

## 2021 BOARD APPRAISAL/PERFORMANCE REPORT

In line with corporate governance best practices and in accordance with the key mandate of the Board of Directors, Asia-Pacific Medical Center Bacolod, Inc. (formerly known as Allied Care Experts Medical Center – Bacolod Inc.) formulated a Board Performance Evaluation Criteria to enable the Board to periodically identify overall strengths and specific areas for improvements based on results of assessment, and to obtain important feedback and views from the members of the Board which will serve as one of the basis for the Company’s overall strategy, performance and or future directions or endeavors.

The 2021 Board of Directors were asked to evaluate how well the Board has performed for each criterion which includes structure, efficiency and effectiveness, participation and engagement of each member of the Board, contribution of each member director to their respective Committees, and performance of Management. The criteria also reflect the specific duties, responsibilities and accountabilities of each party assessed as provided in the Company By-Laws, Manuals, Charters and governing policies.

The Board of Directors indicated their rating using the scale of 1 to 5, (1-Needs Improvement, 2-Satisfactory, 3- Very Satisfactory, 4- Good, 5- Excellent). Below is the result of the Self-Assessment conducted by the 2021 Board of Directors based on the aforementioned criteria.

BOARD SELF-ASSESSMENT	RATING
<b>Part I: Board Appraisal</b>	
1. The Board has the right size and composition to bring the requisite knowledge, abilities, diversity and skills to the table.	4.20
2. The Board, as a whole, possessed the right skills and background for the current issues facing the company.	4.06
3. The Board has sufficient diversity and independence among its directors, allowing it to constructively challenge one another and Management in carrying out respective functions and duties aligned with the Company’s strategic directions.	3.80
4. The Board receives ongoing education, allowing directors to stay up to date with developments and to understand their impact.	4.53
5. The frequency, duration and scheduling of Board meetings per year were adequate to ensure proper coverage of the Board's responsibilities.	4.80
6. Directors receive adequate materials before the Board meeting.	4.67
7. Meetings are effective with sufficient materials, limited presentation, and an atmosphere that encourages open dialogue.	4.60





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8. The Board has regular executive or private sessions to allow directors to discuss sensitive topics.	4.47
9. The Board receives appropriate information on industry trends and business environment to enable it to have sufficient insight when considering Management's proposed plan/strategy.	4.07
10. The Board evaluates the proposed plan/strategy including key assumptions, major risks, and required resources, and addresses critical issues.	4.27
11. The Board constructively debates proposed plan/strategy before granting approval.	4.53
12. The Board monitors the continued viability of the plan/strategy ensuring that it is adjusted as needed to respond to the evolving environment.	4.27
13. The Board thoroughly reviews major capital expenditures before approval and evaluates ultimate outcomes.	4.47
14. Directors strengthen the tone at the top by clearly demonstrating the required ethical values.	4.53
15. The Board regularly reviews the Company's By-laws and Manual of Corporate Governance.	4.27
16. The Board regularly reviews and approves the Company's vision, mission and value statements to ensure continued relevance and applicability thereof.	4.53
17. The Board demonstrates commitment to good corporate governance practices and provides oversight to ensure that the Company is operated in a moral, legal, and ethical manner.	4.47
18. The Board regularly and consistently considers the interest of minority shareholders to ensure their equitable treatment in the decision-making process.	4.20
19. The Board ensures that the Company has a sound and effective internal control system in place, and understands Management's role implementing such system.	4.27
20. There are sound policies, procedures and a system in place for related party transactions, which a dedicated Committee effectively implements.	4.20
21. There is a clear distinction in the roles and responsibilities between the Chairman and CEO.	4.27
<b>Part II: Committee Appraisal</b>	
1. The Board has an effective committee structure.	4.13
2. The delegation of power from the Board to its Committees is appropriate with their relevant corresponding Charters.	4.20



3. The Committees regularly provide a report to the full Board and sufficiently update the Board on recent developments or such other matters that may require the Board action.	4.27
4. The frequency of meetings for each Committee is sufficient, allowing its members to perform their responsibilities according to the functions of the Committee.	4.27
<b>Part III-A: Individual Director Appraisal</b>	
1. I understand and faithfully uphold the vision, mission, values and strategies of the Company.	4.53
2. I keep myself updated on the latest best practices in corporate governance and ensure I abide by them.	4.27
3. I avoid entering into situations where I may be placed in a conflict of interest with that of the Company and I promptly disclose any conflict, which may occur.	4.73
4. I have a good record of Board and Committee meeting attendance.	4.13
5. I come to Board/Committee meetings on time, prepared and knowledgeable about the topics to be discussed.	4.13
6. I actively participate in Board/Committee discussions with a sense of independence and objectivity.	4.07
7. I am aware of all policies and procedures the Board is subjected to and actively adopt these in my function as a member of the Board.	4.13
8. I am committed to accomplish all duties and responsibilities of a director and member of my Committee/s, and will perform in the best interest of the Company.	4.20
<b>Part III-B: Chairman's Self Appraisal</b>	
9. I faithfully perform my roles and responsibilities as the Chairman of the Board as provided for in the Company's Manual of Corporate Governance and such other responsibilities as the Board may require, to fulfill my role in the best interest of the Company.	5.00
<b>Part IV: Board and Management Appraisal</b>	
1. The Board is comfortable with Management's (i.e., including President and CEO) plans to implement the approved strategy, goals and targets and is confident ability to carry out its responsibilities in the interest of the Company.	4.47
2. Management has in place an effective process to identify risks and assess their potential impact.	4.4
3. Management informs the Board of all key risks and the Board is confident that Management addresses them appropriately.	4.47
4. The Board sufficiently challenges and supports Management.	4.47



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5. The Board is effective in monitoring Management's implementation of the Company's strategy.	4.47
6. The Board devotes sufficient time and effort to meeting key company executives.	4.33
7. There is open-line of communication and constructive interaction between Directors and Management.	4.67
8. The Board continually monitors Management's performance against clear and measurable objectives, providing constructive feedback and reinforces Management's role in setting the tone at the top.	4.53

This is to certify that the ratings in this appraisal/performance report are true and correct results of the self-assessment made by the 2021 Board of Directors.

**MA. IVY V. MALATA, MD**

Corporate Secretary

30 June 2022