



## RELATED PARTY TRANSACTION COMMITTEE CHARTER

### *Roles and Responsibilities*

The Related Party Transaction (RPT) Committee evaluates on an on-going basis existing relation between and among businesses and counterparties to ensure that all related parties are continuously identified, RPTs are monitored, and subsequent changes in relationships are reflected in the relevant reports to the board and regulators/supervisors. The Committee likewise evaluates all material RPTs to ensure that these are not undertaken on more favorable economic terms to such related parties than similar transactions with non-related parties under similar circumstances and that no corporate or business resources are misappropriated, and to determine reputational risk issues. The Committee ensures appropriate disclosures are made and that information is provided to the supervising authorities.

The RPT Committee oversees the implementation of the system for identifying, monitoring, measuring, controlling and reporting RPTs, including the review of RPT policies and procedures. (see IC Circular 2017-29)

### *Specific Functions of the Committee:*

The RPT Committee shall assist the Board of Directors in ensuring that:

1. Transactions with related parties are handled in a sound and prudent manner, with integrity and in compliance with applicable laws and regulations to protect the interest of depositors, creditors and other stakeholders;
2. Existing relations between and among the Company's businesses and counterparties are evaluated on an ongoing basis 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; and
3. RPTs are conducted on an arm's length basis and that no stakeholder is unduly disadvantaged.

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 transaction;

- 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.

Based on its assessment, the RPT Committee shall endorse acceptable material RPTs as defined in the Company's Policy on Related Party Transactions to the Board of Directors for approval.

### **Membership**

The Committee is comprised of:

- a. A majority of independent directors;
- b. Only Non-Executive Directors;
- c. At least three members.

The Committee is chaired by an independent Director.

### **Reporting Lines**

The RPT Committee reports to the Board of Directors.

### **Meetings**

The RPT Committee shall meet once every other month or whenever necessary to discuss and agree on matters to be endorsed to the Board of Directors for approval and confirmation. Committee members may attend meetings in person or by Remote Communication, Teleconferencing, Videoconferencing, Computer Conferencing or Audio Conferencing, provided that reasonable efforts are made to have all members of the Committee participate.

At a meeting of the Committee the number of Committee members whose presence is necessary to constitute a quorum is two. In the absence of the Chair, one of the Committee Members, either nominated by the Chair, or elected by the Committee, will act as the Committee Chair for that meeting. The Corporate Secretary will act as secretary to the Committee, unless otherwise determined by the Committee. The Committee Chairman may also invite such other parties to attend meetings as deemed appropriate.

The Chairman of the Committee, or a delegate, will report to the Board following each meeting of the Committee and a copy of the minutes of each meeting of the Committee will be made available to all members of the Board subsequent to each meeting. The Committee may take such independent legal, recruitment or other advice as it considers necessary or appropriate.

If the member of the Committee has a personal interest in the transaction to be reviewed, the concerned Director shall abstain from the discussion and endorsement to the Board of such transaction.

### **Review and self-assessment**

The Committee will regularly assess its effectiveness with a view to ensuring that its performance is in accordance with best practice. The Committee's Charter will be reviewed and updated at least once each year, and the Chairman of the Committee will, following such review, either confirm the appropriateness of the Charter to the Board or recommend any amendments deemed desirable to the Board for approval.