

## **RETIREMENT/PENSION COMMITTEE CHARTER**

(As amended November 13, 2024)

The Board of Directors ("Board") of the Bank of the Philippine Islands (the "Bank") hereby adopts this Charter of the Retirement / Pension Committee (the "Committee").

### **Mission Statement**

The purpose of the Retirement / Pension Committee is to assist the Board of Directors (the "Board") in its oversight responsibilities related to the administration, funding and investment performance of the benefit and contribution pension and retirement plans (the "Plans") of the Bank of the Philippine Islands and its subsidiaries (the "Bank"), and any other related activities and functions assigned by the Board. The Committee shall be guided by the Bank's mission and vision in the fulfillment of its functions.

### **Responsibilities**

#### **A. Committee Governance**

1. Approve delegation to management of any responsibilities determined by the members of the Committee to be of an operational nature with respect to the administration of the Plans and the related investment activities.
2. Evaluate annually the performance of the Committee as a body and report the results to the Board or to such committee that may be appointed by the Board for review.
3. Review the Committee's Charter annually and report the results to the Board. If necessary, propose any changes for recommendation to and approval by the Board.

#### **B. Appointment of Agents and Outside Advisors**

1. Approve the actuarial standards applicable to the Plans as well as the appointment or removal of third-party actuaries for the Plans.
2. Approve the appointment (including the terms thereof and any changes thereto), or removal, of the custodian(s), trustee(s) or investment manager(s) (including the allocation of assets to each such investment manager), for each of the Plans.
3. Approve the appointment (including the terms thereof and any changes thereto), or removal, of the auditors for the Plans.
4. Subject to approval by the Board, the Committee shall have the authority to engage outside advisors as it deems appropriate to assist the Committee in the performance of its functions.
5. The Company shall provide appropriate funding for the engagement of any such advisors.

#### **C. Oversight**

1. On a regular basis, but at least semi-annually, as determined by the Committee, obtain, review and approve reports by either management and / or outside advisors, as deemed appropriate by the Committee, on the investment performance of the Plans.
2. On a regular basis, but at least annually, review and approve the funding policies, and investment policies and objectives, for the Bank's benefit and contribution plans and, as appropriate during the year, the asset investment allocations to achieve objectives and assure adequate liquidity and asset diversification.
3. On a regular basis, but at least annually, review and approve the policies and procedures in place for carrying out the Bank's fiduciary responsibilities as employer and administrator of the Plans.
4. Annually review and approve a report from the Chief Financial Officer of the Bank that the control systems for the Plans are adequate and have been complied with, and that the Plans are administered and invested in material compliance with the Plans' applicable contractual requirements and regulations.



5. Annually review and approve the reports on the audited financial statements of the Plans.

### Membership

- A. Composition** - the Committee shall consist of at least three (3) directors, at least two (2) of whom shall be independent or non-executive directors. The Human Resources Head of the Bank shall also be a non-voting member of the Committee. From the Committee members, the Board shall designate a Chairperson, who must be an independent or non-executive director.
- B. Term** - the Board shall appoint the members of the Committee at its annual organizational meeting and each member shall serve upon his election until the next organizational meeting of the Board, unless removed or replaced by the Board.
- C. Vacancy** - any vacancy in the Committee caused by the death, resignation, or disqualification of any member or by any other cause, may be filled by the Board. The member elected to fill the vacancy shall hold office for the remainder of the term, or until his successor shall have been duly elected and qualified.

### Meetings and Consent Resolutions

- A. Frequency of Meetings** - the Committee shall hold meetings at least twice a year at a time and place determined by its Chairman, with further meetings to occur when deemed necessary or desirable by the Committee or its Chairman.
- B. Minutes of the Meeting** - minutes will be recorded and maintained by the secretary of the meeting and presented to the Committee at the next Committee meeting for approval. The Corporate Secretary or his designated representative shall act as secretary for the meetings.
- C.** While the Committee is governed by the same rules regarding meetings as are applicable to the BPI Board of Directors, the Committee is authorized to adopt its own rules of procedure not inconsistent with any provision of this Charter, the Articles of Incorporation or Bylaws of BPI, or any applicable law.
- D.** Special meetings or actions may be called for as needed.
- E.** Action required or permitted to be taken by the Committee may be taken without a meeting by written consent, 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.
- F.** Unanimous consent resolutions shall be documented as minutes of action. The written action is effective and dated as of the date that the last board or committee member (as the case may be) has given his/her consent by electronic mail unless a different effectivity date is provided in the resolution.
  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.
  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).
- G.** 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).
- H.** The key matters reviewed and approved by the Committee and the minutes of meetings, minutes of action, including agenda and supporting materials if needed, are to be presented regularly to the Board of Directors for confirmation.

**Miscellaneous**

- A. Access to Information** - the Committee shall have reasonably free and full access to all relevant information, data, records, properties, and personnel of the Bank.
- B. Technical Assistance** - the Committee may invite such members of management and other persons to its meetings and may secure independent expert advice as it may deem desirable or appropriate.
- C. Effectivity** - this Charter shall take effect when approved by the Board.