



BPI SUCCESSION PLANNING AND TALENT MANAGEMENT STATEMENT

The Board is committed to a process of orderly succession and acknowledges that a succession plan for the Board and its leadership positions is in the best interest of the Bank and its stakeholders. Leadership changes are not only carefully considered and planned, but are also part of a comprehensive risk management strategy that is guided by clear and transparent governance policies, processes, and laws.

Board Succession

In this regard, the Board is regularly refreshed in a continuing cycle. The Nomination Committee and the Corporate Governance Committee work within a general Board succession plan framework to ensure that: 1) appropriate governance processes are in place and ongoing, for identifying, assessing, and monitoring future needs of the Board; 2) there is continuity and transfer of knowledge in the Board so that it may effectively fulfill its role and responsibilities to BPI, as that may evolve over time, and 3) the Board is taking a prudent and structured approach to managing succession risk.

Senior Management Succession

The Board, through its PerCom, manages the talent pipeline and assembles the required personnel capable of navigating such changes. In consultation with the President and CEO, the PerCom reviews the Bank's succession development process for proper management. Senior Management provides a report to this Committee on the results of its talent and performance review process for key management positions and other highpotential individuals. Aside from ensuring that there is a sufficient pool of qualified internal candidates to fill senior leadership positions, this review process identifies opportunities, performance gaps, and proactive measures in the Bank's executive succession planning.

Selection Process. The selection process involves a number of steps, including: • Identifying candidates for the talent pipeline and market mapping to gain an understanding of current offerings in the marketplace in relation to the roles, skills, knowledge, and experience needed; this also involves actively building and nurturing relationships with talent in order to create a list of roles that are key to the Bank's success; the Bank also utilizes referrals, and industry platforms as it tailors skillset requirements;

- Screening and vetting candidates once the requirements have been identified, through a variety of methods, such as reviewing resumes, conducting interviews, or administering online assessments; the focus here is on the fit and suitability of the candidate to the role, the current and future business directions, and the Bank's company culture, beyond the minimum fit and proper requirements and qualifications stated in the BSP Manual of Regulations for Banks;
- Making the selection decision: The final step is to make the selection decision. This decision should be based on the information gathered during the screening and interviewing process.