



Supplier Accreditation and Dis-accreditation Policy Statement

BPI has an established Supplier Accreditation and Dis-accreditation Policy that covers all processes involved in the contracting of suppliers, service providers, and business partners, and all personnel involved in the administration and execution of these processes. The policy focuses on giving equal opportunities for qualified suppliers and contractors. BPI operates on the principle of transparency with suppliers and works collectively with suppliers to ensure their adherence to the policy.

The policy involves the formation of centralized accreditation committees for all services that are common across units, i.e., professional, legal counsel, IT project management, janitorial, messengerial, security, etc. The policy on the procurement process also involves standards covering accreditation criteria, improved information on requirements and documentation, various modes of procurement, and service performance monitoring. Accreditation of parties is based on:

- Legitimacy of the party being accredited; suppliers with whom BPI has regular and recurring dealings should have good management and governance processes in place to ensure compliance with the policy.
- Capacity for continuous business operations to sustain delivery of the required goods/services or the performance of business arrangements; suppliers must ensure that their systems and procedures are sufficient to mitigate any potential negative impact on BPI's brand and reputation.
- Quality of and reasonableness of the prices for the goods/services/business arrangements being offered, and; suppliers must make reasonable efforts to monitor their supply chain as well, ensuring their sub-contractors are also aware of, and compliant with, the aims of the policy.
- Track record on reliability, qualifications, professional activities and credit worthiness.

The policy also states the grounds for dis-accreditation as well as the processes for pre-termination, removal, inclusion in the bank's official Negative Data system and, if needed, activation of a Business Continuity Plan.

The bank actively engages suppliers.

- It has established processes for accreditation, vendor selection and suppliers audit to assure qualified suppliers of equal opportunity when bidding for projects with the Bank.
- All accreditation of suppliers, contractors, and service providers are subject to regular renewal to maintain their active status with BPI and must meet Unibank Accreditation Standards.

- All employees, departments and divisions are regularly advised to update and review their respective list of suppliers to meet accreditation requirements.
- Employees must also review the Bank's detailed policies on outsourcing services where applicable.

BPI complies with outsourcing regulations mandated by the BSP which requires banks to put in place appropriate processes, procedures, and information systems that can adequately identify, monitor, and mitigate operational risks arising from the outsourced activities.

During the annual review as well as in any application for accreditation, all related policies, such as conflict of interest, related party transactions, among others, are applied and enforced to ensure that the bank and the counterparties are protected by fairness, accountability and transparency. BPI reserves the right to randomly review the supplier's policies, procedures or any other document related to adherence to BPI's Supplier Policy.