

Committee Name	Anti-Money Laundering Committee
Short Name	AMLACOM
Nature	Board Level Committee
Responsibility Statement	AMLACOM, as tasked by the Board, shall provide board level oversight and governance over Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) control environment within the Bank and take required decisions to implement appropriate solutions where required.

Membership	Committee Membership	Designation	Appointed Members
	Chair	Independent Director	AHLavares
	Regular Members	Chairman Independent Director Director	Arthur Ty EOChua JVLAlde
	Secretary	Legal Officer, Anti-Money Laundering Division	IYLipat

- Duties and Responsibilities**
- a. Monitors and reviews the overall effectiveness of AML/CFT Framework, including AML/CFT sanctions, particularly its progress on the implementation of its overall business plan.
 - b. Reviews and approves the Bank's financial crime risk appetite statement and the related key risk indicators and risk limits/thresholds.
 - c. Approves the institutional risk assessment methodology and the periodic assessment results, challenging, as necessary, whether current and emerging AML/CFT risk exposures are consistent with the Group's strategic direction and overall risk appetite, and are properly managed.
 - d. Reviews and approves the Bank's AML/CFT Program, in particular ensuring that AML/CFT policies are consistent with the provisions of AMLA, its RIRR, BSP Circular 706, as amended by BSP Circulars 950 and 1022, and other relevant regulations as well as the Bank's risk appetite. Ensures that policy and procedures are updated at the required frequency and/or as necessary.
 - e. Monitors and reviews the effectiveness of the implementation of the AML/CFT Program as well as the needed enhancements thereto as identified by the AMLCC in its effort to improve the Bank's overall Compliance Program:
 1. Reviews and approves the AML/CFT resourcing plan and monitors delivery against plan.
 2. Reviews and approves the training plan for individuals with AML/CFT roles and responsibilities and oversees the effectiveness of delivery against the plan and the effectiveness of the communication process in place, taking into account appropriate feedback and training requests in the training plan.

3. Reviews significant deficiencies identified from the Bank's quality and controls assurance testing, Internal Audit work, BSP and other external inspections, and other sources, and approves the actions to address those identified deficiencies.
4. Reviews and approves any specific material change/ enhancements / remediation projects or investigations considered necessary.
- f. Reviews and approves new and modifications to methodologies and systems to ensure they are consistent with risk-based approach (RBA) to managing AML/CFT risk.
- g. Monitors the financial crime investigations and the suggested next steps that are required to be submitted by the AMLCC to the committee.
- h. Reviews and approves the adequacy of response and actions proposed by AMLCC to mitigate risks arising from material requests from the law enforcement and other government agencies.
- i. Reviews and discusses regulatory developments and/or business impact in relation to financial crime issues and where appropriate, makes the required decisions to implement solutions, and reviews and monitors the execution of the corresponding action plan.
- j. Reviews and discusses significant financial crime issues that a member wishes to bring to the Committee's attention, ensuring co-operation and synergies with other Business Units are being maximized.
- k. Reports to the Board of Directors with updates on key financial crime-related matters.

Composition

Members of the AMLACOM must possess a range of risk management expertise and adequate knowledge of the Group's risk exposures. Membership to the committee shall be a minimum of three (3) incumbent members of the Board.

Each member shall serve for a maximum tenure of 9 years, or until such time any of the following occurs:

- the Board withdraws his/her appointment to the AMLACOM;
- he/she ceases to be an incumbent member of the Board;
- he/she voluntarily resigns the committee membership; or
- he/she is disqualified under regulations issued by any of the Bank's supervisory bodies.

To enable an optimal functioning of the Committee, the Chair has the authority to invite or appoint resource persons to committee meetings.

The AMLACOM as a body shall appoint its own Secretary who shall be tasked with keeping written minutes and relevant records of each committee meeting.

The Committee members, including the Chairperson, may also be occasionally rotated.

Support Requirement:

The AMLACOM Secretary shall:

- As far as practicable, send materials within five (5) banking days before the meeting.
- Send Minutes of the Meeting not later than ten (10) banking days from the date of the meeting.
- Maintain records of the AMLACOM deliberations and decisions.

**Quorum/
Majority Votes**

a. Meetings may be held in any designated area whereby a quorum may be physically established, or interactive participation, by whatever means, by committee members is achieved.

b. The presence of a majority of members shall constitute a quorum, provided that the Chair is among those present.

c. Voting on committee matters shall be on a one member-one vote basis. Where a quorum is present, a simple majority vote of all members present shall constitute an official action of the AMLACOM.

d. As a general rule, AMLACOM decisions are only valid when such are made during regular meetings. However, on instances when a regular meeting cannot be held, or an AMLACOM action is immediately necessary, a committee decision secured either via routing or email shall be deemed valid upon concurrence of the majority of members, one of whom must be the Chair. Such decisions must then be presented for confirmation in the immediately following regular meeting.

**Meeting
Schedule**

The AMLACOM shall hold regular meetings every 2 months, and at such additional times as may be necessary to discharge its duties and responsibilities. Members may attend the meetings via video conferencing, and such attendance shall be duly recorded and considered as if physically present at the meeting.

**Performance
Assessment**

The AMLACOM shall perform an annual self-assessment of the performance of its functions (See *Exhibit*).

Charter Review

The AMLACOM shall review annually its charter to reassess its adequacy, incorporate best practices and propose necessary changes thereto.

**Reporting to
the Board**

The AMLACOM shall report to the Board on a periodic basis its actions and dispositions for notation, confirmation, and/or approval, including the results of its assessment of performance of its functions.

**Interaction with
other
Committees**

As needed

Metropolitan Bank & Trust Company
ANTI-MONEY LAUNDERING COMMITTEE (AMLACOM)
Annual Self-Assessment Rating Sheet

Name of Director/Member: _____

The rating sheet has to be completed by each member independently. For each of the statement in this form, the member has to check the applicable rating using the following codes:

Rating Scale:

Rating	Description
5	Strong - exceeds what is considered necessary given the size, risk profile and complexity of operations of the Bank. Deficiencies/weaknesses are considered to be minor and insignificant.
4	Satisfactory - meets what is considered necessary given the size, risk profile and complexity of operations of the Bank. Deficiencies/weaknesses are considered to be minor and insignificant.
3	Less than Satisfactory - does not meet what is considered necessary given the size, risk profile and complexity of operations of the Bank. However, the Board is committed (with ability and willingness) to correct the situation in a timely manner.
2	Deficient - deficient, in a material way, to meet what is considered necessary given the size, risk profile and complexity of operations of the Bank. Moreover, the ability of the Board to correct the situation in a timely manner is doubtful.
1	Critically deficient - critically deficient to meet what is considered necessary given the size, risk profile and complexity of operations of the Bank. The deficiencies /weaknesses pose an imminent threat to the safety and soundness of the Bank.

	Rating
1. Monitors and reviews the overall effectiveness of AML/CFT Framework, including AML/CFT sanctions, particularly its progress on the implementation of its overall business plan	5 4 3 2 1
2. Reviews and approves the Bank's financial crime risk appetite statement and the related key risk indicators and risk limits/thresholds	5 4 3 2 1
3. Approves the institutional risk assessment methodology and the periodic assessment results, challenging, as necessary, whether current and emerging AML/CFT risk exposures are consistent with the Group's strategic direction and overall risk appetite, and are properly managed	5 4 3 2 1
4. Reviews and approves the Bank's AML/CFT Program, in particular ensuring that AML/CFT policies are consistent with the provisions of AMLA, its RIRR, BSP Circular 706, as amended by BSP Circulars 950 and 1022, and other relevant regulations as well as the Bank's risk appetite. Ensures that policy and procedures are updated at the required frequency and/or as necessary	5 4 3 2 1
5. Monitors and reviews the effectiveness of the implementation of the AML/CFT Program as well as the needed enhancements thereto as identified by the AMLCC in its effort to improve the Bank's overall Compliance Program	5 4 3 2 1
6. Reviews and approves new and modifications to methodologies and systems to ensure they are consistent with risk-based approach (RBA) to managing AML/CFT risk	5 4 3 2 1

Exhibit

7. Monitors the financial crime investigations and the suggested next steps that are required to be submitted by the AMLCC to the committee	5 4 3 2 1
8. Reviews and approves the adequacy of response and actions proposed by AMLCC to mitigate risks arising from material requests from the law enforcement and other government agencies	5 4 3 2 1
9. Reviews and discusses regulatory developments and/or business impact in relation to financial crime issues and where appropriate, makes the required decisions to implement solutions, and reviews and monitors the execution of the corresponding action plan	5 4 3 2 1
10. Reviews and discusses significant financial crime issues that a member wishes to bring to the Committee's attention, ensuring co-operation and synergies with other Business Units are being maximized	5 4 3 2 1
11. Reports to the Board of Directors with updates on key financial crime-related matters.	5 4 3 2 1
Average Quantitative Score:	5 4 3 2 1

Committee Member's Evaluation	
1. What are the strengths of the Committee?	
2. What was the Committee's greatest contribution during the period?	
3. What are the Committee's areas for improvement?	
4. If you could change anything with the Committee, what would you change and why?	

Signature over Printed Name

Date