business units.
- Initiating or endorsing accounting transactions external to the internal audit function.
- Directing the activities of any business unit employees not specifically assigned to PICAD.
- Formulating and implementing business system procedures or other internal control systems. However, the PICAD may be consulted for an assessment of the related controls.
- Preparing and submitting reports and other documentation related to Valuecare's financials and operations that are submitted to regulatory agencies.
- Acting as a representative and/or an officer of Management in any operations-related activities with government agencies, which could jeopardize the independence and objectivity of the PICAD Auditors and the Department.
- Participating in ISO Audit Activities that could compromise the professional judgment, independence, and objectivity of the Internal auditors.

The Department (PICAD) aligns its activities with the Institute of Internal Auditors (IIA)'s Mission of Internal Audit and the compulsory components of the International Professional Practices Framework (IPPF), including:

- The Core Principles for the Professional Practice of Internal Auditing
- The Code of Ethics
- The International Standards for the Professional Practice of Internal Auditing (ISPPIA or "the Standards")
- The Definition of Internal Auditing

In addition, the PICAD Charter is structured to comply with the Data Privacy Act (DPA), its implementing rules and regulations, and all relevant issuances. The Department ensures adherence to the Company's existing and newly-issued policies, the Code of Discipline, and applicable regulations issued by the Philippine Regulation Commission, Insurance Commission, and other regulatory bodies.

PICAD is committed to continuous professional development, ensuring that its members remain updated on the latest advancements in internal auditing standards, data privacy compliance, and industry best practices.

Quality Assurance and Improvement Program

The PICAD Manager will develop, implement, and maintain a quality assurance and improvement program that covers all aspects of the Department's function. The program will include external and internal assessments of the internal audit function's conformance with the Global Internal Audit Standards, as well as performance measurement to assess the internal audit function's progress toward the achievement of its objectives and promotion of continuous improvement. The program also will assess, if applicable, compliance with laws and/or regulations relevant to internal auditing. Also, if applicable, the assessment will include plans to address the internal audit function's deficiencies and opportunities for improvement.

Additionally, PICAD Manager will communicate with the board and senior management about the internal audit function's quality assurance and improvement program, including the results of internal assessments (ongoing monitoring and periodic self-assessments) and external assessments. External assessments will be conducted at least once every five years by a qualified, independent assessor or assessment team from outside Valucare; qualifications must include at least one assessor holding an active Certified Internal Auditor credential.

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