



**CHARTER
EXECUTIVE COMMITTEE (EXCOM)
February 2018**

I. Mission/Purpose

- The purpose of the Committee is to review, discuss, note, approve and/or endorse to Board:
 - management proposals on credit facilities; investment in financial assets; and borrowings and capital raising, updates and reports on credit, transactional, administrative and other matters;
 - policies, procedures, and manuals of products and services other than personnel policies, as proposed/initiated by Management; and
- Provide oversight and focus on specific areas to ensure long term viability of the Domestic and Foreign Offices/Subsidiaries consistent with the Parent Bank strategic goals.

II. Composition of the Committee

1. The Committee shall be composed of at least six (6) voting members, including the President of the Bank.
2. The Committee may invite resource persons in any of its meetings to render a report, clarify and provide guidance to the Committee of any relevant issue the Committee may be confronted with.
3. The presence of a majority of the voting members of the Committee less 1 member shall constitute a quorum; but the vote of the majority of the quorum which in no case is less than 2 members is required to approve any act in all the meetings of the Committee.
4. The presence of independent directors shall be as non-voting members of EXCOM and as nonvoting members shall not be considered in determining a quorum.
5. When there is a lack of quorum due to the absence of other members, an alternate member from among the Board Members may be appointed to attend a particular meeting and automatically sit as a voting member.
6. Subject to Section 35 of the Corporation Code, the Board of Directors shall have the power, at any time, to change, to increase or decrease the membership of the Executive Committee or to fill vacancies therein, and to determine from time to time, by resolution, the number of members to constitute a quorum.

III. Powers and Responsibilities:

1. Functions

The Committee shall perform the functions and duties as the Board may delegate.

2. Approval of Loans

The Committee shall exercise its authority to endorse or approve loan recommendations from the Corporate Banking Group (CBG), Commercial Banking Group (ComBG), Retail Banking Group (RBG), and Consumer Finance Group (CFG), endorsed by Senior Management Committee/s.

The unanimous vote of all members present is required; otherwise the credit proposal under consideration shall be elevated to the Board for final decision.

All credit transactions approved by the Committee shall be submitted to the Board for notation.

3. Investment in Financial Assets; Borrowings and Capital Raising

To evaluate, approve and endorse for Board approval investments in bonds, shares of stock or other financial assets; any borrowings, issuance of capital market instruments and bonds, capital allocation and necessary equity raising exercise.

4. Problem Accounts, Past Due & Other Items under Litigation

To approve restructuring, payment plan, compromise settlement or write-off of past due, problematic and remedial accounts.

5. Branch Establishment, Relocation, Renovation, Closure

To endorse for the approval of the Board the establishment, relocation, renovation or closure of domestic and overseas branches/offices including the approval of the needed budget.

6. Real and Other Properties Acquired

To act on proposal for the lease, sale, disposal and any matter pertaining to Real and Other Properties Acquired (ROPAs).

7. Expense, Fines & Penalties

To approve disbursements for expenses, fines and penalties.

8. Implementation of Mergers & Acquisitions

To propose mergers and acquisitions and provide the budget thereof for Board approval.

9. Acquisition of Real/Personal Property

To approve the purchase of real & personal property, divestiture or disposal of assets.

10. Risk Management

To involve in the pre-evaluation of the Bank's risk appetite for setting limits on risk taking activities.

IV. Chairman

Generally, the powers and duties of the Chairman of the Committee are as follows:

1. To convene the members of the Committee whenever he deems it necessary, either on his own initiative, or upon the request of the members of the Committee.
2. To preside over all the Committee meetings.
3. To maintain efficient lines of communications and information between the Board and Management.
4. To perform such other functions as provided by law or as may be assigned to him by the Board of Directors.

The Committee members may appoint among themselves, a Vice Chairman who shall preside over the meeting of the EXCOM in the absence of the Chairman.

V. Frequency of Meeting

The Committee may regularly meet every week at a time set by its members or the Board. The Chairman or any two members of the Committee may call for special meetings if deemed necessary.

All acts and resolutions of the Committee shall be recorded in a minute book and shall be submitted to the Board of Directors at the Board meeting following the adoption by the Committee of such resolutions.

VI. Secretariat

The administrative requirements of the Committee shall be handled by the Office of the Corporate Secretary.

VII. Review of the Charter

The Committee shall review and assess the adequacy of this Charter annually and recommend any proposed changes for approval thru the Corporate Governance Committee, of the Board of Directors.