

Maxicare

Board Risk Oversight Committee Charter

ISO Standard: ISO 9001 ▾	Information Classification: Level 3 - Confidential ▾
------------------------------------	--

HANDLING GUIDELINES

- Do not forward or copy data in part or full without the explicit permission of the QMS Head, Compliance Officer, QMR, or President & CEO except for manuals that are posted in the Maxicare website.
- This document is proprietary to Maxicare Healthcare Corporation and should be handled according to the company's Control of Documents and Control of Records.

REVIEW SCHEDULE

- Annual

Revision No.	Date	Summary of Revisions
00	25 October 2024	New Document

BOARD RISK OVERSIGHT COMMITTEE CHARTER

Section 1 – Purpose

The purpose of the Board Risk Oversight Committee (“Committee”) is to oversee the establishment of the Enterprise Risk Management (“ERM”) system to ensure its functionality and effectiveness. The risk management framework shall guide the Board of Directors (“Board”) in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies. The Committee shall be responsible for defining the level of risk tolerance or risk appetite of Maxicare Healthcare Corporation (“Maxicare”) and providing oversight over its risk management policies and procedures to anticipate, minimize, control or manage risks or possible threats to its operational and financial viability.

This Board Risk Oversight Committee adopts this Charter (“Charter”) that establishes the purpose, qualifications and membership, structure, operations, duties and responsibilities of the Committee in the conduct of its functions.

This Charter shall be read in conjunction with the Revised Corporation Code, the Insurance Commission Circular Letters, Maxicare’s By-laws, Annual Corporate Governance Report and Corporate Governance Manual, when and as applicable.

Section 2 – Committee Membership

The Committee shall consist of at least four (4) members of the Board of Directors, who shall all be Non Executive Directors, majority of whom shall be independent directors, including the Chairperson. Provided that there is equal representation of directors, with two (2) members from JE Holdings, Inc. (“JE”) and two (2) members from Pin-An Holdings Corporation (“Pin-An”). The Chairperson should not be the Chairman of the Board or of any other committee. At least one member of the committee must have relevant thorough knowledge and experience on risk and risk management.

2.1. Committee Member Qualifications. Each member of the Committee shall have the qualifications and none of the disqualifications of a Director, as set out in the Revised Corporation Code, Bylaws, Insurance Commission Rules and the Corporate Governance Manual. The Board shall ensure that the members of the Committee are appropriately qualified to discharge their responsibilities.

2.5. Committee Chairperson. The Board shall appoint the Committee Chairperson. The Committee Chairperson shall preside in all meetings of the Committee. In their absence, the members present shall elect from among themselves one member to preside over the particular meeting.

2.6. Committee Advisers. The Board may retain, at its discretion, independent advisers to assist the Committee in the fulfillment of its duties and responsibilities. The advisers shall provide impartial advice to aid in decision-making processes.

Section 3 – Meetings and Consent Resolution

The Committee shall hold meetings quarterly, or as may be necessary to fulfill its responsibilities. A quorum at any Committee meeting shall consist of a majority of its members, with one (1) representative from JE and one (1) representative from Pin-An. The Corporate Secretary of the

Board shall take down minutes of the meetings and submit the same to the Board for ratification. The Chairperson and the Secretary shall establish the agenda for each meeting but any Committee member may recommend the inclusion of other items. Where necessary or desirable, the Committee may invite other members of the Board or officers of Maxicare to attend its meetings and may engage outside advisors to act as consultants to the Committee.

Special meetings may be called at any time subject to the requirements set out in the Corporation's By-laws.

Action required or permitted to be taken by the Committee may be taken without or in lieu of a meeting by written consents, identical in content, setting out the action taken and signed by all the members of the Committee. The written consents shall have the same effect as a unanimous vote and may be made in electronic counterparts to cover consents given through separate emails and/or iterations in proposals until the final, ultimate consent is given. The written consents shall be documented as minutes of action.

Section 4 – Minutes of the Meetings or Action

For matters approved through unanimous consent resolution, the Committee members will be furnished with copies of the minutes of each meeting and any action taken by unanimous consent (i.e. minutes of action). The Committee, through the Office of the Corporate Secretary, shall ensure that it maintains appropriate records (e.g., minutes of meetings, minutes of action or summary of matters reviewed and decisions taken). The key matters reviewed and approved by the Committees and their minutes of meetings, minutes of action, including agenda and supporting materials if needed, are to be presented regularly to the full Board of Directors for confirmation.

Section 5 – Compensation

The members of the Committee shall receive such compensation as may be determined and approved by the Board of Directors.

Section 6 – Duties and Responsibilities of the Committee

1. Recommend, for approval of the Board, a written Charter of the Committee that describes, among others, the duties and responsibilities of the Committee and its members.
2. Oversee the development and implementation of a formal ERM System that contains the following elements:
 - a. Common language or register of risks;
 - b. Well-defined risk management goals, objectives and oversight;
 - c. Uniform processes of identifying, assessing, evaluating and measuring risks as well developing strategies to manage and mitigate prioritized risks;
 - d. Designing and implementing risk management strategies; and
 - e. Continuing assessments and monitoring to improve risk strategies, processes and measures;
3. Evaluate the ERM System to ensure its continued relevance, comprehensiveness and effectiveness. The Committee shall revisit defined risk management strategies, look for emerging or changing material exposures, and stays abreast of significant developments

that may seriously impact the likelihood of harm or loss;

4. Review Maxicare's risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and occurrence of major events that may have a major impact on the Company;
5. Assess the probability of each identified risk becoming a reality and estimate its possible significant financial impact and likelihood of occurrence. Priority areas of concern are those risks that are the most likely to occur and to impact the performance and stability of the Corporation and its Stakeholders; and
6. Provide oversight for Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of Maxicare. This function includes regularly receiving information on risk exposures and risk management activities from material risk exposures, reviewing the actions taken to reduce the risks, and providing recommendations for appetite levels, risk tolerance limits, and further action or plans, as necessary.

Section 7 – Duties and Responsibilities of the Members of the Committee

1. Actively participate in efforts to create and enhance shareholder value and work towards the long term success and viability of Maxicare through the effective management of risk.
2. Devote the necessary time and attention to properly discharge the duties and responsibilities as members of the Committee.
3. Exercise sound and independent judgment at all times and ensure that personal interests do not bias any decision or action taken, or conflict with Maxicare' interest.
4. Understand, internalize and observe the core values of Maxicare.
5. Maintain a good working knowledge and understanding of the various businesses of Maxicare, the risks attendant to those businesses and the risk management and control systems appropriate for such businesses.
6. With appropriate guidance from Management and other compliance resources, be knowledgeable of the statutory and regulatory requirements affecting Maxicare including the requirements of the Insurance Commission (IC), The Articles of Incorporation and By-Laws, and the Manual of Corporate Governance.
7. Act with full transparency, fairness, independence and sound judgment.
8. Observe confidentiality over all matters taken up by the Committee or any information acquired by reason of membership in the Committee. Disclosure of any such information should be with the written consent of the Committee.

Section 8 – Review and Performance Evaluation

8.1 The Board of Directors shall review and assess the adequacy of this Charter annually and/or as deemed necessary. This Charter will be kept in the office of the Corporate Secretary and will be available for inspection by the Directors and the stockholders during regular business hours.

8.2 The Committee shall conduct an annual review of its performance based on established self-assessment evaluation. The results thereof shall be reported to the Board through the Corporate Governance Committee of the Corporation.

Section 9 – Amendment

This Charter shall not be amended, altered or varied unless such amendment, alteration or variation shall have been approved by a resolution of the Board.