TERMS OF REFERENCE
RELATED PARTY TRANSACTIONS COMMITTEE
BDO UNIBANK, INC.
(as of 31 May 2025)

I. CONSTITUTION

The Related Party Transactions Committee (RPTC) is a committee constituted by the Board of Directors (Board) of BDO Unibank, Inc. (BDO Unibank or Bank) pursuant to legal and/or regulatory requirements, as amended. It is an extension of the BDO Unibank Board.

II. PURPOSE

The RPTC assists the Board in overseeing the conduct of all Related Party Transactions in accordance with regulatory requirements, standards and practices. It reviews all material related party transactions to ensure that they are conducted at arm's length and protect the Bank, its clients, and stakeholders from abuses.

III. SCOPE OF AUTHORITY

The RPTC shall have the authority to review, evaluate, and approve or disapprove of material related party transactions to ensure they are conducted on fair and reasonable terms and in the best interests of the company and its stakeholders. The RPTC is empowered to request and access all relevant information and documentation necessary for its assessments, engage independent external advisors or experts where appropriate, and formulate policies and procedures governing the identification, disclosure, and management of such transactions. It shall report its findings and recommendations to the Board as deemed necessary.

IV. MEMBERSHIP AND TENURE

a. The RPTC shall be composed of at least three (3) members of the Board of Directors, two (2) of whom must be Independent Directors and one (1) non-executive director. The Chair should be an Independent Director.

b. The RPTC members shall serve for a term of one (1) year from date of appointment or re-appointment unless sooner resigned or replaced.

c. The Board may appoint the Advisors of the RPTC. Their primary role is to provide independent and/or expert advice on matters that concern the RPTC. The appointment of an RPTC Advisor must consider competence (i.e., must have relevant education, competencies, skills, financial literacy, training, experience) that is relevant and will add value to the work of RPTC to which such Advisor is appointed. Advisors shall have no voting rights and shall inhibit themselves from participating in discussions that may pose a potential conflict of interest.

V. MEETINGS

a. The RPTC shall meet every month with the presence of at least 2 members, with additional meetings at the discretion of the RPTC Chairman.

b. Meetings may be in person. RPTC members who are unable to attend or vote in person can participate remotely via videoconferencing, teleconferencing, or other suitable platforms acceptable to the RPTC that provide reasonable opportunity for participation and as allowed under existing government regulations.

c. The presence of a majority of the RPTC members shall constitute a quorum. Every decision made by a majority of RPTC members present at a meeting with a quorum shall be valid, unless a specific number of votes is required by existing laws and regulations. Members participating via remote communication shall be considered present for quorum purposes.

d. The designated Secretary of the Meeting shall attend all RPTC meetings and shall ensure that appropriate records (e.g., minutes of meetings or summary of matters reviewed, and decisions taken) of RPTC deliberations / decisions are maintained.

e. RPTC members and meeting attendees should be furnished with copies of the minutes of each meeting.

VI. DUTIES & RESPONSIBILITIES

The RTPC shall perform the following, among others:

a. Ensures that the appropriate policy is in place to identify related parties (RPs), Related Party Transactions (RPTs) are monitored, and changes in relationships are captured and reflected in reports to the Board and regulators.

b.

c. Reviews all material credit and non-credit RPTs to ensure that these are not undertaken on more favorable terms to related parties than similar transactions with non-related parties under similar circumstances.

d. Endorses all vetted material RPTs to the Board for approval.

e. Ensures that proper disclosure mechanisms are in place for all approved RPTs in accordance with applicable legal and regulatory requirements, including policies on conflicts of interest.

f. Reports periodically to the Board the status and aggregate RPT exposures to each related party and aggregate exposures to all related parties

g. Ensures the annual independent review/audit by Internal Audit and Compliance Office of RPT exposures, write-offs, and implementation of RPT policies and procedures.

h. Oversees the periodic review, as the need arises, of RPT policies and procedures including the system for identifying, monitoring, measuring, controlling, and reporting RPTs.

i. Reviews and assesses annually the adequacy of the RTPC's Terms of Reference (TOR) including significant updates to it and ensures that the revised TOR is approved by the Board.

j. On an annual basis, the RPTC shall conduct a self-assessment of its performance in accordance with the following assessment criteria, as may be amended or supplemented from time to time to ensure that it is operating at maximum effectiveness and to recommend any changes it considers necessary to the Board:

    i. The RTPC structure and Terms of Reference provide an appropriate framework for the RTPC's responsibilities and in accordance with regulatory requirements.

    ii. The composition of the RTPC is based on experience and credentials.

    iii. The number and length of RTPC meetings are appropriate and in accordance with their charter.

    iv. The meetings are conducted in a manner that ensures open communication and meaningful participation.

    v. The amount of information received is appropriate for discussion and decision-making purposes.

    vi. The materials are received in advance to adequately prepare for meetings.

    vii. The RTPC regularly reviews its mandate and performance.

    viii. The RTPC's reports (oral and written) to the Board reflect an adequate degree of diligence and deliberation and provide the full Board with an adequate understanding of the RPTC's rationale for its recommendations.

ix. The RPTC, in order to properly execute its mandate, is provided with sufficient resources and access to both internal and external advisers, as necessary.

k. Performs any other duties and responsibilities expressly delegated by the Board to the RPTC from time to time.

VII. REPORTING

The RPTC shall report its discussion to the Board by distributing the highlights thereof and where appropriate, by the oral report of the RPTC Chair at the next Board meeting.

VIII. DISCLOSURE

The RPTC membership and its activities shall be disclosed and published in the Bank's annual regulatory disclosures. The Terms of Reference shall be disclosed on the Bank's website.