

## MEMBERSHIP

<b>Committee Membership</b>	<b>Designation</b>	<b>Appointed Members</b>
Chairman	Vice Chairman	FCSebastian
Regular Members	Director Director	Alfred Ty SSCua
Resource Persons	Head, Financial and Control Sector Head, International Offices and Subsidiaries Group Head, Internal Audit Group Head, Controllership Group	JENaing APCYap AANovilla RKDeBorja, Jr.
Secretary	Head, International Offices and Subsidiaries Group – Remittance Marketing Division – Domestic Business Department	MCMGahol

## COMMITTEE CHARTER

Committee Name	Overseas Banking Committee
Short Name	OBCOM
Nature	Board Level Committee
Responsibility Statement	The Overseas Banking Committee shall assist the Board of Directors in its oversight functions over the operations and financial performance of the overseas branches and subsidiaries, and Metrobank expatriates assigned in countries without foreign office but with remittance tie-up arrangement, their compliance with the rules and regulations of their respective host countries and their adherence to the parent bank's business and corporate governance policies as prescribed by the Bangko Sentral ng Pilipinas and the Philippine Securities and Exchange Commission.
Duties and Responsibilities	The Committee shall: <ul style="list-style-type: none"><li>• Exercise oversight over the business activities and financial performance of the overseas branches, subsidiaries and Metrobank expatriates assigned in countries without foreign office but with remittance tie-up arrangement as compared to their respective budgets and expressed business strategies.</li></ul>

- Exercise oversight over the compliance of the overseas branches and subsidiaries to the laws and regulations of the respective host countries as well as to the applicable rules of the Bangko Sentral ng Pilipinas.
- Review, evaluate and recommend approval to the BOD the Group's business plans towards expanding the reach, strengthening support and providing quality service of its international banking and money transfer businesses. In this regard, OBCOM shall:
  - Review and endorse for approval of the Board recommendations related to the Overseas Banking business of the *Products, Channels and Overseas Banking Group (PCOBG)* for the opening or establishment of or closure of overseas branches and subsidiaries.
  - Note appointments for the positions of Regional Heads and Heads of overseas branches and subsidiaries with the rank of Assistant Vice President or its equivalent and above.
  - Review and endorse the annual business plans and budgets of overseas branches and subsidiaries and other business activities under the Overseas Banking business of the *PCOBG*.
  - Review the financial performance of the overseas branches and subsidiaries regularly.
- Monitor the examination results of host country regulators and internal audit reports of the overseas branches and subsidiaries and the implementation of corrective actions that need to be taken from the examination and audit results.
- Report to the BOD the activities of the OBCOM on a regular basis.

## Composition

The members of the committee are appointed annually by the Board of Directors (BOD). It shall be composed of at least two (2) members of the BOD including at least one (1) non-executive director of the Bank. The heads of the Financial and Control Sector/Controllershship, Internal Audit Group and *Products, Channels and Overseas Banking Group* shall attend the committee meeting as resource persons.

All members of the committee must have relevant background knowledge, skills and/or experience in the area of financial industry e.g. banking and/or remittance business or its equivalent.

Each member shall serve for maximum tenure of nine (9) years. Any extension beyond nine (9) years shall be decided upon by the board of directors.

The schedule of occasional rotation of committee members and chairperson shall be decided upon by the board of directors.

#### Quorum/Majority Votes

A majority of all members of the committee shall constitute a quorum and a vote of majority of the members present at a meeting shall be required to pass a decision.

*OBCOM members who cannot physically attend at the meeting can participate through remote communication such as videoconferencing, teleconferencing or other alternative modes of communication as allowed by the Bank. If a member intends to participate in a meeting through remote communication, he/she shall notify in advance the OBCOM Secretary of his/her intention for proper notation in the minutes of the meeting. The member participating remotely shall be deemed present for the purpose of attaining a quorum and shall be allowed reasonable opportunities to vote.*

#### Meeting Schedule

The committee shall meet every other month.

*PCOBG* shall serve as the Secretariat of the OBCOM. The *PCOBG Head* or its designated Division Head shall report on all audit and compliance issues affecting the overseas branches and subsidiaries to the Committee.

#### Performance Assessment

The committee members shall conduct an annual self-assessment of the performance of its functions using the OBCOM Self-Assessment Form attached as Annex A.

#### Charter Review

The committee charter shall be reviewed annually or whenever there are significant changes to the committee's mandate, scope and working procedures.

Reporting to the Board

The committee shall report the highlights of its regular meeting and submit the minutes of meetings/other reports to the Board of Directors for notation.

Interaction with Other Board/  
Management-Level Committees

Coordination with the Audit, AMLA, Corporate Governance Committees and other related committees on audit and compliance issues of the overseas branches and subsidiaries.

**OVERSEAS BANKING COMMITTEE SELF-ASSESSMENT**

(Reference: Charter)

The self-assessment has to be completed by each committee member independently. For each of the statements in the form, the member has to indicate own rating to reflect his personal view of the degree of Bank's compliance, using the following codes:

Rating Code:

Rating	Description
5	<b>Strong</b> – 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	<b>Satisfactory</b> – 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	<b>Less than Satisfactory</b> – 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	<b>Deficient</b> – 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	<b>Critically deficient</b> – 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.

The committee would then discuss the results of the self-assessment, focusing on those areas which clearly need improvement or where there is great variation in answers. The results of the self-assessment and any action plans arising there from should be reported to the Board through the Corporate Governance Committee.

	RATING SCALE
Duties and Responsibilities	
1. Does the Committee exercise oversight over the business activities and financial performance of the overseas branches, subsidiaries and Metrobank expatriates assigned in countries without foreign office but with remittance tie-up arrangement as compared to their respective budgets and expressed business strategies?	5 4 3 2 1

	<b>RATING SCALE</b>
2. Does the Committee exercise oversight over the compliance of the overseas branches and subsidiaries to the laws and regulations of the respective host countries as well as to the applicable rules of the Bangko Sentral ng Pilipinas?	5 4 3 2 1
3. Does the Committee review, evaluate and recommend approval to the BOD the Bank's business plans towards expanding the reach, strengthening support and providing quality service of its international banking and money transfer businesses?	5 4 3 2 1
<ul style="list-style-type: none"> <li>Does it review and endorse for approval of the Board recommendations related to the Overseas Banking business of the <i>Products, Channels and Overseas Banking Group (PCOBG)</i> for the opening or establishment of or closure of overseas branches and subsidiaries?</li> </ul>	5 4 3 2 1
<ul style="list-style-type: none"> <li>Does it note appointments for the positions of Regional Heads and Heads of overseas branches and subsidiaries with the rank of Assistant Vice President or its equivalent and above?</li> </ul>	5 4 3 2 1
<ul style="list-style-type: none"> <li>Does it review and endorse the annual business plans and budgets of overseas branches and subsidiaries and other business activities related to the Overseas Banking business of the <i>PCOBG</i>?</li> </ul>	5 4 3 2 1
<ul style="list-style-type: none"> <li>Does it review the financial performance of the overseas branches and subsidiaries regularly?</li> </ul>	5 4 3 2 1
4. Does the Committee monitor the examination results of host country regulators and internal audit reports of the overseas branches and subsidiaries and the implementation of corrective actions that need to be taken from the examination and audit results?	5 4 3 2 1
5. Does the Committee report to the BOD the activities of the OBCOM on a regular basis?	5 4 3 2 1
<b>AVERAGE:</b>	

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Signature Over Printed Name

**OVERSEAS BANKING COMMITTEE SELF-ASSESSMENT**

(Reference: Charter)

<ul style="list-style-type: none"><li>• What are the strengths of the Committee?</li></ul>
<ul style="list-style-type: none"><li>• What was the Committee's greatest contribution during the period?</li></ul>

- What are the Committee's areas for improvement?

- If you could change anything with the Committee what would you change and why?

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Signature Over Printed Name

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Date