

# **SBS PHILIPPINES CORPORATION**

## **TERMS OF REFERENCE OF FINANCE AND INVESTMENTS COMMITTEE**

The Board of Directors of SBS Philippine Corporation (the "Corporation") hereby constitutes a Finance and Investments Committee (the "Committee") and adopts this Committee Charter:

### **1. Purpose**

The role of the Committee is to assist the Board in the performance of its oversight function to ensure that: a) all projects and investment proposals and their funding requirements are consistent with the business strategy of the Corporation; b) are within approved policies and budgets for said projects; and c) major financing initiatives and proposals are reviewed prior to submission to the Board for approval and subsequently monitored on behalf of the Board.

### **2. Membership**

- 2.1 The members of the Committee shall be appointed by the Board of Directors and shall be composed of five (5) regular board members, two (2) of whom shall be independent directors.
- 2.2 The members of the Committee shall be appointed by the Board of Directors during its annual organizational meeting and each shall hold office for one year and until their successors are elected and qualified, unless sooner replaced or removed by the Board.
- 2.3 Any vacancy in the Committee shall be filled by the Board of Directors. The member elected to fill a vacancy in the Committee shall serve only the unexpired term of his predecessor in office.
- 2.4 The members of the Committee should have adequate background, experience or exposure in accounting, finance, risk management, investment or fund management, or related fields.
- 2.5 There should be present at least one regular member-independent director for a valid quorum with majority of members present.

### **3. Powers, Duties and Responsibilities of the Committee**

- 3.1 The Committee shall define policy and review all major capital expenditures and investments, including fixed income securities, of the Company.
- 3.2 The Committee shall review and recommend capital or debt raising options or activities which may be undertaken by the Company; and

3.3 The Committee shall review the capital structure of the Company and recommend to the Board measures to address any and all issues relative to the capital structure and shares of the Company.

#### **4. Performance Assessment**

The Committee shall conduct an annual evaluation of its performance to ensure that the same is in compliance with its Charter, the best corporate practices, and other pertinent regulations promulgated by the Securities and Exchange Commission (SEC). Relative thereto, it shall cause members of the Committee to complete a self-assessment questionnaire to align its practices with the requirements and mandates of the previously mentioned government agency. Based on the results of its self-rating assessment, the Committee shall prepare plans for the continuous improvement of its performance which may include programs and trainings that will elevate and enhance effectiveness of its functions as the Finance and Investments committee.

#### **5. Meetings and Recommendations**

5.1 The Committee shall meet at least twice a year or as frequently as required to perform its duties set out in this Charter. Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be forwarded to each Committee member and to other attendees (as appropriate) in advance of each scheduled meeting date together with an agenda and supporting papers. The actions of the Committee may also be taken by written consent by majority of the members when deemed necessary by the Committee or its Chairman.

5.2 The Committee may invite such members of Management to its meetings as it deems desirable or appropriate.

5.3 Minutes of the Committee meeting will be recorded and maintained by the secretary of the meeting and presented to the Committee at the next Committee meeting for approval. The Corporate Secretary or his designated representative shall act as secretary for the meetings.

5.4 The Chairman of the Committee or the designated representative shall report to the Board all actions of the Committee at the meeting of the Board following such actions.

#### **6. Access to Information and Technical Assistance**

6.1. The Committee shall have full access to all relevant information, data, records, properties and personnel of the Company.

6.2. The Corporate Secretary, management and personnel of the Company shall provide technical assistance and support to the Committee.

**7. Other Matters**

7.1. Annual Review - This Charter shall be reviewed by the Committee annually. Any proposed changes shall be approved by the Board.

7.2. Adoption and Effectivity - This Charter shall take effect when approved by the Board.

**Approved by Board of Directors on November 9, 2021.**