

MINUTES OF THE COMMITTEE MEETING

**Corporate Governance and Sustainability Committee
of
VALUE CARE HEALTH SYSTEMS, INC.
("Company")**

No. 33, Meralco Avenue, Barangay San Antonio
Pasig City, Metro Manila
10 July 2025, 2:00 PM

PRESENT:

Mr. Wing Kuen Moses Hee - *Chairman*
Mr. Yue Kiu Kenny Chan

ALSO PRESENT:

Ms. Jazmin Yacob
Ms. Erika Denice Castillo
Atty. Roselle P. Perez-Bariuan
Atty. Nasha Jemimah R. Reyes-Ferrer
Atty. Danica Mae M. Godornes

I. CALL TO ORDER AND DETERMINATION OF QUORUM

At the request of the Chairman, the meeting was called to order, with the latter presiding over the same. The Corporate Secretary ("**Secretary**"), Atty. Nasha Jemimah R. Reyes-Ferrer, recorded the Minutes of the proceedings.

With a majority of the members of the Corporate Governance and Sustainability Committee ("**Committee**") present, the Secretary certified the existence of a quorum for the transaction of business at hand.

II. AGENDA

The Chairman informed the Committee of the need to deliberate on the initial drafts of governance and compliance policies prior to their endorsement to the Board for approval. He emphasized that the Committee's role is to ensure that the policies are robust, compliant with regulatory requirements, and aligned with best corporate governance practices.

III. PRESENTATION OF POLICIES

A. Policy on Board Gender Diversity

Atty. Roselle P. Perez-Bariuan ("**Atty. Perez-Bariuan**"), the Company's Compliance/AML Officer, presented the first draft of the Policy on Board Gender Diversity.

Establishment of Measurable Targets

Chairman Hee stated that without quantifiable benchmarks, diversity commitments risk becoming symbolic. He asked whether the Company is prepared to commit to a measurable target and how progress toward such target will be assessed annually. He further inquired whether the policy ensured that female candidates are not merely considered but meaningfully evaluated in the nomination process.

In response to these concerns, Atty. Perez-Bariuan explained that the policy incorporates a minimum target of thirty percent (30%) female representation in the Board and required that for every Board vacancy, at least one qualified female candidate must be included in the nomination pool. The policy further required annual monitoring of Board composition and disclosure of progress in governance reports.

Integration with Nomination Process

Mr. Yue Kiu Kenny Chan ("**Mr. Chan**") raised a further concern that diversity objectives must be embedded within the Board nomination process, rather than treated as an isolated compliance requirement. He asked whether the nomination process actively identifies qualified female candidates across relevant industries, and whether diversity considerations were weighed alongside independence, financial literacy, and sector expertise.

Atty. Perez-Bariuan confirmed that the policy requires the Committee to actively consider integrated diversity metrics when evaluating candidates for Board appointment. She further explained that Board composition reviews included gender, professional background, age, industry expertise, and independence status.

Monitoring

Chairman Hee further asked how the Company will proceed if the 30% target is not met in a given year. Atty. Perez-Bariuan explained that the policy required documentation of nomination efforts and disclosure of steps undertaken to address gaps, thereby ensuring accountability and transparency.

After discussion, and upon motion duly made and seconded, the Committee unanimously approved the policy as amended.

B. Policy on Tenure of Directors

Atty. Perez-Bariuan discussed that the Committee's deliberations on the policy should focus on preventing board entrenchment while preserving institutional knowledge. She stated that independence must not be compromised by prolonged tenure.

Tenure Limit

Chairman Hee emphasized the importance of strict compliance with the nine (9)-year cumulative tenure limit for Independent Directors. He asked how cumulative tenure is calculated and whether service interruptions affect computation.

Atty. Perez-Bariuan proposed that tenure should be calculated cumulatively from the date of first appointment and that upon completion of nine years, the Independent Director must either be re-designated as non-independent or asked to step down.

Evaluation

Mr. Chan raised the question of whether Non-Executive Directors who are not independent are subject to performance evaluation rather than strict tenure limitation. He asked whether the evaluation criteria include attendance, preparedness, participation in deliberations, and contribution to strategic direction.

Atty. Perez-Bariuan confirmed that the policy mandated periodic evaluation, considering attendance, engagement, independence of thought, strategic input, and contribution to oversight functions. The Board retained discretion to extend or discontinue service based on evaluation results.

Succession

Chairman Hee further inquired how the policy supported orderly succession planning and whether potential successors were identified in advance of tenure expiration.

Atty. Perez-Bariuan discussed that there will be an incorporation of structured succession planning, monitoring of tenure expiry timelines, and proactive identification of potential candidates to ensure seamless transitions.

After discussion, and upon motion duly made and seconded, the Committee unanimously approved the policy as amended.

C. Policy on Directors' Conflict of Interest

Atty. Perez-Bariuan presented the Policy on Directors' Conflict of Interest and explained that the policy establishes procedures to ensure that situations involving actual or potential conflicts of interest are properly disclosed and managed in order to safeguard the integrity of the Company and the decision-making process of the Board.

Disclosure of Conflict of Interest

Chairman Hee requested that disclosures must be made prior to the deliberation of the relevant transaction.

Atty. Perez-Bariuan noted that under the policy, an Interested Director is required to disclose the nature of his interest as soon as practicable after becoming aware of the relevant facts. Where the matter is being deliberated at a Board meeting, the disclosure must be made before the commencement of the deliberation of the relevant transaction.

She further noted that the disclosure must include sufficient information regarding the nature and extent of the interest for the Board's consideration.

Disclosure of Associated Parties

Mr. Chan asked how potential conflicts arising through associated parties would be monitored.

Atty. Perez-Bariuan explained that the policy requires all Directors to submit to the Secretariat a list of their Associated Parties upon appointment, and to promptly notify the Secretariat of any changes to such information. This process allows the Company to monitor relationships that may give rise to potential conflicts of interest.

Benefits Acceptance

Chairman Hee raised concerns regarding acceptance of gifts or other benefits exceeding prescribed thresholds.

In this regard, Atty. Perez-Bariuan explained that the policy requires that any benefit offered to or received by a Director must first be disclosed to the Board, including a description of its nature and estimated value. Following such disclosure, the Board may determine whether the Director must decline or return the benefit, or may allow its acceptance subject to conditions.

She further noted that the policy provides limited exceptions, including instances where the benefit does not exceed Ten Thousand Pesos (PHP 10,000.00) or is not received in the Director's capacity as a Director.

Abstention from Deliberation

Atty. Perez-Bariuan further explained that where a Director has disclosed an interest in a transaction or a Benefit, the Interested Director must not be present during the Board's deliberation of the relevant matter.

All disclosures are required to be recorded in the minutes of the meeting, and the Secretariat is responsible for maintaining records relating to such disclosures.

After discussion, and upon motion duly made and seconded, the Committee unanimously approved the policy as amended.

IV. ADJOURNMENT

There being no other matters to discuss, the meeting was, upon motion duly made and seconded, adjourned.

CERTIFIED TRUE AND CORRECT:



NASHA JEMIMAH R. REYES-FERRER
Corporate Secretary

ATTESTED BY:



MR. WING KUEN MOSES HEE



MR. YUE KIU KENNY CHAN