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**TO : BOARD OF DIRECTORS 05 FEBRUARY 2015**

**SUBJECT : UPDATING OF THE PERSONNEL EVALUATION & REVIEW COMMITTEE (PERC) CHARTER**

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## **I. TITLE**

This document shall be known as the Charter of the Personnel Evaluation and Review Committee of the Rizal Commercial Banking Corporation (“RCBC”). It shall contain the organization, purpose, powers and authorities of the said Committee.

This document shall also guide and govern the actions, recommendations, resolutions and decision of the Personnel Evaluation and Review Committee.

## **II. CREATION**

There is hereby created a Personnel Evaluation and Review Committee, which shall act upon authority of the Board of Directors of the RCBC, and which is tasked primarily to evaluate and review employee discipline areas.

In the performance of its functions, the Committee shall adhere to the following guidelines: first, the duty to protect the Bank’s assets, resources and interests; and second, the obligation to observe due process in the conduct of the investigations.

## **III. PURPOSE**

The Personnel Evaluation and Review Committee is created by the Board of Directors for the following purposes:

1. To act as an independent body in the evaluation and review of cases involving dishonesty, fraud, negligence or violation of any internal Bank policy, rule or procedure committed by an RCBC employee.
2. To ensure that the appropriate preventive, corrective and disciplinary measures are imposed on cases involving dishonesty, fraud, negligence or violation of any internal Bank policy, rule or procedure committed by an RCBC employee.
3. Such other purposes as may be necessary in the performance and discharge of its functions.

#### **IV. MEMBERSHIP**

The Board of Directors shall appoint the members of the Personnel Evaluation and Review Committee who shall serve for a period of one (1) year, or until their successors have been duly appointed.

The Personnel Evaluation and Review Committee shall be composed of a Chairperson, who shall be a member of the Board of Directors, and other members who may either be directors or senior management officers of RCBC. The Head of the Internal Audit Group shall sit during meetings as a resource person.

With the approval of the Committee Chairperson, officers from relevant areas of the Bank shall join the meetings as subject matter experts.

#### **V. MEETINGS**

The Personnel Evaluation and Review Committee shall meet regularly every month on dates designated by the Committee Chairperson.

The Committee Chairperson may call special or emergency meetings as may be necessary for the speedy resolution of matters and cases being handled by the Committee.

The Committee Chairperson has the authority to cancel the month's meeting if there are no cases for discussion.

#### **VI. POWERS AND AUTHORITIES**

The Personnel Evaluation and Review Committee shall have the following powers and authorities:

1. Affirm, review, revise, reverse or modify any resolution arrived at or action taken by management in connection with RCBC employee administrative cases involving any of the following:
  - 1.1 Dishonesty
  - 1.2 Fraud
  - 1.3 Negligence, violation of any internal Bank policy, rule or procedure or any act which results to an actual or potential loss to the Bank of at least One Million Pesos (P1,000,000.00)
  - 1.4 Acts that tend to damage or destroy the Bank's goodwill and reputation.
2. Report to the Board of Directors the actions taken against employees involved in the cases mentioned above.
3. Advise management to take certain corrective and preventive measures for the protection of the Bank's interests in relation to any of the cases mentioned above.

4. Direct the Security Department to take police action, the Legal Affairs Division to take legal action, or any other unit of the Bank to take appropriate action for the protection of the Bank's interests, whenever it deems it necessary, with regard to any of the cases mentioned above.
5. Ensure that in all cases involving employee discipline, the requirements of due process are strictly observed and the employee concerned is granted opportunity to defend or explain his side.
6. Exercise such other powers and authorities as the Board of Directors may impose.

## **VII. EFFECTIVITY AND AMENDMENTS**

On 30 September 2002, the Board of Directors approved the immediate effectivity of this Charter.

On 31 May 2004, the Board of Directors approved the amendments to Chapter 6 of this Charter.

On July 2011, the Board of Directors approved this updated version of the Charter.

On \_\_ February 2015, the Board of Directors approved further amendments to Chapter 6 of this Charter.