

MANPOWER, COMPENSATION AND REMUNERATION COMMITTEE CHARTER

Introduction

The Manpower, Compensation and Remuneration Committee provides oversight over the remuneration of senior management and other key personnel, ensuring that compensation is consistent with the Bank's culture, strategy and control environment¹.

Composition

The Manpower, Compensation and Remuneration Committee shall be composed of at least three (3) members from the Board of Directors.

Duties and Responsibilities

1. Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the bank's culture, strategy and control environment.
2. Designate amount of remuneration, which shall be in a sufficient level to attract and retain directors and officers who are needed to run the bank successfully.
3. Develop a form on Full Business Interest Disclosure as part of the pre-employment requirements for all incoming officers, which among others compel all officers to declare under the penalty of perjury all their existing business interests or shareholdings that may directly or indirectly conflict in their performance of duties once hired.
4. Disallow any director to decide his or her own remuneration.
5. Provide in the bank's annual reports, information and proxy statements a clear, concise and understandable disclosure of compensation of its executive officers for the previous fiscal year and the ensuing year.
6. Review of the existing Human Resources Development or Personnel Handbook, to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts.

¹ Control environment - The control environment includes the integrity, ethical values, policies, actions, management style and competence of the entity's people, which set the tone of firm's day-to-day activities; control environment is the foundation for all other components of internal control.

Term of Office

The members of the Committee shall serve at the pleasure of the Board and for such term or terms as the Board may determine, or until their earlier resignation, death, or removal by the Board. Termination of members' term of office may be staggered to allow the retention of seasoned members and to ensure Committee's uninterrupted workflow.

Meetings

The committee shall meet at least quarterly at the Bank's Head Office.

Quorum

The quorum shall be at least 51% of the regular members, one of which should be the Chairperson of the committee or in his absence the designated vice-chairman, who shall chair the meeting. A majority vote among the present shall be required to pass or defeat any resolution at the meeting, provided such majority vote shall always include the vote of the Chairperson or in his absence, the Vice Chairperson.

Approvals

Approvals by the Committee may be made at or during its meetings or through circulation to all members of the Committee.

Annual Review and Update

The Board on its own or the Committee shall review, assess and/or update this Charter at least annually and make appropriate recommendation to the Board for approval.