

TRUST AND INVESTMENT COMMITTEE CHARTER **(Amended as of 22 April 2024)**

Introduction

The Trust and Investment Committee of Philippine Trust Company (“Bank”) was constituted by the Board of Directors pursuant to the provisions of its By-laws, the Corporate Governance Manual, and Part 4 of the BSP Manual of Regulations for Banks (“MORB”). As prescribed in the MORB governing Trust, Other Fiduciary Business and Investment Management Activities of banks, the Board of Directors is primarily responsible for the proper administration and management of the bank’s trust, other fiduciary business and investment management activities, based on the cardinal principle of fidelity to the client’s interest. As such, the bank through its Board of Directors shall implement policies which shall be directed towards the observance of prudent administration, undivided loyalty and utmost care, non-delegation of responsibilities, preserving and protecting property as well as keeping and rendering accounts. Practices shall be carried out in accordance with the BSP prescribed Basic Standards and Risk Management Guidelines for trust, other fiduciary and investment management accounts. This Trust and Investment Committee Charter (“Charter”) sets out the roles, responsibilities and authority of the Trust and Investment Committee (“Committee”) and the rules of procedure that will guide the functions of the Committee.

General Purpose and Authority

The Trust and Investment Committee (TIC) is a special committee which reports directly to the BOD and is primarily responsible for overseeing the fiduciary activities of the Bank.

Composition

The TIC shall be composed of at least five (5) members including the (1) president or any senior officer of the bank and (2) the trust officer.

- a. The remaining committee members, including the chairperson, may be any of the following:
 - i. Non-executive Directors (as defined under Subsection X141.1/4141Q.1 of the MORB/MORBNBFI or
 - ii. independent directors (as defined under Subsection X141.2/4141Q.2 of the MORB/MORBNBFI
 - iii. A **qualified Independent Professional** shall refer to a person who-
 - 1) is not a Director/Officer/Employee of the Bank during the last twelve (12) months counted from the date of Committee Membership;

- 2) is not a relative within the fourth degree of consanguinity or affinity, legitimate or common-law of any Executive Director or those involved in the day-to-day management of institution's operations or officer of the Bank; and
- 3) is not engaged or does not engage in any transactions with the Bank whether by himself or with other persons or through a firm of which he is a partner, other than transactions which are conducted at arms-length and could not materially interfere with or influence the exercise of his judgment. An independent professional may be appointed as a Trust Committee member of other Banks that belong to the same financial conglomerate.

Qualifications

The committee members shall be staffed by persons of competence, integrity and honesty. In addition to meeting the qualification standards prescribed for directors and officers of banks or for qualified independent professionals, members of the committee shall possess the necessary technical expertise and relevant experience in the Trust business.

A Trust and Investment Committee Member should be familiar with Philippine Laws, Rules and Regulations on Trust Business, as well as uphold at all times ethical and Good Governance Standards.

Meetings

- a. The Trust and Investment Committee shall meet every quarter (or every three months), or more frequently as circumstances may warrant. Members may participate via teleconference or videoconference but must be limited to up to 50% of the total meetings conducted within the year.
- b. A simple majority shall constitute a quorum for the Trust and Investment Committee, provided the Chairman or his designated alternate, shall always be present. An officer of the Trust Department, other than the Trust Officer, or an officer from the Trust Department, as appointed by the Head of that department, shall act as the Secretary of Trust and Investment Committee (TIC) and shall record the minutes of the meetings.
- c. The Committee Secretary shall develop and prepare the agenda for each meeting and notice will be sent out at least one (1) day before the meeting date.
- d. The Committee Secretary shall prepare the Minutes of the meetings and shall secure the approval of the TIC members on the next TIC meeting and prior to notation/approval of the Board for items which will require a Board Resolution.
- e. The Committee Secretary shall ensure that copies of the Minutes of the Trust and Investment Committee as well as all recommendations/proposals approved by the TIC are duly filed and kept within the premises of the office and shall be made available at any time upon request by any one of the TIC members, the Bank's Compliance Office, Internal Audit Department or by any supervising regulatory agency.

Duties and Responsibilities

- a. Ensure that fiduciary activities are conducted in accordance with applicable laws, rules and regulations, and prudent practices;

- b. Ensure that policies and procedures that translate the Board's objectives and risk tolerance into prudent operating standards are in place and continue to be relevant, comprehensive and effective;
- c. Oversee the implementation of the Trust Risk Management Framework and ensure that internal controls are in place relative to the fiduciary activities;
- d. Adopt an appropriate organizational structure/staffing pattern and operating budgets that shall enable the Trust Department to effectively carry out its functions;
- e. Oversee and evaluate performance of the Trust Officer;
- f. Conduct regular meetings at least once every quarter, or more frequently as necessary, depending on the size and complexity of the fiduciary business; and
- g. Report regularly to the Board on matters arising from fiduciary activities

Reporting

- a. The Committee shall report to the Board of Directors on the month after every Committee meeting.
- b. The Committee Secretariat shall prepare the minutes of the meeting for the Committee's approval. The minutes shall be approved and confirmed by the Committee at its subsequent meeting.
- c. The minutes of the Committee's meetings shall be submitted to the Board of Directors, for notation, confirmation, ratification and approval of the acts and proceedings set forth in said minutes.
- d. Minutes of meetings of the Committee that specify opinions and official actions of the Committee on various matters shall be disclosed to the Board of Directors.

Charter Amendments

This charter shall be reviewed and updated as needed to determine its adequacy with current business practices in the industry and relevant new regulations.