

ANNUAL CORPORATE GOVERNANCE REPORT OF ASIANCARE HEALTH SYSTEMS INC.

1. For the fiscal year ended December 31, 2024
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CORPORATE GOVERNANCE REPORT (2024)
ASIANCARE HEALTH SYSTEMS, INC. (ACHSI)

Principle 1: The company should be headed by a competent, working board to foster the long-term success and sustainability of the corporation in a manner consistent with its corporate objectives and the long-term best interests of its shareholders and other stakeholders.

Recommendation 1.1	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company’s industry/sector.	COMPLIANT	ACHSI has five (5) members of the board of directors with combined experience in the medical and insurance field specifically with health maintenance organization. Two (2) of the current sitting members of the board have background and work-related experience in health maintenance organizations. For the qualification standards and selection of the members of the board, see Articles III and IV of the ACHSI. By-laws.	The ACHSI Board will proactively pursue training and development related to insurance and HMOs to be undertaken by the members of the board to further enhance their knowledge and capability in managing the operations and realizing the goals of the company.
2. The Board has an appropriate mix of competence and	COMPLIANT	ACHSI Board is composed of qualified directors with related expertise and experience in the	

expertise		field of HMO's and competence in the medical field and entrepreneurship and quality management system.	
3. 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.	COMPLIANT	The members of the board are competent and qualified individually and highly effective in overseeing management and governance of the corporation collectively.	
Recommendation 1.2	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board is composed of a majority of non-executive directors.	COMPLIANT		Only the Chairman of the Board is an Executive Director
Recommendation 1.3	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company provides in its Board Charter or Manual on Corporate Governance a policy on training of directors.	COMPLIANT		All newly elected directors are required to attend corporate governance seminars conducted by accredited providers.
2. Company provides in its Board Charter or Manual on Corporate Governance an	COMPLIANT		ACHSI's VP for Quality Management is back by seminars and trainings on AMLC from accredited providers including its

orientation program for first time directors			Compliance Officer.
3. Company has relevant annual continuing training for all directors.	COMPLIANT		ACHSI is in the process of crafting the Board Charter or Manual on Corporate Governance. Currently, the ACHSI Board is primarily guided by the provisions under its By-Laws and Articles of Incorporation. Once the Board Charter and/or Manual on Corporate Governance is finalized and adopted by the board, it shall be the principal handbook to effectively guide the board including its newly elected members. Currently, the ACHSI Board, to give newly-elected members of the board the edge and familiarity with the operation of ACHSI, requires members of the board to periodically attend to corporate governance and HMO-related seminars and trainings. ACHSI will include in its Board Charter or Corporate Governance Manual being crafted a provision requiring annual continuing training of all members of ACHSI

			Board.
Recommendation 1.4	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board has a policy on board diversity	COMPLIANT	ACHSI recognizes the importance of diversity among the members of the board which encourages important and critical decision while ensuring every aspect and perspectives are taken in to the decision-making process. Diversity in the board is manifested through difference in knowledge, experience, gender, sexual orientation, age, religion, education, race, business and other related expertise which are taken together to form a well-informed and encompassing decision-making process.	While ACHSI Board is in the process of crafting its board charter that includes provisions or policies on diversity, the board is guided by the basic precepts of equality and diversity which will be included in the preparation of its Board Charter or Corporate Governance Manual. The ACHSI Board does not tolerate discrimination based on difference of views, knowledge, experience, gender, sexual orientation, age, religion, education, race and creed.
Recommendation 1.5	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board is assisted by a Corporate Secretary	COMPLIANT	ACHSI's Corporate Secretary is Joseph Robert D. Wolfe.	
2. Corporate Secretary is a separate individual from the Compliance Officer.	COMPLIANT	ACHSI's Corporate Secretary is a separate individual from the company's Compliance Officer.	

3. Corporate Secretary is not a member of the Board of Directors.	COMPLIANT	The Corporate Secretary is not a member of the board.	
4. Corporate Secretary attends training/s on corporate governance.	COMPLIANT	ACHSI requires the corporate secretary to attend trainings on corporate governance to ensure that he/she is updated on all laws and regulations and issuances relevant to his/her duties and will require the presentation of necessary training/seminar certificates as proof.	While ACHSI Board does not have a board charter yet that includes provisions or policies requiring the corporate secretary to keep abreast of the developments in the field, ACHSI will adopt this provision in finalizing of its Board Charter and/or Corporate Governance Manual.
Recommendation 1.6	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board is assisted in its duties by a Compliance Officer.	COMPLIANT	The ACHSI Board is aided by a compliance officer in the person of Atty. Eddie Tamondong.	
2. Compliance Officer has a rank of Vice President or an equivalent position with adequate stature and authority in the corporation.	COMPLIANT	Atty. Tamondong is the Chief Legal Counsel of ACHSI.	
3. Compliance Officer is not a member of the Board of Directors.	COMPLIANT	ACHSI's compliance officer is not a member of the Board.	
4. Compliance Officer attends training/s on	COMPLIANT		ACHSI's compliance officer attends corporate governance

corporate governance.			training. ACHSI shall consider the inclusion of this provision in finalizing of its Corporate Governance Manual.
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Principle 2: The fiduciary roles, responsibilities and accountabilities of the Board as provided under the law, the company’s articles and by-laws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to stockholders and other stakeholders.

Recommendation 2.1	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company	COMPLIANT	The ACHSI Board of Directors pursue and act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company. The Board acts for and in behalf of the interest of all stockholders and the company as a whole.	Summary of Board Meetings.
Recommendation 2.2	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board oversees the development, review and	COMPLIANT		The ACHSI Board oversees the development, review and

approval of the company's business objectives and strategy.			approval of the company's objectives and strategy. Please refer to Section 1, Article III of ACHSI's By-Laws.
2. Board oversees and monitors the implementation of the company's business objectives and strategy in order to sustain the company's long-term viability and strength.	COMPLIANT		The ACHSI Board of Directors oversees and monitors the implementation of the company's business objectives and strategy in order to sustain the company's long-term viability and strength. Please refer to Section 1, Article III of ACHSI's By-Laws.
Recommendation 2.3	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board is headed by a competent and qualified Chairperson	COMPLIANT	ACHSI Board Chairperson is Arlene L. Aguilar. She also acts as the Chief Executive Officer of ACHSI with proven background and expertise in the HMO industry. For her qualifications and experience, please refer to the attached Profile.	

Recommendation 2.4	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board ensures and adopts an effective succession planning program for directors, key officers and management.	COMPLIANT	The ACHSI Board of Directors ensures and adopts an effective succession planning program for directors, key officers and management. Please refer to Section 3, Article III and Section 8, Article IV of ACHSI's By-Laws for more information on the process.	
2. Board adopts a policy on the retirement for directors and key officers.	COMPLIANT	Please refer to Section 3, Article III and Section 8, Article IV of ACHSI's By-Laws for more information.	
Recommendation 2.5	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board formulates and adopts a policy specifying the relationship remuneration and performance of key officers and board members.	COMPLIANT	Employees of ACHSI, including officers and directors, if qualified may be entitled to annual bonuses and other incentives or compensation plans. Please refer to Section 1 (g), Article III of ACHSI By-Laws.	These bonuses and other incentives are yet to be reduced to a concrete policy. ACHSI will include a provision regarding this recommendation in finalizing of its Corporate Governance Manual.

2. Board aligns the remuneration of key officers and board members with long-term interests of the company.	COMPLIANT	The remuneration of the board members and other key officers of ACHSI are implemented with the interest of the company at its core. For reference, please refer to Section 8 of Article III and Section 9, Article IV for the remuneration of the members of the board and corporate officers respectively, provided under ACHSI's By-Laws.	
3. Directors do not participate in deliberations involving his/her own remuneration.	COMPLIANT	Aside from the <i>per diem</i> allowance of the members of the board for attendance to meetings, the compensation of ACHSI's board members provided under Section 8, Article III of ACHSI's By-Laws.	The compensation of the members of the board is subject to the approval of at least a majority of the outstanding capital stock at a regular or special meeting of the stockholders.
Recommendation 2.6	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board has a formal and transparent board nomination and election policy.	COMPLIANT	ACHSI has a formal and transparent board election policy. Please refer to Section 2, Article III of ACHSI's By-Laws.	ACHSI shall include the recommendation of nomination policy in the contents of its Board Charter or Corporate Governance Manual being crafted.
2. Board nomination and	COMPLIANT		ACHSI will include its Board

election policy is disclosed in the company's Manual on Corporate Governance.			Charter or Corporate Governance Manual being crafted a provision on the board election policy and shall also incorporate a provision on board nomination policy.
3. Board nomination and election policy includes how the company accepts nominations from minority shareholders.	COMPLIANT		ACHSI shall include its Board Charter or Corporate Governance Manual being crafted the recommendation on the inclusion of policy relative to the nominations from minority shareholders.
4. Board nomination and election policy includes how the board reviews nominated candidates.	NON-COMPLIANT		ACHSI shall include in its Board Charter or Corporate Governance Manual being crafted the recommendation on the inclusion of policy on review of nominated candidates.
5. Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director.	COMPLIANT	The assessment of the effectiveness of the Board's processes in the nomination, election or replacement of a director is done through the board and analyzed on a case-to-case basis taking into consideration ACHSI's By-Laws and Articles of Incorporation and the relevant facts and circumstances at the time of nomination, election or	ACHSI shall include in its Board Charter or Corporate Governance Manual being crafted the recommendation on the inclusion of policy on review of nominated candidates.

		replacement of a director.	
6. Board has a process for identifying the quality of directors that is aligned with the strategic direction of the company.	COMPLIANT	ACHSI have confidence that directors who have expertise, experience and knowledge in corporate governance more particularly in the medical insurance sector best supports ACHSI's strategic direction.	ACHSI shall include in its Board Charter or Corporate Governance Manual being crafted the recommendation on the inclusion of process to identify the quality of directors aligned with the strategic direction of the company.
Recommendation 2.7	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board has overall responsibility in ensuring that there is a group-wide policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	NOT-APPLICABLE	ACHSI does not have transactions or dealings pertaining to other parties except "advances from shareholders regardless whether or not a price is charged.	
2. RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the	NOT APPLICABLE	ACHSI does not have transactions or dealings pertaining to other parties except "advances from shareholders" regardless whether or not a price is charged.	

transactions.			
3. RPT policy encompasses all entities within the group, taking into account their size, structure, risk profile and complexity of operations.	NOT APPLICABLE	ACHSI does not have transactions or dealing pertaining to other parties except "advances from shareholders regardless whether or not a price is charged.	
Recommendation 2.8	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board is primarily responsible for approving the selection of Management led by the Chief Executive Officer (CEO) and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).	COMPLIANT	The ACHSI Board is responsible for approving the selection of Management led by the CEO. Please refer to Section 1, Article IV of ACHSI's By-Laws. With regards to ACHSI's Audit Executive, the audit is conducted by and contracted out by the company through the external auditor pursuant to Section 1, Article VI of ACHSI's By-Laws	
2. Board is primarily responsible for assessing the performance of Management led by the Chief Executive Officer (CEO) and the heads of the other	COMPLIANT	The ACHSI Board approves corporate objectives and policies, long range projects, plans and programs of the company as reported by the CEO/President.	

control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive).			
Recommendation 2.9	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board establishes an effective performance management framework that ensures that Management, including the Chief Executive Officer performance is at par with the standards set by the Board and Senior Management.	COMPLIANT	ACHSI Board is guided by a performance management framework to monitor the performance of its members, including the CEO, that they are up to standards set by the board.	
2. Board establishes an effective performance management framework that ensures that personnel's performance is at par with the standards set by the Board and Senior Management.	COMPLIANT	Employees of ACHSI, including officers and directors, if qualified may be entitled to annual bonuses and other incentives or compensation plans. The evaluation of performance of the employees of ACHSI is monitored in relation to their functions and responsibilities which in turn are considered in the grant of annual bonuses and other incentives or	

		compensation plans. Please refer to Section 1 (g), Article III of ACHSI By-Laws.	
Recommendation 2.10	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board oversees that an appropriate internal control system is in place.	COMPLIANT	The ACHSI Board exercises all corporate powers including internal control systems in place and the formulation of rules and regulations that governs the company.	
2. The internal control system includes a mechanism for monitoring and managing potential conflict of interest of the Management, members, and shareholders.	COMPLIANT	The ACHSI Board exercises all corporate powers including internal control systems in place and the formulation of rules and regulations that governs the company.	
3. Board approves the internal audit charter.	COMPLIANT	The ACHSI Board exercises all corporate powers including internal control systems in place and the formulation of rules and regulations that governs the company.	
Recommendation 2.11	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board oversees that the company has in place a sound enterprise risk	COMPLIANT	The ACHSI Board exercises all corporate powers including internal control systems in place and the formulation of rules and regulations that governs the	ACHSI Board will formulate a sound enterprise risk management framework to effectively identify, monitor

management (ERM) framework to effectively identify, monitor, assess and manage key business risks.		company.	and assess and manage the company's business risks in its corporate governance manual being crafted.
2. The risk management framework guides the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	COMPLIANT	The ACHSI Board exercises all corporate powers including internal control systems in place and the formulation of rules and regulations that governs the company.	ACHSI Board will formulate a sound enterprise risk management framework to effectively identify, monitor and assess and manage the company's business risks in its corporate governance manual being crafted.
Recommendation 2.12	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	COMPLIANT	All corporate powers of ACHSI are exercised, all business conducted and all property of the corporation controlled and held by the Board. For reference, please refer to Section 1, Article III of ACHSI's By-Laws.	All corporate powers of ACHSI are exercised, all business conducted and all property of the corporation controlled and held by the Board who are able to function efficiently on all business matters.
2. Board Charter serves as a guide to the directors in the performance of their functions.	COMPLIANT		For reference, please refer to Section 1, Article III of ACHSI's By-Laws.
3. Board Charter is publicly	COMPLIANT		

available and posted on the company's website.			
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Principle 3: Board committees should set up to the extent possible to support the effective performance of the Board’s functions, particularly with respect to audit, risk management, related party transactions, and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all committees established should be contained in a publicly available Committee Charter.

Recommendation 3.1	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	NON-COMPLIANT		All corporate powers of ACHSI are exercised, all business conducted and all property of the corporation controlled and held by the Board who are able to function efficiently on all business matters. For reference, please refer to Section 1, Article III of ACHSI’s By-Laws.
Recommendation 3.2	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board establishes an Audit Committee to enhance capability over the company’s financial	NON-COMPLIANT	The ACHSI Board exercises overall control over the company’s financial reporting and external processes and	

reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.		compliance with applicable laws and regulations.	
2. Audit committee is composed of at least three appropriately qualified non-executive directors, the majority of whom, including the Chairman is independent.	NON-COMPLIANT	The ACHSI Board exercises overall control over the company's financial reporting and external processes and compliance with applicable laws and regulations.	
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 ACHSI Board exercises overall control over the company's financial reporting and external processes and compliance with applicable laws and regulations.	
4. The Chairman of the Audit Committee is not the Chairman of the Board or of any other committee.	NON-COMPLIANT	The ACHSI Board exercises overall control over the company's financial reporting and external processes and compliance with applicable laws and regulations.	
Recommendation 3.3	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board establishes a Corporate Governance	NON-COMPLIANT		The ACHSI Board exercises

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.			overall control over the company's financial reporting and external processes and compliance with applicable laws and regulations. However, the Board will take into consideration the recommendation in formulating and drafting its Board Charter.
2. Corporate Governance Committee is composed of at least three members, majority of whom should be independent directors.	NON-COMPLIANT		
3. Chairman of the Corporate Governance Committee is an independent director.	NON-COMPLIANT		
Recommendation 3.4	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. 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	NON-COMPLIANT		The ACHSI Board exercises overall control over the company's financial reporting and external processes and compliance with applicable laws and regulations. However, the Board will take

functionality and effectiveness.			into consideration the recommendation in formulating and drafting its Board Charter.
2. BROC is composed of at least three members, the majority of whom should be independent directors, including the Chairman.	NON-COMPLIANT		
3. The Chairman of the BROC is not the Chairman of the Board or of any other committee.	NON-COMPLIANT		
4. At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	NON-COMPLIANT		
Recommendation 3.5	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. The Board establishes a Related Party Transactions (RPT) Committee which is tasked with reviewing all material related party transactions of the company.	NON-COMPLIANT		The ACHSI Board exercises overall control over the company's financial reporting and external processes and compliance with applicable laws and regulations.
2. RPT Committee is composed of at least three non-executive directors, majority of whom should be independent, including	NON-COMPLIANT		However, the Board will take into consideration the recommendation in formulating and drafting its

the Chairman.			Board Charter.
Recommendation 3.6	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. All established committee have a Committee Charters stating in plain term their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	NON-COMPLIANT		The ACHSI Board has no established committees. The ACHSI Board exercises overall control over the company’s financial reporting and external processes and compliance with applicable laws and regulations. However, the Board will take into consideration the recommendation in formulating and drafting its Board Charter.
2. Committee Charters provide standards for evaluating the performance of the Committees.	NON-COMPLIANT		The ACHSI Board has no established committees. The ACHSI Board exercises overall control over the company’s financial reporting and external processes and compliance with applicable laws and regulations.

			However, the Board will take into consideration the recommendation in formulating and drafting its Board Charter.
3. Committee Charters were fully disclosed on the company's website.	NON-COMPLIANT		Since there are no established board committees, the same cannot be posted in the company's website. However, the Board will take into consideration the recommendation in formulating and drafting its Board Charter and have it available at the company's website once completed.

Principle 4: 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	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. The Director attends and actively participates in all meetings of the	COMPLIANT	Please see attached copy of attendance and participation of directors to board meetings.	

Board, Committees and shareholders in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.			
2. The directors review meeting materials for all Board and Committee meetings.	COMPLIANT	The directors are required to exercise due diligence in preparation for board meetings to efficiently, productively and actively perform their duties and contribute in the discussion of the board.	
3. The directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	COMPLIANT	The directors are required to exercise due diligence in preparation for board meetings to efficiently, productively and actively perform their duties and contribute in the discussion of the board.	
Recommendation 4.2	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Non-executive directors concurrently serve as directors to a maximum of five Insurance Commission Regulated	COMPLIANT	ACHSI has no non-executive directors who are concurrently serving ICRES	The ACHSI Board exercises overall control over the company's financial reporting and external processes and compliance with applicable

Entities (ICREs) and publicly-listed companies to ensure that they have sufficient time to fully prepare for meetings, challenge Management’s proposal/views, and oversee the long-term strategy of the company.			laws and regulations. ACHSI Board does not have non-executive directors.
Recommendation 4.2	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. The directors notify the company’s board where he/she is an incumbent director before accepting a directorship in another company.	COMPLIANT	All members of the ACHSI Board are not employed or connected in any capacity to any company or regulated entities under the Insurance Commission beside ACHSI.	However, the ACHSI Board will adopt the recommendation and draft a policy of disclosure of directorship in other companies in the formulation of its Board Charter should the need arise in future dealings.

Principle 5: The board should endeavour to exercise an objective and independent judgment on all corporate affairs.

Recommendation 5.1	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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1. The Board is composed of at least twenty percent (20%) independent directors.	COMPLIANT	ACHSI does not have any independent directors.	The ACHSI Board exercises overall control over the company’s financial reporting and external processes and compliance with applicable laws and regulations. ACHSI does not have independent directors.
Recommendation 5.2	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. The independent directors possess all the necessary qualifications and none of the disqualifications to hold the position.	COMPLIANT	ACHSI does not have any independent directors.	The ACHSI Board exercises overall control over the company’s financial reporting and external processes and compliance with applicable laws and regulations. ACHSI does not have independent directors.
Recommendation 5.3	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. The independent directors serve for a maximum cumulative term of nine years. As far as Insurance Companies are concerned, the	COMPLIANT	ACHSI does not have any independent directors.	The ACHSI Board exercises overall control over the company’s financial reporting and external processes and compliance with applicable laws and regulations.

foregoing term limit shall be reckoned from 02 January 2015 while the reckoning date for the Pre-Need Companies and Health Maintenance Organizations shall be from 21 September 2016. For other covered entities, all previous terms served by existing Independent Directors prior to the effectivity of this Circular shall not be included in the application of the term limit prescribed in this item.			ACHSI does not have independent directors.
2. The company bars an independent director from serving in such capacity after the term limit of nine years.	COMPLIANT	ACHSI does not have any independent directors.	The ACHSI Board exercises overall control over the company's financial reporting and external processes and compliance with applicable laws and regulations. ACHSI does not have independent directors.
3. In the instance that the company retains	COMPLIANT	ACHSI does not have any independent directors.	The ACHSI Board exercises overall control over the

an independent director in the same capacity after nine years, the board submits to the Insurance Commission a formal written justification and seek shareholder' approval during the annual shareholders' meeting.			company's financial reporting and external processes and compliance with applicable laws and regulations. ACHSI does not have independent directors.
Recommendation 5.4	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. The positions of Chairman of the Board and Chief Executive Officer are held by separate individuals.	NON-COMPLIANT	The Chairman of the Board and CEO is held by one individual. However, the President is held by another individual.	ACHSI Board, as a whole, decides matters on a majority vote.
2. The Chairman of the Board and Chief Executive Officer have clearly defined responsibilities.	NON-COMPLIANT	The Chairman of the Board and CEO is held by one individual.	ACHSI Board, as a whole, decides matters on a majority vote.
Recommendation 5.5	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. If the Chairman of the Board is not an independent director or where the roles of Chairman and CEO are being held by one	COMPLIANT		The ACHSI Board exercises overall control over the company's financial reporting and external processes and compliance with applicable

person, the Board should designate a lead director among the independent directors.			laws and regulations. ACHSI does not have independent directors but will consider the recommendation in order for the Board to perform its functions more objectively.
Recommendation 5.6	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Directors with material interest in a transaction affecting the corporation should abstain from taking part in the deliberations for the same.	COMPLIANT		ACHSI Board, as a whole, decides matters on a majority vote and matters affecting conflict of interest from members of the board are dealt with abstention by the concerned member.
Recommendation 5.7	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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	COMPLIANT		. The ACHSI Board exercises overall control over the company's financial reporting and external processes and compliance with applicable laws and regulations.

present to ensure that proper checks and balances are in place within the corporation.			ACHSI Board does not have independent directors.
2. The meetings are chaired by the lead independent director.	COMPLIANT	ACHSI Board does not have independent directors.	

Principle 6: 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	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. The Board conducts an annual assessment of its performance as a whole.	COMPLIANT	ACHSI and the Board mandates the conduct of external and internal audit procedures to gauge the company’s overall annual performance.	
2. The performance of the Chairman is assessed annually by the Board.	COMPLIANT	The Board conducts and prepares yearly report, evaluation, financial report and risk management.	
3. The performance of the individual member of the Board is assessed annually by the Board.	COMPLIANT	The Board conducts and prepares yearly report, evaluation, financial report and risk management.	
4. The performance of each committee is assessed annually by the Board.	COMPLIANT	The Board conducts and prepares yearly report, evaluation, financial report and risk management.	
5. Every three years, the assessments are	COMPLIANT	The Board conducts and prepares yearly report, evaluation, financial report and	

supported by an external facilitator.		risk management.	
Recommendation 6.2	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors and committees.	COMPLIANT	The Board conducts and prepares yearly report, evaluation, financial report and risk management.	
2. The system allows for a feedback mechanism from the shareholders.	COMPLIANT	The shareholders of ACHSI are free to submit and voice their concerns to any or all members of the board. ACHSI values the principle of fairness and healthy discourse.	

Principle 7: Members of the Board are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.

Recommendation 7.1	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board adopts a Code of Business Conduct	COMPLIANT	The ACHSI Board acts and performs its duties professionally, ethically, and with	The Board will consider the recommendation and shall

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 the company.		due diligence in the conduct of its operations and in internal and external dealings of the company.	formulate a business conduct and ethics to govern the activities of the Board.
2. The Code is properly disseminated to the Board, senior management and employees.	COMPLIANT	The ACHSI Board acts and performs its duties professionally, ethically, and with due diligence in the conduct of its business operations and in internal and external dealings of the company.	The Board will consider the recommendation and shall formulate a business conduct and ethics to govern the activities of the Board.
3. The Code is disclosed and made available to the public through the company website.	COMPLIANT	The ACHSI Board acts and performs its duties professionally, ethically, and with due diligence in the conduct of its business operations and in internal and external dealings of the company.	The Board will consider the recommendation and shall formulate a business conduct and ethics to govern the activities of the Board and be published at the company's website.
Recommendation 7.2	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board ensures the proper and efficient implementation and monitoring of compliance with	COMPLIANT	The Board, through the President of the company, have general supervision and management of the business affairs of the corporation and compliance with the internal policies of the company.	

company internal policies.		Please refer to Section 3, Article VI of ACHSI’s By-Laws.	
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Disclosure and Transparency

Principle 8: The company should establish corporate disclosure policies and procedures that are practical and in accordance with best practices and regulatory expectations.

Recommendation 8.1	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders and other stakeholders that gives a fair and complete picture of a company’s financial condition, result and business operations.	COMPLIANT	The ACHSI Board values transparency and disclosures of its financial position and business operations and provides regular updates to its shareholders in the interest of the company as a whole.	The Board will consider the recommendation and shall formulate a policy on disclosure in the spirit of the value of transparency.
Recommendation 8.3 (sic)	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board fully discloses all	COMPLIANT	The ACHSI Board values transparency	The Board will consider the

relevant and material information on individual board members to evaluate their experience and qualifications, and assess any potential conflicts of interest that might affect their judgment.		and disclosures of its financial position and business operations and provides regular updates to its shareholders in the interest of the company as a whole.	recommendation and shall formulate a policy on disclosure in the spirit of the value of transparency.
Recommendation 8.4	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company provides a clear disclosure of its policies and procedure for setting Board remuneration, including the level and mix of the same.	COMPLIANT	Please refer to Section 8, Article III and Section 9, Article IV of ACHSI's By-Laws.	
2. Company provides a clear disclosure of its policies and procedure for setting Executive Remuneration including the level and mix of the same in the Annual Corporate Governance Report consistent with ASEAN Corporate Governance Scorecard (ACGS) and the Revised Corporation Code.	COMPLIANT	Please refer to Section 8, Article III and Section 9, Article IV of ACHSI's By-Laws.	ACHSI will consider the recommendation and include a provision in its Corporate Governance Manual being crafted consistent with the ACGS and the Revised Corporation Code.
3. Company discloses the remuneration on an individual basis, including	COMPLIANT	The remuneration, termination and retirement policies of ACHSI are embodied under Sections 3 and 8,	However, disclosure of said remuneration on an individual basis is yet to be adopted as a

termination and retirement provisions.		Article III and Sections 8 and 9, Article IV of ACHSI’s By-Laws.	policy pending the issuance of necessary governing regulation.
Recommendation 8.5	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company discloses its policies governing Related Party Transactions (RPTs) and other unusual or infrequently occurring transactions	COMPLIANT	The ACHSI Board values transparency and disclosures of its financial position and business operations and provides regular updates to its shareholders in the interest of the company as a whole	ACHSI does not have transactions or dealings pertaining to other parties except “advances from shareholders regardless whether or not a price is charged.
2. Company discloses material or significant RPTs in its Annual Company Report or Annual Corporate Governance Report, reviewed and approved by the Board, and submitted for confirmation by majority vote of the stockholders in the annual stockholders’ meeting during the year.	COMPLIANT	The ACHSI Board values transparency and disclosures of its financial position and business operations and provides regular updates to its shareholders in the interest of the company as a whole	ACHSI does not have transactions or dealings pertaining to other parties except “advances from shareholders regardless whether or not a price is charged. As to the advances, they are disclosed in the annual financial statements of ACHSI. However, it is yet to be the subject of incorporation with the ACGR of ACHSI and submitted for confirmation by majority vote of the stockholders.
Recommendation 8.7 (sic)	COMPLAINT /	ADDITIONAL INFORMATION	EXPLANATION

	NON-COMPLIANT		
1. Company’s corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	NON-COMPLIANT		ACHSI is in the process of crafting its manual on corporate governance. It is, however, one of the priority goals of the company in order to have an established policy and framework of corporate governance.
2. Company’s MCG is posted on its company website.	NON-COMPLIANT		ACHSI is in the process of crafting its manual on corporate governance. It is, however, one of the priority goals of the company in order to have an established policy and framework of corporate governance. Once completed, it will be posted in ACHSI’s website.

Principle. 9: 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	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
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1. Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of the external auditors.	COMPLIANT		The ACHSI Board exercises overall control over the company's financial reporting and external processes and compliance with applicable laws and regulations including the functions of an Audit Committee.
2. The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and ratified by the shareholders.	COMPLIANT	The appointment of an external auditor is conducted at the regular stockholders meeting. The remuneration of the external auditor/s is determined by the board. Please refer to Section 1, Article VI of ACHSI's By-Laws.	ACHSI will consider the policy of ratification by shareholders regarding the external auditor/s fees or remuneration.
3. For removal of the external auditor, the reasons for removal or change are disclosed to the regulators and the public through the company website and required disclosure.	COMPLIANT	Removal or change of external auditor are quality-based and time-based on the timeliness of the submission of the audit report.	No specific policy is in place for the removal of an external auditor. The ACHSI Board performs these functions as it is the repository of corporate powers.
Recommendation 9.2	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Audit Committee Charter	NON-COMPLIANT		The ACHSI Board exercises

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; III. Exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippines professional and regulatory requirements.			overall control over the company's financial reporting and external processes and compliance with applicable laws and regulations including the functions of an Audit Committee.
2. Audit Committee Charter contains the Committee's	NON-COMPLIANT		The ACHSI Board exercises overall control over the

responsibility on reviewing and monitoring the external auditor’s suitability and effectiveness on an annual basis.			company’s financial reporting and external processes and compliance with applicable laws and regulations including the functions of an Audit Committee.
Recommendation 9.3	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company discloses the nature of non-audit services performed by its external auditor in the Annual Report to deal with the potential conflict of interest.	COMPLIANT	The external auditor did not perform non-audit procedures in ACHSI’s Annual Report that would raise a potential conflict of interest.	
2. 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		The ACHSI Board exercises overall control over the company’s financial reporting and external processes and compliance with applicable laws and regulations including the functions of an Audit Committee. ACHSI will take the recommendation into consideration in the formulation of the company’s Manual of Corporate

			Governance.
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Principle 10: The company should ensure that the material and reportable non-financial and sustainability issues are disclosed.

Recommendation 10.1	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board has a clear and focused policy on the disclosure of non-financial information, with emphasis on the management of economic, environmental, social and governance (EESG) issues of its business, which underpin sustainability.	COMPLIANT		The ACHSI will consider formulating policies on the disclosure of non-financial information of the company.
2. Company adopts a globally recognized standard/framework in reporting sustainability and non-financial issues.	NON-COMPLIANT		The ACHSI will consider formulating policies on the disclosure of non-financial information of the company.

Principle 11: The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for informed decision-making by investors, stakeholders and other interested users.

Recommendation 11.1	COMPLAINT /	ADDITIONAL INFORMATION	EXPLANATION
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	NON-COMPLIANT		
1. The company should have a website to ensure a comprehensive, cost-efficient, transparent, and timely manner of disseminating relevant information to the public.	COMPLIANT	ACHSI's company website is provided in the link below. http://www.asiancareph.com/	

Principle 12: 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 framework.

Recommendation 12.1	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company has an adequate and effective internal control system in the conduct of its business.	COMPLIANT	The company functions and performs its operations based on a strict and efficient internal control system through the board and management.	
2. Company has an adequate and effective enterprise risk management framework in the conduct of its business.	COMPLIANT	The company functions and performs its operations based on a strict and efficient internal control system through the board and management.	
Recommendation 12.2	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company has in place an independent internal audit function that provides an	COMPLIANT		The company does not have a CAE. The internal audit of the company is performed through

independent and objective assurance, and consulting services designated to add consulting services designed to add value and improve the company's operations.			an external auditor pursuant to Section 1, Article VI of ACHSI's By-Laws.
Recommendation 12.3	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. The company has a qualified Chief Audit Executive (CAE) appointed by the Board.	NON-COMPLIANT		The company does not have a CAE. The internal audit of the company is performed through an external auditor pursuant to Section 1, Article VI of ACHSI's By-Laws.
2. CAE oversees and is responsible for the internal audit activity of the organization, including that portion that is outsourced to a third-party service provider.	NON-COMPLIANT		The company does not have a CAE. The internal audit of the company is performed through an external auditor pursuant to Section 1, Article VI of ACHSI's By-Laws.
3. In case of a fully outsourced internal audit activity, qualified independent executive or senior management personnel is assigned the responsibility for	COMPLIANT		The company does not have a CAE. The internal audit of the company is performed through an external auditor pursuant to Section 1, Article VI of ACHSI's By-Laws.

managing the fully outsourced internal audit activity.			
Recommendation 12.4	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. The company has a separate risk management function to identify, assess and monitor key risk exposures.	COMPLIANT	The company has a risk management function to identify, assess and monitor key risk exposures of ACHSI.	
Recommendation 12.5	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. In managing the company's Risk Management System, the company has a Chief Risk Officer (CRO) who is the ultimate champion of Enterprise Risk Management (ERM).	COMPLIANT	The company is aided by a risk management officer.	
2. CRO has adequate authority, stature, resources and support to fulfill his/her responsibilities.	COMPLIANT	The company's risk management officer is vested with authority to identify key risk exposures of the company including but not limited to Anti-Money Laundering and terrorist financing reporting.	

Principle 13: The company should treat all shareholders fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.

Recommendation 13.1	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board ensures that basic shareholder rights are disclosed in the Manual on Corporate Governance.	COMPLIANT	The rights of the stockholders are embodied in the company’s by-laws.	The ACHSI Board shall formulate a detailed and specific policy to be included in the company’s corporate governance manual
2. Board ensures that basic shareholder rights are disclosed on the company’s website.	COMPLIANT	The rights of the stockholders are embodied in the company’s by-laws.	The ACHSI Board shall formulate a detailed and specific policy to be included in the company’s corporate governance manual and publish it in the company’s website once available.
Recommendation 13.2	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders’ Meeting with sufficient and relevant information at least 21 days before the meeting.	COMPLIANT	Attached is a copy of Annual Stockholder’s Meeting from the Corporate Secretary given to the stockholders at least 30 days before the meeting.	

Recommendation 13.3	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board encourages active shareholder participation by making the result of the votes taken during the most recent Annual or Special Shareholders' Meeting publicly available the next working day.	COMPLIANT		All result of votes taken during the most recent annual or special shareholders meeting available publicly the next working day.
2. Minutes of the Annual and Special Shareholders' Meetings are available on the company website within five business days from the end of the meeting.	COMPLIANT		All minutes of the meeting taken during the most recent annual or special shareholders meeting available publicly within five business days from the end of the meeting.
Recommendation 13.4	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board has an alternate dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	COMPLIANT	The ACHSI Board exercises the power to enter into compromise in which the corporation or its officers are parties in connection with the business of the corporation.	This recommendation will be considered in finalizing of the company's corporate governance manual.
2. The alternative dispute mechanism is included in the company's	COMPLIANT	The ACHSI Board exercises the power to enter into compromise in which the corporation or its officers are parties in	This recommendation will be considered in finalizing of the company's corporate

Manual on Corporate Governance.		connection with the business of the corporation.	governance manual.
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Principle 14: 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	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board identifies the company’s various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	COMPLIANT	ACHSI has a framework respecting rights of stakeholders in place. This recommendation will be considered in finalizing of the company’s corporate governance manual. However, this bounden duty to respect the rights of stakeholders is part of the company’s structure and embodies in the contracts executed with the stakeholders.	
Recommendation 14.2	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board establishes clear policies and programs to provide a mechanism on the fair treatment and protection of stakeholders.	COMPLIANT	Both ACHSI and the Board ensures that its operations and relationship with ACHSI stakeholders are pursuant to established laws, rules and regulations.	
Recommendation 14.3	COMPLAINT /	ADDITIONAL INFORMATION	EXPLANATION

	NON-COMPLIANT		
1. Board adopts a transparent framework and process that allow stakeholders to communicate with the company and to obtain redress for the violation of their rights.	COMPLIANT	ACHSI and the Board is open and accepting of any communication and ensures that reports of violations to obtain redress are acted upon.	

Principle 15: A mechanism for employee participation should be developed to create a symbiotic environment, realize the company’s goals and participate in its corporate governance processes.

Recommendation 15.1	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. 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 core of the company’s operations is based on transparency and accountability which eliminates if not strongly discourages corrupt and illegal activities. The company’s bonus, profit sharing and other types of incentives or compensation plan for employees are geared towards encouraging its employees to perform above standards and actively participate in realizing the goals of the company.	ACHSI currently has no whistleblower policy in place. This recommendation will be considered in finalizing of the company’s code of conduct.

Recommendation 15.2	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Conduct.	COMPLIANT	The core of the company's operations is based on transparency and accountability which eliminates if not strongly discourages corrupt and illegal activities.	ACHSI currently has no whistleblower policy in place. This recommendation will be considered in finalizing of the company's code of conduct.
2. Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	COMPLIANT	The core of the company's operations is based on transparency and accountability which eliminates if not strongly discourages corrupt and illegal activities.	ACHSI currently has no whistleblower policy in place. This recommendation will be considered in finalizing of the company's code of conduct.
Recommendation 15.3	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. 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	The ACHSI Board strictly conforms to established laws, rules and regulations governing its operations. To this end, reports of violations voiced out or communicated by its employees are always considered, encouraged, protected without fear of retaliation. Moreover, the company encourages whistleblowing in order to rid the company of unscrupulous and illegal	

		activities detrimental to the company and the community as a whole.	
2. 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	The ACHSI Board strictly conforms to established laws, rules and regulations governing its operations. To this end, reports of violations voiced out or communicated by its employees are always considered, encouraged, protected without fear of retaliation. These reports or communications may be course through the board as a whole or through any member of the board. Moreover, the company encourages whistleblowing in order to rid the company of unscrupulous and illegal activities detrimental to the company and the community as a whole.	ACHSI currently has no whistleblower policy in place. This recommendation will be considered in finalizing of the company's corporate governance manual. Notwithstanding this, the company encourages whistleblowing in order to rid the company of unscrupulous and illegal activities detrimental to the company and the community as a whole and encourages its employees to participate in on-going investigations of misconduct and unethical behavior.
3. Board supervises and ensures the enforcement of the whistleblowing framework.	COMPLIANT	The ACHSI Board strictly conforms to established laws, rules and regulations governing its operations. To this end, reports of violations voiced out or communicated by its employees are always considered, encouraged, protected without fear of retaliation. Moreover, the company encourages whistleblowing in order to rid the	Included in the responsibilities of the Compliance Officer

		company of unscrupulous and illegal activities detrimental to the company and the community as a whole.	
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Principle 16: The company should be socially responsible in all its dealings with the communities where 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	COMPLAINT / NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
1. Company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	COMPLIANT	The company’s directions and interest are coherently entangled and intertwined with the end view of advancement of the society as a whole.	