



**CHARTER OF THE RELATED PARTY
TRANSACTION (RPT) COMMITTEE OF
THE BOARD OF DIRECTORS OF ETIQA
LIFE AND GENERAL ASSURANCE
PHILIPPINES, INC.**

November 2019



*Approved by the Board on 28 November 2019
Members Composition updated as at 21 May 2020*

Charter of the Related Party Transaction Committee

**CHARTER OF THE
RELATED PARTY TRANSACTION COMMITTEE OF THE BOARD (“THE RPTC”)**

Members	:	Ricardo Nicanor N. Jacinto - Chairman (Independent Non-Executive)
		Ma. Victoria C. Viñas (Independent Non-Executive)
		Lee Hin Sze (Non-Independent Non-Executive)
Secretary	:	Atty. Raul M. Hebron General Counsel & Corporate Secretary
Permanent Invitees	:	Company President & CEO
		Chief Financial Officer
		Risk Officer
		Compliance Officer
		Internal Auditor
Size and Composition	:	<p>The Related Party Transaction Committee will consist of at least three (3) members of the board of directors and shall comprise entirely of non-executive directors, the majority of whom, including the Chairman, should be independent.</p> <p>Where the Chairman is unable to attend a meeting, the members shall elect a person from among the independent directors, as the Chairman.</p> <p>In case a member has conflict of interest in a particular RPT, said member should refrain from evaluating that particular transaction.</p> <p>The Committee may invite the Company president or any person to be in attendance to assist in its deliberation.</p>
Quorum	:	Two (2) or more than 50% of the members, whichever is higher. The affirmative vote of majority members present at a meeting in which a quorum is present shall constitute the decision of the Related Party Transaction Committee.



Frequency of meeting : The Related Party Transaction Committee will meet at least once a year or at a frequency to be decided by the Committee with additional meeting convened to attend urgent matters that require RPTC's deliberation.

Duties and Responsibilities : (1) Evaluate on an ongoing basis existing relations between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, and subsequent changes in relationships shall be reflected in the relevant reports to the board and regulators/supervisors.

(2) Evaluate all material RPTs to ensure that these are not undertaken on more favorable economic terms (e.g. price, commissions, interest rates, fees, tenor, collateral requirement) to such related parties than similar transactions with non-related parties under similar circumstances and that no corporate or business resources of the company are misappropriated or misapplied, and to determine any potential reputational risk issues that may arise as a result of or in connection with the transactions. In evaluating RPTs, the Committee shall take into account, among others, the following:

- a. The related party's relationship to the company and interest in the transactions;
- b. The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
- c. The benefits to the company of the proposed RPT;
- d. The availability of other sources of comparable products or services; and
- e. An assessment of whether the proposed RPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. The company shall have in place an effective price discovery system and have exercised due diligence in determining a fair price for RPTs.

All RPTs that are considered material based on company's internal policies shall be endorsed by the RPTC to the board of directors for approval.

(3) Ensure that appropriate disclosure is made, and/or information is provided to regulating and supervising authorities relating to the company's RPT exposures, and policies on conflicts of interest or potential conflicts of interest. The disclosure shall include information on the approach to managing material conflicts of interest that are inconsistent with such policies; and conflicts that could arise as a result of company's affiliation or transactions with other related parties.



- (4) Report to the board of directors on a regular basis, the status and aggregate exposures to each related party as well as the total amount of exposures to all related parties.
- (5) Ensure that transactions with related parties, including write-off of exposures, are subject to periodic independent review or audit process.
- (6) Oversee the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including the periodic review of RPT policies and procedures.

----- Nothing Follows -----