



CEBU HOLDINGS

a subsidiary of *AyalaLand*

**CHARTER OF THE RELATED PARTY
TRANSACTIONS REVIEW COMMITTEE**

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RELATED PARTY TRANSACTIONS REVIEW COMMITTEE CHARTER

This Charter sets out the policies, responsibilities, and authority of the Related Party Transactions (RPT) Review Committee (the "Committee") of Cebu Holdings, Inc. (the "Corporation"), including the procedures that shall guide the Committee in the performance of its functions.

It shall be reviewed by the Committee annually and any changes and/or revisions thereof shall take effect only upon approval of the Board.

1. Statement of Policy

It is the policy of the Corporation to constitute and maintain a Committee which shall provide assistance to the Board in fulfilling its oversight responsibility relating to:

- a. review of all Related Party Transactions (RPTs), except Pre-approved RPTs as enumerated under Section 6 of the Corporation's RPT Policy;
- b. formulation, revision and approval of policies on RPTs; and
- c. conduct of any investigation required to fulfill its responsibilities on RPTs;

To fulfill this responsibility, the Committee shall maintain a free and open communication with the Corporation's Compliance Office and the Management.

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention, with full access to all records, books of accounts, facilities and personnel of the Corporation and the power to retain outside counsel or other experts for this purpose.

2. Roles and Responsibilities

The Committee shall be responsible for the following:

- a. 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 with counterparties (from non-related to related, and vice-versa) are captured.
- b. Evaluate material/significant agreements of any kind with a related party and determine any potential reputational risk issues that may arise as a result of, or in connection with the transactions.
- c. Assist the Board in determining whether to approve, ratify, disapprove or reject an RPT.
- d. The Committee shall take into account whether the RPT is entered into on terms no less favorable to the Corporation than terms generally available to an unaffiliated third party under the same or similar circumstances and review all information provided by Management, including all relevant facts and circumstances.
- e. For transaction involving sale of Corporation assets, review results of the appraisal, valuation methodology used as well as alternative approaches to valuation.

- f. Endorse material/significant RPTs to the Board for approval.
- g. Oversee the implementation of the system for identifying, monitoring, measuring, controlling and reporting RPTs by Management, including periodic review of the Corporation's RPT Policy and procedures.
- h. Annually review the Committee's own performance.

3. Membership

The Committee shall consist of three (3) directors entirely non-executive, all of whom shall be independent directors. The Committee Chair shall be responsible for ensuring the effective interaction among Committee members and with Compliance Office and the Management.

4. Meeting and Schedule of Activities

- a. To provide a systematic guide for the discharge of its responsibilities, the Committee will agree on an annual calendar/schedule of activities that shall determine the agenda for each meeting subject to adjustments and/or revisions as needed. The Chief Compliance Officer will ensure that the schedule is carried as planned.
- b. The Committee shall meet often enough or as deemed necessary to undertake its role effectively.
- c. The agenda for the meetings will be developed by the Compliance Officer based on the agreed calendar of activities and inputs from the Committee members, subject to the approval of the Chairman.
- d. The President or the Chief Executive Officer, Chief Financial Officer and Chief Audit Executive may be requested to attend Committee meetings. As and when appropriate, the Committee may require other members of Management to be present at the meetings. External subject experts, such as the appointed independent auditors and other consultants, may also be invited to the meetings.
- e. A quorum will be two (2) members, regardless of position.
- f. Committee members may attend meetings in person or by electronic or tele/video communication means.
- g. Endorsements and approvals via email or fax may be resorted to for urgent matters which shall be confirmed/ ratified in the Committee's meeting. The respective mails are to be collected by the Secretariat.

5. Reporting Procedures

To keep the Board apprised on the Corporation's RPTs, the Chairman of the Committee shall submit an RPT Review Committee report to the Chairman of the Board subsequent to Committee meetings; and shall be ready to present the report to the Board during its meeting for the quarter.

6. Functional and Secretariat Support

The Compliance Office shall support the Committee in the rendition of its functions, specifically:

- a. Compliance Office shall provide all the secretariat support to the Committee.
- b. The Chief Compliance Officer shall attend all the Committee meetings.
- c. Compliance Office shall keep minutes of the meetings, recorded and prepared by the designated Secretary to the meeting and make these available for inspection by any member of the Committee of the Board, as and when requested.
- d. Compliance Office shall review all papers for submission to the Committee, including any proposals from Management before these are submitted to the Committee for approval.

Approved by:

Justice Pampio A. Abarintos (Ret.)
Committee Chairman

Consul Enrique L. Benedicto
Committee Member

Fr. Roderick C. Salazar, Jr., SVD
Committee Member

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