



RIZAL COMMERCIAL BANKING CORPORATION

CHARTER OF THE EXECUTIVE COMMITTEE

Document Version 1

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CHARTER OF THE EXECUTIVE COMMITTEE

The Executive Committee of the Rizal Commercial Banking Corporation (the “Bank”) hereby adopts this Charter.

Section 1. Introduction

The Executive Committee (“Committee”) of Rizal Commercial Banking Corporation (“Bank”) was constituted to assist the Board of Directors in fulfilling its duties and responsibilities pursuant to the provisions of the Bank’s By-laws, the Corporate Governance Manual, and pertinent provisions of the Manual of Regulations for Banks (“MORB”).

This Executive Committee Charter (“Charter”) sets out the roles, responsibilities, and authority of the Committee and its rules of procedure.

Section 2. Membership

2.1. Composition

- (a) The Committee shall be composed of at least four (4) members, elected by the Board of Directors among themselves;¹ Provided that the President and Chief Executive Officer shall be a member of the Committee.²
- (b) The Committee shall have a Chairperson and a Vice Chairperson appointed by the Board of Directors.
- (c) The Board may appoint one or more individuals to serve as advisor(s) to the Committee. The advisors shall have the right to attend and speak at any meeting of the Committee, but shall not have the right to vote on any action of the Committee.

2.2. Term of Office and Vacancies

- (a) Each member shall hold office for a term of one (1) year from election by the Board of Directors.³ The election of the members of the Committee and the appointment of its Chairperson and Vice Chairperson shall be held during the Organizational Meeting of the Board after each Annual Stockholders’ Meeting.
- (b) Vacancies in the Committee, occurring during the year, may be filled for the unexpired term by election or appointment made by the Board of Directors.

¹ By-laws, Article V, Section 10.

² By-laws, Article VIII, Section 1.

³ By-laws, Article V, Section 10.

- (c) Whether any such vacancies shall be filled or not shall be left at the discretion of the Board of Directors, except when the remaining members of the Committee fall short of the requirement under Section 2.1 (a) and/or do not constitute a quorum; in which case, enough vacancies shall be filled to comply with Section 2.1 (a) and/or to constitute a quorum.⁴

Section 3. Duties and Responsibilities of the Committee

3.1. General Powers of the Committee

- (a) The Committee shall have the power to act and pass upon such matters as the Board of Directors may entrust to it for action in between meetings of the said Board of Directors.
- (b) Matters affecting general policy shall always be referred to the Board of Directors for decision.
- (c) The Committee shall likewise have the power to review an asset or loan to ensure timely recognition and resolution of impaired assets.

3.2. Duties and Responsibilities of the Committee

In general, the Committee shall carry out the duties and responsibilities that may be delegated to it by the Board of directors from time to time. These shall include, but not be limited to, the following:

- (a) Review and approve credit proposals within its authority and limits as set by the Board of Directors.
- (b) Endorse, or recommend additional conditions and/or requirements on, credit proposals which are for approval of the Board of Directors.
- (c) Regularly review and approve management matters within its authority and limits as set by the Board of Directors.
- (d) Endorse, or recommend additional conditions and/or requirements on, management matters which are for approval of the Board of Directors.
- (e) Receive updates on regulatory issuances.
- (f) Review and approve changes in the tables of organization of units of the Bank.
- (g) Review and approve for endorsement to the Board, the appointment/selection of officers with the rank of Vice President and above.
- (h) Review and approve the appointment/selection of officers with the rank of First Officer to Assistant Vice President.
- (i) Propose to the Corporate Governance Committee, for endorsement to the Board of Directors, revisions to the Committee's Charter.

⁴ By-laws, Article V, Section 7.

3.3. Role of the Chairperson of the Committee

The Chairperson of the Committee shall provide leadership in the Committee. He/she shall ensure effective functioning of the Committee. He/she shall:

- (1) Approve matters for inclusion in the agenda;
- (2) Cancel meetings when warranted;
- (3) Preside over Committee meetings;
- (4) Ensure a sound decision making process;
- (5) Encourage and promote critical discussion;
- (6) Ensure that dissenting views can be expressed and discussed within the decision-making process; and
- (7) Ensure that members of the Committee receive accurate, timely, and relevant information necessary to carry out the functions of the Committee.

3.4. Vice Chairperson

In the absence or inability of the Chairperson to act, the Corporate Vice Chairperson will act in his/her stead, and will exercise any and all such powers and perform any and all duties pertaining to the Chairperson.

Section 4. Meetings of the Committee

4.1. Schedule of Meetings

- a) The Committee shall hold a meeting on each Wednesday of the month, at 9:30 o'clock in the morning at the head office of the Bank, in accordance with the schedule set forth in the Annual Board Plan approved by the Board of Directors.
- b) Should the date appointed for a meeting fall on a legal holiday or on a day where work is suspended, the meeting shall be held at the same hour on the next succeeding Wednesday.
- c) The Chairperson may, at his/her discretion, cancel any scheduled Committee meeting as may be warranted by the circumstances, such as when there are too few matters to take up in the meeting.

4.2. Notice and Materials

- a) Notice of meetings may be given by any customary means of communication (e.g. by email). The notice shall specify the time and place of the meeting and include a detailed agenda.
- b) As a rule and to the extent possible, Materials are to be distributed to all Committee members at least one (1) business day prior to the meeting.

4.3. Agenda

- a) Committee meetings shall be chaired by the Chairperson or, in his/her absence, by the Vice Chairperson. In the absence or incapacity of both the Chairperson and Vice Chairperson, the meeting shall be chaired by the most senior member.
- b) The Chairperson, and in his/her absence or inability, the Vice Chairperson, shall decide on all matters to be included in the Agenda.
- c) In any Committee meeting, decisions may be made on matters not included or distributed in the meeting Agenda for as long as the originating matter is cleared by the Chairperson for presentation to the Committee, and only if there are no objections posed by any member of the Committee.

4.4. Quorum

A majority of the incumbent members of the Committee shall constitute a quorum at any meeting and decide its action.

4.5. Attendance

- a) Members are encouraged to attend all Committee meetings in person and to actively participate in the discussions and deliberations on matters raised.
- b) To the extent possible, the Corporate Secretary shall attend all meetings of the Committee. In his/her absence, the Chairperson may designate an Assistant Corporate Secretary as Secretary for the meeting.
- c) The Committee may also invite such members of management and other resource persons to its meetings, and may secure independent expert and/or professional advice as it may deem desirable or appropriate.

4.6. Minutes

- a) Minutes of the Committee meetings shall be taken and recorded by the office of the Corporate Secretary.

- b) As a rule and to the extent possible, the Minutes shall be distributed for review of the Committee at least one (1) business day before the next meeting.
- c) Minutes shall be signed by the Corporate Secretary (or, in his/her absence, the Secretary of the meeting), the Chairperson, and the members in attendance.
- d) The Committee shall report to the Board of Directors the matters taken up in its meetings as recorded in its Minutes. The duly approved Minutes of the Committee shall be submitted to the Board of Directors each month for confirmation, ratification, and approval.

Section 6. Miscellaneous

6.1. Access to Information and Assistance

- (a) The Committee shall have free and full access to all relevant information, data, and records of the Bank as may be necessary to carry out its functions.
- (b) Management shall provide assistance and support to the Committee as may be necessary to carry out its functions.
- (c) The Committee may also invite such members of management and other resource persons to its meetings and may secure independent expert and/or professional advice as it may deem desirable or appropriate.
- (d) To the extent possible, all resources necessary for the Committee to perform its duties and functions shall be provided by the Bank.

6.2. Records/Confidentiality

- (a) The Corporate Secretary shall keep and have custody of the records of the Committee.
- (b) Except for information that are required to be disclosed pursuant to law or regulations issued by competent government authorities, and to the extent necessary for the conduct of the Bank's business, the records of the Committee shall be kept restricted and confidential.
- (c) Members shall keep confidential all information of the Bank and ensure that all persons who have access to the same information on their behalf shall likewise comply with this rule.



6.3. Effectivity

- (a) This Charter shall take effect when approved by the Board through the endorsement of the Corporate Governance Committee, and shall apply prospectively.
- (b) The Committee may revise the Charter from time to time as it deems necessary, subject to approval by the Board of Directors as endorsed by the Corporate Governance Committee.

Certified Correct:

ATTY. GEORGE GILBERT G. DELA CUESTA
Corporate Secretary

Approved on _____.