



SEC FORM-ACGR (FOR PC/RI)

ANNUAL CORPORATE GOVERNANCE REPORT FOR PUBLIC COMPANIES AND REGISTERED ISSUERS

1. For the fiscal year ended **December 31, 2024**
2. SEC Registration Number **22914**
3. BIR Tax Identification Number **000-130-130-000**
4. Exact Name of the Issuer as specified in its charter **MEDICAL DOCTORS, INC.**
5. Province, Country or other jurisdiction of incorporation or organization **Philippines**
6. Address of Principal Office **No. 2 Amorsolo Street, Legaspi Village, Makati City**
7. Postal Code **1229**
8. Issuer's telephone number, including area code **(632) 8888-8999**
9. Former name, former address, and former fiscal year, if changed since last report **N/A**
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 | The Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company’s industry/sector. | COMPLIANT | 2024 MDI Definitive_20IS (pages 8-14) https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf | |
| 2 | The Board has an appropriate mix of competence and expertise. | COMPLIANT | MDI Code of Corporate Governance (CCG) Qualifications to be member of the Board (page 8 section 2.2.2.1.3) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | |
| 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 | | |
| Recommendation 1.2 | | | | |
| 1 | The Board is headed by a competent and qualified Chairperson. | COMPLIANT | 2024 MDI Definitive_20IS (pages 8, 11-12) https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf | |
| Recommendation 1.3 | | | | |
| 1 | The company provides a policy on training of directors. | COMPLIANT | MDI CCG and Board Charter https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf (page 26) https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Board-Charter-Mar-2022.pdf (page 4) | |

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| 2 | The company has an orientation program for first-time directors. | COMPLIANT | <p>Orientation program for first-time directors include:</p> <p>Institutional Orientation https://drive.google.com/file/d/1sAM08WdwMqiRPHiYNx3MFumiGoU-NhUl/view?usp=sharing</p> <p>Articles of Incorporation https://drive.google.com/file/d/1rWWVR4T9EaMeCJMuhV3YSVB4iQiGO5qv/view?usp=sharing</p> <p>MDI amended By-Laws https://drive.google.com/file/d/11eluFIUZs2suwO8X4riKgcRUHe_qo1t5/view?usp=sharing</p> <p>2024 MDI Definitive_20IS https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf</p> <p>2024 Annual Corporate Governance Enhancement Session (For Directors, Advisory Board Members and Officers). A hybrid seminar held on September 27, 2024 at the Grand Ballroom of Grand Hyatt Manila, Bonifacio Global City with the theme: “Achieving Escape Velocity: Harnessing High Technology to Spark Creativity and Innovation” by Mr. David Morey as Keynote Speaker. https://drive.google.com/file/d/1BPepFEco2Ognr5avRIhXh9ARYO2hKsaW/view?usp=sharing</p> | |
| 3 | The company has relevant annual continuing training for all directors. | COMPLIANT | | |

Recommendation 1.4

| 1 | The Board has a policy on board diversity. | COMPLIANT | <p>MDI CCG and Board Charter https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf (pages 2 and 8)</p> <p>https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Board-Charter-Mar-2022.pdf (page 1-2)</p> <p>2024 MDI Definitive_20IS (pages 8-14) https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf</p> <table><tr><th colspan="2">MDI Board Composition</th></tr><tr><td>Male</td><td>11</td></tr><tr><td>Female</td><td>4</td></tr><tr><td>Age Range</td><td>56-97 y/o</td></tr></table> <table><tr><th colspan="2">Profession</th></tr><tr><td>Businessmen</td><td>10</td></tr><tr><td>Physicians</td><td>5</td></tr></table> | MDI Board Composition | | Male | 11 | Female | 4 | Age Range | 56-97 y/o | Profession | | Businessmen | 10 | Physicians | 5 | Currently, MDI has two CEO which is merely transitory; and MDI has convened the Nomelec Committee to elect a President and CEO. |
|-----------------------|--|-----------|--|-----------------------|--|------|----|--------|---|-----------|-----------|------------|--|-------------|----|------------|---|---|
| MDI Board Composition | | | | | | | | | | | | | | | | | | |
| Male | 11 | | | | | | | | | | | | | | | | | |
| Female | 4 | | | | | | | | | | | | | | | | | |
| Age Range | 56-97 y/o | | | | | | | | | | | | | | | | | |
| Profession | | | | | | | | | | | | | | | | | | |
| Businessmen | 10 | | | | | | | | | | | | | | | | | |
| Physicians | 5 | | | | | | | | | | | | | | | | | |

Recommendation 1.5

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| 1 | The Board is assisted by a Corporate Secretary. | COMPLIANT | <p>2024 MDI Definitive_20IS Information on Corporate Secretary https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf</p> | |
| 2 | The Corporate Secretary is a separate individual from the Compliance Officer. | COMPLIANT | <p>MDI CCG (page 23, 2.2.7 Corporate Secretary) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf</p> <p>GIS 2024 (page 4-4.1) https://drive.google.com/file/d/13MsU3IC38PIgLMhhrPIfGNkKmyYMIaB7/view?usp=sharing</p> | |

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| 3 | The Corporate Secretary is not a member of the Board of Directors. | COMPLIANT | MDI CCG (page 23, 2.2.7.3 The Corporate Secretary shall not be a member of the Board) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf |
| 4 | The Corporate Secretary attends annual training/s on corporate governance. | COMPLIANT | 2024 Annual Corporate Governance Enhancement Session (For Directors, Advisory Board Members and Officers). A hybrid seminar held on September 27, 2024 at the Grand Ballroom of Grand Hyatt Manila, Bonifacio Global City with the theme: "Achieving Escape Velocity: Harnessing High Technology to Spark Creativity and Innovation" by Mr. David Morey as Keynote Speaker. https://drive.google.com/file/d/1BPepFEco2Ognr5avRIhXh9ARYO2hKsaW/view?usp=sharing |
| Recommendation 1.6 | | | |
| 1 | The Board is assisted by a Compliance Officer. | COMPLIANT | Appointment Letter of Compliance Officer https://drive.google.com/file/d/17N_yh5D1A2QACf1_82yMJnXYLRhYnkeE/view?usp=sharing |
| 2 | The Compliance Officer has a rank of Senior Vice-President or an equivalent position with adequate stature and authority in the corporation. | COMPLIANT | The attached BOD minutes on Organizational Meeting held last September 24, 2021. It was the time Dr. Mila Uy was appointed as Compliance Officer. |
| 3 | The Compliance Officer is not a member of the board. | COMPLIANT | CV of Compliance Officer https://drive.google.com/file/d/1E7PCHtnxC3_PSMNQLncl28dQV3gw4Blq/view?usp=sharing GIS 2024 (page 4.1) https://drive.google.com/file/d/13MsU3lC38PlgLMhhrPIfGNkKmyYMIaB7/view?usp=sharing Job Description of Compliance Officer https://drive.google.com/file/d/1PZ2_kCJB3z7W5RLwKaEoD71dR0qrVmc/view?usp=share_link |

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|---|---|-----------|--|--|
| | | | MDI CCG (page 1, 2.1 Compliance Officer) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | |
| 4 | The Compliance Officer attends annual training/s on corporate governance. | COMPLIANT | 2024 Annual Corporate Governance Enhancement Session (For Directors, Advisory Board Members and Officers). A hybrid seminar held on September 27, 2024 at the Grand Ballroom of Grand Hyatt Manila, Bonifacio Global City with the theme: “Achieving Escape Velocity: Harnessing High Technology to Spark Creativity and Innovation” by Mr. David Morey as Keynote Speaker. https://drive.google.com/file/d/1BPepFEco2Ognr5avRlhXh9ARYO2hKsaW/view?usp=sharing | |

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

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|---|--|-----------|--|--|
| 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. | COMPLIANT | 2024 MDI Definitive_20IS for Summary of Relevant Resolutions Approved by the Board of Directors (pages 40-42) https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf | |
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Recommendation 2.2

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|---|---|-----------|---|--|
| 1 | The Board oversees the development and approval of the company’s business objectives and strategy. | COMPLIANT | 2024 MDI Definitive_20IS for Summary of Board Minutes (CEO provides updates on status of business development regularly during the board meeting). https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf | |
| 2 | The Board oversees and monitors the implementation of the company’s business objectives and strategy. | COMPLIANT | Business objectives and strategy are developed/reviewed by top management annually and presented to the board by the CEO. Status of business development is regularly presented to the board. | |

| Recommendation 2.3 | | | | |
|--------------------|---|-----------|---|--|
| 1 | The Board ensures and adopts an effective succession planning program for directors, key officers and management. | COMPLIANT | Board of Directors succession plan complies with vacancy in Board Seat as indicated in the Board Charter (page 3, E and H). https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Board-Charter-Mar-2022.pdf | |
| 2 | The Board adopts a policy for the retirement of directors and key officers. | COMPLIANT | For Officers and Management, refer to Designate Plan Policy. https://drive.google.com/file/d/1vgsFTY4MSs95Z-x5AqFJah3GBHw93xNO/view?usp=sharing | |
| Recommendation 2.4 | | | | |
| 1 | The Board aligns the remuneration of key officers and board members with the long-term interests of the company. | COMPLIANT | For Board of Directors – per diem is provided to Board members per attendance / participation in the Board meeting. | |
| 2 | The Board adopts a policy specifying the relationship between remuneration and performance. | COMPLIANT | Board Charter (page 3, F) https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Board-Charter-Mar-2022.pdf | |
| 3 | The Directors do not participate in discussions or deliberations involving his/her own remuneration. | COMPLIANT | MDI CCG (page 11, 2.2.2.2 Compensation, Remuneration and Retirement Committee) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf For MMC Officers and Employees – refer to Staff Recruitment, Retention, Development and Continuing Education Program and corresponding merit increases (pages 9-13, 2. Performance Management System) https://drive.google.com/file/d/1poNfvbj3I_tvM5S3QuaqAtyPim5ExCL/view?usp=sharing | |

| Recommendation 2.5 | | | | |
|--------------------|--|-----------|--|--|
| 1 | The Board has a formal and transparent board nomination and election policy. | COMPLIANT | MDI CCG (pages 8-11 Nomination and Election Committee); (page 28 Investors’ Rights and Protection, 7.1.2 Voting Right) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | |
| 2 | The Board nomination and election policy is disclosed in the company’s Manual on Corporate Governance. | COMPLIANT | Schedule of Activities prior to Stockholders’ Meeting https://drive.google.com/file/d/11lpAHSzMp9xNYuXdc-r153EcCOsdfYbQ/view?usp=sharing | |
| 3 | The Board nomination and election policy includes how the company accepted nominations from shareholders/members. | COMPLIANT | 2024 MDI Definitive_20IS (page 16 Nominees for Election as Members of the Board of Directors) https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf | |
| 4 | The Board nomination and election policy includes how the board reviews the qualifications of nominated candidates. | COMPLIANT | 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. | |
| 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. | COMPLIANT | MDI CCG https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | |
| 6 | The Board has a process for identifying the quality of directors/trustees that is aligned with the strategic direction of the company. | COMPLIANT | refer to qualifications of board – nondiscriminatory. It indicates there the competence as a factor. | |
| 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. | COMPLIANT | MDI CCG (page 3-6, 2.2.1.2 Specific Duties and Functions of Board, bullet #23); (page 27 Reportorial or Disclosure System of Company’s Corporate Governance Policies) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | |

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| 2 | The RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions. | COMPLIANT | <p>Audit and Risk Committee Charter (Section III.1 F.2) https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Audit-and-Risk-Committee-Charter-May-2022.pdf</p> <p>Related Party Transactions Policy https://www.makatimed.net.ph/wp-content/uploads/2023/04/Related-Party-Transactions.pdf</p> | |
| 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). | COMPLIANT | <p>Board Charter https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Board-Charter-Mar-2022.pdf</p> <p>Minutes of Board Meeting (Sept 24, 2021) when Compliance Officer was appointed https://drive.google.com/file/d/17N_yh5D1A2QACf1_82yMJnXYLRhYnkeE/view?usp=sharing</p> | |
| 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). | COMPLIANT | <p>MDI CCG (pages 31-32 section 8. Monitoring and Assessment) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf</p> <p>Performance of the Board Policy https://www.makatimed.net.ph/wp-content/uploads/2023/04/Performance-of-the-Board-1.pdf</p> <p>Performance Evaluation Form for Compliance Officer and CEO https://drive.google.com/file/d/1MawQuP90SF1jgBzXNJ9rrEuz5wxy5ZLT/view?usp=share_link</p> <p>https://drive.google.com/file/d/18n9noovrJDFsATMRk2VgFZcnhmYgFbrE/view?usp=share_link</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. | COMPLIANT | <p>Performance Evaluation form for Vice Presidents / Directors, for Managers and for Employees https://drive.google.com/file/d/1f_rKVy6wVtI8x5AqvdaqbH_26uw9mE5F/view?usp=sharing</p> <p>https://drive.google.com/file/d/1qrUce0vqRltjJNZhDvXIVibOy3PaKhet/view?usp=sharing</p> | |
| 2 | The Board establishes an effective performance evaluation framework that includes a standard or criteria for assessment and ensures that personnel's performance is on par with the standards set by the Board and Senior Management. | COMPLIANT | <p>https://drive.google.com/file/d/1zoMXtcP5IvnudPLW2x5gyrS8UYD3T9TQ/view?usp=sharing</p> <p>https://drive.google.com/file/d/1MziA10fSds0BRICB8me00wyc152WPID7/view?usp=sharing</p> <p>https://drive.google.com/file/d/1MD3ghwvOH77j5Ald2VeSny6S94eA1aHN/view?usp=sharing</p> <p>HP Staff Recruitment, Retention, Development and Continuing Education Program (pages 9-13 on performance evaluation of employees) https://drive.google.com/file/d/1poNfvbj3I_tvM5S3QuaqAtyPim5ExCL/view?usp=sharing</p> | |
| Recommendation 2.9 | | | | |
| 1 | The Board ensures that an appropriate internal control system is in place. | COMPLIANT | <p>MDI CCG (page 25, 2.2.10 Role of Internal Auditor) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf</p> | |

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|----------------------------|---|-----------|--|--|
| 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 | <p>Job Description of Compliance Officer as approved by the Corporate Governance and Compliance Committee of the Board https://drive.google.com/file/d/1PZ2_kCJJB3z7W5RLwKaEoD71dR0qrvMc/view?usp=sharing</p> <p>Conflict of Interest Policy https://www.makatimed.net.ph/wp-content/uploads/2022/04/Conflict-of-Interest-Policy.pdf and Form for Declaration of Adherence to Policy and Potential Conflict of Interest for MDI Director/Officer of the Board https://drive.google.com/file/d/1UN4P6qmkdKkw1Zfzfy9f2_vHLDRGEnL/view?usp=sharing</p> | |
| 3 | The Board adopts an Internal Audit Charter. | COMPLIANT | <p>Audit and Risk Committee Charter https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Audit-and-Risk-Committee-Charter-May-2022.pdf</p> | |
| 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 | <p>Audit and Risk Committee Charter and MDI CCG https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Audit-and-Risk-Committee-Charter-May-2022.pdf</p> | |
| 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 | <p>https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf</p> <p>ERM framework reference Risk and Opportunity Management Program https://drive.google.com/file/d/1wLdULZrcTTstziO4tC54UhWcVoHurl2W/view?usp=sharing</p> | |

| 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 | https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Board-Charter-Mar-2022.pdf | |
| 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 | https://drive.google.com/file/d/1NQ9kAZG8QuxHmcXuvTKPUHfY6PHxPewb/view?usp=sharing | |
| 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 | https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Audit-and-Risk-Committee-Charter-May-2022.pdf | |

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| 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>Minutes of Board of Directors Meeting October 2024 (Section III. Organizational Meeting) Chair and Members of Audit Committee https://drive.google.com/file/d/1NQ9kAZG8QuxHmcXuvTKPUHfY6PHxPewb/view?usp=sharing</p> <p>2024 MDI Definitive_20IS Qualifications and Type of Directorship https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.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. | COMPLIANT | <p>2024 MDI Definitive_20IS https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf</p> |
| 4 | The Chairperson of the Audit Committee is not the Chairperson of the Board or of any other committee. | COMPLIANT | <p>2024 MDI Definitive_20IS https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf</p> <p>Minutes of Board of Directors Meeting October 2024 (Section III. Organizational Meeting) https://drive.google.com/file/d/1NQ9kAZG8QuxHmcXuvTKPUHfY6PHxPewb/view?usp=sharing</p> <p>Audit and Risk Committee Charter https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Audit-and-Risk-Committee-Charter-May-2022.pdf</p> |

Recommendation 3.3

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|---|--|---------------|---|--|
| 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>Minutes of Board of Directors Meeting October 2024 (Section III. Organizational Meeting) https://drive.google.com/file/d/1NQ9kAZG8QuxHmcXuvTKPUHfY6PHxPewb/view?usp=sharing</p> <p>2024 MDI Definitive_20IS https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf</p> <p>Corporate Governance and Compliance Committee Charter https://www.makatimed.net.ph/wp-content/uploads/2025/01/Corporate-Governance-and-Compliance-Committee-Charter_Dec2024.pdf</p> <p>Note: Nomination, Election and Remuneration Committee is separate from Corporate Governance and Compliance Committee.</p> | |
| 2 | The Corporate Governance Committee is composed of at least three (3) members, majority of whom, including the Chairperson, should be independent directors. | NON-COMPLIANT | <p>Corporate Governance and Compliance Committee Charter https://www.makatimed.net.ph/wp-content/uploads/2025/01/Corporate-Governance-and-Compliance-Committee-Charter_Dec2024.pdf</p> <p>2024 MDI Definitive_20IS https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf</p> | <p>MDI adopted the minimum required number of independent directors by the new corporation code and therefore not enough independent director to constitute majority of each Board Committee.</p> <p>However, the Committee has 7 director members and one non-voting member. This comprises almost half of the board to ensure all shareholder groups are well represented.</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. | COMPLIANT | This committee and its functions were included in the Audit and Risk Committee https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Audit-and-Risk-Committee-Charter-May-2022.pdf | |
| 2 | The BROC is composed of at least three (3) members, the majority of whom should be independent directors, including the Chairperson. | COMPLIANT | Minutes of Board of Directors Meeting October 2024 (Section III. Organizational Meeting) https://drive.google.com/file/d/1NQ9kAZG8QuxHmcXuvTKPUHfY6PHxPewb/view?usp=sharing 2024 MDI Definitive_20IS https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf | |
| 3 | At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management. | COMPLIANT | 2024 MDI Definitive_20IS (page 13-14 credentials of Ms. Diana P. Aguilar – Chair of the Audit and Risk Committee) https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf | |
| 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 | Charters for Board Committees are available. Board Charter https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Board-Charter-Mar-2022.pdf | |

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| 2 | The Committee Charters provide standards for evaluating the performance of a committee and its members. | COMPLIANT | <p>Corporate Governance and Compliance Committee Charter https://www.makatimed.net.ph/wp-content/uploads/2025/01/Corporate-Governance-and-Compliance-Committee-Charter_Dec2024.pdf</p> <p>Audit and Risk Committee Charter https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Audit-and-Risk-Committee-Charter-May-2022.pdf</p> <p>Ethics Committee Charter https://www.makatimed.net.ph/wp-content/uploads/2022/08/MDI-Ethics-Committee-Charter-Jul-2022.pdf</p> <p>Nomination, Election and Remuneration Committee Charter https://www.makatimed.net.ph/wp-content/uploads/2025/01/Nomination-Election-and-Remuneration-Committee-Charter_Dec2024.pdf</p> | |
| 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 | <p>2024 Board of Directors Attendance in Board Meetings https://drive.google.com/file/d/1nrXRc67PFUECLVXUCIxEluR-Ka5TSXqb/view?usp=sharing</p> <p>Board Charter https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Board-Charter-Mar-2022.pdf</p> | |
| 2 | The Directors review meeting materials for all Board and Committee meetings. | COMPLIANT | | |

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| 3 | The Directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings. | COMPLIANT | <div> <p>VI. Board Meetings</p> <p>The Board shall have at least four (4) regular meetings in a calendar year at a time and place determined by the Chairman, with further meetings to be conducted, as it may be deemed necessary by the Chairman or by request of at least two (2) directors. The directors are encouraged to attend and actively participate in all meetings of the Board, committees they are members of, and stockholders in person or via remote communication conducted in accordance with the rules and regulations of the SEC or its By-Laws, except upon justifiable causes which prevents them from doing so.</p> </div> <p>Board members are provided with meeting materials at least one week before the next board meeting.</p> | |
| 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. | NON-COMPLIANT | <p><i>Disclose if the company has a policy setting the limit of board seats that a non-executive director can hold simultaneously.</i></p> <p><i>Provide information or reference to a document containing information on the directorships of the company's directors in listed companies, registered issuers and public companies.</i></p> | <p>This provision was not included in the Manual of Code of Corporate Governance. The Company believes that more important than limiting the number of Board seats of an individual Director is his/her commitment to the functions of a director as evidenced by his/her attendance and participation in board meetings and absence of potential conflict of interest.</p> <p>Since nomination of candidates for board of directors is open to all stockholders, effectiveness of the board process in the nomination, election or replacement of a director is not deemed necessary.</p> <p>Furthermore, the Board is adequately represented by the three main stockholder group which are the doctors, MPH and businessmen. They are recognized leaders in the medical and business community that work together to provide strategic direction for the Company.</p> |

| Recommendation 4.3 | | | | |
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| 1 | The Directors notify the company's board before accepting a directorship in another company. | COMPLIANT | MDI CCG (pages 6-7, 2.2.1.3 bullet # 8 Duties and Responsibilities of Director) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | |
| 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 | 2024 MDI Definitive_20IS https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf Number of Non-Executive Directors = 13 out of 15 | |
| 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 | Board Charter (page 1) https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Board-Charter-Mar-2022.pdf | The Company follows the minimum required by the new corporation code: "the board of the following corporation vested with public interest shall have independent directors constituting at least 20% of such board". MDI has 3 independent directors in the board. |
| Recommendation 5.3 | | | | |
| 1 | The independent directors possess all the qualifications and none of the disqualifications to hold the position. | COMPLIANT | 2024 MDI Definitive_20IS (page 17) https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf | |
| 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 | MDI CCG (page 7, 2.2.1.4 Term of an Independent Director) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | |

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| 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 | Minutes of July 2024 Annual Stockholders Meeting (page 7-8) https://www.makatimed.net.ph/wp-content/uploads/2024/07/Minutes-of-Meeting-2024-Annual-Stockholders-Meeting.pdf | |
| Recommendation 5.5 | | | | |
| 1 | The positions of Chairperson of the Board and Chief Executive Officer (or its equivalent) are held by separate individuals. | COMPLIANT | Chairman of the Board: Mr. Manuel V. Pangilinan President and CEO: Dr. Saturnino P. Javier – Medical Director and Co-CEO Mr. Arnold C. Ocampo – Chief Financial Officer and Co-CEO | Currently, MDI has two CEO which is merely transitory; and MDI has convened the Nomelec Committee to elect a President and CEO. |
| 2 | The Chairperson of the Board and Chief Executive Officer (or its equivalent) have clearly defined responsibilities. | COMPLIANT | Board Charter (pages 5-9) https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Board-Charter-Mar-2022.pdf | |

| Recommendation 5.6 | | | | |
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| 1 | The Board designates a lead director among the independent directors if the Chairperson of the Board is not an independent director. | NON-COMPLIANT | <p><i>Provide information or link/reference to a document containing information on a lead independent director and his roles and responsibilities, if any.</i></p> <p><i>Indicate if Chairperson is an independent director.</i></p> | <p>The role of Chair of the Board is distinctly defined with no overlap with the functions of the CEO as stipulated in the MMC Code of Corporate Governance. This was deemed not necessary for the Company since the Chairperson is a non-executive director and there are adequate controls in place through the Corporate Governance and Compliance Committee and Audit and Risk Committee.</p> <p>Except for the Nomination, Election and Remuneration Committee, each of our board committees is chaired by an independent director. In addition, the Corporate Secretary serves as a non-voting member of the Nomination, Election and Remuneration Committee, guiding the committee in carrying out its duties and mandate.</p> |

| Recommendation 5.7 | | | | |
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| 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>Policy on Conflict of Interest https://www.makatimed.net.ph/wp-content/uploads/2022/04/Conflict-of-Interest-Policy.pdf and Code of Business Conduct and Ethics (pages 13-15) https://www.makatimed.net.ph/wp-content/uploads/2022/06/Code-of-Business-Conduct-and-Ethics-2022.pdf</p> <p>2024 MDI Definitive_20IS https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf and Consolidated FS & Supplementary Schedules (CFS) for related party transaction https://drive.google.com/file/d/1mG-tHhfJ3mQsej1HylTF6awNxQefbeLT/view?usp=sharing</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. | COMPLIANT | Audit and Risk Committee, chaired by an independent director, met with heads of internal audit, compliance and risk management last May 23, 2025 in the absence of management. | |
| 2 | The meetings are chaired by the lead independent director, if applicable. | COMPLIANT | | |
| 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. | COMPLIANT | MDI CCG (page 31 item 8 Monitoring and Assessment) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | |
| 2 | The Chairperson conducts an annual self-assessment of his performance. | COMPLIANT | | |

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| 3 | The individual members conduct a self-assessment of their performance. | COMPLIANT | Performance of the Board Policy https://www.makatimed.net.ph/wp-content/uploads/2023/04/Performance-of-the-Board-1.pdf |
| 4 | Each committee conducts a self-assessment of its performance. | COMPLIANT | Self-Assessment Form for Chairman of the Board, Individual Members of the Board, and each Members of the Board Committees https://drive.google.com/file/d/1hSz0qHG5R28EHjJuvfNYKJ779EDwpUa1/view?usp=share_link https://drive.google.com/file/d/1nFaqzBTVV4jnZ3DQSVlpH7fBvbU1zhK8/view?usp=share_link https://drive.google.com/file/d/1TI_oYYzPc0EwQp_q9I53qULtaJHQ2uay/view?usp=share_link https://drive.google.com/file/d/1q-AzSI2RNRqPpJ9PFIJTCh8l7GOhBDjY/view?usp=share_link https://drive.google.com/file/d/1Dqg9eDxcDFpPrglvZh9x5coEJ7R8eoMt/view?usp=share_link https://drive.google.com/file/d/1LB4j8xD0CJ01L9uOFRqKwbR7runSdmY_/view?usp=share_link |
| 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. | COMPLIANT | MDI CCG (page 31 item 8 Monitoring and Assessment) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf MDI CCG (page 31, 7.1.9, 7.1.10 Shareholder's Benefit) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf |
| 2 | The system allows for a feedback mechanism from the shareholders/members. | COMPLIANT | Form for Shareholders Assessment of the MDI Board https://drive.google.com/file/d/1cpAnG8836vMdvtf3WNtrKD1OZnLVvpq/view?usp=share_link |

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

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| 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 | Code of Business Conduct and Ethics https://www.makatimed.net.ph/wp-content/uploads/2022/06/Code-of-Business-Conduct-and-Ethics-2022.pdf | |
| 2 | The Code is properly disseminated to the members of Board. | COMPLIANT | Proof of dissemination to members of the Board Summary of Relevant Resolutions Approved by the Board of Directors https://drive.google.com/file/d/1JLMSUjnT52vrQ5abkl9gFbyRF2bJlrbN/view?usp=share_link Proof of dissemination to Employees Screenshot of Code of Business Conduct and Ethics Dissemination https://drive.google.com/file/d/1ZzfRAepQOMSyOTimkRvQkMW37PHty-iz/view?usp=share_link Implementing Memo Code of Business Conduct and Ethics https://drive.google.com/file/d/1m9mZ_2uNd2tyO93sEi0mhoA_edC1YVnC/view?usp=share_link | |
| 3 | The Code is disclosed and made available to the public through the company website. | COMPLIANT | Code of Business Conduct and Ethics https://www.makatimed.net.ph/wp-content/uploads/2022/06/Code-of-Business-Conduct-and-Ethics-2022.pdf | |

| Recommendation 7.2 | | | | |
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| 1 | The Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics. | COMPLIANT | <p>Proof of ABAC training and signed Adherence to Policy and Potential Conflict of Interest Form of MDI Directors https://drive.google.com/file/d/1bMuD_3-IgX0j_4Ssld4Zm2C7PnJAcQ_H/view?usp=sharing</p> <p>Employee Anti-Corruption Certification Form and sample Online Acknowledgement https://drive.google.com/file/d/1yIHeCoCQ0_Og1offH6gUAFVAmubsoN_/view?usp=sharing</p> <p>Code of Business Conduct and Ethics (page 1, paragraph 1) https://www.makatimed.net.ph/wp-content/uploads/2022/06/Code-of-Business-Conduct-and-Ethics-2022.pdf</p> | |
| 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>Distributed thru courier and email:</p> <ul style="list-style-type: none"> Schedule of Activities Prior to ASM https://drive.google.com/file/d/11lpAHSzMp9xNYuXdc-r153EcCOsdfYbQ/view?usp=sharing Notice of the Meeting – also published in the business section of 2 newspapers in general circulation for 2 consecutive days https://drive.google.com/file/d/1ebJ1gyp-QMh_yI1c9TB1dqynpZBBYxfs/view?usp=sharing Guidelines for Participation in ASM https://drive.google.com/file/d/1iOTP_6t0-P3rUAjKL3D3X1_zoZi9qmn_/view?usp=sharing | |

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| | | | <p>2024 ASM Minutes of the Meeting https://www.makatimed.net.ph/wp-content/uploads/2024/07/Minutes-of-Meeting-2024-Annual-Stockholders-Meeting.pdf</p> <p>2024 MDI Definitive_20IS https://www.makatimed.net.ph/wp-content/uploads/2024/08/MDI-Definitive_20-IS-2024.pdf</p> <p>Consolidated FS & Supplementary Schedules (CFS) https://drive.google.com/file/d/1mG-tHhfJ3mQsej1HyITF6awNxQefbeLT/view?usp=sharing</p> <p>2023 MDI Annual Report https://www.makatimed.net.ph/wp-content/uploads/2024/07/MMCAR_2023-FINAL_compressed.pdf</p> | The 2024 MDI Annual Report will be uploaded on or before the July 2025 Annual Stockholders Meeting. |
| 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 | MDI CCG (page 27 indicated 15 days) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | MDI is compliant in practice. However, MDI CCG will be revised to indicate a shorter period adopting the recommendation of SEC to have disclosure/ report to the company within five (5) business days. |
| 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 | | |
| Recommendation 8.3 | | | | |
| 1 | The company’s corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG). | COMPLIANT | MDI CCG https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | |
| 2 | The company’s MCG is submitted to the SEC. | COMPLIANT | MDI CCG Proof of submission to SEC in 2020 https://drive.google.com/file/d/1CNQxW_HASDZb59_WwPm9zse6DZwwJzTu/view?usp=sharing | |

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| 3 | The company's MCG is posted on the company website. | COMPLIANT | Website link https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | |
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Recommendation 8.4

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| 1 | The company's corporate governance policies and practices and all relevant information are disclosed in its Annual Corporate Governance Report (ACGR). | COMPLIANT | MDI 2023 ACGR is posted in the company's website https://www.makatimed.net.ph/wp-content/uploads/2024/06/MDI-2023-ACGR_ANNUAL-CORPORATE-GOVERNANCE-FOR-PUBLIC-COMPANIES-AND-REGISTERED-ISSUERS.pdf | MDI 2024 ACGR for posting after submission to SEC by June 30, 2025. |
| 2 | The company's ACGR is submitted to the SEC. | COMPLIANT | Proof of submission to SEC https://drive.google.com/file/d/17z5cO-UxkioYaqww8qkwx19c3OaJl2ZK/view?usp=sharing | |
| 3 | The company's ACGR is posted on the company website. | COMPLIANT | | |

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

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| 1 | The Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of external auditors. | COMPLIANT | Minutes of July 2024 ASM (page 8, VIII Appointment of External Auditors) https://www.makatimed.net.ph/wp-content/uploads/2024/07/Minutes-of-Meeting-2024-Annual-Stockholders-Meeting.pdf | |
| 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 | | |

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| 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 External Auditor was reappointed in 2024. | This is not applicable since there is a decision to retain the current external auditors. |
| 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 | Audit and Risk Committee Charter (pages 1-2, Section 3.1) https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Audit-and-Risk-Committee-Charter-May-2022.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 | Minutes of July 2024 ASM (page 8, VIII Appointment of External Auditors) https://www.makatimed.net.ph/wp-content/uploads/2024/07/Minutes-of-Meeting-2024-Annual-Stockholders-Meeting.pdf Annual Report (SEC Form 17-A, pages 18-19) https://drive.google.com/file/d/1mG-tHhfJ3mQsej1HyITF6awNxQefbeLT/view?usp=sharing | |

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| | | | Audit and Risk Committee Charter (page 2, B. External Auditor #3) https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Audit-and-Risk-Committee-Charter-May-2022.pdf | |
| 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 | Audit and Risk Committee Charter (page 2, B. External Auditor #3) https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Audit-and-Risk-Committee-Charter-May-2022.pdf | |

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

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| 1 | The Board has a clear and focused strategy on the disclosure of non-financial information. | COMPLIANT | MDI CCG (page 27, 6.6.7 Reportorial or Disclosure System of Company's Corporate Governance Policies) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | |
| 2 | The company discloses to all shareholders/members and other stakeholders the company's strategic and operational objectives with emphasis on the management of environmental, economic, social and governance (EESG) issues of its business which underpin sustainability. | COMPLIANT | This is included in the President's report during the 2024 Annual Stockholders meeting (page 2, IV) https://www.makatimed.net.ph/wp-content/uploads/2024/07/Minutes-of-Meeting-2024-Annual-Stockholders-Meeting.pdf 2023 MDI Annual Report (page 8) https://www.makatimed.net.ph/wp-content/uploads/2024/07/MMCAR_2023-FINAL_compressed.pdf | The 2024 MDI Annual Report will be uploaded on or before the July 2025 Annual Stockholders Meeting. |

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 | | | | |
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| 1 | The company has a website to ensure a comprehensive, cost-efficient, transparent and timely manner of disseminating relevant information to the public. | COMPLIANT | https://www.makatimed.net.ph | |
| 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 | | | | |
| 1 | The company has an adequate and effective internal control system in the conduct of its business. | COMPLIANT | <p>Annual Internal Survey on compliance, licensing, and accreditation requirements of all departments</p> <p>Biannual Culture of Safety Survey</p> <p>Intermittent spot audits</p> <p>Clinical audits</p> <p>Regular clinical audits</p> <p>CSQC Program</p> <p>https://drive.google.com/file/d/1SapyXv59s6532TbtFYj_dGD8pUe_A-7/view?usp=sharing</p> | |
| 2 | The company has an adequate and effective enterprise risk management framework in the conduct of its business. | COMPLIANT | <p>Framework for ERM was based on American Society of Healthcare Risk Management</p> <p>Audit and Risk Committee Charter (page 3, E. Risk Management)</p> <p>https://www.makatimed.net.ph/wp-content/uploads/2022/06/MDI-Audit-and-Risk-Committee-Charter-May-2022.pdf</p> <p>Risk and Opportunity Management Program</p> <p>https://drive.google.com/file/d/1wLdULZrcTTstziO4tC54UhWcVoHurl2W/view?usp=sharing</p> <p>Review of ERM is done annually.</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. | COMPLIANT | Internal nonfinancial audit is done in-house by the Accreditation Department under Hospital Compliance, License and Accreditation Division. External nonfinancial audit is done triennially by Joint Commission International; and annually for ISO Certification. Financial audit is done by Isla Lipana and Company. | |
| 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 | MDI CCG (pages 28-31, 7 Shareholders' Benefit 7.1 Investors' Rights and Protection) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | |
| 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 | Schedule of Activities prior to Stockholders meeting https://drive.google.com/file/d/11lpAHSzMp9xNYuXdc-r153EcCOsdfYbQ/view?usp=sharing | |
| 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 | Minutes of July 2024 Annual Stockholders' meeting https://www.makatimed.net.ph/wp-content/uploads/2024/07/Minutes-of-Meeting-2024-Annual-Stockholders-Meeting.pdf | |

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| 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 | Minutes of July 2024 Annual Stockholders’ meeting https://www.makatimed.net.ph/wp-content/uploads/2024/07/Minutes-of-Meeting-2024-Annual-Stockholders-Meeting.pdf | |
| 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. | COMPLIANT | MDI CCG (page 31, 7 Shareholder’s Benefits 7.1.9) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf | |
| 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 | Name: Arlyn Songco Contact: 8888-8999 ext. 3771/3707 Email Address: Arlyn.Songco@makatimed.net.ph | |
| 2 | The IRO or CRO or its equivalent is present at every shareholders’/members’ meeting. | COMPLIANT | IRO was present in July 2024 shareholder’s meeting - please see attached screenshot of zoom attendee report https://drive.google.com/file/d/1z2JauEXy_vH8EUyRK1x6Sq6TfJL_QH_/view?usp=sharing | |
| 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 and the company in creating wealth, growth and sustainability. | COMPLIANT | Patient and Family Rights and Responsibilities https://drive.google.com/file/d/1pQs05C4IGYU1kwAjBGGNq76H9wAmR5r_/view?usp=sharing Patient and Family Guide (Patient Handbook) https://drive.google.com/file/d/10f9PHckTj1G2Sc4QYWKw50q9t3GsMwyS/view?usp=sharing | |

Recommendation 14.2

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| 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>Right and Responsibilities of Patients Patient and Family Rights and Responsibilities https://drive.google.com/file/d/1pQs05C4IGYU1kwAjBGGNq76H9wAmR5r_/view?usp=sharing</p> <p>Patient Experience Program https://drive.google.com/file/d/1LrYGWU83A8Dnvs93o9OaQQbNXbgQos7c/view?usp=sharing</p> <p>Handling & Resolving Patient & Family Complaints https://drive.google.com/file/d/1GULvx3MhW23hLr9Wua6heMCjz6FKS38o/view?usp=sharing</p> <p>Whistleblowing Policy https://www.makatimed.net.ph/wp-content/uploads/2022/04/Whistleblowing-Policy.pdf</p> <p>MDI CCG (page 28, 7 Shareholder's Benefits) https://www.makatimed.net.ph/wp-content/uploads/2022/04/Code-of-Corporate-Governance-1.pdf</p> | |
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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

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| 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 | <p>CSQC Program https://drive.google.com/file/d/1SapyXv59s6532TbtFYj_dGD8pUe-A-7/view?usp=sharing</p> <p>Culture of Safety Survey https://drive.google.com/file/d/182zFOf4apxoCQiT4MbfHu7FQ0AWLLCKT/view?usp=sharing</p> | |
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| Recommendation 15.2 | | | | |
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| 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>Code of Business Conduct and Ethics https://www.makatimed.net.ph/wp-content/uploads/2022/06/Code-of-Business-Conduct-and-Ethics-2022.pdf</p> <p>Anti-Bribery and Anti-Corruption Compliance Related Policies https://www.makatimed.net.ph/corporate-governance/</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>Employees receive anti-bribery and anti-corruption (ABAC) policy training through onboarding orientation upon hiring, and refresher course once a year. Video training on anti-bribery and anti-corruption compliance policy for employees https://drive.google.com/file/d/1aCSK-EKIXoo94VjFjOupsvC24f0YtkhQ/view?usp=sharing</p> <p>Compliance Handbook Guide https://www.makatimed.net.ph/compliance-handbook-guide/</p> <p>Staff Recruitment, Retention, Development and Continuing Education Program (pages 15, 4. Learning and Development) https://drive.google.com/file/d/1poNfvbj3I_tvM5S3QuaqAtyPim5ExCL/view?usp=sharing</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>Whistleblowing Policy https://www.makatimed.net.ph/wp-content/uploads/2022/04/Whistleblowing-Policy.pdf</p> | |

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| 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 | Part of responsibility of Compliance Officer is to report to the Board, through the Committee on Corporate Governance and Compliance, all whistleblowing cases (including result of investigation) received by the Compliance Officer. | |
| 3 | The Board supervises and ensures the enforcement of the whistleblowing framework. | COMPLIANT | | |

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

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| 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 | This is part of 2024 ESG Report Community Engagement https://drive.google.com/file/d/1KroIMh-X4uPml-Aimbf2ZVYALKbj4woo/view?usp=sharing | |
|---|---|-----------|--|--|

~~NOTARY PUBLIC~~
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Notary Public for Makati City
Unit 31 December 2025
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PTR No. 10470699; 6 January 2025; Makati City
IBP No. 511932; 6 January 2025; Makati City
Roll No. 77200; 7 May 2022
more compliance ~~III~~ No. 0037660. 04.14.28