



RELATED PARTY TRANSACTION COMMITTEE CHARTER

(As amended March 12, 2025)

I. PURPOSE OF CHARTER

This Related Party Transaction Committee (RPTC) Charter sets out the authority, responsibility, membership and operation of the RPTC of Bank of the Philippine Islands (BPI).

II. AUTHORITY

This Committee is appointed and authorized by the Board of Directors to assist the Board in fulfilling its responsibility to strengthen corporate governance and practices particularly on related party transactions (RPTs). The authority of the Committee is taken from the Bank's By-Laws, this Charter and from separate Board delegations, resolutions and approvals that maybe granted by the Board from time to time.

- A. Review and endorse all RPTs including those involving DOSRI which shall require final Board approval;
- B. Formulate, revise and approve policies on related party transactions;
- C. Conduct any investigation required to fulfil its responsibilities on RPTs;
- D. Consult or retain at the Bank's expense such outside legal counsel, accounting or other advisers, consultants or experts as the Committee may consider necessary from time to time to carry out its duties.
- E. Access to all Unibank records in order to perform its responsibilities.

III. RESPONSIBILITIES

The Committee is responsible for the following:

- A. Assist the Board in assessing material agreements of any kind with a related party in determining whether to approve, ratify, disapprove or reject a Related Party Transaction.
- B. The Committee shall take into account whether the RPT is entered into on terms no less favorable to the Bank than terms generally available to an unaffiliated third-party under the same or similar circumstances.
- C. For transaction involving a sale of the Bank assets, review results of the appraisal, valuation methodology used as well as alternative approaches to valuation.
- D. Assess the extent of the Related Party's interest in the transaction:
 - 1. Term of the transaction;
 - 2. The Related party's Interest in the transaction;
 - 3. The purpose and timing of the transaction;
 - 4. Whether the Bank is a party to the transaction and if not the nature of the Bank's participation in the transaction;

5. If the transaction involves the sale of an asset, a description of the asset including date acquired and costs basis;
 6. Information concerning potential counterparties in the transactions;
 7. The approximated value of the transaction and the approximated value of the Related Party's interest in the transaction;
 8. Description of any provisions or limitations imposed as a result of entering into the proposed transactions;
 9. Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction; and
 10. Purpose of the transaction and potential benefits to the Bank.
- E. Require adequate and accurate information from the Management.
- F. Review the adequacy of Management's monitoring and reporting systems on RPTs.
- G. Oversee the implementation of the system for identifying, monitoring, measuring, controlling and reporting RPTs.
- H. Report to the Board of Directors on a regular basis, the status and aggregate exposures to each related party as well as the total amount of exposures to all related parties.
- I. Ensure that transactions with related parties, including write off of exposures, are subject to periodic independent review or audit process.
- J. Review and assess the adequacy of this Charter at least annually and obtain approval of any revisions to this Charter from the Board of Directors.
- K. Evaluate annually the performance of the Committee as a body (using the Standard Board Committee Assessment Form in Annex 1) and report the results to the Board or to such committee that may be appointed by the Board for review.
- L. Ensure the non-participation of the committee member in the discussion and approval of a RPT involving him / her or any of his or her immediate family member except the disclosure of all material information concerning the RPT to the Committee.
- M. Ensure that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to the Bank's material RPT exposures, and policies on conflict of interest of potential conflict of interest. The disclosure shall include information on the approach to managing material conflicts of interest that are inconsistent with such policies; information on conflicts that could arise as a result of the Bank's affiliation or transactions with other related parties; and may include disclosure of names of related parties, relationships and values of material/significant RPTs.

IV. MEMBERSHIP

- A. The Committee shall be composed of at least three (3) Independent and / or Non-executive Directors of the BPI Board, majority of whom shall be Independent Directors.
- B. The Chief Compliance Officer (CCO) and the Chief Audit Executive (CAE) shall sit as resource persons in the Committee. The Committee may call upon the Chief Legal Counsel and the Corporate Secretary when necessary.

The Committee shall be provided with adequate resources, including the authority to procure the assistance of independent experts, if necessary, to assess the fairness of RPTs.

V. TERM

Each member will be appointed on an annual basis.

VI. CHAIRMAN

The Chairman of the Committee will be appointed by the Board and must be an independent non-executive director of the Board.

VII. MEETINGS and CONSENT RESOLUTIONS

- A. The Committee should meet often enough or as deemed necessary to undertake its role effectively, but not less than quarterly. Meetings are initially set monthly.
- B. In addition, the Chairman may call a meeting at any time and will call a meeting of the Committee if so requested by any member of the Committee.
- C. Majority of the members, regardless of position, shall constitute a quorum.

Action required or permitted to be taken by the Committee may be taken without a meeting by the 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. The written consents shall be documented as minutes of action.

Unanimous consent resolutions shall be documented as minutes of action. The written action is effective and dated as of the date that the last committee member has given his/her consent by electronic mail, unless a different effectivity date is provided in the resolution.

C.1 Any member of the Committee may request that the proposal for which a written consent is sought be discussed and deliberated upon by the Committee, in which case the proposal shall be included in the agenda of the next meeting.



C.2 Directors shall be paid a per diem for every decision-making exercise or instance utilizing written unanimous consent resolutions, which is half the per diem allocated in an actual meeting (physical or virtual)

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)

D. Committee members may attend meetings in person or by electronic or virtual communication means.

If a Committee member has conflict of interest in the transaction to be evaluated, the concerned Committee member shall abstain from the evaluation and discussion of that particular transaction, including the review in the approval of endorsement to the Board of such transaction.