

Re: CGFD_ Asia Pacific Medical Center (APMC) - Aklan Inc._Annual Corporate Governance Report_1 July 2022

From: ICTD Submission (ictdsubmission+canned.response@sec.gov.ph)

To: asiapacificmedicalcenter.aklan@yahoo.com

Date: Friday, July 1, 2022 at 02:44 PM GMT+8

Your report/document has been SUCCESSFULLY ACCEPTED by ICTD.
(Subject to Verification and Review of the Quality of the Attached Document)
Official copy of the submitted document/report with Barcode Page (Confirmation Receipt) will be made available after 15 days from receipt through the SEC Express System at the SEC website at www.sec.gov.ph

NOTICE

Please be informed that pursuant to SEC Memorandum Circular No. 3, series of 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (PDF) **Secondary Reports** such as: 17-A, 17-C, 17-L, 17-Q, ICASR, 23-A, 23-B, I-ACGR, Monthly Reports, Quarterly Reports, Letters, through email at

ictdsubmission@sec.gov.ph

Note: All submissions through this email are no longer required to submit the hard copy thru mail, eFAST/OST or over-the-counter.

For those applications that require payment of filing fees, these still need to be filed and sent via email with the SEC RESPECTIVE OPERATING DEPARTMENT.

Further, note that other reports shall be filed thru the **ONLINE SUBMISSION TOOL (OST)** such as: AFS, GIS, GFFS, LCFS, LCIF, FCFS, FCIF, IHFS, BDFS, PHFS etc. ANO, ANHAM, FS-PARENT, FS-CONSOLIDATED, OPC_AO, AFS WITH NSPO FORM 1,2,3 AND 4,5,6, AFS WITH NSPO FORM 1,2,3 (FOUNDATIONS)

FOR MC28, please email to:

<https://apps010.sec.gov.ph>

For your information and guidance.

Thank you and keep safe.

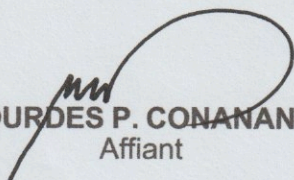
REPUBLIC OF THE PHILIPPINES)
_____) S.S.
PROVINCE OF AKLAN
MUNICIPALITY OF KALIBO

Certification

I, **Marsha Lourdes P. Conanán-Morato**, the Corporate Secretary of **Asia Pacific Medical Center (APMC) – Aklan Inc.**, a corporation duly registered under and by virtue of the laws of the Republic of the Philippines, with SEC registration number **CS201739437** and with principal office at **Judge Martelino Road, Andagao, Kalibo, Aklan**, on oath state:

- 1) That I have caused this Annual Corporate Governance Report (ACGR) to be prepared on behalf of **Asia Pacific Medical Center (APMC) – Aklan Inc.**
- 2) That I have read and understood its contents which are true and correct based on my own personal knowledge and/or on authentic records;
- 3) That the company **Asia Pacific Medical Center (APMC) – Aklan Inc.** will comply with the requirements set forth in SEC Notice dated May 12, 2021 to effect a complete and official submission of reports and/or documents through electronic mail;
- 4) That I am fully aware that submitted documents which require pre-evaluation and/or payment of processing fee shall be considered complete and officially received only upon payment of a filing fee; and
- 5) That the e-mail account designated by the company pursuant to SEC Memorandum Circular No. 28, s. 2020 shall be used by the company in its online submissions to MSRD.

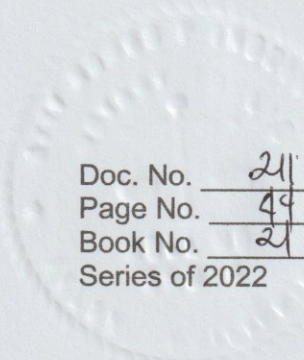
IN WITNESS WHEREOF, I have hereunto set my hand this 01 JUL 2022 day of _____, 2022.


MARSHA LOURDES P. CONANAN-MORATO
Affiant

SUBSCRIBED AND SWORN to before me this 01 JUL 2022 day of _____, 20_____, in Kalibo, Aklan City, Philippines, affiant exhibiting to me her PRC ID No. 0068829 issued on 03/06/1990, at Manila and valid until 05/12/2023.

ROMEO P. NOCENCIO
Notary Public for the Province of Aklan
Appointment No. 8 (2021-2022)
Until December 31, 2022
NOTARY PUBLIC
Roll No. 35274
XIX Martyrs St., Kalibo, Aklan
IBP No. 190559/01/03/22 Pasig City
PRT No. 7761471/01/03/2022/Kalibo, Aklan
MCLE Compliance No. VII-0001782
Issued on December 02, 2019

Doc. No. 211
Page No. 44
Book No. 21
Series of 2022





**ASIA PACIFIC
MEDICAL CENTER
(APMC)-AKLAN INC.**

(Formerly: Allied Care Experts (ACE) Medical Center-Aklan Inc.)

1 July 2022

RACHEL ESTHER J. GUMTANG-REMALANTE

Director
Corporate Governance and Finance Department
Securities and Exchange Commission
Pasay City, Metro Manila

Dear Director Gumtang-Remalante:

Greetings!

On 30 June 2022, we attempted to file Two (2) copies of a fully accomplished SEC Form-ACGR (for PC/RI) of Asia Pacific Medical Center -Aklan, Inc. (formerly Allied Care Experts (ACE) Medical Center-Aklan, Inc.) with the SEC Main Office per **General Instruction in the Signature, Filing and Posting of the Report** stated in **Memorandum Circular NO. 13 s. 2021**. However, the office was closed and we were informed that in the afternoon of 29 July 2022, the Securities and Exchange Commission (SEC) Main Office within the Philippine International Convention Center (PICC) Complex in Pasay City, as well, as the new SEC Headquarters along Makati Avenue in Makati City is temporarily closed in light of the inauguration of the 17th President of the Republic of the Philippines.

On 1 July 2022, we attempted to file again in the same manner but we were informed by Mr. Russel Castro of the CGFD to submit our Annual Corporate Governance Report for 31 December 2021 via online.

In view thereof, we are requesting acceptance of this report as filed on time.

Thank you very much.

Very truly yours,

MAYLENE B. VILLANUEVA, CCO
Compliance Officer

COVER SHEET

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 S.E.C. Registration Number

A	S	I	A	P	A	C	I	F	I	C	M	E	D	I	C	A	L	C	E	N	T	E	R
(A	P	M	C)	-	A	K	L	A	N	.	I	N	C								

 (Company's Full Name)

J	U	D	G	E	M	A	R	T	E	L	I	N	O	R	O	A	D	A	N	D	A	G	A	O
K	A	L	I	B	O	A	K	L	A	N														

 (Business Address: No. Street
City / Town / Province)

DR. MARSHA LOURDES P. CONANAN-MORATO

Contact Person

(036) 268-2320

Company Telephone Number

1	2	3	1
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 MONTH DAY
 Fiscal Year

ACGR

FORM TYPE

0	4	0	3
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 MONTH DAY
 Annual Meeting

Secondary License Type, if Applicable

S E C

Dept. Requiring this Doc

Amended Articles Number/Section

Total No. of Stockholders

X

Domestic

Foreign

To be accomplished by SEC
Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. Use black ink for scanning purposes



SEC FORM-ACGR (FOR PC/RI)
ANNUAL CORPORATE GOVERNANCE REPORT FOR PUBLIC COMPANIES AND REGISTERED ISSUERS

1. For the fiscal year ended December 31, 2021
2. SEC Identification Number CS201739437
3. BIR Tax Identification No. 009-900-845-000
4. Exact name of issuer as specified in its charter ASIA PACIFIC MEDICAL CENTER (APMC)- AKLAN INC. (Formerly: ALLIED CARE EXPERTS (ACE) MEDICAL CENTER-AKLAN INC)
5. Province, Country or other jurisdiction of incorporation or organization Aklan Philippines
6. Address of Principal Office Judge Martelino Road, Andagao, Kalibo, Aklan
7. Postal Code 5600
8. Issuer's telephone number, including area code (036) 2682320
9. Former name, former address, and former fiscal year, if changed since last report ---
10. Industry Classification Code (For SEC's use only) ---

ANNUAL CORPORATE GOVERNANCE REPORT FOR PUBLIC COMPANIES AND REGISTERED ISSUERS

RECOMMENDATION	COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
THE BOARD'S GOVERNANCE RESPONSIBILITIES			
Principle 1. ESTABLISHING A COMPETENT BOARD			
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.			
Recommendation 1.1			
1	Compliant	Principle 1 and Recommendation 1.1 are embodied in the Manual on Corporate Governance of Asia Pacific Medical Center-Aklan Inc. (the "Company") as approved on 1 December 2021 (the "Manual").	
2	Compliant	The academic qualifications, industry knowledge, professional experience, and expertise of directors are set forth in the Annual Report (SEC Form 17-A) for the fiscal year 31 December 2021 ("SEC Form 17-A") and also published in the Company website.	
3	Compliant	<p>Reference documents/links:</p> <p>Manual on Corporate Governance page 6 : MANUAL-ON-CORPORATE-GOVERNANCE.pdf</p> <p>2021 SEC Form 17-A Annual Report pages 33 to 37 : SEC-FORM-17-A-2021.pdf</p> <p>APMC Aklan Website (About Us): bod-2021-2022</p>	
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.			

Recommendation 1.2			
1	The Board is headed by a competent and qualified Chairperson.	Compliant	<p>The Chairman of the Board is Dr. Ferjenel G. Biron. His profile which establishes his competence and qualification is set forth in the 2021 17 A Report and in the Company website.</p> <p>Reference documents/links:</p> <p>2021 SEC Form 17-A Annual Report pages 33: SEC-FORM-17-A-2021.pdf</p> <p>APMC Aklan Website (About Us): bod-2021-2022</p>
Recommendation 1.3			
1	The company provides a policy on training of directors.	Compliant	<p>The Company aims to ensure that the members of the Board and Company Officers are provided with the necessary, relevant and appropriate training and/or development programs annually. The annual training of the members of the Board and Company officers ensures that they are kep abreast of the developments in the business and regulatory landscapes of the industry.</p> <p>Reference documents/links:</p> <p>Policy on Training of Directors: Policy-on-the-Orientation-and-Training-of-Directors-and-Officers.pdf</p>
2	The company has an orientation program for first-time directors.	Non- Compliant	<p>Reference documents/links:</p> <p>Policy on the Orientation and Training of Directors and Officers: Policy-on-the-Orientation-and-Training-of-Directors-and-Officers.pdf</p> <p>The Company was only registered on 29 June 2021. The policy is in place as shown in the link provided. It was approved together with its Manual on Corporate Governance on 1 December 2021. The Directors are attending the trainings in 2022 and an Orientation will be conducted if there will be new directors that will be elected to the 2022 APMC Aklan Board of Directors.</p>
3	The company has relevant annual continuing training for all directors.	Non- Compliant	Please see above explanation.

Recommendation 1.4			
1	The Board has a policy on board diversity.	Compliant	<p>The Company's policy on Board Diversity is set forth in Annex A of the Manual on Corporate Governance.</p> <p>The 2021 APMC Aklan Board of Directors are composed of eight (8) female and seven (7) male. Two (2) of them are between the ages of 35-39, six (6) between the ages of 40-49 and seven (7) between the ages of 50-59. Three (3) of the directors are physician and businessmen including the Chairman and the President while the rest of the Board are medical specialists in internal medicine (cardiology and otorhinolaryngology), pediatrics, anaesthesiology, infectious diseases, orthopedics, family medicine, obstetrics and gynecology. The different specializations in the field of medicine of the Directors is strategic before and during the initial stages of the operation of the hospital as it will facilitate the formulation of experience-based policies and procedures that secure the efficient operation of the various Departments of the Hospital.</p> <p>Reference documents/links:</p> <p>Policy on Board Diversity: Policy-on-Board-Diversity-.pdf</p> <p>APMC Aklan Website (About Us):): bod-2021-2022</p>
Recommendation 1.5			
1	The Board is assisted by a Corporate Secretary.	Compliant	<p>The Corporate Secretary is Marsha Lourdes P. Conan-an-Morato. She is not the Compliance Officer but is a member of the Board of Directors. Her qualifications, duties and functions are set forth in the Company's Manual on Corporate Governance. Her educational and professional background is posted in the website.</p> <p>Reference documents/links:</p> <p>APMC Aklan Website (About Us): bod-2021-2022/</p> <p>Manual on Corporate Governance page 27-28: MANUAL-ON-CORPORATE-GOVERNANCE-1.pdf</p>
2	The Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	
3	The Corporate Secretary is not a member of the Board of Directors.	Non-Compliant	
			The Company was only registered on 29 June 2021. The current Secretary has been performing the role since the Company was incorporated in 2017

				and has proven to be the most efficient for the job. The Company is currently screening candidates for the position and hopes to find a suitable replacement who is not a director during the Organizational Meeting after the election of the 2022 APMC Aklan BOD on 15 August 2022.
4	The Corporate Secretary attends annual training/s on corporate governance.	Non- Compliant		The Company was only registered on 29 June 2021. No budget for trainings was allocated during the said year as the priority is the Construction of the Hospital. However, the current Corporate Secretary will be attending the webinar on Corporate Secretary as Corporate Governance Professional to be conducted by the Institute of Corporate Directors on 16-17 June 2022.
Recommendation 1.6				
1	The Board is assisted by a Compliance Officer.	Compliant	The Compliance Officer of the Company is Atty. Maylene B. Villanueva. As CO, she occupies a VP position and her legal expertise and experience in corporate governance establish her authority in the corporation. She is not a member of the Board. The qualifications, duties and functions of the CO is set forth in the Manual on Corporate Governance. Her educational and professional background is posted in the website. Reference documents/links: Manual on Corporate Governance pages 28-29: MANUAL-ON-CORPORATE-GOVERNANCE-1.pdf APMC Aklan Website (About Us): bod-2021-2022/	
2	The Compliance Officer has a rank of Senior Vice-President or an equivalent position with adequate stature and authority in the corporation.	Compliant		
3	The Compliance Officer is not a member of the board.	Compliant		

<p>4 The Compliance Officer attends annual training/s on corporate governance.</p>	<p>Compliant</p>	<p>Being a corporate governance advocate, the CO had attended the following corporate governance trainings in 2021 accredited by the Securities and Exchange Commission:</p> <ol style="list-style-type: none"> 1. Certification Course for Compliance Officers by the Center for Global Best Practices on June 24, 25, 28 & 29 and July 9, 15 and 19 2021. (24 hours) (Top 3 in the Examination) 2. Professional Directorship Program conducted by the Institute of Corporate Directors on October 6, 7, 12, 13, 26&27 & November 4&5 2021. (40 hours) 3. Masterclass in Complete Staff Work conducted by the Center for Global Best Practices on September 15-17, 2021 and September 20-22, 2021 (12 hours) . 4. Best Practices in Digital Transformation Risk Management conducted by the Center for Global Best Practices on December 2-3, 2021. (6 hours) 	
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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

<p>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.</p>	<p>Compliant</p>	<p>Recommendation 2.1 is set forth in the Manual on Corporate Governance.</p> <p>The members of the Board of Directors are provided with the relevant materials and information at least five days prior to the meeting for their reference and perusal. Each item in the agenda that requires approval from the Board is discussed and deliberated by the Board prior to the approval.</p>	
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		In 2021, the Board has approved 36 resolutions after discussion and deliberations. Reference documents/links: Manual on Corporate Governance page 17: MANUAL-ON-CORPORATE-GOVERNANCE-1.pdf	
Recommendation 2.2			
1	The Board oversees the development and approval of the company's business objectives and strategy.	Compliant	On 8 September 2021, the Board together with the other founders of the Hospital had a Strategic Planning Session with the Compliance Officer. In the said session, the mission, vision and core values of the Company were formulated. The Board approved the mission, vision and core values of the Company in its meeting on 24 November 2021.
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 program for directors, key officers and management.	Compliant	One of the governance responsibilities of the Board is to ensure and adopt an effective succession planning program for directors, key officers and management as outlined in the Manual on Corporate Governance and the Board Charter. Its Succession Planning Policy is also discussed in the Remuneration and Performance Policy. The retirement policy is attached as Annex E of the aforementioned Manual. Reference documents/links: Manual on Corporate Governance page 17: MANUAL-ON-CORPORATE-GOVERNANCE-1.pdf Board Charter page 22: Board-Charter-.pdf Remuneration and Performance Policy: Remuneration-and-Performance-Policy-.pdf Retirement Policy - Retirement-Policy.pdf
2	The Board adopts a policy for the retirement of directors and key officers.	Compliant	
Recommendation 2.4			

1	The Board aligns the remuneration of key officers and board members with the long-term interests of the company.	Compliant	The Remuneration and Performance Policy of the Company is published in the website. Such policy specifies that the alignment of Key Executives and Board remuneration with the longer-term interests of the Company and its shareholders may be considered.
2	The Board adopts a policy specifying the relationship between remuneration and performance.	Compliant	Per Board Charter, no Director shall be involved in deciding his own remuneration during his incumbent term. Remuneration that are approved takes effect after the term of the approving Board.
3	The Directors do not participate in discussions or deliberations involving his/her own remuneration.	Compliant	<p>Reference documents/links:</p> <p>Remuneration and Performance Policy: Remuneration-and-Performance-Policy-.pdf</p> <p>Board Charter page 21 : Board-Charter-.pdf</p>
Recommendation 2.5			
1	The Board has a formal and transparent board nomination and election policy.	Compliant	The Board has a formal and transparent board nomination and election policy which is disclosed in the Manual on Corporate Governance.
2	The Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant	A Call for Nomination before the Election of the BOD in the ASM is also sent to the stockholders to encourage nominations from shareholders.
3	The Board nomination and election policy includes how the company accepted nominations from shareholders/members.	Compliant	<p>Reference documents/links:</p> <p>Board and Nomination Policy : Board-Nomination-and-Election-Policy-.pdf</p>
4	The Board nomination and election policy includes how the board reviews the qualifications of nominated candidates.	Compliant	

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	The Company was only registered on 29 June 2021. While the policy does not include assessment of the effectiveness of the Board's processes in the nomination, election or replacement/removal of a director and process for identifying the quality of directors/trustees that is aligned with the strategic direction of the company, the selection and screening of the nominees is anchored on the experience that they bring in realizing the strategic objectives of the hospital. Moreover, the Nominations and Election Committee also reviews its processes in the nomination and election of directors. The Committee also plans to propose the amendment of the current policy to include the recommendations of the SEC.
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	Please see above explanation.

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.	<p>The Board's Related Party Transaction is a part of the Manual on Corporate Governance and published in the website.</p> <p>There is no material RPT that was approved in 2021.</p> <p>Reference documents/links:</p>	
2	The RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and	<p>Compliant</p> <p>Related Party Transactions: Related-Party-Transaction-Policy-.pdf</p>	

transparency of the transactions.			
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).	Partially Compliant	<p>The Board Charter provides that among the general responsibilities of the Board for Good Governance are the appointment of a CEO with the appropriate ability, integrity and experience to fill the role and review of proposed senior management appointments. It is its duty to select and appoint a President/Chief Executive Officer and other senior officers with the appropriate level of motivation, integrity, competence and professionalism in accordance with the process and criteria set in the by-laws or the Charter.</p> <p>The Board appoints the Chief Executive Officer and Compliance Officer as shown in 17C dated July 1, 2021.</p> <p>The Management Team of the Company is as follows:</p> <p>President - Dr. Simeon A. Arce, Jr.</p> <p>Vice President – Dr. Meride Daulo- Lavilla</p> <p>Treasurer/Chief Finance Officer -Dr. Joanne B. Abril</p> <p>Chief Accounting Officer – Mr. Bonnie S. dela Torre</p> <p>Administrative Officer – Dr. Maribel A. Arce</p> <p>Reference documents/links:</p> <p>Board Charter page 12: Board-Charter-.pdf</p> <p>17 C Report dated 4 July 2021: 17-C-Report-of-Election-and-Appointment-of-Officers.pdf</p>	To streamline its activities prior to operations and expedite the completion of the hospital, the Board has deferred the appointment of a Risk Officer and Audit Executive. The positions will be filled up a few months before the Opening of the Hospital.

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).	Non-Compliant		<p>The Board Charter provides that the Corporate Governance Committee will conduct an annual review of the Chief Executive Officer's performance. The Board of Directors will review the CG Committee's report in order to ensure that the Chief Executive Officer is providing the best leadership for the Company in the long-and short-term.</p> <p>However, no assessment of the performance of the Management has been done yet as the company is not yet operational and the completion of the hospital is the priority. Also the Company was only registered on 29 June 2021. Once the appointments are completed and prior to operation, the policy on assessing the performance of management will be approved by the Board.</p>
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.	Non-Compliant		The Company was only registered on 29 June 2021 and is not yet operational. The Board will finalize the performance evaluation framework for Management and Personnel after the Department of Health issues its License to Operate and approves the Organizational Chart proposed by the Company.
2	The Board establishes an effective performance evaluation framework that includes a standard or criteria for assessment and ensures that personnel's performance	Non-Compliant		Please see above-explanation.

	is on par with the standards set by the Board and Senior Management.			
Recommendation 2.9				
1	The Board ensures that an appropriate internal control system is in place.	Compliant	The Company has a Compliance Office which oversees the compliance of the Company of its regulatory obligations. The Office takes into account the relevant rules and regulations that affect its activities and the business risks that may arise due to non-compliance in formulating policies to be recommended to the Board.	
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		
3	The Board adopts an Internal Audit Charter.	Non - Compliant		While the Company has not adopted an Internal Audit Charter yet due to the deferment of the appointment of the Chief Audit Executive, the Manual on Corporate Governanace adequately discuss the specific duties and responsibilities of the Internal Audit Group and qualifications of the Chief Audit Executive.
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	The Enterprise Risk Management Framework of the Company is attached to the Manual on Corporate Governance as Annex B and is published in the website. Reference documents/links:	
2	The risk management framework guides the Board in identifying units/business	Compliant	Enterprise-Risk-Management-Framework-.pdf	

	lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.			
Recommendation 2.11				
1	The Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	Compliant	<p>The Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties which is part of the Manual on Corporate Governance and published in the website.</p> <p>Reference documents/links:</p> <p>Board-Charter-.pdf</p>	
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	<p>The Company has established Board Committees which are reflected in its Manual on Corporate Governance. The composition of the Board is published in the website and reported to the SEC.</p> <p>Reference documents/links:</p> <p>Manual On Corporate Governance page 22: manual-on-corporate-governance/</p> <p>Board Committees: board-committees</p> <p>17-C Report dated 4 July 2021 : 17-C-Report-of-Election-and-Appointment-of-Officers.pdf</p>	

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	<p>Information on the establishment of the Audit Committee is contained in the Manual on Corporate Governance and its function can be found in the Audit Committee Charter.</p> <p>Reference documents/links:</p> <p>Manual on Corporate Governance pages 22: manual-on-corporate-governance/</p> <p>Audit Committee Charter : Audit-Committee-Charter.pdf</p>
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.	Compliant	<p>The following directors compose the Audit Committee:</p> <p>Dr. Delphine Joanne Quintana- Bartolome- Chairperson (Independent Director)</p> <p>Dr. Mary Karen Veronica R. Icamina – Member(Independent Director)</p> <p>Dr. Regina R. Buenaflor – Member (Regular Director)</p> <p>All three directors are qualified non-executive directors with the two being independent directors including the Chairperson.</p> <p>Reference documents/links:</p> <p>Board Committees: board-committees</p> <p>17-C Report dated 4 July 2021 : 17-C-Report-of-Election-and-Appointment-of-Officers.pdf</p>
3	All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Non- Compliant	The Company was only registered on 29 June 2021 a few days before the company's 2021 Annual Stockholders' Meeting and Election of BOD. There were no nominees with the relevant background, knowledge, skills and/or experience in the areas of accounting, auditing and finance. If the same happens in 2022, the members of the Committee will be asked to train and

			take short courses on the subject matter.
4	The Chairperson of the Audit Committee is not the Chairperson of the Board or of any other committee.	Compliant	<p>The Chairperson of the Audit Committee is Dr. Delphine Joanne Quintana- Bartolome- and is not the Chairperson of any other Board Committees.</p> <p>Reference documents/links:</p> <p>Audit Committee: audit-committee/ 17-C Report dated 4 July 2021: 17-C-Report-of-Election-and-Appointment-of-Officers.pdf</p>
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	<p>Information on the establishment of the Corporate Governance Committee is contained in the Manual on Corporate Governance and its function can be found in the Corporate Governance Committee Charter.</p> <p>However, the Board has a separate Remuneration and Compensation Committee and a Nominations and Election Committee which undertook the process of identifying the quality of directors aligned with the company's strategic direction.</p> <p>Reference documents/links:</p> <p>Manual on Corporate Governance pages 22: manual-on-corporate-governance/</p> <p>Corporate Governance Charter: Coporate-Governance-Committee.pdf</p> <p>Nominations and Election Committee Charter: Nominations-and-Election-Committee-Charter.pdf</p> <p>Remuneration and Compensation Committee Charter: Compensation-and-Remuneration-Committee-Charter.pdf</p>

2	The Corporate Governance Committee is composed of at least three (3) members, majority of whom, including the Chairperson, should be independent directors.	Compliant	<p>The following directors compose the Corporate Governance Committee:</p> <p>Dr. Mary Karen Veronica R. Icamina - Chairperson (Independent Director)</p> <p>Dr. Delphine Joanne Quintana-Bartolome - Member (Independent Director)</p> <p>Dr. Claire B. Perez - Member (Regular Director)</p>	
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		As of 2021, the Board had not established the Board Risk Oversight Committee because the Company is not yet operational. The Company has a very lean manpower with only 17 employees hence Risk Management is currently being overseen by the Audit Committee to save on costs. Once the Company starts to operate its hospital, it will review the necessity for the creation of such committee considering the risks involve in its operations and the financial requirements of the undertaking.
2	The BROC is composed of at least three (3) members, the majority of whom should be independent directors, including the Chairperson.	Non - Compliant		The Audit Committee which assumes the responsibility of the BROC is compliant with this composition.
3	At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Non- Compliant		No BROC has been constituted yet.

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.	Compliant	Reference documents/links: Audit Committee Charter: Audit-Committee-Charter.pdf Corporate Governance Committee Charter: Corporate-Governance-Committee.pdf Compensation and Remuneration Committee: Compensation-and-Remuneration-Committee-Charter.pdf Nomination and Election Committee: Nominations-and-Election-Committee-Charter.pdf
2	The Committee Charters provide standards for evaluating the performance of a committee and its members.	Compliant	

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.

Recommendation 4.1			
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	As can be gleaned in the SEC Report on Attendance, the Directors attend and actively participate in all meetings of the Board, Committees and shareholders which were all done through tele/video conferencing conducted in accordance with SEC MC No. 6 Series of 2020. In compliance with the said MC , the Board also approved its Rules and Procedures for the Conduct of Board Meetings via Remote Communication. Materials are also distributed to the Board days before the meeting to give them ample time to review matters for discussion and approval during the meeting. Reference documents/links: SEC Report on Attendance: Attendance-of-Board-of-Directors-1.pdf Internal-Procedures-for-Board-and-Committee-Meetings-Through-Remote-Communication.pdf
2	The Directors review meeting materials for all Board and Committee meetings.	Compliant	

3	The Directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	Directors actively participate during presentation of the Updates on the Construction of the Hospital through inquiries and clarifications on various concerns involving the project as well as during the Treasurer's Report on financial matters that may have a material impact on the Company's fiscal standing.	
Recommendation 4.2				
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.	Compliant	<p>The policy on multiple Board seats is set forth in the Manual on Corporate Governance. The directorships of the company's directors in listed companies, registered issuers and public companies are published in the website.</p> <p>Reference documents/links:</p> <p>Manual on Corporate Governance pages 20: manual-on-corporate-governance/</p> <p>APMC Aklan Website (About Us): bod-2021-2022/</p>	
Recommendation 4.3				
1	The Directors notify the company's board before accepting a directorship in another company.	Compliant	<p>The Manual on Corporate Governance requires a director of the Company to notify the Board before accepting a directorship in another company. However, no member of the Board has been elected as a director in another company to date.</p> <p>Reference documents/links:</p> <p>Manual on Corporate Governance page 21: manual-on-corporate-governance/</p>	

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	Of the fifteen (15) Directors, only six (6) are executive officers. Reference documents/links: APMC Aklan Website (BOD Profile): about-us/bod-2021-2022/	
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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.	Non- Compliant		The Company's Manual on Corporate Governance provides that Board shall have at least three (3) independent directors which is complied with. However, the SEC recommends that the Company should have at least five (5) independent directors which is 1/3 of the Board. Due to the difficulty of finding qualified Independent Directors who would sacrifice their time for the corporation in its pre-operation stage with a meager per diem and delays in the construction of the hospital, the status quo suits the current need for resiliency of the company. Nonetheless, the effort of the Board to have an objective and independent judgment on all corporate affairs is not compromised as the three (3) Independent Directors are active in the Board Committees and are given fair opportunity to air their views on corporate matters.
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Recommendation 5.3

1	The independent directors possess all the qualifications and none of the disqualifications to hold the	Compliant	The three Independent Directors, Dr. Delphine Joanne Quintana- Bartolome, Dr. Mary Karen Veronica R. Icamina and Dr. Darcy A. Quindor possess all the qualifications and none of the disqualifications to become such. Their qualifications are	
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	position.		published in the website. Reference documents/links: APMC Aklan Website (BOD Profile): about-us/bod-2021-2022/	
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	The policy barring an independent director from serving in such capacity after the term limit of nine (9) years is set forth in the Manual on Corporate Governance. Reference documents/links: Manual on Corporate Governance page 7: manual-on-corporate-governance/	
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	Not applicable because the event had not happened.	
Recommendation 5.5				
1	The positions of Chairperson of the Board and Chief Executive Officer (or its equivalent) are held by separate individuals.	Compliant	During its Organizational Board Meeting held on 4 July 2021, the Board elected Ferjanel G. Biron as Chairman and Simeon A. Arce, Jr. as President/Chief Executive Officer. Reference documents/links: APMC Aklan Website (BOD Profile): about-us/bod-2021-2022/	
2	The Chairperson of the Board and Chief Executive Officer (or its equivalent) have clearly defined responsibilities.		The responsibilities of the Chairman and Chief Executive which are clearly defined are set forth in the Board Charter. Chairman Ferjanel G. Biron and President/CEO Simeon Arce Jr. are not related by blood. Reference documents/links: Board Charter pages 13 to 16 - Board-Charter-pdf	

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	The Company was only registered on 29 June 2021 a few days before the company's 2021 Annual Stockholders' Meeting and Election of BOD. The Board was not able to elect a Lead Director at that time as its Manual on Corporate Governance was only approved on December 2021.
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	<p>The policy is set forth in the Manual on Corporate Governance but no transaction in which a director has a material interest had taken place in 2021.</p> <p>Reference documents/links:</p> <p>Manual on Corporate Governance pages 7-8: manual-on-corporate-governance/</p>
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.	Non-Compliant	<p>The Company was only registered on 29 June 2021 a few days before the company's 2021 Annual Stockholders' Meeting and Election of BOD. However, such policy is contained in the Manual on Corporate Governance and will be implemented as soon as practicable.</p> <p>Reference documents/links:</p> <p>Manual on Corporate Governance page 8: manual-on-corporate-governance/</p>
2	The meetings are chaired by the lead independent director, if applicable.	Non-Compliant	The Company has no lead independent director at the moment.

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.	Non- Compliant	The Company was only registered on 29 June 2021 a few days before the company’s 2021 Annual Stockholders’ Meeting and Election of BOD. However, the Board, Board Committees, Officers and Directors will release its Self-Assessment of its Performance at least forty (45) days before the year’s election.	
2	The Chairperson conducts an annual self-assessment of his performance.	Non- Compliant		See above explanation
3	The individual members conduct a self-assessment of their performance.	Non- Compliant		See above explanation
4	Each committee conducts a self-assessment of its performance.	Non- Compliant		See above explanation

Recommendation 6.2

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 Company was only registered on 29 June 2021 a few days before the company’s 2021 Annual Stockholders’ Meeting and Election of BOD . But the system will be in place in 2022.
2	The system allows for a feedback mechanism from the shareholders/members.	Non- Compliant	

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	<p>The Company's Code of Business Conduct and Ethics (CBCE) is published in the website</p> <p>Reference documents/links:</p> <p>The-Code-of-Business-Conduct-and-Ethics.pdf</p>	
2	The Code is properly disseminated to the members of Board.	Compliant	The Code was deliberated by the Board prior to approval and the approved draft was sent to them via email. New Directors are also furnished the CBCE along with other documents.	
3	The Code is disclosed and made available to the public through the company website.	Compliant	<p>Reference documents/links:</p> <p>The-Code-of-Business-Conduct-and-Ethics.pdf</p>	

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	<p>The Company implements the following monitoring procedures:</p> <p>Pre-audit approvals, transaction reviews, such as travel expense reports, reviews of in-process quality checks and outcome data, review of completed staff work.</p> <p>Directors, officers and employees are required to comply with the Code of Business Conduct and Ethics.</p>	
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DISCLOSURE AND TRANSPARENCY

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	<p>The company's disclosure policy is stated in the Manual on Corporate Governance. Reports are distributed/made available to members through the company website and sometimes emails and social media postings.</p> <p>Reference documents/links:</p> <p>Manual on Corporate Governance pages 35-36: manual-on-corporate-governance/</p> <p>Company Disclosures: company-disclosures/notice-of-annual-or-special-stockholders-meetings/ company-disclosures/sec-filing/</p>
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Recommendation 8.2

1	The company has a policy requiring all directors to disclose/report to the company any dealings in the company's shares within five (5) business days.	Compliant	<p>The policy is set forth in the Manual on Corporate Governance.</p> <p>Actual dealings of the directors and officers are disclosed in 18A/B and 23B Reports filed before the SEC.</p>
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	<p>Reference documents/links:</p> <p>Manual on Corporate Governance pages 35-36: manual-on-corporate-governance/</p>

Recommendation 8.3

1	The company's corporate governance policies, programs and procedures are contained in its Manual on Corporate	Compliant	<p>Reference documents/links:</p> <p>Manual on Corporate Governance: manual-on-corporate-governance/</p>
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	Governance (MCG).			
2	The company's MCG is submitted to the SEC.	Compliant		
3	The company's MCG is posted on the company website.	Compliant		
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).	For Compliance		For Compliance as this is the first ACGR to be submitted by the Company after it was granted license to sell securities over the counter. This ACGR will be posted in the Company Website.
2	The company's ACGR is submitted to the SEC.	For Compliance		
3	The company's ACGR is posted on the company website.	For Compliance		
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	The Audit Committee evaluates the performance of the External Auditor and recommends to the Board its reappointment before the Annual Stockholders' Meeting.	
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	During the 2021 Annual Stockholders Meeting held on 4 July 2021, 96.4 % of shareholders ratified the appointment of Mendoza Querido & Co. as External Auditor for 2021-2022. Reference documents/links: 2021 Minutes of ASM - Minutes-of-the-Annual-Stockholders-Meeting.pdf	

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		The event has not occurred
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.	Compliant	Please see the Audit Committee Charter. Reference documents/links: eference documents/links: Audit Committee Charter - Audit-Committee-Charter.pdf	
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.	Compliant		

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	<p>The assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statement was disclosed in the 2021 17 A Report published in the website.</p> <p>Reference documents/links:</p> <p>SEC-FORM-17-A-2021.pdf</p>
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.	Compliant	<p>The policy is set forth in the Manual on Corporate Governance.</p> <p>Reference documents/links:</p> <p>Manual on Corporate Governance page 35: manual-on-corporate-governance/</p>

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	<p>The general policy is contained in the Manual on Corporate Governance.</p> <p>The specific policies will be formulated when the hospital is completed and operational.</p> <p>Reference documents/links:</p> <p>Manual on Corporate Governance page 37: manual-on-corporate-governance/</p>
2	The company discloses to all shareholders/members and other stakeholders the company's strategic and operational objectives with	Compliant	<p>The general policy is contained in the Manual on Corporate Governance.</p> <p>The specific policies will be formulated when the hospital is completed and operational.</p>

<p>emphasis on the management of environmental, economic, social and governance (EESG) issues of its business which underpin sustainability.</p>		<p>Reference documents/links:</p> <p>Manual on Corporate Governance page 37: manual-on-corporate-governance/</p>	
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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

<p>1 The company has a website to ensure a comprehensive, cost-efficient, transparent and timely manner of disseminating relevant information to the public.</p>	<p>Compliant</p>	<p>Reference documents/links:</p> <p>https://www.asiapacificmedicalcenter-aklan.com/</p>	
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INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORKS

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

<p>1 The company has an adequate and effective internal control system in the conduct of its business.</p>	<p>Compliant</p>	<p>The Company's internal control system is provided in the Manual on Corporate Governance.</p> <p>Considering that the Company is not yet operational, the Compliance Office and External Audit is deemed adequate for internal control system of the company.</p> <p>Reference documents/links:</p> <p>Manual on Corporate Governance page 32-34: manual-on-corporate-governance/</p>	
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2	The company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	<p>The Enterprise Risk Management Framework of the Company is attached as Annex B of the Manual on Corporate Governance.</p> <p>Reference documents/links:</p> <p>Enterprise-Risk-Management-Framework-pdf</p>	
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 and improve the company's operations.	Partially Compliant	<p>The Internal Audit Function is found on the Manual on Corporate Governance.</p> <p>Reference documents/links:</p> <p>Manual on Corporate Governance page 33: manual-on-corporate-governance/</p>	The Board has not yet appointed an internal auditor due to its decision to streamline manpower and expenses prior to the completion and operation of the hospital.
CULTIVATING A SYNERGIC RELATIONSHIP WITH SHAREHOLDERS/MEMBERS				
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	<p>The Basic Shareholder rights are disclosed in the Manual on Corporate Governance.</p> <p>Reference documents/links:</p> <p>Manual on Corporate Governance page 38-40: manual-on-corporate-governance/</p>	

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	<p>The Notice of Annual Stockholders' Meeting for Year 2021 with the Agenda and other relevant information was sent twenty-one (21) days before the meeting via email to the stockholders and posting in the website.</p> <p>As the permit to issue securities was issued only on 29 June 2021 and the Company's 2021 Annual Stockholder was held on 4 July 2021, the Company was not able to submit a 20-IS yet.</p> <p>Reference documents/links:</p> <p>Company Disclosures: company-disclosures/notice-of-annual-or-special-stockholders-meetings/company-disclosures/sec-filing/</p>
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	<p>Reference documents/links:</p> <p>Minutes of the 2021 Annual Stockholders Meeting: 2021-Minutes-of-the-Annual-Stockholders-Meeting.pdf</p>
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	<p>The Minutes of the Meeting was published in the website. The said minutes reflect the voting results for all agenda items, including the approving, dissenting and abstaining votes. The voting on the resolutions were done by voting via google form. During the meeting, the stockholders were given the opportunity to ask questions and answers were given.</p> <p>Reference documents/links:</p> <p>Minutes of the 2021 Annual Stockholders Meeting: 2021-Minutes-of-the-Annual-Stockholders-Meeting.pdf</p>

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.	Non- Compliant	The Company was only registered on 29 June 2021. It will approve An Alternative Dispute Resolution Policy in 2022.
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.	Compliant	<p>The following are the Investor Relations Officers of the Company :</p> <p>DR. JOHNNA G. DE JOSE</p> <p>DR. ESTER F. PALMA</p> <p>Telephone Number: 036 268 2320/09178146042/09190963082</p> <p>Fax Number: N/A</p> <p>Email address: asiapacificmedicalcenter.aklan@yahoo.com</p>
2	The IRO or CRO or its equivalent is present at every shareholders'/members' meeting.	Compliant	The IRO attends the Annual Stockholders' Meeting.
DUTIES TO STAKEHOLDERS			
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	Compliant	<p>The Company's Stakeholders are identified in the Manual on Corporate Governance.</p> <p>Reference documents/links:</p>

and the company in creating wealth, growth and sustainability.		Manual on Corporate Governance page 40: manual-on-corporate-governance/	
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	<p>The Manual on Corporate Governance requires the Board to establish clear policies and programs to provide a mechanism on the fair treatment, protections and enforcement of the rights of the company's stockholders.</p> <p>The specific policies will be approved and implemented when the Company starts to operate.</p> <p>Reference documents/links:</p> <p>Manual on Corporate Governance page 40: manual-on-corporate-governance/</p>	
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 is not yet operational so the employees are allowed to participate in corporate social responsibility programs. More policies and programs will be established to encourage employees to actively participate in the realization of the company's goals and in its governance once it becomes operational. An Annual Tree Planting Activity Program will start in 2022.	
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	<p>The Company's Anti Corruption policy is set forth in the Code of Business and Ethics.</p> <p>Reference documents/links:</p> <p>Code of Business Conduct and Ethics page 4 - The-Code-of-Business-Conduct-and-Ethics.pdf</p>	

2	The Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<p>The Code of Business Conduct and Ethics is furnished to all directors, officers and employees and published in the website.</p> <p>Reference documents/links:</p> <p>The-Code-of-Business-Conduct-and-Ethics.pdf</p>	
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	<p>The Whistleblowing Policy of the Company is provided in the Related Party Transaction Policy of the Company. It also has a provision against retaliatory acts.</p> <p>Contact details for Whistleblowing: Maylene B. Villanueva Compliance Officer 09175234802 attymbv.endure@gmail.com</p>	
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	<p>Reference documents/links:</p> <p>Related Party Transaction page 10 - Related-Party-Transaction-Policy-.pdf</p>	
3	The Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	<p>To date, there was no opportunity for the Board to enforce the whistleblowing framework as no incident of whistleblowing has been reported.</p>	

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	As part of its corporate social responsibility program, the Company conducts a Tree Planting Acitivity from time to time. More programs will be implemented when it starts to operate the Hospital.	
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Pursuant to SEC Memorandum No. 13 Series of 2021 mandating all Public Companies and Registered Issuers to submit an Annual Corporate Governance Report for the year 2021, this Annual Corporate Governance Report is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of Kalibo, Aklan on 28 JUN 2022.

ASIA PACIFIC MEDICAL CENTER – AKLAN INC.
 (Formerly Allied Care Experts (ACE) Medical Center- Aklan Inc.)

SIGNATURE PAGES FOLLOWS:


SIMEON A. ARCE, JR.
 President


MARSHA LOURDES P. CONANAN-MORATO
 Corporate Secretary


DARCYA A. QUINDOR
 Independent Director



DELPHINE JOANNE C. QUINTANA-BARTOLOME
 Independent Director


MARY KAREN VERONICA R. ICAMINA
 Independent Director

SUBSCRIBED AND SWORN to before me this 28 JUN 2022 day of _____ 20__ affiant(s) exhibiting to me their Valid IDS, as follows:

NAMES	VALID ID#	DATE OF ISSUE	PLACE OF ISSUE
SIMEON A. ARCE, JR.	0068829	03/06/1990	
MARSHA LOURDES P. CONANAN-MORATO	0114192	09/05/2008	
DARCY A. QUINDOR	0109299	02/27/2007	
DELPHINE JOANNE C. QUINTANA-BARTOLOME	0114241	09/05/2008	
MARY KAREN VERONICA R. ICAMINA	0100769	08/29/2003	

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ROMEO B. INOCENCIO
 Notary Public for the Province of Aklan
 Appointment No. 8/(2021-2022)
 Until December 31, 2022
 Roll No. 35704
 XIX Malabon St., Kalibo, Aklan
 IBP No. 147100103/2022/Pasig City
 PRT No. 7 to 147100103/2022/Kalibo, Aklan
 MCLC Compliance No. VII-0001782
 Issued on December 02, 2019



FERJENEL G. BIRON
Chairman


MAYLENE B. VILLANUEVA
Compliance Officer

Republic of the Philippines)
City of Quezon City)

SUBSCRIBED AND SWORN to before me this 30 JUN 2022 2022 affiant(s) exhibiting to me and known to me personally to be the same persons who executed and personally signed the foregoing Annual Corporate Governance Report before me and acknowledged that they executed the same.

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Series of 2022


JENNA MARY LEEN L. RENONG
Notary Public for Quezon City
Attorney's Reg. No. 00846-03-26-12
IBP Membership No. 167398; 11-17-2021; Quezon City
PTR No. 2185416; 01/05/2022; Quezon City
Admin Matter No. 004(2020-2021); B.M.No.3795
MCLE Compliance No. VI-0028020; 04-14, 2022
Commission expires on June 30, 2022