

Press Release

Embargoed for publishing on March 12th 2011

The International Excellence in Retail Financial Services Awards 2011

Bank of the Philippines Islands Wins the Award for Best Retail Bank in the Philippines

- *Bank of the Philippines Islands (BPI) is the sole winner in Asia for the Best Retail Bank in the Philippines.*
- *BPI had a first-in-class retail banking business outfit which saw its asset levels improve in 2010. This significant performance was supported by operational process efficiencies which resulted in a pleasant customer experience.*
- *Over 170 banks and financial institutions from 29 countries across the Asia Pacific, the Middle East, Central Asia and Africa were evaluated as part of the International Excellence in Retail Financial Services programme.*

Singapore, March 11th 2011—BPI has been named the Best Retail Bank in the Philippines at the 10th International Excellence in Retail Financial Services Awards Programme. The bank received the award at The International Excellence in Retail Financial Services 2011 Awards ceremony, held in conjunction with the region's most prestigious retail banking event, the Excellence in Retail Financial Services Convention. The ceremony was held at the Shangri La Hotel in Kuala Lumpur on March 11th 2011.

About 150 senior bankers from award-winning banks in 29 countries across the Asia Pacific, the Middle East, Central Asia and Africa attended the glittering event that recognises their efforts in bringing superior products and services to their customers.

The awards programme, administered by The Asian Banker and refereed by prominent global bankers, consultants and academics, is the most prestigious of its kind.

A stringent three-month evaluation process based on a balanced and transparent scorecard used to determine the winners and the positions of various retail banks in the region is attached.

BPI is the sole winner in Asia for the Best Retail Bank in the Philippines.

The strategy adopted by BPI focused on gaining access to a new client base, increase its relationship with its existing clients, and increasing its float-based income. The bank achieved these through several key initiatives such as targeting market segments that were previously neglected as well as new service initiatives which enabled the bank to improve on its transaction processing time and making the overall customer experience more pleasant.

The bank recorded an increase in customer base of more than half a million, which was a significant milestone over the last decade. This was achieved through a combination of new customer acquisition, and using advanced data analytics to inculcate cross-selling within the existing customer base.

Chris Kapfer, head of Asian Banker Research, remarks: “Financial performance was also strong in 2010, with the bank growing its float deposits by over 20%, well above the industry norm of 9%. The bank became a preferred financial institution for many customers, comfortably outpacing its rivals. A strong, versatile product range was introduced over the year, compounded by convenience and increasing efficiency in alternative channel usage.”

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The bank emphasised the use of alternative channels, as evidenced by 65% of its financial transactions being done via online banking, mobile and ATMs. With the implementation of new technologies and work processes, the bank was able to achieve a low cost to income ratio.

There was significant commitment to align and benchmark its internal processes against international standards, as evidenced by Six Sigma methodologies being rolled out mainly for back-end operations. BPI has streamlined processes, thus managing to improve the response time for automotive loans and mortgage loans. Its customer transactions assist system, a web enabled teller system, eliminated the need for clients to fill-up deposit/withdrawal slips and helped to reduce teller time and errors considerably.

The bank also made an important step in its CRM journey with a new universal customer acquisition system (UCAS) which integrates CRM capabilities across the bank. UCAS is the connection between frontline and all its legacy systems. Chris Kapfer, head of Asian Banker Research, says: “This is an important milestone to achieving a real 360 customer view across channels.”

Over 170 banks in 29 countries across Asia, and this year for the first time Africa, were evaluated as part of The International Excellence in Retail Financial Services Programme.

“This year over 170 banks and financial institutions in 29 countries across Asia were evaluated as part of The Excellence in Retail Financial Services Programme in what has become the most prestigious, comprehensive and anticipated awards programme that recognises the pursuit of excellence amongst retail financial institutions anywhere in the world today” said Philippe Paillart, chairman of The International Excellence in Retail Financial Services Programme. He added: “It is amazing to see the rapid development of the retail financial services industry every year, and to experience the narrowing gap between mature and emerging market banks in terms of operational efficiency and technology.”

The transparent award evaluation process uses a balanced scorecard approach and a comprehensive methodology to evaluate the strength of individual banks’ retail banking

businesses that involve extensive research and probing interviews, and taps the combined experience of a team of experienced researchers.

Paillard, formerly vice chairman and CEO of DBS Bank and a pioneer in the retail banking industry in the Asia Pacific region, elaborated: “The Asian Banker Excellence Programme was instituted in 2001 on the premise that an outstanding player in the retail financial services industry should build business franchises that are sustainable, competitive and profitable over a period of time. To stay abreast of the rapidly growing geographic scope of the programme, The Asian Banker has renamed the awards ‘The International Retail Financial Services Awards’ in 2011.”

About The Asian Banker

The Asian Banker is the region’s most authoritative provider of strategic business intelligence to the financial services community. The Singapore-based company has offices in Singapore, Malaysia, Hong Kong and Shanghai as well as representatives in London, New York and San Francisco. It has a business model that revolves around three core business lines: publications, research services and forums. The company’s website is www.theasianbanker.com

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