



## TRUST INVESTMENT COMMITTEE CHARTER

### I. Purpose and Objective

The Trust Investment Committee (TIC) is mandated by regulators to provide oversight functions, overall strategic business development and financial policy directions to the Trust and Asset Management Group (TAMG). The TIC shall be directly responsible to the Bank's Board of Directors (BOD) while ensuring that the TAMG fulfills its fiduciary obligations.

The Charter aims to serve as a reference for the committee and/or the TAMG in the conduct of the committee and policies governing it.

### II. Composition of Trust Investment Committee

The TIC shall be composed of five (5) members:

- a. three (3) non-executive directors or independent directors who are not part of the Audit Committee;
- b. the President; and
- c. the Trust Officer

The BOD shall designate the Chairman who shall be one of the three (3) directors referred to in item (a) above.

### III. Responsibilities

The TIC duly constituted and authorized by the BOD shall act within the sphere of authority which may be provided in the by-laws and/or as may be delegated by the BOD, such as but not limited to, the following:

1. Ensure that the fiduciary activities are conducted in accordance with applicable laws, rules and regulations, and prudent practices;
2. Ensure that policies and procedures that translate the BOD's objectives and risk tolerance into prudent operating standards are in place and continue to be relevant, comprehensive and effective and are well understood by concerned personnel of the TAMG;
3. Oversee the implementation of the risk management framework and ensure that internal controls are in place relative to the fiduciary activities and are periodically reviewed and modified as necessary;
4. Adopt an appropriate organizational structure/staffing pattern and operating budgets that shall enable TAMG to effectively carry out its functions including enforcement of official lines of authority and appropriate separation of duties;
5. Oversee and evaluate the performance of the Trust Officer;
6. Report regularly to the BOD on matters arising from fiduciary duties; and
7. Review all internally and externally prepared audits and examination reports of TAMG and take appropriate actions to rectify reported observations in such audits and examination.

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#### **IV. Meetings**

1. The TIC shall meet, at least, once every quarter or more frequently as circumstances may warrant.
2. The TIC member who cannot physically attend or cast a vote at a meeting can participate through remote communication such as videoconferencing, teleconferencing or other alternative platforms/media that allow them reasonable opportunity to participate.
3. A simple majority shall constitute a quorum from the TIC. The TIC member who participate through remote communication shall be deemed present, for purposes of quorum.
4. It shall ensure that appropriate records (e.g. minutes of the meetings or summary of matters reviewed and decisions taken) of their deliberations and decisions are maintained and make periodic reports thereon to the BOD, including provision of such records as requested by any of the TIC members, the Bank's Audit and Compliance Groups or external auditors during the prescribed audit period.

#### **V. Resources and Authority**

The TIC shall have the resources and authority appropriate to discharge its duties and responsibilities under this Charter. The Committee shall also have the authority to select, retain, and terminate outside counsel or other experts, provided such services/activities are within the allowable third party services entered into or contracted by TAMG.

#### **VI. Charter Review and TIC Self-Assessment**

The adequacy of this Charter shall be reviewed and reassessed, at least, annually and recommend to the BOD any proposed changes when and wherever necessary.

Further, a self-assessment shall be performed on an annual basis by TIC members by accomplishing the *Chinabank Corporate Governance Scorecard*. The self-assessment form has guide questions where the rater assigns a number from 1-5 (the lowest being "Poor" and highest being "Excellent") which reflects the members' view of the Bank's degree of compliance to the various corporate governance mechanisms. The form also includes questions which will allow the members to give their personal insights on how the committee can better carry out their responsibilities. The Compliance Group will collate the duly accomplished forms and prepare a summary of the result to be submitted to the BOD through the Corporate Governance Committee.