

HUMAN RESOURCE COMMITTEE

(Source: DBP Manual on Corporate Governance)

The Human Resource Committee shall be composed of at least three (3) members of the Board who shall elect the chairman among themselves.

The chairmanship and membership of the committee shall be on rotation basis for purposes of enrichment and best practices.

Duties and Responsibilities:

Review, screen, and formalize management recommendations on HR-related matters for the Board's approval, including, but not limited to the following:

- a. Install and maintain a process to ensure that officers to be nominated or appointed shall have the qualifications and none of the disqualifications mandated under the law, rules and regulations;
- b. Review and evaluate the qualifications of all persons nominated to positions in the Bank which require appointment by the Board;
- c. Bankwide compensation and benefits programs including executive and key personnel compensation, salary ranges, bonus bases, and other quantitative boundaries for job categories as submitted by management;
- d. Establish a formal and transparent procedure for developing a policy on executive remuneration and for fixing the remuneration packages of corporate officers, and provide oversight over remuneration of senior management and other key personnel, ensuring that compensation is sufficient to attract and retain officers who are needed to run the Bank successfully and consistent with its culture, strategy and control environment;
- e. Review compensation plans annually to ensure soundness and adequacy;
- f. Review organization plans and structure to ensure adequacy in meeting the needs of the Bank as now constituted;
- g. Review manpower plan including proposed organizational structure changes/enhancement to meet growth needs;
- h. Review management development programs and audit implementation and effectiveness of these programs;
- i. Recommend to the GCG nominees for the shortlist in line with the Bank's and its subsidiaries' Board composition and succession plan;

- j. Develop recommendations to the GCG for updating the Compensation and Position Classification System (CPCS) and ensure that the same continues to be consistent with the Bank's culture, strategy, and control environment as well as pertinent laws, rules and regulations;
- k. Review the existing Personnel Manual to strengthen provisions on conflict of interest, salaries and benefits policies, promotion and career advancement directives and compliance of personnel concerned with all statutory requirements that must be periodically met in their respective posts;
- l. In consultation with the executive or management committee/s, re-define the role, duties and responsibilities of the President/ Chief Executive Officer by integrating the dynamic requirements of the business as a going concern and future expansionary prospects within the realm of good corporate governance at all times.