



# LANDBANK

WE HELP YOU GROW.



**5** YEARS OF  
SUPPORTING  
**THE NATIONAL  
SOCIO ECONOMIC  
AGENDA**

2018 ANNUAL REPORT



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## About the Cover

The LANDBANK 2018 Annual Report's theme of "55 years of Supporting the National Socioeconomic Agenda" encapsulates the Bank's commitment of helping its stakeholders become part of the nationwide thrust of social and economic prosperity. As the times change and history unfolds, LANDBANK has constantly taken a more expansive and relevant role in the country's development.

Consistently anchoring its strategies on the directions and priorities of the National Government, LANDBANK is relentless in enhancing its products and services, extending capability-building programs and extending its presence and partnerships throughout the country. In 2018, in line with the national inclusive growth agenda, LANDBANK took more aggressive strides in reaching more Filipinos, including those in the unbanked and underserved communities. By using digital technology, the Bank endeavored to make banking more practical and readily accessible across various market segments — from the small farmers and fishers, to industries and enterprises.

From being the financing arm of the country's Agrarian Reform Program, LANDBANK has become one of the most reliable partners and conduits for development, and is now on track with its roadmap of utilizing the latest technologies to help an evolving generation of Filipinos grow in banking, towards a more progressive Philippines.





P222bn  
Loans to agriculture



27.8%  
Percentage of agri loans vs. Loans to All Sectors

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# Vision

By 2023, LANDBANK shall be the leading universal bank that promotes inclusive growth, especially in the unbanked and underserved areas, through the delivery of innovative financial products and services powered by digital banking platforms.

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# Mission

## To Our Clients and Publics:

We provide accessible and best technology solutions to deliver timely and responsive financial and support services to meet the needs of our clients, especially Small Farmers and Fishers (SFFs), Micro, Small and Medium Enterprises (MSMEs), Countryside Financial Institutions (CFIs), Local Government Units (LGUs) and government agencies, while promoting sustainable development anchored on good governance.

## To Our Employees:

We are the employer of choice.

We develop and nurture talents who exemplify the highest standards of ethics, social responsibility and service excellence.

We support diversity and cultivate a healthy work environment with equal opportunity for professional growth and advancement.

# Our Corporate Policy

In 2018, the Land Bank of the Philippines (LANDBANK) conducted learning sessions and strategy refresh activities, where several workshops involving officers from across all sectors and with varying expertise were tapped to help craft the Bank's new Vision and Mission statements, Strategy Map containing the Strategic Objectives and Measures, and Medium-Term Plan for 2019-2023. The outputs from the workshops were then further scrutinized during the three-day Strategic Planning workshop, which was led by then President and CEO Alex Buenaventura, with some members of the Board of Directors and their representatives.

The Vision and Mission statements reflect the essence of the Bank, which remains the same – to promote growth in the countryside. Instead of drastically changing the statements, emphasis was placed on “unbanked” and “underserved” as those belonging to these sectors are the Bank's primary focus moving forward.

In 2018, LANDBANK marked its 55<sup>th</sup> anniversary. Through the years, it has grown to be one of the leading universal banks in the Philippines, while remaining faithful to its social mandate of fostering the country's sustainable development.

Today, with its thrust of financial inclusion, LANDBANK puts greater emphasis on reaching out to more Filipinos, and on helping improve their quality of life through the provision of the Bank's inclusive products, services and programs. LANDBANK believes that by making our countrymen part of the formal banking and financial system, they can more effectively participate and benefit in the economic activities of their greater communities.

The tagline “We Help YOU Grow” sums up LANDBANK's commitment to its clients, partners, employees and other stakeholders. This is LANDBANK's brand promise, which also articulates its belief that it can achieve its goals of progress and prosperity for the country by supporting people's aspirations and helping them bring their dreams to fruition.





Since its inception in 1963, LANDBANK has worked in alignment with the national government's development strategies. From one administration to the next, the Bank has devoted its resources, has grown and evolved in response to the country's socioeconomic development goals.

As the country moves forward, LANDBANK forges ahead in fulfilling various roles in the service of our government and people. And in 2018, as it reached its 55<sup>th</sup> anniversary, LANDBANK further steps up to the plate, aligning itself in support of AmBisyon Natin 2040 – the anchor of the country's development planning and the summary of the Filipinos' collective aspirations. Then and now, LANDBANK is one with our country in working towards making these dreams a reality.



# Malasakit

Enhancing the social fabric

Regain people's trust in public institutions and cultivate trust in fellow Filipinos

## Reliable



LANDBANK remains to be the most reliable bank to handle the government's funds and transactions, including revenue collection, disbursement and cash management processes. As a depository of people's money, and as a government institution bestowed with public trust, LANDBANK ensures good and responsible corporate governance and transparency, and complies with stringent industry regulations.



Official depository of government funds

Major channel of funds that run the bureaucracy



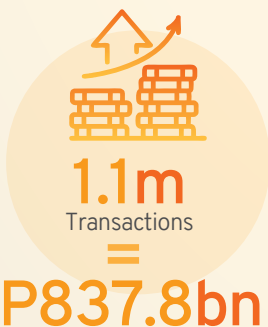
For payments/ disbursements of the national government, agencies and LGUs



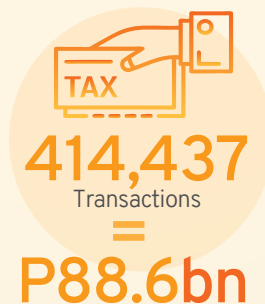
Funds for development projects



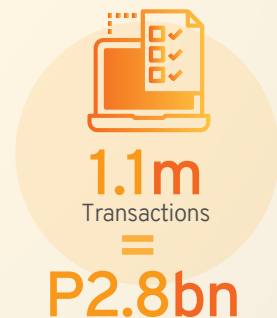
Salaries, benefits and pension of government personnel



Electronic Modified Disbursement Scheme  
- automated government transactions



e-Tax Payment System  
- Paperless tax filing



Link.BizPortal - electronic payment facility where 549 merchants (271 gov't) are enrolled



# Pagbabago

– Inequality-reducing transformation

Expand economic opportunities and increase access to these opportunities, particularly of economic groups that used to lag behind, growth will be felt on the ground

## Accessible



The goals of reaching more Filipinos and bringing to them the benefits of a healthier economy drive LANDBANK's financial inclusion initiatives. Its efforts include the development of products, services and programs that are more accessible to the previously unbanked and underserved sectors. LANDBANK's people and infrastructure spanning all provinces also serve as the distribution arm of the government's social welfare programs, including the Unconditional Cash Transfer, Conditional Cash Transfer and Pantawid Pasada Programs.



**Reached  
2,860**

previously unbanked individuals

**Financial Inclusion Caravan in 6 sites:**

San Gabriel, La Union  
Liliw, Laguna  
Orani, Bataan

Jala-Jala, Rizal  
Burauen, Leyte  
Tantangan, South Cotabato



**P21.4bn**

Amount disbursed to almost 9 Million beneficiaries under the UCT Program



**P75.9bn**

Amount disbursed to more than 4 Million beneficiaries under the CCT Program



Distributed  
₱359 million to

**71,876**

Jeepney operators under the Pantawid Pasada Program

# Patuloy na Pag-unlad

– Increasing growth potential of the economy

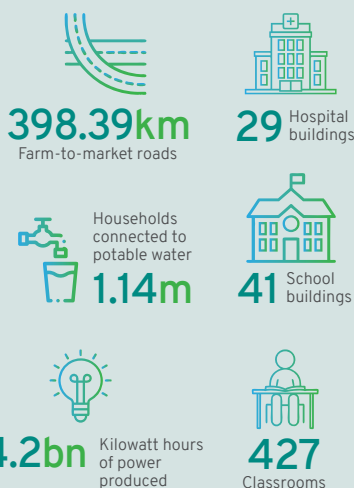
Accelerate and sustain economic growth

## Unwavering

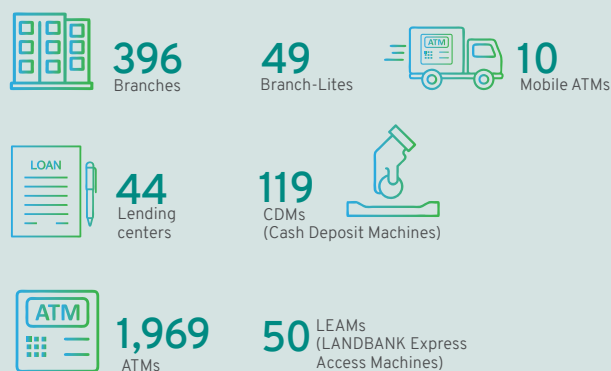


Committed to helping the country and our people grow, LANDBANK creates opportunities by lending to agriculture, fisheries and other key sectors of the economy. Farmers and agribusinesses, as well as other entrepreneurs, from micro to large, get assistance through LANDBANK's financing programs. The Bank covers entire value chains, supporting production, processing, operations and marketing. And with its development financing, LANDBANK supports infrastructure, social services, as well as environment-related projects, enabling both public and private sectors to contribute to the development of communities.

### Impact of Loans Extended to Key Sectors



### LANDBANK Physical Network

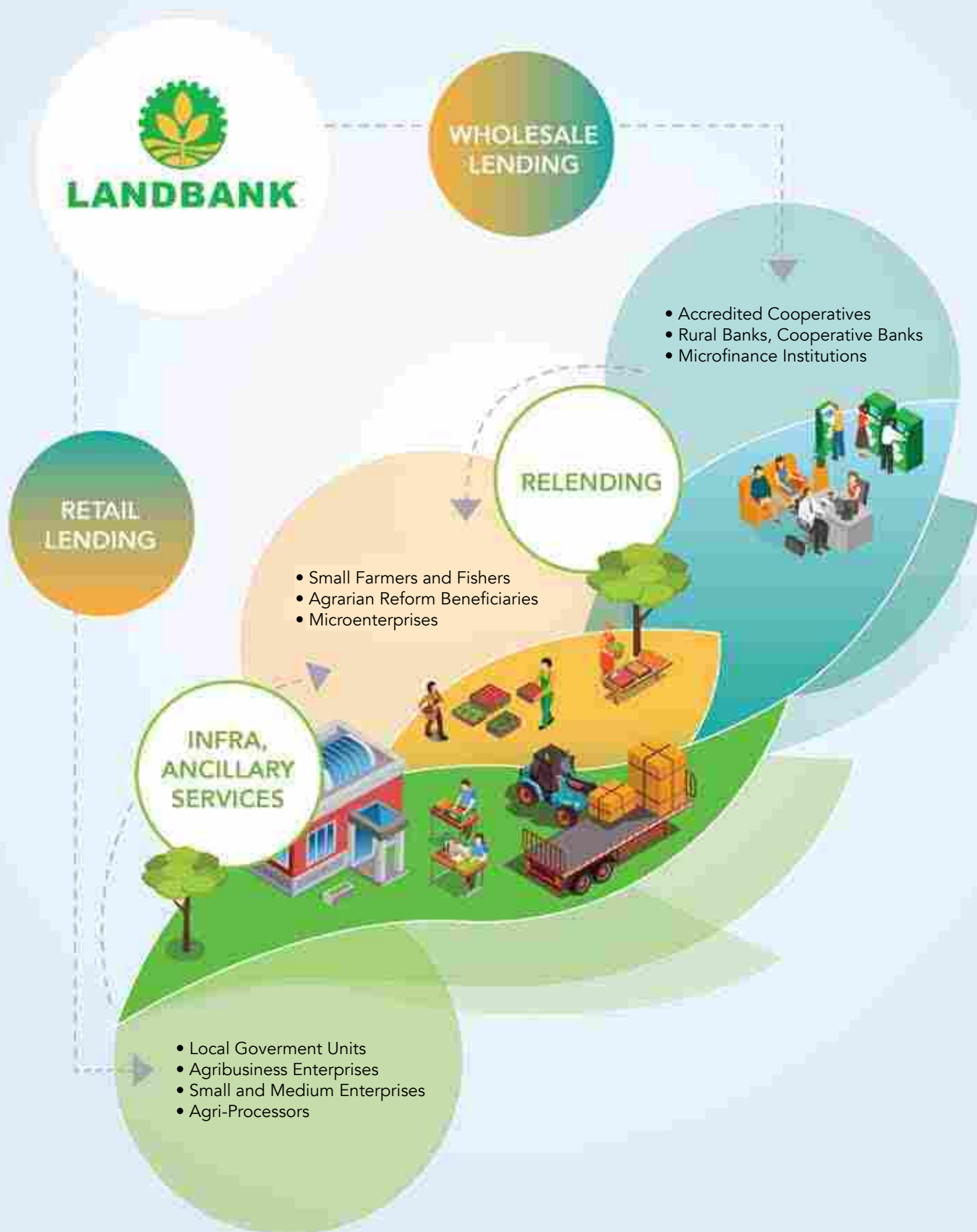


### Support to Comprehensive Agrarian Reform Program





# LANDBANK's Integrated Countryside Lending Framework





## Message from the President of the Philippines



My warmest greetings to the Land Bank of the Philippines (LANDBANK) as it publishes its 2018 Annual Report.

I am pleased to note that LANDBANK remains a leading driver of our national economy and the premier government financial institution that serves our people in the countryside. I have no doubt that its development programs have significantly improved the lives of our farmers, fisherfolk, agrarian reform beneficiaries and other clients.

May this annual report highlight the success of its operations that promote inclusive growth in the rural and unbanked areas. I trust that your outstanding performance over the previous year will inspire you to further bring your innovative products and services to every Filipino in need, especially those who do not have ready access to commercial banking facilities.

Your efforts to foster a comprehensive financial environment is important in bringing the Philippines to greater heights. Together, let us take great strides towards our goal of building a progressive future for all.

I wish you the best in your endeavors.

A handwritten signature in black ink, appearing to read 'Rodrigo'.

**RODRIGO ROA DUTERTE**  
MANILA  
July 2019

# Chairman's Message

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*“This institution is expected to hew closely to the government’s policy goals.”*

The Land Bank of the Philippines (LANDBANK) is an institution with a mission.

This mission is to bring financial inclusion to our small farmers and fishermen, to bring competent financial services to our remotest communities, and to help transform our nation’s economic development by empowering small entrepreneurs. This institution is expected to hew closely to the government’s policy goals. The most important goal is the rapid reduction of poverty rate from 21.6% in 2015 to just 14% by the end of President Duterte’s administration.

While pursuing policy banking, the LANDBANK is expected nevertheless to perform competently as a bank. It must hew closely to the best practices of this competitive industry and deliver strong returns. In a word, it must be a stable, reliable, and profitable financial institution.

I am happy to report that the LANDBANK has been equally successful in achieving its policy missions of delivering development to the most vulnerable sectors and in building a strong financial institution in this rapidly changing banking environment. Nearly a third of the Bank’s loan portfolio in 2018 went to the agriculture and fisheries sectors. The highest rates of growth in that loan portfolio were in enterprises identified as policy priorities.

Meanwhile, lending for micro, small and medium enterprises increased by 51%. Lending to utilities grew by 27.6% while those for low cost housing grew by 22.7%. The Bank likewise expanded its lending to transportation, communications, tourism, education, health care, and environmental projects. The Bank’s more than 8,000 professionals deserve to be credited for these remarkable achievements.

Looking forward, there are numerous challenges we must meet with innovativeness and dedication. The LANDBANK must sustain its credibility as the foremost financial institution for countryside development.

We need more comprehensive data on the sectors that the Bank is mandated to serve. The information will help us design programs that will reach out to the unbanked and underserved. Those programs will have to be communicated more aggressively to build a broad clientele.

The Bank must also keep up with new financial technologies to bring down overhead costs, improve relationships, deliver real-time banking, and enhance financial inclusion. This requires increasing investments in the institution’s human capital. We should aim to have the most competent and agile workforce capable of projecting the Bank’s presence to the remotest communities and underserved areas.

As a bank, the LANDBANK must improve its bottom line to be truly competitive and credible. In 2018, the Bank improved its revenues by 6%. I am sure this will improve further in the coming period.

We are in the midst of what has been called the Fourth Industrial Revolution. Financial transactions will happen in a faster pace. Payments will have to be processed in real time. New forms of production and commerce emerge daily. I am sure the men and women of the LANDBANK are up to the task.



**CARLOS G. DOMINGUEZ**

Secretary of Finance  
Chairman, Land Bank of the Philippines

*September 30, 2019*



# President's Message

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*“Fulfilling our core functions only drives us to hope that these results would influence the coming years as LANDBANK presses on cultivating growth through inclusivity.”*

The tradition of excellence and yields continues this year as the Land Bank of the Philippines (LANDBANK) not only sustained, but even surpassed, our main business goals.

A series of projects and programs has been taken to the fore that highlight previously uncharted channels of service in upgrading LANDBANK’s customer service strand, bringing forth extensive linkage and wider reach to more consumer groups.

Fulfilling our core functions only drives us to hope that these results would influence the coming years as LANDBANK presses on cultivating growth through inclusivity.

Our main thrust focused on the maximization of support to farmers, fishers, MSMEs, and development-related projects. Concentrating on this impetus entails a greater effort to classify and target those who are otherwise in the underserved and unbanked fold.

Hence, LANDBANK delved into designing more feasible loan programs utilizing service stratagems that let LANDBANK access more sectors and clients.

Making headway in this approach are the Accessible and Sustainable Lending (ASL) for Small Farmers Program and the LANDBANK Socialized Credit Program (SCP) for crop production, farm mechanization and processing facilities all under a lower debt to equity ratio, lower interest rates, and easier requirements for availment.

Small market businesses are also given focus with the Market Vendors Inclusive Lending Program by providing them with working capital, while the transport sector gained more traction towards modernization in the more comprehensive Support Package for Environment-Friendly and Efficiently-Driven PUVs (SPEED PUVs) program.

LANDBANK has also linked with government efforts on socio-political rehabilitation through the LANDBANK Lending Program for Rebel Returnees, whereby former political dissenters can have renewed opportunities through small project and agri-business loans to aid in their reintegration into the fold of progress.

Another stage of expansion and inclusion that has now reached its third strong year is the *“Ipon at Kabuhayan para sa ating Kababayan: LANDBANK’s Financial Inclusion Caravan.”* Thanks to its financial literacy forums educating priority groups, and providing IPON ATM Savings Account, we are now closer than ever to our targeted client base in the countryside.

Among the multitude of institutional and business plans we have formed over the past decade, one thing remained constant: that the digital era is here and digital banking is the way forward, especially in realizing our aspirations for broadened service.

LANDBANK launched the Digital On-Boarding System (DOBS) – the first of its kind in the Philippine banking sector. It allows online account application for both individual and institutional clients. Hand in hand with the launch of Digital Corners in 18 pilot branches as of December 2018, DOBS is also one way to comply with regulations on consumer data digitization.

Designed to optimize workflow processes, the DOBS enhances operational efficiency and improves client servicing by cutting the turnaround time for account opening by half from 30 minutes to 15 minutes. As we move onward with web implementations with our Digital Corners in branches, we forgo lengthy manual operations and long lines in completing client documentations.

Similarly, we are working at further improving expense management for greater financial stability. We are also developing more profit hubs and growing our products to generate higher returns. Programs to equip our support units continue, as well as our review of our subsidiaries.

As these plans are translated into each Landbanker’s individual performance targets, we commit to work in synergy and to remain steadfast in our goals and strategies.

**LANDBANK HELPS ALL FILIPINOS GROW!**



**ALEX V. BUENAVENTURA**  
LANDBANK President and CEO



FEATURE STORY

*“LANDBANK not only provided PARC the necessary funds, but also taught us how to effectively run our cooperative, and improve our production and quality.”*





# Reaping the Fruits of Hope

## PALANGUE AGRARIAN REFORM COOPERATIVE Naic, Cavite

Cavite is home to a dozen economic zones, hundreds of housing developments, and a favorite tourist destination south of Manila: Tagaytay. While it is now one of the country's most urbanized provinces, it used to be a predominantly agricultural and fishing community. That is how Joselito Tibayan remembers his hometown back when he started farming more than 20 years ago. As a young man, he left Palangue, Naic, Cavite to find his luck elsewhere, only to realize that working in Manila brought no joy to him.



For many years after returning home, Tibayan was an agricultural tenant like many others in the region. Being a farmer is hard enough, but farming land that you don't own is even more challenging. He joined one cooperative after another in the hopes of improving his economic prospects, but he was repeatedly disillusioned. And so, on July 5, 1995, the Palangue Agrarian Reform Cooperative (PARC) was created. From his humble beginnings, Tibayan improved his life as a farmer and also continues to help others as the present manager of the Cooperative.

The Cooperative's relationship with the Bank started in 1999. "LANDBANK not only provided PARC the necessary funds, but also taught us how to effectively run our cooperative, and improve our production and quality," said Tibayan. In 2003, along with other farmers, he was awarded his own land through the government's Comprehensive Agrarian Reform Program (CARP). Many of the farmer members found themselves with more land, but no money to cultivate it. Once again, PARC approached LANDBANK to finance loans for its farmers.




A year later, a 600 percent increase in income was reflected in the Cooperative's financial statement, according to Tibayan.

More than the working capital, it was LANDBANK's technical assistance and knowledge transfer—from the documentation process to managing funds—that had the most impact on the farmers. Now with 298 members, PARC continues to provide livelihood loans and agricultural services to Palangue's farmers. Members also have access to affordable medicine through the Cooperative's *Botika sa Barangay* program.

Elena Maralang was PARC's first ever member and among the 34 pioneers of the Cooperative. She comes from a long line of farmers for whom farming is a way of life, not just a business. Like Tibayan, she joined a cooperative hoping for a way to uplift her family's life. It has been 24 years since Maralang first joined PARC and today, all seven of her children have finished their studies.

"Thanks to our partnership with LANDBANK and the guidance of the Department of Agrarian Reform, our farmers can produce rice and vegetable to supply the whole Naic and increase their profit too," Tibayan added. The Cooperative's initiatives have always been pinned on the hope that farmers get the most benefit from the land they till. For Tibayan, Maralang, and all the other farmers in the Cooperative, the loan from LANDBANK was the helping hand they needed.

From plowing the fields by hand, they have become entrepreneurs and productive contributors to the local economy—collectively uplifting the lives of all farmers in Palangue. 

## Programs for the Priority Sectors



**P734.3bn**

Total Loans to the Priority Sectors



LANDBANK remains at the forefront of attaining positive and inclusive growth for the country through the provision of innovative and responsive financial and other services especially in the countryside.

The expansion of Loans to the Priority Sectors remains as a core strategy and priority thrust of LANDBANK in sustaining its financial viability while fulfilling its social mandate. In 2018, the Bank's regular loans posted a record-high growth of 33% to P799.2 Billion compared with the P601.2 Billion in 2017. This is the highest year-on-year growth reported since 2009. A major driver of loan growth is the Bank's Loans to the Priority Sectors which surged by 30.2% to P734.3 Billion as of December 2018 from P564.1 Billion as of December 2017, and comprised 92% of the Bank's total Loans to All Sectors at P798.8 Billion.

### Loans to Agriculture

In recognition of agriculture remaining as a development challenge and still a top priority sector for securing broad-based growth and sustainable development of the country, LANDBANK relentlessly pursued the implementation of innovative lending programs designed to increase agricultural productivity and incomes of small farmers and fishers that will lift them out of poverty, and the provision of other financial services to promote greater financial inclusivity especially in the unbanked and unserved areas across the country.





In Cauayan City, Isabela, farming takes on a more modern approach. To help improve the livelihood of farmers and as part of the services of Villa Luna Multi-Purpose Cooperative, farm equipment was bought through a loan from LANDBANK. The co-op lends this agricultural machinery to farmers.



**P512.2bn**

Loans to the National Government's Priority Programs

In 2018, the Bank intensified its support to the agriculture sector with total loans expanding by 21.1% to P222.0 Billion from P183.4 Billion in 2017. These loans were channeled to the Bank's mandated sector composed of small farmers, including Agrarian Reform Beneficiaries and their associations, as well as small fishers and their associations. The Bank's financing support was also provided to private enterprises engaged in agri-business, aqua-business, and other agri-related industries involved in the food and agriculture value chain such as agri-processing, agri-enterprises, processing and exporting of fish and other marine products, packaging, and storage. Aside from private entities, the agri-aqua projects of LGUs and GOCCs, including their developmental projects like farm-to-market roads and bridges, public markets, schools, hospitals, water system, sanitation and drainage, reclamation projects, and agricultural transport terminals, among others, were also given credit support by the Bank. Aside from financial assistance, LANDBANK also extended marketing and other support services.

Loans in support of Agriculture comprised 27.8% of the Bank's total gross portfolio of P798.8 Billion. LANDBANK consistently remained as the only universal bank compliant with the Republic Act (RA) No. 10000, otherwise known as the Agri-Aqua Reform Credit Act of 2009, which requires banks to allot 10% of its total lending portfolio to Agrarian Reform Beneficiaries (ARBs) and 15% to small farmers and fishers.

In terms of loan releases, a total of P62.2 Billion were extended to small farmers and fishers through 1,076 farmers and fishers cooperatives, 153 countryside financial institutions, and 163 irrigators' associations involving 556,875 beneficiaries during the year.

### Loans in Support of Other National Government Priority Programs

As a government financial institution, LANDBANK strongly aligns with the thrust and development goals of the National Government as embodied in the Philippine Development Plan 2017-2022 which aims to establish for the country a "stronger foundation for inclusive growth, a high-trust society, and a globally-competitive economy toward realizing the vision by 2040."

For the year 2018, the Bank sustained the expansion of loans to the National Government's Priority Programs which increased by 35% from P380.7 Billion to P512.2 Billion. Among government financial institutions, LANDBANK remains as the biggest credit provider to small farmers and fishers, as well as the biggest lender to LGUs and MSMEs.

- **Loans for Microenterprises and Small and Medium Enterprises**

LANDBANK loans to micro, small and medium enterprises (MSMEs) continued to significantly expand with growth registered at 50.7% to P135.3 Billion in 2018 from P89.8 Billion in 2017. Total MSME loans represents 16.9% of the Bank's total Loans to All Sectors. Of this amount, P22.3 Billion were lent to Microenterprises and P113 Billion to Small and Medium Enterprises.

Loans to MSMEs were channeled through conduits such as cooperatives, rural banks, non-government organizations and microfinance institutions.



**P27.4bn**  
Outstanding livelihood loans



**1,256**  
OFW Reintegration Program beneficiaries

LANDBANK also extended financial assistance to qualified fixed income earners such as government and private employees to help them improve their lives through livelihood projects and business endeavors.

In 2018, LANDBANK's outstanding livelihood loans stood at P27.4 Billion reflecting a growth of 28.6% from P21.3 Billion a year ago. This comprised 3.4% of the Bank's Loans to All Sectors.

**Overseas Filipino Workers' (OFW) Reintegration Program**

The OFW-RP (OFW Reintegration) Program was introduced in May 2011 to provide livelihood opportunities to returning Overseas Filipino Workers (OFW). In partnership with the Overseas Workers

Welfare Administration (OWWA), returning OFWs may avail loans for their viable projects from P300,000 up to P2 Million.

As of end-2018, cumulative loans released to OFWs reached P1.08 Billion assisting 1,256 OFWs with availment rate of 174%.

- **Loans for Utilities**

LANDBANK finances projects engaged in the utilities sector as these provide essential services vital to the operation and expansion of various industries that contribute to the country's social and economic development. Loans to utilities sector include power generation, distribution and transmission, water generation and distribution, and gas exploration and production.

In 2018, the Bank's outstanding loans to the sector amounted to P133.7 Billion, accounting for 16.7% of the Bank's total Loans to All Sectors. Loans to utilities increased by 27.5% from P104.9 Billion in 2017.

- **Loans for Socialized, Low-cost and Medium-cost Housing**

The Bank supports the National Government's housing program which primarily aspires to provide every Filipino family with decent housing at affordable cost and contribute to the reduction of the country's housing backlog. The Bank finances

# P51.7bn

Loans to the transportation sector



LANDBANK President and CEO Alex Buenaventura, EVP Joselito Gutierrez, FVP Lolita Silva, and AVP Joji Flores with 1-TEAM President Yuri Sarmiento, Corporate Secretary Hershel Lyn Calpo, and LANDBANK Account Officer Joshua Agner, during the agreement signing for a loan under the SPEED-PUVs Program.

housing projects that can be classified as socialized housing at ₱400,000 and below, low-cost housing at ₱400,000 to ₱3 Million, and medium-cost housing at more than ₱3 Million to ₱4 Million.

In 2018, the Bank's total outstanding loans to housing expanded to ₱59.0 Billion from ₱48.1 Billion last year or 22.6% growth. Its share to total Loans to All Sectors of ₱798.8 Billion stood at 7.4%

- **Loans for Logistics – Transportation and Communications**

LANDBANK plays an active role in the development of the country's transportation and communications industry through the provision of its financing assistance aimed at improving the modes of transport systems for both land and sea for cost-efficient and timely delivery of goods and services as well as communications systems that would facilitate better connectivity and enhance efficiency and productivity of businesses. In 2018, the Bank increased its lending support to the transportation sector from ₱38.9 Billion in 2017 to ₱51.7 Billion or 32.9% growth. Likewise, the communications sector grew by 42.8% to ₱44.7 Billion from ₱31.3 Billion during the same period.

- **Loans for Education**

Investment in quality education is a strategic tool for achieving inclusive growth. In support of this goal, LANDBANK assisted in the financing of projects for the construction and maintenance of educational institutions.

In 2018, the Bank's outstanding loans to education stood at ₱8.1 Billion which facilitated the construction of 41 new school buildings and 427 additional classrooms.

- **Loans for Health Care**

In 2018, LANDBANK continued to provide loans to finance the construction of hospitals, clinics and other health-related facilities that will help boost the delivery of health care services in the country.

The Bank's total outstanding loans to health care reached ₱19.2 Billion in 2018 from ₱14.2 Billion reflecting a growth of 35.2%.

- **Loans for Environment-related projects**

LANDBANK deeply cares for the protection of the environment with its financing and other support programs to help in the adaptation and mitigation of the adverse effects of global warming and harnessing of the vast potential of renewable energy and alternative energy resources that will reduce carbon emissions and promote climate change adaptation. Among these projects that the Bank financed were the construction of flood control systems, waste management and recovery facilities, sewerage treatment plants, and hydro-electric power plants and production of biofuel.

As of end-2018, the Bank's outstanding loans to environment-related projects reached ₱10.9 billion. Its share to total Loans to All Sectors stood at 1.4%.

- **Loans for Tourism**

In support of the National Government program to develop the tourism sector of the country, LANDBANK provided loans to tourism sector for the construction of hotels and other facilities.

In 2018, the country's tourism sector got a big boost from LANDBANK's financing facilities with outstanding loans at ₱22.1 Billion which reflected a whopping 150% growth from the ₱8.8 Billion recorded in 2017.

Of the ₱798.8 Billion total Loans to All Sectors, 64.1% or ₱512.2 Billion comprised the Bank's Loans Supporting the National Government Priority Programs. This reflected a hefty growth of 34.5% from ₱380.7 Billion a year ago. 🌱



## Development Impact of LANDBANK Lending Programs

Anchored on the LANDBANK vision “to promote inclusive growth and improve the quality of life especially in the countryside through the delivery of innovative financial and other services in all provinces, cities and municipalities”, the Bank’s lending operations became more meaningful as these generated positive impact on the quality of life and economic condition of local communities in terms of employment generation and provision of other livelihood opportunities. The tangible benefits derived from these activities for 2018 are as follows:



**1,142,109**  
Households connected with potable water



**4,238,245,085**  
Additional kilowatts of power produced



**29**  
Hospitals



**41**  
School buildings built/renovated

**427**  
Additional classrooms



**2,015**  
Additional hospital beds



**398.39**  
Additional kilometers of farm-to-market roads

## New Lending Programs in 2018

### LBP-SRA Socialized Credit Program under the Sugarcane Industry Development Act (SCP-SIDA)

The LANDBANK Socialized Credit Program under the Sugarcane Industry Development Act (SCP-SIDA) was formally launched on 16 March 2018 led by Senator Cynthia A. Villar during the first SRA Farm Mechanization Expo held in Bacolod City. The program aims to promote and support the productivity improvement programs that will boost the production of sugarcane and increase incomes of sugarcane farmers/planters and farm workers.

### Accessible and Sustainable Lending Program for Small Farmers (ASL Farmers Program)

The Accessible and Sustainable Lending Program for Small Farmers (ASL Farmers Program) was developed in compliance with the Presidential Directive No. 2018-0176 (dated 24 April 2018) which directs **“LBP, in coordination with the DA and the DAR to reach out to farmers and provide them with**



The ASL Farmers Program was launched on 10 July 2018, during the DAR’s CLOA distribution to ARBs in Solano, Nueva Vizcaya.



LANDBANK President and CEO Alex Buenaventura and Task Force Balik-Loob Chairman Usec. Reynaldo Mapagu shake hands after signing the memorandum of agreement on the Lending Program for Rebel Returnees. With them are (from left) LANDBANK FVP Emellie Tamayo, AFP Chief of Operations Division Col. Joel Mamon GSC PA, AFP Chief Co. Cesar Mesa GSC PA, DSWD Promotive Operations and Programs Group Usec. Rhea Peñaflor, LANDBANK EVPs Joselito Gutierrez and Julio Climaco Jr., and LANDBANK VP Efren Tedor.

### **financial assistance for their agricultural needs.”**

This complements various existing agricultural lending programs as the Bank strives more to help small farmers increase their productivity and incomes.

The credit assistance will be complemented by financial literacy and loan orientation seminars to teach the program beneficiaries how to save, pay loans on time and better manage their finances.

The Program was launched in Nueva Vizcaya on 10 July 2018 coinciding with the DAR’s distribution of Certificate of Landownership Award to Agrarian Reform Beneficiaries (ARBs) in Solano, Nueva Vizcaya. In October 2018, the Program was piloted in three Lending Centers: Nueva Vizcaya, Isabela and Ilocos.

As of year-end 2018, the Program registered cumulative releases of ₱22.4 Million to 202 individual farmers.

### **LANDBANK Lending Program for Former Rebels**

The LANDBANK Lending Program for Former Rebels was developed to complement the Government’s Enhanced Comprehensive Local Integration Program (E-CLIP)<sup>a/</sup> for former rebels (FRs) by providing credit assistance for their small businesses and agri-enterprise projects in order to reintegrate them to the economic mainstream and demonstrate the National Government’s sincere efforts to support them.

The credit assistance shall be complemented with financial literacy and loan orientation seminars to make sure that borrowers are equipped with the basic knowledge to manage their finances.

<sup>a/</sup> A complete package of assistance provided by the Government to FRs who were members of the Communist Party of the Philippines (CPP), New People’s Army (NPA), National Democratic Front (NDF) and the Militia ng Bayan, as well as their immediate families, who have surfaced and expressed their intention to abandon armed struggle and become productive members of the society.

### **Farm Tourism Financing Program**

The Farm Tourism Financing Program was developed with the objective to assist farm tourism operators to develop farm tourism camps or activities that allow visitors to enjoy farming or fishing experience through education, recreation or leisure. Farm tourism is the practice of attracting visitors and tourists to farm areas for production, educational, and recreational purposes which involve any agricultural or fishery-based operation or activity and may also provide a venue for outdoor recreation and accessible family outings.

Among the eligible loan purpose are:

- Development/Improvement of farm tourism site/camp, including construction of facilities and amenities
- Crop, livestock and fishery production and marketing
- Homestay improvement/renovation/expansion
- Acquisition of transport facilities
- Construction of training centers related to the tourism project
- Construction of tourism roads (LGUs)

As of 31 December 2018, the Bank’s loan releases reached ₱37.0 Million to Farm Tourism Operators.

### **Green Climate Fund (GCF)**

The Green Climate Fund (GCF) was established with a mission to advance the goal of keeping the temperature on our home planet below 2 degrees Celsius. The fund is a unique global initiative to respond to climate change.

GCF is a financial mechanism under the United Nations Framework Convention on Climate Change (UNFCCC) which helps fund climate finance investment in low-emission, climate-resilient development through mitigation and adaptation projects and programmes in developing countries.

LANDBANK is the only entity in the Philippines that had been accredited by the GCF as a Direct Access Entity (DAE). This means that LANDBANK can access the GCF fund to support adaptation and mitigation projects, programmes, policies and other activities to counter climate change.🌱

## Enhanced Environmental and Social Safeguards Policy Relative to Credit Delivery



In pursuit of its role as the dominant financial institution in countryside development, LANDBANK shall adhere and actively promote environmental protection and sustainable development by incorporating effective environmental management practices in all its agrarian and banking operations, services and decisions.

In line with the Bank's Corporate Environmental Policy (CEP), Credit Policy Issuance (CPI) No. 2004-002, later enhanced through CPI No. 2009-002, was issued to extend LANDBANK's environmental commitment to its borrowing clients. To consider climate change and social risks of LANDBANK-financed projects in the Bank's CEP, an enhancement of the CPI 2009-002 is being proposed which is entitled as "Environmental and Social Safeguards Policy Relative to Credit Delivery". This enhancement covers identification, assessment, mitigation, monitoring of environmental, climate change and social risks, as well as aspects, impacts, and benefits of projects financed by the Bank.

Moreover, the enhancement follows the global best practice of Equator Principle. This will facilitate approval of projects financed through Official Development



### ACEF Lending Program

To increase productivity of farmers and fishers, their cooperatives and associations, and MSMEs



### P25.2mn

ACEF loans released to individual farmers/ fishers, cooperatives and micro and small enterprises

Assistance (ODA) grants which usually evaluates the environmental and social risks of projects based on the performance standards of the Equator Principle.

### Agricultural Competitiveness Enhancement Fund (ACEF) Lending Program

The Agricultural Competitiveness Enhancement Fund (ACEF) Lending Program is a special purpose fund which consists of all duties collected from the importation of agricultural products under the Minimum Access Volume (MAV) mechanism. Created by virtue of the Agricultural Tariffication Act or RA No. 8178, the Fund is aimed at increasing the productivity of farmers and fishers and their cooperatives and associations, and micro and small enterprises, through the extension of credit assistance with minimal requirements, among others. The ACEF Lending Program is in coordination with the Department of Agriculture (DA).

In 2018, LANDBANK has released a total of ₱25.2 Million in loans to individual farmers/fishers, cooperatives and micro and small enterprises.

### Agricultural Credit Expansion Programs

#### Food Supply Chain Program

The Food Supply Chain Program (FSCP) is a LANDBANK program that provides financial and technical assistance to agricultural producers, market processors, consolidators and other market players to promote sustainable market linkages to all key players in the agricultural value chain. This program is in partnership with the DA and the Department of Finance (DOF).

In 2018, total loan releases reached ₱8.4 Billion involving 62 conduits (farmer cooperatives, associations and NGOs). Since the launch of the FSCP on 4 October 2010, the Bank's cumulative loan releases reached ₱87.2 Billion.



## Sikat Saka Program (SSP)

The Sikat Saka Program (SSP) in partnership with the DA provides a direct credit window to small palay and corn farmers who are not members of LANDBANK accredited cooperatives and are having difficulty in securing loans from other financial institutions. The SSP aligns with the primary objective of the Philippine Government's Food Staples Sufficiency Program aimed at establishing food security and increasing farmers' productivity and incomes as well.

Through the Program, small farmers benefit in terms of market support from the National Food Authority, free irrigation services from the National Irrigation Administration, full crop insurance premium subsidy from the Philippine Crop Insurance Corporation and training courses on credit worthiness and financial literacy facilitated by the Agricultural Training Institute. The provision of integrated support services under the Program helps ensure the timely and efficient delivery of credit to the target beneficiaries and Program's sustainability.

In August 2018, LANDBANK received a Certificate of Merit at the Karlsruhe Sustainable Finance Award for its SSP under the **"Outstanding Sustainable Project Financing Category"**.

As of year-end 2018, cumulative loan releases reached ₱8.2 Billion involving 14,323 borrowers.

## Agrarian Production Credit Program (APCP)

Pursuant to the CARPER Law, the Agrarian Production Credit Program (APCP) is a joint program implemented by the DA, DAR, DENR and LANDBANK. Launched in October 2012, the Program aims to provide financial assistance and other support services to improve farm productivity and incomes of Agrarian Reform Beneficiaries (ARBs) and their households through their respective organizations or ARB Organizations (ARBOs).



## ISDA

Growership program for the fisheries sector in partnership with BFAR



The Program is designed as a flexible credit facility for ARBOs that are not yet qualified to borrow under the regular lending window of the Bank and as a transitory credit window which intends to mainstream the ARBOs to the regular lending window of the Bank and other formal financial institutions within the prescribed period.

In 2018, the implementing agencies approved the extension of the Program for another five years or until October 2022, and other policy enhancements to become more responsive to the emerging needs of existing and new ARBs/ARBOs.

As of end-2018, the APCP released ₱6.9 Billion to 854 ARBOs consisting of 66,977 ARBs.

## Integrated Support for Development of Aquaculture (ISDA)

The Integrated Support for Development of Aquaculture (ISDA) was introduced in September 2013 and in partnership with the Bureau of Fisheries and Aquatic Resources (BFAR). ISDA is a growership program for the fisheries sector where institutional buyers or processors are linked with small fishers, individuals, and small and medium enterprise growers.

As of 31 December 2018, cumulative releases under the ISDA totalled ₱3.1 Million, with outstanding balance of ₱1.2 Million comprising 78 borrowers and 2,342 beneficiaries.

## Kalikasang Kabuhayan sa Wastong Pamayanan (KAWAYAN)

Kalikasang Kabuhayan sa Wastong Pamayanan (KAWAYAN) is a credit program which provides credit assistance to qualified borrowers like small farmers, cooperatives, federations, SMEs, agribusiness enterprises (ABEs), CFIs and LGUs engaged in bamboo production, processing and marketing. The Program aims to improve and develop the local bamboo industry as well as to reduce the impact of climate change by greening the watershed areas, thereby minimizing damage to agriculture caused by typhoons and other natural calamities.

As of end-2018, total cumulative loan releases reached ₱10.0 Million under the KAWAYAN Program.

# P1.4bn

Total cumulative loan released for the CACAO100



## Credit Assistance for Cacao Agribusiness Entities and Other Organizations 100 (CACAO 100)

Credit Assistance for Cacao Agribusiness Entities and other Organizations 100 or CACAO 100 was launched to finance cacao industry stakeholders and help them attain their mission of producing 100,000 metric tons of dried fermented beans by 2022. LANDBANK enhanced the features of the Program to align with the roadmap and respond to the emerging needs of cacao value chain players, as well as to improve the controls in fund releases.

As of end-2018, total cumulative loan releases reached ₱1.4 Billion, with outstanding balance amounted to ₱500.67 Million under this Program.

## Masustansyang Inumin para sa Likas na Kalusugan (MILK)

LANDBANK, in partnership with the National Dairy Authority, launched the Masustansyang Inumin para sa Likas na Kalusugan (MILK) Program to support the financing requirements of qualified small dairy farmers, cooperatives, and federations for their dairy production, processing, marketing, and other dairy-based economic activities. The Program also aims to increase domestic milk production, improve farm productivity, generate employment, and increase household income.

As of 31 December 2018, the Bank's total cumulative loan releases stood at ₱88.6 Million.



CACAO 100 Program helps finance the cacao industry stakeholders to attain their mission of producing

**100,000mt**  
of dried fermented beans by 2022



**139,615**

Jobs were generated from the LGU Lending Program approved projects

## LGU Lending Program

LANDBANK sustains its lending activities and remains as a major credit provider of Local Government Units (LGUs). With the LGU Lending Program, the Bank extends financing support to boost development of local communities through infrastructure and other socio-economic development projects in accordance with the approved local development plan and public investment program.

As of year-end 2018, the Program assisted 671 LGU-borrowers which projects generated a total of 139,615 jobs. The Bank's cumulative loan releases under the Program stood at ₱83.8 Billion.

## **BUILDERS (Bringing Urbanization and Innovations thru LANDBANK's Diverse Engineering Resource Support) Program**

LANDBANK launched the Bringing Urbanization and Innovation thru LANDBANK's Diverse Engineering Resource Support (BUILDERS) Program to extend financial assistance to duly-licensed contractors (by the DTI-Philippine Contractors Accreditation Board) in the country who support the National Government's Public-Private Partnership Program. The eligible projects under the BUILDERS Program include housing, education, real estate development, mass housing for calamity stricken-regions, transport infrastructure, construction/renovation of business offices and buildings, and purchase of construction equipment/machineries, among others.

As of 31 December 2018, the Bank released a total of ₱74.9 Billion to 406 qualified contractors with availment rate of 139% which generated 124,739 jobs.

## **Health-PLUS (Progressive Lending for Upgraded Services) Program**

Health-PLUS was launched to improve access of Filipinos to quality and upgraded medical products and services. During the year, a total of 183 hospitals and health facilities availed of the program resulting in additional hospital beds and modern hospital equipment and facilities benefiting thousands of patients.

As of December 2018, the Bank released a total of ₱22.8 Million involving 183 borrowers.

## **RE (Renewable Energy) Lending Program**

The Renewable Energy Lending Program was launched in support of the National Government's policy on the promotion of renewable energy development, utilization and commercialization, as well as accelerating investment in the energy sector. The Program assisted renewable energy projects to include among others, biomass, geothermal, hydropower, ocean, solar, wind, biofuel and other renewable energy projects.

The Bank's loan releases under the Program reached ₱12.2 Billion and benefited 50 borrowers as of end-December 2018.

## **Metro Manila Wastewater Management Project (MWMP)**

The Metro Manila Waste Water Management Project (MWMP), funded by the World Bank, is a re-lending program for Maynilad Water Services, Inc (MWSI) and Manila Water Co., Inc (MWCI) to support and increase

their coverage of wastewater collection and treatment and septage management. One of the Project's major objectives is to contribute towards improving the environment in Metro Manila which in turn would help reduce health risks and improve water quality in the Manila Bay area especially for the poor residents in Metro Manila. This Program was launched in response to the Supreme Court decision to clean-up the Manila Bay.

As of 31 December 2018, fund disbursements reached \$188.08 Million, of which \$71.34 Million and \$116.74 Million were disbursed to MWSI and MWCI, respectively.

## **KfW-Yolanda Reconstruction Program (KfW YRP)**

The KfW-Yolanda Reconstruction Program (KfW YRP) is the Bank's concrete response to help in the rehabilitation of devastated infrastructures caused by super typhoon Yolanda in 2013. The assistance is in the form of grant that is equivalent to EUR 13 Million. Among the projects financed were construction of seawalls, evacuation center/ multi-purpose buildings, rural roads with bridges and drainages, roads water distribution system and concrete port ramp.

As of end-2018, the Bank was able to release a total of ₱453.8 Million in loans to finance 18 LGUs in the Visayas with 19 sub-projects.

## **The Poultry Lending Program**

The LANDBANK Poultry Lending Program was launched on 24 April 2015 with the objective of providing credit assistance to strengthen the egg/meat production of poultry growers.

With the rebound in the poultry sector's lacklustre performance in 2017 as a result of the negative effects of the bird flu incident, the Bank's loan portfolio in 2018 increased by 31% to ₱11.0 Billion from ₱8.4 Billion a year ago. During the year, there were 25 new clients bringing total of Program-borrowers to 349.

## **Support Package for Environment-Friendly and Efficiently-Driven PUVs (SPEED PUV) Program**

LANDBANK introduced in 2017 the Support Package for Environment-Friendly and Efficiently-Driven PUVs (SPEED PUV) Program as an inclusive program that aims to finance public transport cooperatives or corporations in acquiring buses, mini-buses, jeepneys, Transport Service Network Vehicles, and UV Express that are in accordance with the requirements of the Omnibus Franchising Guidelines of



LTFRB and compliant with the specifications of the Philippine National Standard (PNS 2126:2017) on PUVs Class 2 and Class 3 Dimensions issued by the Bureau of Philippine Standards under the Department of Trade and Industry. The SPEED PUV Program aligns with the National Government's Public Transport Modernization Program.

The borrower's loanable amount is up to 95% of the acquisition cost of the unit or up to repayment capacity of the borrower, whichever is higher. The borrower's equity is at 5% minimum of the acquisition cost of the unit, payable based on cash flow but not to exceed seven years.

As of year-end of 2018, the Bank has released a total of ₱145.8 Million equivalent to 185 units plying various routes in the NCR, Bulacan, Cebu and Tacloban City.

The Bank is working closely with the Department of Transportation, the Land Transportation Franchising and Regulatory Board, and other government agencies towards the success of the PUV modernization especially in easing credit access by transport cooperatives and corporations.

### LANDBANK-CPFP Livestock Contract Growing and Shrimp Production Inclusive Financing Program

The LANDBANK-CPFP Livestock Contract Growing Farmers Financing Program was implemented in 2017 to promote participation of farmers in the CPFP poultry and hog contract growing and increase farmers' incomes. However, with the good market prospects for shrimp production, and the development of the "BEST Shrimp Production" model of CPFP, the tie-up was expanded to include shrimp production. BEST stands for Biosecurity, Environment, Seed & Feed Quality and Technical Support, a set of production protocols to optimize profit of the producer.

### Carbon Finance Facility

The Carbon Finance Support Facility (CFSF) is LANDBANK's flagship program for climate mitigation. It is the first-of-its-kind program in the country to date that offers financing and assistance to piggery and sanitary landfill in order to generate carbon credits.

LANDBANK signed three Emission Reduction Purchase Agreements (ERPAs) with World Bank to purchase CERs from LANDBANK clients that had been accredited and registered under the United Nations Framework Convention on Climate Change (UNFCCC).

The number of traded Certified Emission Reductions (CERs) for Program of Activity (PoA) for Animal Waste (Piggery) reached 26,937 while CERs for PoA for Landfill Gas Recovery totaled 228,801.

### Harnessing Agribusiness Opportunities through Robust and Vibrant Entrepreneurship Supportive of Peaceful Transformation (HARVEST) Project

The Harnessing Agribusiness Opportunities Through Robust and Vibrant Entrepreneurship Supportive of Peaceful Transformation (HARVEST) Project is a JICA-funded project which aims to provide credit and technical assistance to cooperatives, SMEs, CFIs and large agribusiness enterprises in conflict-affected areas in Mindanao, specifically the Bangsamoro Autonomous Region of Muslim Mindanao (BARMM), and other areas with economic or commercial linkage to the region through a value chain concept. The Project aims to support Mindanao's peace-building efforts and economic growth.

On 28 August 2018, the HARVEST Project was launched in Cotabato City, which was the capital of then Autonomous Region in Muslim Mindanao (ARMM).

LANDBANK President and CEO Alex Buenaventura and JICA Philippines Senior Representative Yo Ebisawa led the project launch of HARVEST. They were joined by Office of the Presidential Adviser on the Peace Process (OPAPP) Cotabato Director Wendell Orbeso and Embassy of Japan First Secretary Tetsuharu Mori.



# Support Programs for Agricultural Credit



**15,533** Farmers benefited from Agricultural Guarantee Fund Pool

## Agricultural Guarantee Fund Pool

The Agricultural Guarantee Fund Pool (AGFP) consists of pool of contributions from various participating GOCCs and GFIs where LANDBANK serves as the institutional manager. This Program is jointly administered by the Agricultural Credit Policy Council (ACPC) of the Department of Agriculture (DA) and LANDBANK. The pooled funds are used to guarantee the small farmers' unsecured agricultural loans from financial institutions and other credit conduits in order to encourage them to lend to small farmers and support the agricultural productivity program of the National Government.

In 2018, the total guarantee coverage under AGFP reached ₱7.3 Billion, of which, ₱1.8 Billion was allocated to LANDBANK benefiting 15,533 farmers with coverage area totalling 57,674 hectares.

## Credit Assistance Program for Program Beneficiaries Development (CAP-PBD)

The Credit Assistance Program for Program Beneficiaries Development is jointly implemented with the Department of Agrarian Reform (DAR).

The Program provides necessary interventions in order to capacitate the ARB Organizations (ARBOs) in their organizational, operational, and marketing skills to prepare these program beneficiaries become bankable then eventually graduate to the regular lending window of the Bank.

In 2018, the CAP-PBD released ₱36.4 Million to 111 ARBOs and assisted 6,854 beneficiaries. 🌱

# Other Lending Programs

## Access of Small Enterprises to Sound Lending Opportunities (ASENSO)

ASENSO (Access of Small Enterprises to Sound Lending Opportunities) is a program jointly implemented by various Government Financial Institutions (GFIs) in support of the National MSME Development Plan. It is designed to simplify and standardize the lending procedures for SMEs among participating GFIs comprising the SME segment of the revitalized MSME Financing Program.

ASENSO took off from where SULONG (SME Unified Lending Opportunities for National Growth) left in 2012, and supports the objectives of the new Micro, Small and Medium Enterprise (MSME) Development Plan. Eligible projects under the Program include agri-business, manufacturing, trading and services.

The Bank's total loan releases stood at ₱230.6 Billion in 2018. Outstanding loans amounted to ₱109.8 Billion assisting 155,955 SMEs under this Program.

## LANDBANK CARES (Calamity Assistance and Rehabilitation Support) Program for Islamic City of Marawi and Other LGUs in Lanao del Sur

The LANDBANK CARES Program was launched in 2017 to provide timely and appropriate financial support to the conflict-affected municipalities in Lanao Del Sur, especially the Islamic City of Marawi, fast track infrastructure recovery, restore economic and social activities and bring back accessibility of basic services to the severely affected areas caused by man-made disaster and highlight the Bank's role in spearheading the recovery and reconstruction of the said city and neighboring conflict-affected municipalities in Lanao Del Sur, pursuant to its



**155,955** SMEs benefited from the ASENSO lending program

corporate responsibilities. The Program is made available to the Bank's various existing and new customers severely affected by the conflict such as the LGUs, home owners, SMEs, cooperatives, schools, NGOs, Rural Financial Institutions and salaried individuals.

Due to the difficulties and the length of time it took to clear the conflict areas of war debris and unexploded ordinances, only few individuals and micro-SMEs were able to avail of the Program as of end-December 2018.

### H<sub>2</sub>OPE (Water Program for Everyone)

The H<sub>2</sub>OPE (Water Program for Everyone) is the Bank's unified program for the water and sanitation sector. This Program aims to provide responsive financing for the water systems development and distribution, expansion or rehabilitation. Eligible borrowers under this Program are the water districts, water utilities managed by institutions/corporations, private entities, cooperatives and associations, and LGU-operated and managed water utilities.

This Program also supports the government's initiative on the rehabilitation, restoration, and conservation of Manila Bay via financing of solid and septage/wastewater management facilities, development of waste-to-energy power generating system and waste water recycling projects. Eligible for financing are private and government entities identified by the Department of Environment and Natural Resources (DENR) as contributor to pollution of Manila Bay and other bodies of water that flows into it.

As of end-December 2018, total cumulative loan releases reached ₱3.8 Billion, with an outstanding loan balance of ₱2.7 Billion.

### HOME (Housing Opportunities Made Easy) Program

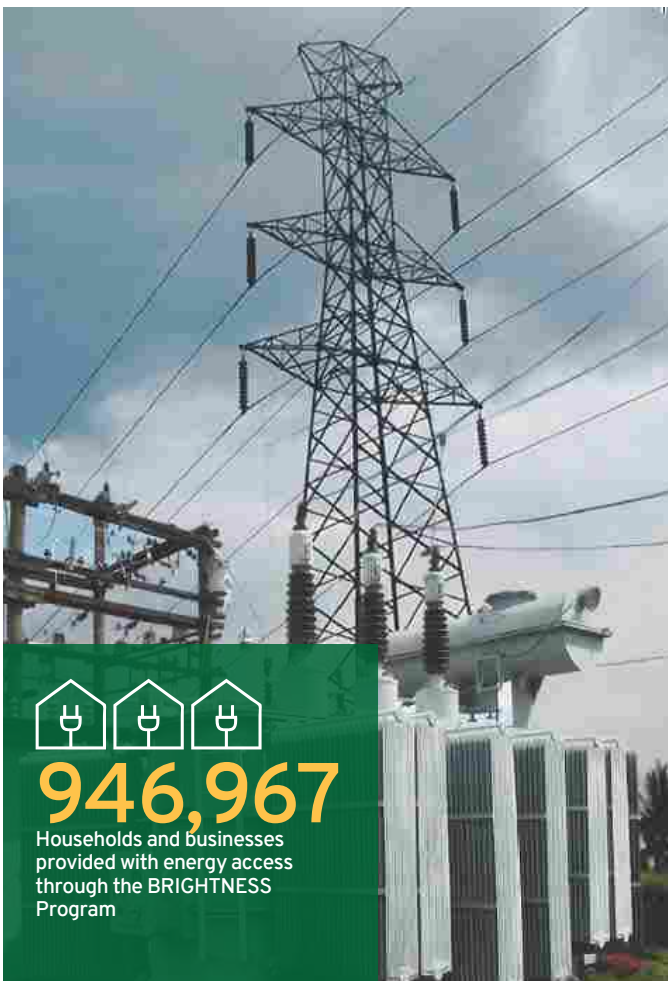
The HOME Program was launched to address the growing housing backlog in the country by providing credit assistance to the following clientele: (1) salaried employees, businessman or self-employed and professionals through Easy Home Loan (EHL) which provides credit assistance in acquiring house and lot, townhouses, condo units, lots, renovation and improvement; (2) individual end-buyers of housing units from the Bank's accredited developers through End-buyers Financing Program; (3) OFWs through the *Bahay para sa Bagong Bayani* which is intended to provide assistance to them in acquiring their own homes; and (4) Real Estate developers involved in development of residential subdivisions, condo buildings and integrated/mixed use communities through Housing Projects Developers Financing.

As of 31 December 2018, the Bank's loan releases amounted to ₱7.2 Billion, with an outstanding loan balance of ₱5.8 Billion.

### BRIGHTNESS (BRinging Inclusive Growth in every Household Through National Electrification Support Service) Program

BRIGHTNESS is a financing program for Electric Cooperatives with the objective of providing rural areas with electricity and energy access to spur socio-economic growth and generate employment in the countryside.

As of 31 December 2018, approved loans for BRIGHTNESS reached ₱4.8 Billion. Loan releases stood at ₱2.9 Billion under this Program. More importantly, electricity connections reached almost a million at 946,967 household and businesses. 🌱







## Support to the Comprehensive Agrarian Reform Program

The Land Bank of the Philippines, through the Comprehensive Agrarian Reform Law (CARL), was established as the financial intermediary of the Comprehensive Agrarian Reform Program (CARP) in 1988. LANDBANK was mandated to finance the acquisition of all private agricultural lands, distribution and resale of all these CARP-covered lands to small landholders including the purchase of the landholding by the agricultural lessee.

In 2009, the Comprehensive Agrarian Reform Law was further amended through RA No. 9700 which strengthened the CARP, extended the acquisition and distribution of all agricultural lands, and instituted necessary reforms consistent with the provisions of the Law. This Act is founded on the right of the landless farmers and farmworkers for a more equitable distribution and ownership of land to improve the quality of their lives through greater productivity of lands. The Department of Agrarian Reform (DAR), as one of the implementing agencies for CARP, in coordination with the Presidential Agrarian Reform Council (PARC) Secretariat, has programmed the final acquisition of CARP-covered lands.

### CARP Land Transfer Operations

LANDBANK continues to be the principal agency handling CARP land valuation and approval of land transfer claims received from DAR.

As of end-2018, a total of 1,690 claimfolders (CFs) were transmitted to LANDBANK by the DAR for land transfer claim processing. Of the 1,690 CFs, 1,640 CFs with corresponding area coverage of 13,018 hectares were

approved for payment, while 36 CFs with area coverage of 253 hectares were returned to the DAR for re-documentation. The remaining 14 CFs with area coverage of 398 hectares are pending for processing by the Bank.

### Landowners Compensation

As of end-December 2018, total valuation paid to landowners stood at ₱75.9 Billion, broken down into ₱3.3 Billion for PD 27/EO No. 228; ₱54.6 Billion for RA 6657; and ₱18.0 Billion for RA No. 9700. This amount is inclusive of the ₱8.9 Billion statutory subsidy by the government and the ₱3.1 Billion increase in valuation as a result of just compensation cases.

### Agrarian Reform Bond Trading and Marketing

The Bank sold AR Bonds for a total of ₱553.72 Million, generating a total income of ₱10.84 Million. In the same period, the Bank through the Agrarian Services Group assisted 901 bondholders and issued a total of 1,106 AR Bond certificates.

### Land Amortization Collections from CARP Farmer Beneficiaries

As one of the implementing agencies for CARP, LANDBANK is also tasked with the Land Amortization and Loan Collection from CARP beneficiaries. In 2018, the Bank's total land amortization and loan collections amounted to ₱826.7 Million (₱820.4 Million Agrarian Reform Receivables; ₱6.3 Million Agrarian Reform Loans) for the period 01 January to 30 December 2018. Of this, ₱770.2 Million were remitted to the Bureau of the Treasury, while the remaining ₱56.5 Million were earmarked for remittance in January 2019. 🌱

Awards and Recognitions Received by **LANDBANK**



**3**  
For Financial Inclusion Caravan



**Outstanding Development Project**  
Financial Inclusion Category  
*Association of Development Financing Institutions in Asia and the Pacific*

**Silver Anvil, Specialized Public Relations Programs**  
Advocacy Category  
*53<sup>rd</sup> Anvil Awards, Public Relations Society of the Philippines*

**Award of Excellence for Division 1: Communication Management**  
Community Relations Category  
*Philippine Quill, International Association of Business Communicators*

The LANDBANK Financial Inclusion Caravan was adjudged Winner under the Financial Inclusion category of the ADFIAP Outstanding Development Project Awards 2018.

The ADFIAP "Outstanding Development Project Awards" is an international award-giving body that recognizes member-banks which have undertaken and/or assisted projects that have created a development impact in their respective countries.

LANDBANK's Financial Inclusion Caravan also bagged a Silver Anvil under the Specialized Public Relations Programs - Advocacy Campaign Category at the 53<sup>rd</sup> Anvil Awards.

Presented annually by the Public Relations Society of the Philippines (PRSP), the ANVIL is the symbol of Excellence in Public Relations. It is awarded to outstanding public relations programs, tools and practitioners after careful screening by select PR professionals and judging by a distinguished multi-sectoral jury.

LANDBANK was among the eight government agencies awarded in the 2018 OpenGov Recognition of Excellence for “striving towards excellence in ICT strategies, policies and initiatives.”

The Bank was recognized for the establishment of the LANDBANK Inclusive Banking Center, a cashless payment facility for government fees piloted in 2017 at the Land Transportation Franchising and Regulatory Board (LTFRB) Head Office in Quezon City.

For the sixth consecutive year, LANDBANK received a Certificate of Merit at the Karlsruhe Sustainable Finance Awards, this time for its *Sikat Saka* Program, which was recognized under the Outstanding Sustainable Project Financing category.

LANDBANK also received the Certificate of Merit for its *Sikat Saka* Program under the Best Innovation in Sustainable Financial Products and Services category of the Karlsruhe Sustainable Finance Awards 2018.

The Karlsruhe Sustainable Finance Awards honours financial institutions and organizations with significant contributions to the field of sustainable finance.

LANDBANK received three awards at the 2018 PDS Annual Awards Night, which celebrates market participants and stakeholders across different sectors of the financial market:

The Bank was recognized among the top awardees for Fixed Income Brokering Participants for 2017, besting 30 others. A first for LANDBANK, this award is given to market participants that generated the most trading volume for the year as measured by the total volume turnover of securities transacted by face amount.

LANDBANK also received awards for Fixed Income Cash Settlement Banks and Fixed Income Dealing Participants.

A yearly undertaking by the International Association of Business Communicators (IABC) Philippines, the Philippine Quill honors exceptional communication work by organizations to achieve business goals and make a difference in the society.

The LANDBANK VOLUNTEERific Program bagged the Award of Excellence under the Communication Management: Employee Engagement category while the LANDBANK Financial Inclusion Caravan won the Award of Excellence under the Communication Management: Community Relations category of the 16<sup>th</sup> Philippine Quill Awards.



LANDBANK was recognized by the Bangko Sentral ng Pilipinas as “Outstanding Lending Bank Partner” and “Outstanding Program Partner” for the Credit Surety Fund Program in the 15th Awards Ceremony and Appreciation Lunch for BSP Stakeholders.

LANDBANK Ecobrick Program won under the Environmental Impact Award category of the 2018 Ang Susi Awards.

The ‘ANG SUSI’ or “Associations nurture National Growth through Social Unity and Sustainability Innovations” Awards recognizes the key contributions that associations and association executives give to national sustainable development.

LANDBANK was given the National Outstanding Volunteer Award in the Organization-Corporate category of the PNVSCA’s Search for Outstanding Volunteers (SOV) 2018.

The Bank was recognized for its pioneering effort in creating a volunteer program in the government corporate sector and was the sole awardee under the Organization-Corporate category.

The LANDBANK Gawad Sibol Program (GSP) was recognized by the Department of Environment and Natural Resources as one of the most important partners in sustainable development and environmental preservation in its Recognition of Partners on the Sustainable Efforts on the Protection of the Environment Program.

LANDBANK has been awarded as one of the top Government Securities Eligible Dealer - Market Makers in 2018 by the Bureau of the Treasury for its support to capital market development in the primary and secondary market for government securities.

LANDBANK received a Certificate of Collaboration from the Strategic Action and Response Office under the Office of the Cabinet Secretary for the Bank’s compliance in the implementation of the 888 Citizen’s Complaint Hotline.

The Corporate Affairs Department-Customer Care Center, as central repository of complaints, was commended for exceeding the compliance baseline rate and for garnering a resolution rate of 95% for closing and resolving 298 cases from 311 total complaints and concerns.🌱



## Corporate Social Responsibility Initiatives

LANDBANK's Corporate Social Responsibility (CSR) initiatives are focused on four main thrusts: Livelihood, Education, Environment and Disaster Relief and Mitigation or LEED. The Bank ensures that needs in these aspects are met, and impact is measured or accounted for.

### Volunteerific Program

LANDBANK remains committed to the National Government's directive for civil servants to render volunteer services in social, economic, and humanitarian development undertakings in the community. This is in support of the objectives of RA No. 9418 or the Volunteer Act of 2007, as well as the Civil Service Commission (CSC) Memorandum Circular No. 23 of 2012 or Volunteer Program in the Public Sector in coordination with the Philippine National Volunteer Service Coordinating Agency (PNVSCA). From this impetus, the Bank's Volunteerific Program was formed.

To encourage and spark increased participation among the Bank's workforce, awards and special recognitions are given. For 2018, two major and four special awards were conferred to outstanding Bank sectors and groups whose constituents highly showcased the spirit of volunteerism.



The Volunteerific Champion Award was bestowed to the Treasury and Investment Banking Sector (TIBS) for recording 100% sectoral employee participation and 22.91 average volunteer hours rendered per person (refer to table below).

The Agricultural and Development Lending Sector (ADLS) received the Volunteerific Runner-Up Award for also having acquired a 100% sectoral employee participation with 12.94 average volunteer hours per person.

### Volunteerific Result for 2018 or Year II (16 July 2017 to 30 June 2018)

Sector	Total No. of Employees	Total No. of Volunteers	Total No. of Volunteerific Hours Rendered	% of Sectoral Employee Participation	Average Volunteer Hours Per Employee
ADLS	1,212	1,212	15,899.80	100%	12.94
BBS	4,553	3,729	41,285	81.90%	11.07
CSS	547	464	4,236	84.83%	9.13
TIBS	109	109	2,520	100%	22.91
OP	977	816	7,463.73	83.52%	9.15
OS	2,084	1,828	19,135	87.72%	10.47
<b>Total</b>	<b>9,482</b>	<b>8,158</b>	<b>90,539.53</b>	<b>86.23%</b>	<b>11.07</b>

All sectors' large contributions raised participation rates by 26.23%, thereby, increasing average volunteer hours by 1.07. ADLS and TIBS also earned the Highest Percentage of Employee Participation Award for equally having a 100% participation among their employees nationwide. Special awardees include the Central Luzon Branches Group as the Most Volunteerific Group for an average 45.95 volunteer hours per employee, while the Branch Banking Sector (BBS) secured the Sector with Highest Total Number of Volunteers award for having a total of 3,729 volunteers out of its 4,553 sector employees. For this reason, the 2018 Volunteerific results exceeded expectations with an 86.23% participation rate from the target set at 60%. Average volunteer hours correspondingly transcended goals with 11.07 hours from a target of 10.



LANDBANK also took home the Award of Excellence from the International Association of Business Communicators in the 16<sup>th</sup> Philippine Quill Awards last July 2018, and, ultimately, the PNVSCA's National Outstanding Volunteer Award last December 2018.

### A. Livelihood

The Gawad Kabuhayan is LANDBANK's CSR program for farm industry promotion. Now on its third phase, it has evolved into a natural farming program in partnership with the LANDBANK Countryside Development Foundation, Inc (LCDFI).

In 2018, the Bank adopted three sites, namely: Sitio San Ysiro, Brgy. San Jose, Antipolo City, Rizal Province; Brgy. Buot, Cebu City, Province of Cebu; and, Sitio Lower Talubek, Lamlahak, Lake Sebu, South Cotabato. Listed under cooperatives are San Isiro Upland and Lowland Farmers' Association, Buot Livelihood Association and Talubek Unified Development Association, respectively. Beneficiaries were provided with natural vegetable and livestock farming.

Particulars	Location	Cooperative
 Beneficiaries of natural vegetable farming and livestock farming	Sitio San Ysiro, Brgy. San Jose, Antipolo City, Rizal Province	San Isiro Upland and Lowland Farmers' Association (SIULFA)
	Brgy. Buot, Cebu City, Province of Cebu	Buot Livelihood Association (BULAI)
	Sitio Lower Talubek, Lamlahak, Lake Sebu, South Cotabato	Talubek Unified Development Association (TUDA)

### B. Environment

Propagating endeavors for environmental care and protection cannot be complete without commencing activities in the very habitat the LANDBANK Head Office sits on. With the Manila Bay as its nearest natural reserve, the public-private collaboration with the Manila Bay SUNSET Partnership Program, Inc. (MBSPPPI) has long been the Bank's flagship CSR program in the pursuit of preserving and improving the Bay's condition.

Among the activities organized and accomplished in 2018 are monthly clean-up activities of shores and estuaries or inlets connected to the Bay joined by 9,306 volunteers which is a clear rise from the 7,998 volunteers in 2017.

Waste recovery and collection is another continued priority activity, producing 67 truckloads of trash compared to 53 in the previous year. This corresponds to 241.89 kilograms of polystyrene waste materials which are then utilized in the information, education and communication (IEC) arm of the campaign for proper solid waste management, upcycling these into rulers with the help of the Polystyrene Packaging Council of the Philippines, an MBSPPPI partner.

The growth in numbers is attributed to activity expansion from quarterly to monthly clean-ups beginning in 2017.

Another water-centered effort is the Mabuhay Balls Program which extends water resource management through the use of microorganism solution balls packed with garden soil, molasses and rice hull. Adopted from Japanese practices, the Mabuhay Balls inhibit the growth of algae and break down sludge and silt for clearer water and smoother flow.

In its run from December 2017 to December 2018, volunteers to the program made a total of 19,000 Mabuhay Balls dropped at Estero de Kabulusan in Tondo, Manila. Monthly water sampling assessments done by the Department of Environment and Natural Resources (DENR)-Environmental Management Bureau revealed promising results in terms of decreasing fecal coliform presence in the water.

Month (2018)	Station 1: Upstream (mpn/100ml.)	Station 2: Midstream	Station 3: Downstream
January	92x10 <sup>8</sup>	16x10 <sup>9</sup>	No data
February	92x10 <sup>9</sup>	35x10 <sup>9</sup>	No data
March	35x10 <sup>8</sup>	54x10 <sup>8</sup>	No data
April	22x10 <sup>8</sup>	35x10 <sup>8</sup>	No data
May	92x10 <sup>7</sup>	22x10 <sup>8</sup>	No data
June before cleanup	16x10 <sup>8</sup>	28x10 <sup>8</sup>	54x10 <sup>8</sup>
June after cleanup	49x10 <sup>7</sup>	33x10 <sup>7</sup>	33x10 <sup>7</sup>
July	54x10 <sup>7</sup>	35x10 <sup>7</sup>	16x10 <sup>8</sup>
September	92x10 <sup>5</sup>	28x10 <sup>6</sup>	54x10 <sup>6</sup>
October	28x10 <sup>7</sup>	54x10 <sup>6</sup>	92x10 <sup>6</sup>
November	40x10 <sup>6</sup>	54x10 <sup>6</sup>	54x10 <sup>6</sup>
December	35x10 <sup>6</sup>	11x10 <sup>7</sup>	No data

More IEC efforts were fulfilled through Campus Tours to spread environmental awareness and share proper solid waste management know-how among schools. Titled "Binion School Tour", 10 tours were staged among public high schools this year participated by 2,058 students, compared to 1,945 students in 2017, to whom upcycled rulers were also provided.

Another recent undertaking to complement waste management is the Ecobrick Program. Started at LANDBANK in July 2018, it promotes the practice of recycling single-use plastic materials to form blocks for building structures or alternative furniture assembly.

It instantly became one of the Bank's most prolific CSR activity with 2,877 ecobricks made, earning the Environmental Impact Award during the 6th Philippine Council of Associations and Association Executives Summit last 23 November 2018. Global recognition was also attained with LANDBANK ranking first in the only global ecobricking community index, [www.gobrick.com](http://www.gobrick.com), from among 2,422 members.

In line with its goals of greening the countryside, LANDBANK ended the year with auspicious results in the Gawad Sibol reforestation and biodiversity protection program. Partnering with the DENR's National Greening Program to minimize floods during typhoons and to mitigate the impact of climate change, the Program has completed its third phase with 55,000 trees planted by over 3,465 volunteering hands to cover a combined 60 hectares in 13 adopted sites since its 2006 inauguration.

Particulars	Phase 3 Accomplishments (2016-2018)
No of trees planted	55,000
No. of volunteers activated	3,465
No. of sites adopted	13 sites
No. of hectares covered	60 hectares

As of end-2018, the Program has increased the number of adopted areas to 25 sites covering 114 hectares in land area.



### C. Disaster Relief and Mitigation

Contributing to socio-economic growth includes gearing areas particularly prone to disasters. The Gawad KATUBIGAN (Kaakibat na Tulong sa Bayan para sa Inuming Kailangan) is the Bank's disaster preparedness and response advocacy that provides training as well as access to clean water through portable water filtration systems with the help of Waves for Water International.

The Program was able to supply 291 water filtration systems and had capacity-building and knowledge-sharing activities among 28 municipalities and cities nationwide to now serve over 29,000 individuals with clean drinking water.





## D. Education

As a way of serving its agricultural mandate, LANDBANK needs to equally preserve stakeholders and cultivate potential contributors to the field. With Gawad Pag-Aaral Tungo sa Maunlad na Bayan (PATNUBAY) Scholarship Program or GPSP operating on voluntary contributions by Landbankers nationwide, students aspiring for agri-related education as well as progenies of Agrarian Reform Beneficiaries (ARB) and small farmers are provided scholarships, books and monthly allowances, thesis funding, and other assistance.

Partnering with the International Rice Research Institute, a total of 110 scholarships were handed out by the GPSP in 2018. Of the 35 who graduated, 10 finished on the honor roll.

The Education to Employment Internship Program (E2E) is a sub-operative of the GPSP which ensures support to the scholars beyond graduation and into the professional sphere through subsidies in professional examinations, internship and classroom lectures with LANDBANK, and assistance in securing employment in LANDBANK and partner institutions. Of the 2018 graduates, 31 were participants to the program.

For a more rooted approach in promoting agricultural professions, the Gawad e-dukasyon Program, linked with the Knowledge Channel Foundation, Inc. and the Department of Education (DepEd), utilizes digital tools and innovative platforms to encourage agricultural studies and interests among the youth.

It has produced a video series and e-modules focusing on crop production and harvest, poultry raising and aquaculture and fisheries. Hosted by actor Enchong Dee, the modules were seen by over five million students from more than 6,000 public schools; private learners among 1.5 million households; more than 10,000 out-of-school youth and mature learners enrolled in the DepEd Alternative Learning System; and, over 100,000 teachers and community learning center instructors.

## E. Other CSR Initiatives

Other accomplishments in CSR was the **Share-A-Gift 2018** which, in conjunction with the 2018 National Volunteer Month and in partnership with the Manila Department of Social Welfare, saw over 500 street children beneficiaries aged seven to 12 years old and their parents and guardians given a feast and imparted with toys, educational and creative materials, shirts and Christmas baskets containing food items. They were distributed by around 150 Landbanker volunteers.

The **LANDBANK Christmas CSR Program** performed charitable works as well for 600 indigenous students of the Loacan Elementary School in Itogon, Benguet to whom copies of "Karapat Dapat", a book on children's rights, were given last 1 December 2018 alongside representatives from the non-profit Center for Art, New Ventures and Sustainable Development (CANVAS).

Head Office-based Landbankers shared their piece in the initiative as well through purchasing items from the CANVAS booth at the LANDBANK Christmasaya Bazaar from 5 -16 November 2018 wherein every book purchase corresponded to a donation while proceeds from the on-the-spot caricatures were also used in the said activity. Card set purchases also provided bonus cards for Landbankers to write messages to the beneficiaries. 🍀



# Client Recognition Program

As a Bank propelled by its national development pursuit, LANDBANK pays homage to the key players in its mandated sector as well as linchpins of individual businesses – large and small – who sustain livelihoods and keep regional trade functional, thus, steering the national economy.

Under the following category, the Client Recognition Program recognizes these significant figures: The Gawad sa Pinakatanging Kooperatiba (Gawad PITAK) for exemplary agri- and non-agri cooperatives; Gawad Small and Medium Enterprise (Gawad SME) for exceptionally performing individual or partnership businesses; Gawad KAAGAPAY (Pinakatanging Korporasyon) for large corporations with genuine socio-economic contributions to communities; and, the Gawad Countryside Financial Institution (Gawad CFI) for rural and thrift banks which excelled in their financial service capacity and delivery in their rural domain.

## GAWAD PITAK

Gawad sa Pinakatanging Kooperatiba



Ginintuang Gawad PITAK Agri-based Category  
**Buenavista Development Cooperative**  
 Buenavista, Guimaras



Ginintuang Gawad PITAK Non-Agri-based Category  
**Sacred Heart Savings Cooperative**  
 Galimuyod, Ilocos Sur



Hall of Fame Agri-based Category  
**Bontoc Multi-Purpose Cooperative**  
 Bontoc, Southern Leyte

## Outstanding Agri-based Cooperatives



Pinakatanging Kooperatiba  
**Bantug Agricultural Multi-Purpose Cooperative**  
 Talavera, Nueva Ecija



First Runner-Up  
**Libacao Development Cooperative**  
 Libacao, Aklan



Second Runner-Up  
**Kooperatiba Naton Multi-Purpose Cooperative**  
 Tigbauan, Iloilo



Third Runner-Up  
**Batangas Sugar Planters Cooperative Marketing Association**  
 Balayan, Batangas



Fourth Runner-Up  
**Goodyear Agrarian Reform Beneficiaries Multi-Purpose Cooperative**  
 Kabasalan, Zamboanga Sibugay



# PURSUIT OF MANDATE

## Outstanding Non-agri-based Cooperatives



Pinakatangang Kooperatiba  
**Abra Diocesan Teachers and Employees  
Multi-Purpose Cooperative**  
Bangued, Abra



Special Award: Ulirang Magsasaka  
**Pacifico Cordada Jr.**  
T'boli, South Cotabato



First Runner-Up  
**Pinoy Lingap Damayan Multi-Purpose Cooperative**  
Virac, Catanduanes



Second Runner-Up  
**Ibaan Market Vendors and Community  
Multi-purpose Cooperative**  
Ibaan, Batangas



Third Runner-Up  
**Golden Group Gabay Puhunan  
Brotherhood Multi-Purpose Cooperative**  
San Fernando, Pampanga



Fourth Runner-Up  
**Pateros Multi-Purpose Cooperative**  
Pateros, Metro Manila

## GAWAD KAAGAPAY



Outstanding Large Corporation Non-agri-based Category  
**SM Development Corporation**

### Outstanding Medium-sized Corporation Agri-based Category



First Place  
**BF Industries, Inc.**  
Toril, Davao



Second Place  
**Tacurong Fit Mart, Inc.**  
Tacurong City, Sultan Kudarat



Third Place  
**Sps. Jaena and Orlando Manuntag**  
Brgy. Tambo, Parañaque City

Outstanding Medium-sized Corporation Non-agri-based Category



First Place  
**Sps. Sabrina Maryam and Luisito Tijing**  
Dumaguete, Negros Oriental



Second Place  
**ESR Construction and Development Corporation**  
Pagadian, Zamboanga del Sur



Third Place  
**Kasapi-Kaagapay sa Pangkabuhayan Lending, Inc.**  
Talavera, Nueva Ecija



## GAWAD SME

Gawad sa Small and Medium Enterprises

### Agri-based Category



First Place  
**Velomer Agri Business Corporation**  
Malaybalay, Bukidnon



Second Place  
**Aim High Tolling Solutions, Inc.**  
San Pedro, Laguna



Third Place  
**Sps. Josefa and Romeo Vasquez**  
San Mateo, Isabela

Non-agri-based Category



First Place  
**Sps. Evelyn and Porfirio Mina**  
Tanay, Rizal



Second Place  
**John Mark D. Villanueva Medical Clinic**  
Esperanza, Sultan Kudarat



*Bagong Bayani* Category Winner  
**Sps. Regina and Danilo Ruferos**  
Koronadal, South Cotabato

## GAWAD CFI

Gawad sa Countryside Financial Institution

### Rural Bank Category



First Place  
**New Rural Bank of San Leonardo (Nueva Ecija), Inc.**  
Cabanatuan, Nueva Ecija



Second Place  
**Rural Bank of San Mateo (Isabela), Inc.**  
San Mateo, Isabela

### Thrift Bank Category



Third Place  
**Rural Bank of Solano (N.V.), Inc.**  
Solano, Nueva Vizcaya



**Card SME bank, Inc. (A Thrift Bank)**  
San Pablo City, Laguna

### Special Awards Category

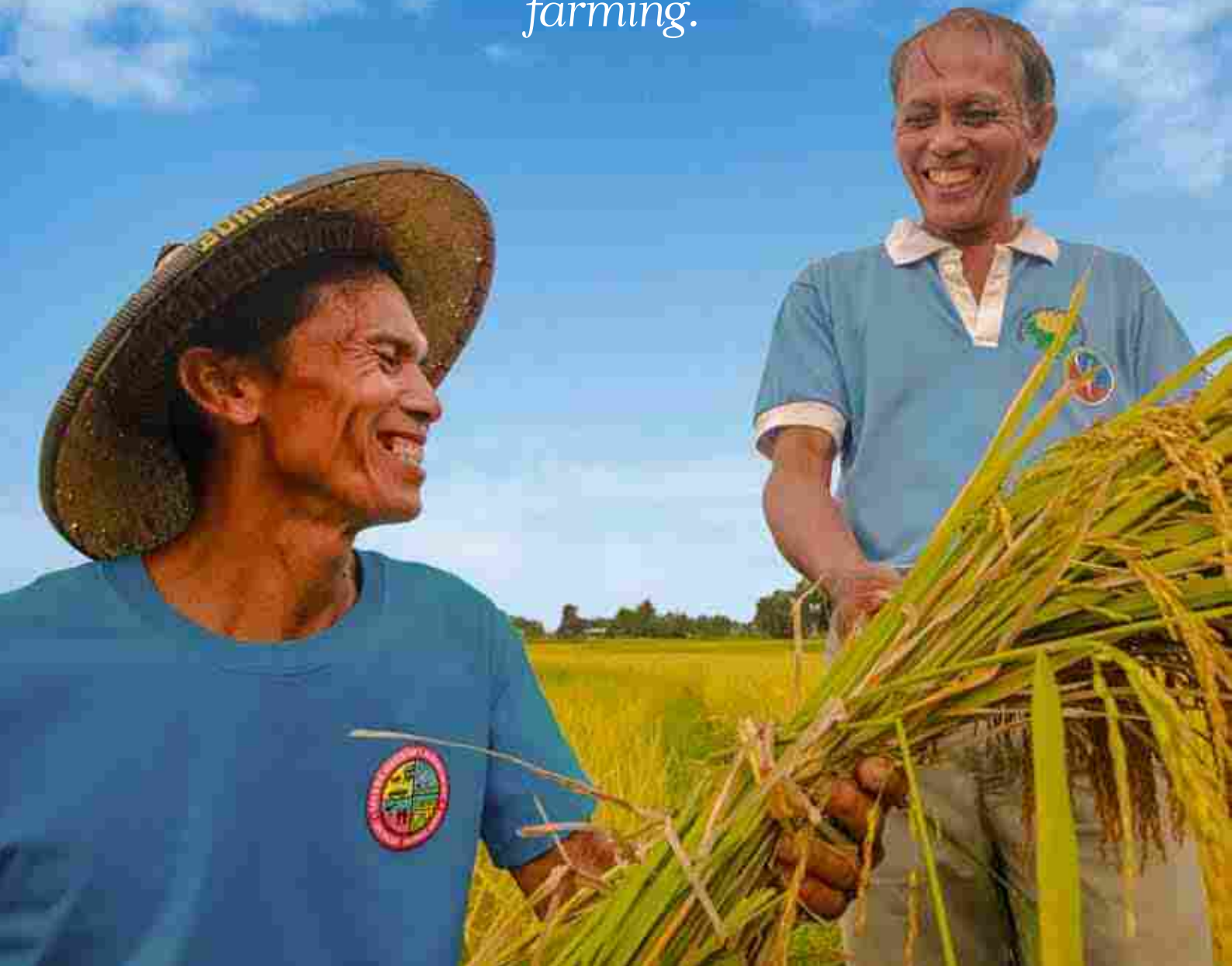
Best CFI Availer - Agri-Agra Loans  
**New Rural Bank of San Leonardo (Nueva Ecija), Inc.**  
Cabanatuan, Nueva Ecija

Best CFI Intermediary - Lowest Pass-on Rate  
**Rural Bank of San Mateo (Isabela), Inc.**  
San Mateo, Isabela



FEATURE STORY

*“In the past, farmers approached cooperatives mostly for fertilizer loans. But thanks to our relationship with LANDBANK, our farmers get not just the tools to grow their businesses, but also an awareness on sustainable farming.”*



# Planting Awareness and Cultivating Minds

## CARMEN SAMAHANG NAYON MULTI-PURPOSE COOPERATIVE Carmen, Bohol

Like their fathers and grandfathers before them, many of the country's small farmers have used chemical-based fertilizers at some point. In the old days, people who lived off the land relied mostly on knowledge that has been passed down through generations. Until just over two decades ago, "sustainable development" and "organic farming" were concepts that were unheard of in rural communities like Carmen in Bohol.


Boholanos are proud and protective of their own. In fact, consumers there buy more locally grown rice than imported varieties. In recent years, Bohol has emerged as a top eco-tourism destination—owing to the people's commitment to preserve and protect the environment they call home. Therefore, it was of grave concern to farmers, like Sabas Bolanio, when the number of fishponds in Carmen steadily diminished over the years. It quickly became clear that the chemicals used in agricultural products not only harm the environment, but also the people who consume them. For the sake of health, Bolanio turned to organic farming. Organic farmers use very minimal chemicals for farming and relies more on natural materials for fertilizing crops. But for Aquileo Columnas, a former salesman, it was more of a necessity. He ventured into farming in 1997 and, with little experience and resources, he could barely afford fertilizers.

While Bolanio and Columnas had different introductions to organic farming, both learned of its environmental sustainability and business potential through LANDBANK. Both are members of Carmen Samahang Nayon Multi-Purpose Cooperative (Samahang Nayon). It was LANDBANK that extended funding to the cooperative and provided seminars on sustainable farming. The Bank also financed the group's first rice mill and office.

Organic farming practices within the Cooperative go back to when the Philippine Australian Community Assistance Program (PACAP) was introduced to aid poverty reduction, through an end-to-end farm-to-market farming system. Former Samahang Nayon Chairman Teodoro Lomod, a third-generation farmer, was one of the system's first adopters and is now a staunch advocate. "New knowledge and technologies on farming are generally more effectively channeled through farmers' associations or cooperatives," he explained.

Today, Samahang Nayon is an established organic rice supplier known for its black and red rice. "In the past, farmers approached cooperatives mostly for fertilizer loans", said current Chairman Eufemio Abaniel. "But thanks to our relationship with LANDBANK, our farmers get not just the tools to grow their businesses, but also an awareness on sustainable farming."

There are now more than 2,000 Samahang Nayon members. Many of them, including Bolanio and Columnas, have become respected mentors on organic farming; and are now established growers of organic vegetables and fruits. Columnas now owns a restaurant in Carmen, Bohol; and Bolanio was able to put his four children through college, one of whom is now a lawyer.

By providing technical and financial resources to the cooperative, LANDBANK made beneficial loans and programs accessible to the farmers of Carmen—helping them break through and thrive in today's fast-growing organic food market. In a partnership now spanning 20 years, LANDBANK and Samahang Nayon have effectively cultivated a culture of environmental accountability—surely to be passed down to generations of farmers yet to come. 





396

LANDBANK  
branch network

↑  
4.5%

49

LANDBANK  
Branch-lites

## Bank's Delivery Channels

Anchored on LANDBANK's vision to reach out to all provinces, municipalities, and cities especially in the countryside, the Bank intensified efforts at expanding its network of delivery channels, bringing innovative and responsive products and services closer to every Filipino across the country.

### Branches and Extension Offices

LANDBANK's branch network reached 396 as of year-end 2018, registering 4.5% increase from 379 as of year-end 2017. A total of 17 additional provincial branches were established in 2018 which included Samal Island (Davao), San Juan (South Leyte), Moalboal (Cebu), Tuao (Cagayan), Cabagan (Isabela), Calamba (Mis. Occidental), Muñoz Science City (Leyte), Cataingan (Masbate), Claver (Surigao del Norte), Aurora (Zamboanga del Sur), San Andres (Catanduanes), Limay (Bataan), Kapatagan (Lanao del Norte), Romblon (Romblon), Atimonan (Quezon), Quezon (Bukidnon), and Catanauan (Quezon).

During the year, LANDBANK also transferred two NCR and 11 provincial branches to more strategic locations namely Century Park Hotel (Harrison Plaza), Tagaytay, KCC Mall de Zamboanga, Dasmariñas, Casino Filipino (Manila Bay), Baguio, Iba, Tagbilaran City Hall (Bohol), Subic, Koronadal, Ilagan, Sagay and Guihulngan.



LANDBANK  
Easy Access Facility  
(LEAF) caters to  
underserved areas



## LANDBANK Branch-Lite

In 2014, the Bank started to roll out the LANDBANK Easy Access Facility (LEAF) to extend banking services to the underserved areas of the country where there is no LANDBANK presence. Equipped with ATM, Cash Deposit Machine (CDM) and other electronic machines, the LEAFs were established in far-flung areas where banking services are limited. It also provides customer service functions, such as deposit account opening, receipt of loan applications and credit card applications, among others.

In compliance with BSP Circular No. 987, series of 2017, the Bank renamed its LEAF units to Branch-lite. A Branch-lite is defined by BSP as any permanent office or place of business of a bank, other than its head office, or a branch that performs limited banking activities and records its transactions in the books of the Head Office or the Branch to which it is annexed.

As of 31 December 2018, LANDBANK has a total of 49 Branch-lites in municipalities nationwide – 29 in Luzon, nine in the Visayas and 11 in Mindanao.

## New Automated Teller Machines

In 2018, the Bank's ATM Network reached 1,969 units, representing 9% of the total 20,768 ATMs in the banking industry. These are strategically located across the country with 370 (19%) in the National Capital Region, 470 (24%) in North and Central Luzon, 373 (19%) in Southern Luzon, 308 (15%) in the Visayas, and 448 (23%) in Mindanao.

With the 233 newly installed ATMs during the year, LANDBANK maintains its rank as the fourth largest bank in terms of ATM network in the country. Majority of ATM deployments were made at Local Government Units (LGUs) with 109 new ATMs while 71 offsite ATMs were installed in various locations. Meanwhile, 53 ATMs were installed in LANDBANK branches.

In support of LANDBANK's commitment to provide banking convenience to our 14.2 Million cardholders, the Bank operated additional ATM units in locations with high foot traffic such as malls and commercial centers (Oroquieta Town Center, Tungawan Integrated Bus Terminal, Gaisano Mall of Digos, Ayala Malls - South Park, Lucena Public Market, Balanga City Public Market, Jose Dalman Bus Terminal, Gattaran Commercial Center, Zamboanga International Airport, Puerto Princesa Airport, NCC Mall Buhangin, and GT Town Center Pavia).

The Bank's aggressive ATM deployment program translated into 10.8% growth in the Bank's ATM footprint.

## Cash Deposit Machines

To ease clogging of customers for Over-the-Counter (OTC) transactions at the branches, LANDBANK provides an automated real-time cash deposit transaction through the CDM. As a self-service machine equipped with a cash deposit facility, customers are afforded the convenience of depositing with ease without going to the branches.

CDMs are available in all Branch-Lites and select branches. LANDBANK takes credit in being the first government bank that provided an automated delivery channel for deposit transactions. In 2018, a total of 119 CDMs were installed in strategic locations throughout the country: 10 in the NCR; 31 in Northern and Central Luzon; 26 in Southern Luzon; 24 in the Visayas; and 28 in Mindanao.

## LANDBANK Express Access Machines

The LANDBANK Express Access Machine (LEAM) is a touch-screen financial kiosk machine designed to accept payments or collections for national government agencies' transactions. This facility was recently enhanced to serve as an alternative channel for LANDBANK's online banking products, ePayment Portal (ePP) and iAccess.

LANDBANK, as an Authorized Agent Bank (AAB) for the Bureau of Internal Revenue (BIR), provided a channel for faster and more convenient payment transactions through the LEAM, which automated the traditional Over-the-Counter mode of tax payment.

The LEAM is available in 50 LANDBANK branches: 16 in the NCR, 10 in Northern and Central Luzon, eight in Southern Luzon, four in the Visayas, and 12 in Mindanao.

## Mobile ATMs

For the year 2018, LANDBANK maintained the 10 Mobile ATMs which provided convenient cash banking services for withdrawal transactions of depositors in various areas especially for the DSWD Conditional Cash Transfer (CCT) program beneficiaries, payroll pay-out of LGUs, Pension/Salary pay-out and Loan Proceeds of other Government Agencies, and Special Events/Requests from Private Corporations. 🌱

1,969

LANDBANK ATMs  
across the country



## E-Banking Services and Other Facilities

LANDBANK continued to invest in alternative delivery channels through various electronic banking facilities in order to deliver real-time financial services and adapt to the fast-changing and growing sophistication of customers.

### e-Payment and Collection Services

#### LANDBANK Link.BizPortal

LANDBANK Link.BizPortal is a web-based payment channel designed to accept payments of fees, dues, and charges from clients for products and services of both the government and private institutions. For 2018, the Link.BizPortal exhibited higher utilization with the growing number of institutions and merchants accepting payments via the internet and offering clients expedient and a secure option for electronic payment.

As of end-December 2018, Link.BizPortal was able to facilitate a total of 1.1 Million transactions amounting to ₱2.8 Billion (590,000 transactions; ₱1.04 Billion in 2017). This can be attributed to the increase in the total number of new merchants enrolled from 386 merchants in 2017 to 549 merchants in 2018 or a growth of 42%. Among the listed merchants are 271 government institutions including the BIR, POEA, PRC, PCSO, LTO, and PNP, comprising 49% of the total enrolled merchants.

#### Electronic Tax Payment System (eTPS)

LANDBANK participates in the Electronic Filing and Payment System (eFPS) being implemented by the Bureau of Internal Revenue (BIR) through the e-Tax Payment System (eTPS). With the electronic transmission using the



**1.1mn**  
Transactions processed under the LANDBANK Link.BizPortal

LANDBANK President and CEO Alex Buenaventura, LTO Assistant Secretary Edgar Galvante, and Deputy Treasurer Sharon Almanza signed the memorandum of agreement for the Link.BizPortal. They were joined by LANDBANK EVP Liduvino Geron, LTO-NCR Director Clarence Guinto, and Stradcom Corp. FVP Ramon Reyes.

BIR website of tax returns including attachments (if any) and tax payments due to the government, the taxpayer is benefited by a paperless tax filing experience and the convenience of online tax payment via debit of an enrolled bank account with LANDBANK.

As of 31 December 2018, the transaction value grew by 15% from ₱76.8 Billion with transaction volume of 434,990 in 2017 to ₱88.6 Billion in 2018 with 414,437 transactions.

#### BOC PAS5-Electronic Payment System (PAS5 – EPS)

The PAS5 – Electronic Payment System (PAS5-EPS) is an electronic payment channel that can be accessed by importers to pay for their custom fees and duties. With the participation of LANDBANK in the Payment Application Secure Version 5 (PAS5) of the Bureau of Customs, the Bank's customers are provided with the convenience of paying online seven days a week including holidays but except during system maintenance.

As of end-December 2018, PAS5 – EPS was able to facilitate transactions totaling 38,396, higher by 1% (or 399 transactions) from last year's 37,997. Likewise, transaction value increased by 106% to ₱14.8 Billion from last year's ₱7.2 Billion.



**38,461**  
institutional users  
of weAccess



**2.8mn**

Retail users of  
the LANDBANK  
iACCESS facility

## Internet Banking

### LANDBANK weAccess

The Bank's institutional internet banking facility called the LANDBANK weAccess enables institutional clients to perform banking transactions online. Institutional clients can enrol their Regular Savings and Current Accounts and even view their High Yield Savings Account using the facility. They can also avail of current account services, grouping of accounts, and download Statement of Account and remittance application form. The weAccess facility performs financial services such as processing of fund transfer, auto debiting or crediting, fund sweeping, ATM payroll, bills payment, and check book requisition services. It is also capable of providing non-financial services to include viewing of account balance, historical transactions, and loan availments. To ensure protection against internet banking fraud or theft, weAccess employs secured encryption, VeriSign digital verification, and two-level authentication during log-in and authorization of select financial transactions.

At the end of 2018, the number of e-Banking institutional users increased modestly by 6% to 38,461 from 36,141 in 2017. The transaction value rose to ₱228.4 Billion for 9.9 Million transactions, a whopping 30% growth from the previous year's ₱175 Billion with a total transaction volume of 6.7 Million.

### LANDBANK iACCESS

The LANDBANK iAccess is a retail internet banking facility which allows an enrolled retail client to perform both financial and non-financial transactions. Retail clients include LANDBANK cardholders of savings ATM accounts, regular current, and current accounts with ATM access that

can avail of various banking services online anytime and anywhere with guaranteed secured encryption technology for added protection.

The non-financial services that clients may avail of include viewing of account balance and historical transactions, reporting of lost or stolen card, and inquiring the status and details of issued or returned checks. As regards financial services, iAccess offers fund transfer to own account and nominated third-party LANDBANK accounts, bills payment to over 90 billers, and checkbook requisition for enrolled current accounts.

The number of retail users increased by 8% from 2.6 Million to 2.8 Million, translating into a 5% growth in transaction volume from 37.4 Million in 2017 to 39.2 Million in 2018. Likewise, transaction value grew to ₱6.7 Billion or 24% from ₱5.4 Billion a year ago.

### Electronic Modified Disbursement System (eMDS)

LANDBANK offers real-time banking convenience to National Government Agencies (NGAs) through the LANDBANK Electronic Modified Disbursement System (eMDS), a secured internet facility that addresses the tedious and costly processing of MDS transactions and eliminates physical transmission of required MDS documents and reports. These transactions cover the transmission of Advice of Checks Issued and Cancelled (ACIC), payment of accounts payable to creditors, and fund allocation transfers initiated and approved by the government agency. The requests for checkbooks are automatically forwarded to the concerned branch for processing. The total number of transactions under the eMDS grew by 22% to 1.1 Million valued at ₱837.8 Billion from 0.9 Million valued at ₱473.0 Billion in 2017 or growth of 77%.



## LANDBANK Mobile Banking Application (MBA)

With the Bank's wide array of services, the LANDBANK Mobile Banking Application (MBA) affords convenient access of clients through their smartphones, anytime, anywhere. By downloading the MBA through the Google Play or App Store, customers can enjoy services from balance and transaction history of deposits, credit card accounts, checkbook requisition, fund transfer, bills payment, locking or unlocking of ATM card transactions through Mobilock, Foreign Exchange (ForEx) and Unit Investment Trust Fund (UITF) rates inquiry, to LANDBANK ATM and Branch locator. The added Mobilock feature is to ensure protection of Bank clients against unauthorized international and/or local access. Through Mobilock, clients have the option to automatically lock or unlock their enrolled ATM Cards through the MBA.

As the digital technology started changing consumers' banking behaviour, the usage of the LANDBANK Mobile Banking Application significantly grew by 76% to 7,361 average daily users from last year's 4,184. Likewise, total number of transactions increased to 36.5 Million valued at ₱12.0 Billion from 21.8 Million transactions valued at ₱4.5 Billion in 2017. Both the transaction volume and value grew by a whopping 67% and 167%, respectively.

## Other Facilities

### LANDBANK Phone Access (Phonebanking)

The LANDBANK Phone Access (LPA) is an alternative delivery channel that allows ATM and current account holders to do banking transactions which include fund transfer, check status, bills payment, check status inquiry, and balance inquiry (via landline or mobile phone), bank statement request, and checkbook reorder. Clients are also able to report lost or stolen cards and inquire from Phonebankers about concerns and other inquiries.



As of 31 December 2018, there are 1.423 Million eligible accounts registered in the LPA. During the year, a total of 1.141 Million financial and non-financial transactions were processed. The total financial transactions during the year amounted to ₱139.832 Million involving fund transfer and bills payment.

### LANDBANK Point-of-Sale (POS) Debit and POS Debit/Credit

POS Debit/Credit is a complete payment system that allows cardholders to pay for the goods sold and/or services rendered by the merchant.

In 2018, the number of POS Debit/Credit significantly increased to 499 from 56 terminals in 2017 while the volume of POS transactions grew from 2,600 in 2017 to 841,765 in 2018. The total amount transacted in 2018 reached ₱6.6 Billion, which yielded an income amounting to ₱3.1 Million.

### LANDBANK POS Cash Out

In partnership with BancNet, LANDBANK became the first bank in the Philippine commercial banking industry to launch the POS Cash Out. Launched in May 2015, the POS Cash Out is an extended POS service that facilitates peso withdrawal transactions from certified POS terminals installed in the premises of Partner Institutions. The withdrawal process is similar to an ATM cash withdrawal except that cash disbursement is made by the personnel of the Partner Institution.

In 2018, the number of Partner Institutions increased from 143 in 2017 to 206, and the number of installed POS terminals rose to 308 from 209 in 2017. The total volume of transactions reached 893,332 valued at ₱4.2 Billion. During the same period, the POS Cash Out Facility attained an income of ₱7.15 Million. 🌱

# Bank Products and Services

## Deposit Products

Being one of the top universal banks in the Philippines, LANDBANK continuously offers a variety of deposit products to meet the needs and requirements of the customers. Savings, current and time deposit products, denominated in peso and foreign currencies, such as US Dollar, and Euro, are accessible to customers.

On top of the regular and traditional deposit products, LANDBANK delivers innovative products to its customers through its High-Yield US Dollar Time Deposit (HYUSDTD) and Auto-Save accounts. LANDBANK HYUSDTD is a special time deposit that provides higher interest for individual and institutional depositors. With a low placement of \$2,000, customers can earn higher annual interest rates of 2% and 2.5%, for two and three-year placements, respectively. On the other hand, Auto-Save provides easy and convenient savings with a minimum of ₱100 auto-debited from an existing LANDBANK payroll account and auto-credited to the Auto-Save account every payday.

## Remittance

The year 2018 was another record year for the Bank's remittance business as it generated \$2.135 Billion in remittances, surpassing the previous year's volume of \$1.809 Billion. These remittances were sourced from its foreign correspondent and depository banks and remittance partners in the Asia-Pacific, Middle East, USA, Canada and Europe.

The Bank continues to have a strong correspondent relationship with 232 foreign banks and maintains deposit accounts with 24 top-tier banks in 11 countries. Likewise, the Bank nurtures healthy partnerships with 158 foreign and local companies specializing in the remittance and overseas manpower deployment businesses.

With the LANDBANK Remittance System (LBRS)—an automated 24/7 and real-time system of processing remittances that supports various modes of data transmission and fund settlement—the Bank sustains aggressive promotion of its remittance services by forging partnerships with large local and global money transfer companies, as well as shipping and manning agencies. The Bank finally launched in September 2018 its partnership with Western Union (WU), enabling credit to bank accounts, both LANDBANK and other-bank



accounts, and cash pickup at any LANDBANK branch originating from WU agents in 200 countries. This provides both senders and recipients more options to conveniently choose where to send and claim the money sent by their loved ones. As of end-2018, the Bank has 31 partner-paying agents composed of commercial banks, rural banks and pawnshops. Including LANDBANK branches, the domestic pay-out network is composed of 4,935 outlets.

To support its remittance business and enhance awareness of Overseas Filipinos of its other banking products, the Bank extends regular financial literacy seminars and campaigns in coordination with the Bangko Sentral ng Pilipinas, Department of Foreign Affairs, Department of Labor and Employment, Overseas Workers' Welfare Administration, Philippine Overseas Employment Administration and client shipping and manning agencies. The LANDBANK OFW Remittance Group was able to facilitate the opening of 30,097 OFW ATM accounts, 24.46% higher than last year's 24,182 accounts. Through its remittance business, the Bank generated an Average Daily Balance (ADB) of ₱3.0 Billion in low-cost deposits from remittance partners, OFWs and their beneficiaries.

The Bank generates revenue from remittance transactions in the form of service fees and foreign exchange margins.

## Card Products

### Credit Card

Credit Card operations were in full swing in 2018 following the migration from Visa to Mastercard platform. The Bank attained a relatively high Gross Revenue at ₱152.9 Million, or 109.22% of its target.

One of the implemented projects during the year was the 3D Secure OTP Solution which was successfully interfaced with the Bank's Mastercard platform and went live in July 2018 for the LANDBANK MasterCard Credit Card.



The LANDBANK MasterCard Credit Card is EMV chip-enabled and is thus secure for Card Present (CP) transactions. Meanwhile, to further secure the Bank's card products for Card Not Present (CNP) transactions, e.g., online or e-commerce (eCom) transactions, the Bank implemented a Three Domain (3D) Secure payment platform solution. 3D Secure is a second factor authentication (2FA) protocol designed to be an additional security layer for online credit and debit card CNP eCom transactions.

This new feature is an authentication process wherein the Bank sends a One-Time Password (OTP) to the mobile number of the credit cardholder every time he/she makes an online purchase. This ensures that the transaction is being initiated by the cardholder before the sensitive details provided on a website or mobile application are processed for payment.

Another project implemented in 2018 was the Mastercard Fraud Solutions – Expert Monitoring System. The Bank needs to continuously update and improve its credit card security and integrity for a more enhanced and reliable payment experience of its cardholders in line with the enhanced security requirements of BSP Circular 808. This system uses a cutting-edge technology for accurately detecting, managing and mitigating fraud activities. This equips the LANDBANK Credit Card with a competent, reliable and specialized Fraud Management System as it optimizes fraud detection with enabled capability in blocking suspicious merchants. This is seen to work in parallel with the 3D Secure OTP feature. Further, this shall also entail savings in the Bank's operational cost due to anticipated reduction on fraud incidents.

One of the significant developments during the year was the migration from Business Integrated (BI) to Mastercard Integrated (MI). The Mastercard Integrated (MI) System provides better credit card features and customer experience to LANDBANK credit cardholders. With this upgrade of the Credit Card Management System to Mastercard Integrated (MI) System, a native 3D Secure

solution called WIBMO was integrated into the new system which would be ready when the system goes Live in January 2019. This solution would run on 3D Secure Version 2.0 with functionalities that are superior to Version 1.0 and comes with biometric capabilities.

## Salary Loan Products

### LANDBANK Mobile Loan Saver (LMLS)

LANDBANK, in partnership with the Voyager Innovations, Inc. (formerly SMART e-Money, Inc.), launched the LANDBANK Mobile Loan Saver (LMLS) which is the first paperless and fully electronic loan application service in the Philippines. LMLS is an electronic channel on salary loan with auto-savings component offered to employees of private companies and government offices. This loan electronic channel uses short messaging service (SMS) for loan application and loan approval notification, and uses electronic signature (e-signature) for loan availment confirmation without requiring a co-maker to proceed with loan application.

As of end-December 2018, total loan releases reached ₱19.4 Billion, higher by 23% from the ₱15.8 Billion in 2017 and benefited a total of 111,688 employees from 2,213 government agencies and private entities. Outstanding loan balance for LMLS stood at ₱14.3 Billion.

### Livelihood Loan System (LLS)

The Bank provides financial window to augment the financial needs of the government and private sector employees through its Livelihood Loan Facility. Also, the Bank developed a special financing window for DepEd to cater to the financing requirements of both teaching and non-teaching personnel.

As of 31 December 2018, total loan releases reached ₱16.5 Billion, higher by 34% than the last year's ₱12.3 Billion. This benefited a total of 119,053 employees from 12,232 government agencies and private entities. Outstanding loan balances stood at ₱11.5 Billion under the LLS.

## Future Plans, Targets and Objectives

The LANDBANK Card and eBanking Group (CeBG) identified five major enhancement projects for development and implementation, as follows: (a) outsourcing of payment services from IPAY/Payment API; (b) full implementation of paperless SOA including the e-SOA enhancement; (c) automation of reports and processes such as CCBAR, Estimated Credit Loss (ECL) – Mastercard, Automatic Debit Arrangement (ADA), and AMLA Alert scenarios; (d) implementation of Mobile Banking Application - Credit Card Module which will make this facility available for balance inquiry, card activation, lock and unlock, set PIN, and online application; and (e) deferred installment scheme (EMI).🌱



# Collection and Disbursement Services for the National Government



## Conditional Cash Transfer Program

LANDBANK's service in the "Pantawid Pamilyang Pilipino Program" (4Ps), also known as Conditional Cash Transfer (CCT) Program, has made it easier and convenient for the 4Ps beneficiaries to access their benefits.

**Table 1: Cash Grants Distributed per Month per Family**

Item No.	Grant	Amount
1	Health and Nutrition	₱500.00
2	Education (Elementary)*	₱300.00
	Education (High School)*	₱500.00

\*Maximum of three (3) children per Household

Cash grants for the 4Ps beneficiaries are made available via different modes of payment which include LANDBANK Cash Cards, FCB PITAKards, Conduits (Rural Banks and Cooperatives). As of 31 December 2018 (P5 2017 up to P4 2018 [6 payrolls] covering January to December 2018), the total cash grants paid to eligible and compliant Pantawid Pamilya household beneficiaries amounted to ₱75.9 Billion, benefiting over 4.226 Million active households.

**Table 2: Total Number of Beneficiaries and Cash Grants Disbursed from 2008-2018**

Year	No. of Beneficiaries (in Millions)	Amount (in Billions)
2008-2009	0.624	₱ 4.228
2010	1.025	7.100
2011	2.346	13.093
2012	3.122	26.928
2013	3.935	41.712
2014	4.455	36.648
2015	4.378	45.326
2016	4.388	47.112
2017	4.395	75.473
2018	4.226	75.884

LANDBANK Cash Cards offer the beneficiaries quicker and easier access to the funds with the Bank's presence in all provinces of the Philippines, wide ATM network, and introduction of Mobile ATMs.

**Table 3: Total Number of LANDBANK ATMs**

Coverage	ATM Count		Mobile ATMs (Offsite)	Total
	Onsite	Offsite		
NCR	134	236	2	372
Provincial	700	899	8	1,607
<b>Total</b>	<b>834</b>	<b>1,135</b>	<b>10</b>	<b>1,979</b>

**Table 4: Geographic Coverage**

Coverage	Nationwide Count <sup>1/</sup>	DSWD Target Coverage	DSWD Actual Coverage <sup>2/</sup>	Percentage of Coverage
Region	17	17	17	100.00%
Province	81	80	80	100.00%
City	145	145	145	100.00%
Municipality	1,489	1,483	1,483	100.00%
Barangay	42,044	41,999	41,552	98.94%

Note: The program covers 41,552 barangays in all 145 cities and 1,483 municipalities in 80 provinces nationwide.

<sup>1/</sup>Based on Philippine Statistical Authority-National Statistical Coordination Board (15 June 2015)

<sup>2/</sup>Areas covered by RCCT and MCCT

**Table 5: Household Coverage**

	Target Households	Number of Active Households	Percentage (Target vs. Actual)
Regular Conditional Cash Transfer (RCCT)	4,164,711	3,949,855	94.84%
Modified Conditional Cash Transfer (MCCT)	235,289	228,973	97.32%
<b>Total</b>	<b>4,400,000<sup>3/</sup></b>	<b>4,178,828</b>	<b>94.97%</b>

<sup>3/</sup>The 2018 target is stipulated in the General Appropriations Act (GAA) FY 2018

**Table 6: Number of Household per Type of MCCT**

Type of MCCT	Number of Beneficiaries
Indigenous People	175,059
Families in Need of Special Protection	48,933
Homeless Street Families	4,981
<b>Total</b>	<b>228,973</b>

**Table 7: Distribution of Cash Grants per Mode of Payment (P5 2017 to P4 2018)**

Mode of Payment	Total Amount	Percentage
LANDBANK Cash Card	₱41,325,959,500.00	54.46%
FCB PITAKArd	842,876,300.00	1.11%
CCT Conduits	33,714,980,200.00	44.43%
<b>Total</b>	<b>₱75,883,816,000.00</b>	<b>100.00%</b>

### Unconditional Cash Transfer Program

One of the key complementary measures of the Tax Reform for Acceleration and Inclusion (TRAIN) or RA No. 10963 is the Unconditional Cash Transfer (UCT) Program. This Program seeks to provide assistance to households and individuals who will not directly benefit from the lowering of personal income tax but will be affected by the moderate but temporary increase in prices due to the higher oil and automobile excise tax, introduction of the sugar-sweetened beverage (SSB) tax and the expansion of the value-added tax (VAT) base.

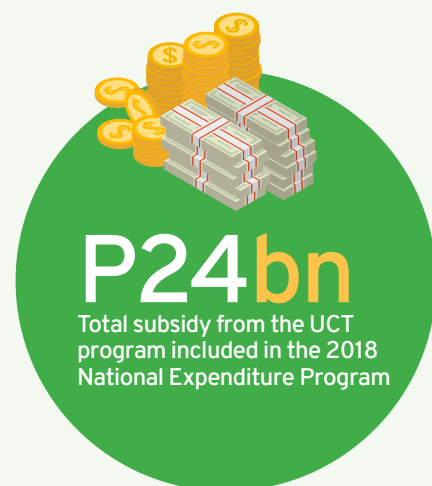
**Table 8: Amount of Cash Grants**

Item No.	Effectivity Period	Cash Grants (given in one tranche)	
		Per Month	Per Year
1	FY 2018	₱200.00	₱2,400.00
2	FY 2019	300.00	3,600.00
3	FY 2020	300.00	3,600.00

For the first year of the UCT Program, a total of ₱24.49 Billion subsidy was included under the FY 2018 National Expenditure Program as Locally-Funded Projects of LANDBANK. The funds shall be used by LANDBANK to grant cash transfer support, including the payment of bank service fees and management costs, details as follows:

**Table 9: UCT Program Subsidy**

Particulars	Amount
Tax Reform Cash Transfer Project (also known as UCT Program)	
Breakdown of Funds:	
Cash Grants (10M beneficiaries x P200 x 12 mos.)	₱24 Billion
Bank Service Fees and Management Costs	₱0.49 Billion
<b>Total</b>	<b>₱24.49 Billion</b>



**Table 10: Beneficiaries Covered**

Type of Beneficiary	Number of Beneficiaries		Percentage (Target vs. Paid)
	Target	Paid	
Households in the Pantawid Pamilyang Pilipino Program (4Ps)	4.4 Million	4.2 Million	95.45%
Beneficiaries of the Social Pension Program	3.0 Million	2.7 Million	90.00%
Listahanan - Other households in the database of the National Household Targeting System for Poverty Reduction (NHTS-PR)	2.6 Million	2.0 Million	76.92%
<b>Total</b>	<b>10 Million</b>	<b>8.9 Million</b>	<b>89.00%</b>

**Table 11: Distribution of Cash Grants**

Type of Beneficiary	Total Amount Paid	Percentage
4Ps beneficiaries through Cash Cards	₱4.98 Billion	23.28%
4Ps beneficiaries through OTC Conduits	₱5.16 Billion	24.14%
<b>Sub-total</b>	<b>₱10.14 Billion</b>	<b>47.42%</b>
Social Pension beneficiaries <sup>4/</sup>	₱6.47 Billion	30.25%
Listahanan beneficiaries <sup>5/</sup>	₱4.78 Billion	22.33%
<b>Total</b>	<b>₱21.39 Billion</b>	<b>100.00%</b>

<sup>4/</sup>Ongoing payouts of MASS-SPECC in ARMM

<sup>5/</sup>Ongoing sending of payroll files by DSWD and validation of UCT beneficiaries and extended payouts until June 2019

## CCT Conduits for CY 2018

### A. Regional Coverage – A (Very Difficult, Difficult and Easy Areas)

**Table 12: Service Providers – Regional Coverage A**

Item No.	Service Providers	Payroll Period
1	Barbaza MPC	P1-P5 2018
2	Camalig Bank	P1-P5 2018
3	First Community Cooperative (FICCO)	P1-P5 2018
4	Lagawe MPDC	P1-P2 2018
5	MASS-SPECC	P1-P5 2018
6	NATCCO	P1-P5 2018
7	Rural Bank of Rizal	P1-P5 2018

### B. For Regional Coverage – B

**Table 13: Service Providers – Regional Coverage B**

Item No.	Service Providers	Payroll Period
1	ARDCIBANK	P1-P5 2018
2	Banco Alabang	P1-P5 2018
3	Banco San Vicente	P1-P5 2018
4	Banco Santiago De Libon	P1-P5 2018
5	Bangko Kabayan	P1-P2 2018
6	Bangko Rural ng Magarao	P1-P5 2018
7	Barbaza MPC	P1-P5 2018
8	Camalig Bank	P1-P5 2018
9	Cantilan Bank	P1-P2 2018
10	Community Rural Bank of Catmon	P1-P5 2018
11	Cooperative Bank of Cagayan	P1-P2 2018
12	First Community Cooperative (FICCO)	P1-P5 2018
13	First Consolidated Bank (FCB)	P1-P5 2018
14	Janiuay Rural Bank	P1-P5 2018
15	MASS-SPECC	P1-P5 2018
16	Moncada Women's Credit Cooperative	P1-P2 2018
17	NATCCO	P1-P5 2018

Item No.	Service Providers	Payroll Period
18	RACSO'S Bank	P1-P5 2018
19	Rural Bank of Bansud	P1-P5 2018
20	Rural Bank of Bugasong	P1-P5 2018
21	Rural Bank of Capalonga	P1-P5 2018
22	Rural Bank of Digos	P1-P2 2018
23	Rural Bank of Donsol	P1-P5 2018
24	Rural Bank of Guinobatan	P1-P5 2018
25	Rural Bank of Jose Panganiban	P1-P5 2018
26	Rural Bank of Mambusao	P1-P5 2018
27	Rural Bank of Paracale	P1-P5 2018
28	Rural Bank of Pilar	P1-P5 2018
29	Rural Bank of Rizal	P1-P5 2018
30	Rural Bank of Sipocot	P1-P5 2018
31	Rural Bank of Socorro	P1-P5 2018
32	Rural Bank of Sta. Catalina	P1-P5 2018

Total Number of Service Providers for Regional Coverage A & B = 39

**Table 14: Service Fee of CCT Conduits**

Payroll Type	Mode	Low	High
Regular CCT	Offsite	₱9.00	₱42.00
	Onsite	9.00	24.00
MCCT IP *	Offsite	17.43	50.00
MCCT Non-IP **	Offsite	28.80	41.00
	Onsite	15.00	24.00

Modified Conditional Cash Transfer Indigenous People

\*\* Modified Conditional Cash Transfer Non-Indigenous People

## Modified Disbursement System (MDS)

As the primary depository bank of the National Government, LANDBANK services the disbursement system of government funds through the Modified Disbursement System (MDS), in coordination with the Department of Budget and Management (DBM) and the Bureau of the Treasury (BTr).

For the year 2018, LANDBANK branches processed 88.0% of the total Notice of Cash Allocations (NCAs) released by the DBM. The total disbursement of 38 departments of the government amounted to ₱2.58 Trillion with a total volume of 2.96 Million MDS transactions (ADA/checks). These disbursements included payments and fund releases of the government for development projects, operating expenses and salaries/benefits of government personnel.

- Revenue Collection Services**

With its network of branches spread all over the country, LANDBANK becomes a strategic conduit where individuals, corporations and government agencies can pay duties and taxes. In 2018, a total of ₱318.31 Billion in taxes were collected by the Bank for the National Government with total of 6.83 Million transactions. Of the amount, ₱162.28 Billion involving 5.24 Million transactions was for the Bureau of Internal Revenue (BIR), ₱141.27



Billion involving 1.55 Million transactions were for the Bureau of the Treasury (BTr) and ₱14.76 Billion involving 38,396 transactions were for tariffs and duties collected for the Bureau of Customs (BOC).

- **Government Collection Services**

LANDBANK serves as the collection arm of various government institutions. In 2018, a total of ₱12.77 Billion were collected from the following: Philippine Health Insurance Corporation (PHIC), Home Development Mutual Fund (HDMF), Social Security System (SSS), Social Housing Finance Corporation (SHFC), National Home Mortgage and Finance Corporation (NHMFC), POEA–Agency Hires, POEA Sea-Based, Philippine Charity Sweepstakes Office (PCSO), LTO – NCR, Professional Regulation Commission

(PRC), and POEA - EPS Test of Proficiency in Korean (TOPIK), and Philippine National Police (PNP) and other government agencies.

- **Private Collection Services**

LANDBANK also serves as the collection support of various private institutions. In 2018, a total of ₱9.67 Billion were collected for Global Point-of-Sale, Meralco, PLDT, Inc., Maynilad, Manila Water, Globe Telecom Inc., Innove, Smart, LANDBANK Mastercard, LANDBANKOOP, Sky Cable, Dragonpay and other merchants.🌱

## Nationwide Customer Satisfaction Survey



99%  
Overall customer  
satisfactory rating

As a policy for quality, LANDBANK measures its ability to deliver quality products and services to effectively address the needs and meet the expectations of customers. Thus, for three years or from 2018 to 2020, LANDBANK commissioned the services of a third party research firm, The Nielsen Company (Philippines), Inc., for the conduct of a Nationwide Customer Satisfaction Survey (NCSS) on agrarian reform beneficiaries, depositors, and customers of the Bank' lending, e-Banking, treasury, and trust banking.

The NCSS aims to measure the satisfaction level of LANDBANK customers with regard to the delivery of Bank products and services. Through various survey methods, i.e. face-to-face interviews with customers, online, and phone surveys, the NCSS intends to capture the voice of customers from different segments through various channels as basis for service delivery improvement, product development, and business growth.

In 2018, NCSS covered 4,790 randomly selected customer-respondents from the branch, lending units, agrarian services, treasury, and trust banking operations. The result of the survey showed an overall customer satisfaction rating of 99%. The annual survey reports are submitted to the LANDBANK Management Committee and the Governance Commission on GOCCs, as part of the Bank's commitment to listen to the voice of the customer, continuous improvement, and in compliance with the performance agreement of anticipating the needs and providing enhanced products and services to the customers.🌱



## Developing World-Class Operations

### LANDBANK IMS: Making Operations at Par with the Best

With the Bank's continuous pursuit to develop world-class operations and recognize the importance of quality in the success and sustainability of the Bank, the Management approved the creation of the Integrated Management System (IMS) Working Committee that will enable the Bank to seamlessly implement an integrated quality and environmental management system standard bank wide that is certifiable to ISO 9001:2015 (QMS) and ISO 14001:2015 (EMS). The IMS Working Team have been consolidating and facilitating preparation activities leading to the certification of the core and support processes of the Bank represented by 70 multi-field unit sites nationwide including the LANDBANK Plaza.

Among the activities spearheaded by the Committee since the beginning of 2018 are the following: gap assessment and simulation of a third party audit in key units at Head Office, training of 56 IMS internal assessors from across all sectors of the Bank, bankwide IMS cascade to increase awareness of the Quality and Environmental Management System concepts and processes aligned with the ISO standards; IMS awareness training through LEAP where 98% participation was achieved bankwide; and the conduct of IMS internal assessment that included coaching for the audit proper by qualified IMS assessors of the 70 sites nationwide.

The IMS Framework centers on creating one standard for the Bank to attain its business goals and mission including inclusive growth and countryside development, therefore ensuring its sustainability.

#### Quality Circles Competition

The year 2018 also saw the first ever Bankwide Quality Circles competition, following the successful final project presentations of Batches 1 and 2. A total of nine teams from both batches presented their projects before a panel of judges composed of quality practitioners on 20 February 2018 at the LANDBANK Plaza in Manila.

Prior to the competition, the nine teams, along with other participants underwent basic courses and coaching sessions on quality. They were introduced to quality circle tools and various skills needed to analyze work problems, formulate and assess possible solutions, and devise action and implementation plans towards work improvement.

The Quali Team from the Bank's Systems Implementation Department bagged the first place in the competition, with their entry "e-Transmittal of weAccess Enrollment Forms". The team's project eliminated 14 to 28 non-value-adding days as the enrollment forms were enhanced and the transmittal is now via iNotes.

The first runner-up, Premium Quality Movers from the Mindanao Branches Group, established an Express Lane Counter for simple transactions that do not require signature verification. Their project reduced waiting time by 80%, from 2 ½ hours to 30 minutes.

Second runner-up, The Great MIND from the Central Clearing Department performed a 100% detection of negotiated duplicate items a day after the transaction date of the second presentment. Apart from improving accuracy, this project resulted in the elimination of complaints received from clients and other banks regarding double debiting of accounts. 🌱

# Information Technology Support and Bank Process Automation

With the promise of using the best technology solutions to deliver responsive financial and support services to our clients, the Bank completed several IT projects and initiatives for 2018.

## I. IT Projects and Initiatives Completed in 2018

1. **Integrated Treasury System (ITS) Upgrade**  
The upgrade provides a centralized front-to-back solution with straight-through processing for cash, liquidity, and multiple asset classes that are most commonly used by the Bank's treasury desk.
2. **Asset-Liability Risk Management System (ALRMS)**  
The system covers liquidity risk management, market risk management, funding and capital planning, profit planning and road projection.
3. **New Anti-Money Laundering System (NAMLS)**  
The system is an enhanced AML risk management system which includes prevention, identification, and reporting of all money laundering and terrorist financing activities.
4. **New Trust Banking System (TBS)**  
TBS is an integrated suite of investment and fund management solution with leveraging capabilities.
5. **Electronic Salary Loan (ESL)**  
ESL incorporates new functions and features to the existing Livelihood Loan System (LLS). This includes loan transactions for LANDBANK clients through MBA, iAccess, or LANDBANK Website, and Loan Origination and e-document management modules.
6. **Outsourcing of IT Systems by OFBank to LANDBANK**  
OFBank outsources its IT Systems to LANDBANK for the following transactions:
  - Loans
  - Deposits
  - Remittances
7. **National Retail Payment System (NRPS) - INSTAPAY**  
In support of BSP NRPS, the Bank enables the Interbank Fund Transfer functionality in various e-Banking channels via INSTAPAY (MBA, iAccess) which aims to establish a safe, efficient and reliable retail payment system in the country.
8. **Mainframe Upgrade**  
The acquisition of the new IBM Mainframe supports the Bank's capacity growth in the next five years.

9. **Acquisition of File Integrity Monitoring (FIM)**  
FIM is an internal control or process that performs the act of validating the integrity of operating system and application software files using verification method between the current file state and a known, good baseline.
10. **Subscription to Managed Detection and Response (MDR) Services**  
A managed service that provides threat hunting services and responds to threats once they are discovered.
11. **Installation of Data Loss Prevention System**  
Data Loss Prevention System is system for monitoring of credit card numbers at rest (in workstations and servers) and prevent credit card numbers in motion (network level) from being copied in compliance with Payment Card Industry Data Security Standard (PCIDSS).

## II. IT Projects and Initiatives Started in 2018

1. **Digitization of Bank Documents**  
The digitization facilitates tracking and monitoring of record boxes in records centers using the QR code, interface with Online Signature Verification System (OSVS) to Integrated Document and Reports Archival, and Retrieval System and cover other records other than customer information records.
2. **New Trade Finance System (NTFS)**  
NTFS aims to comply with regulatory requirements and centralize the Trade Finance operations with nationwide coverage.

## III. IT Projects and Initiatives Ongoing in 2018

1. **Agent Banking**  
Agent Banking is an electronic banking solution which will be implemented through cash agent operators via a device/facility wherein the Bank's customers can perform secured online, real-time deposit to and withdrawal from his/her own bank account, fund transfers and bills payment (self-service transactions).
2. **Asset-Liability and Risk Management System**  
The system modifies the source data from Integrated Treasury System version 4.0 to 6.0, as basis for further modules for implementation (i.e., Net Stable Funding Ratio (NSFR), Funds Transfer Pricing (FTP), Advanced Liquidity and Forecasting Scenarios).
3. **ATM Monitoring Solution**  
The solution provides real-time monitoring of the Bank's ATM environment allowing it to clearly see what is happening within the business as well as monitoring the normal operations along with detection and management of problem situations before they make an impact.



4. **Customer Relationship Management System**  
The project supports the Bank's initiative to provide quality customer service and products.
5. **Deposit System (Systematics) Upgrade**  
The upgrade runs on the latest version of Deposit System for the Bank to deliver additional layers of data security and other features.
6. **Enhancement of Link.BizPortal**  
The enhancement includes more bills payment merchants, especially government agencies.
7. **Enterprise Fraud Management System**  
The system is an analytical tool that covers alert monitoring, fraudulent case management, and reporting of fraudulent transactions.
8. **Internet Banking Upgrade**  
This upgrade changes the Bank's e-Banking system platform, iAccess Retail and weAccess Institutional Internet Banking Systems, from Visual Basic6 to Java platform.
9. **Job Tracking and Mobile Appraisal System**  
The system enhances the monitoring of various job orders of the Property Valuation and Credit Information Department on a nationwide scale through web-based solution and will address the delays in appraisal services.
10. **LANDBANK Phone Access Phase 3**  
This aims to comply with the Payment Card Industry-Data Security Standard through interface with the Hardware Security Module.
11. **Loans Origination System – Collateral Management System Interface Project**  
This solution interfaces the LOS and CMS to synchronize the information for uniformity and integrity of data regarding client and collateral information.
12. **ATM System Replacement**  
This complies with the BSP mandate to have an EMV-compliant ATM system and to support digital banking initiatives.
13. **New LANDBANK Website**  
The project aims to redesign the existing website with additional interactive features to be at par with other banks' websites in terms of accessibility, functionality, and security.
14. **New Trust Banking System**  
This project includes the following trust banking products: floating rate bonds, zero coupon bonds, tradable promissory notes, mortgage trade indenture, loan paying agency, etc.
15. **Payment Card Industry Data Security Standard**  
The advisory project aims to comply with Visa and Mastercard requirements to ensure that the cardholder's information is secured.

## IV. IT Projects and Initiatives for 2019

1. **Internationally-Issued Scheme Cards via POS and ATM**  
The proposed acquisition of platform consists of the following:
  - ✓ To obtain an internationally-issued scheme cards via Point-of-Sale (POS) and Automated Teller Machine (ATM) Channel;
  - ✓ To interface/connect with International Schemed cards (e.g. Visa, Mastercard, JCB, AMEX, etc.).
2. **Audit Management System**  
The proposed system provides a streamlined process for managing the entire internal audit process, which includes risk assessment, scheduling, planning, execution, review, report generation, periodic reporting to the Audit and Compliance Committee, and files and records retention.
3. **Cash Recycler Machine**  
This machine is a combination of an Automated Teller Machine (ATM) and Cash Deposit Machine (CDM). It is a two-in-one machine wherein the client can both perform cash withdrawal and cash deposit.
4. **Check Warehousing**  
The solution will enable LANDBANK branches to scan and transmit post-dated checks to Central Clearing Department, maximizing the existing module of the Check Truncation System (CTS).
5. **Credit Risk Engine System Upgrade**  
The upgrade will cover:
  - ✓ Technical Upgrade of CRES that includes installation of new versions of Credit Scoring (CS) and Regulatory Risk Management (RRM) solutions and migrations of CRES objects
  - ✓ Re-mapping of direct extraction from source systems (Integrated Treasury System (ITS), Livelihood Loan System (LLS) and Symbols Data Warehouse (DW))
  - ✓ Upgrading of hardware requirements
6. **New Teller / Branch Office System Upgrade (CT Upgrade TCP/IP Based)**  
This solution will enhance the existing Consumer Transaction (CT)/ Teller System with various functionalities: IP-enabled more centralized capabilities, encrypted logs or journal and configuration files, barcoding, interface with other systems, increase in fields and tables, real-time posting of regular Advice of Checks Issued and Cancelled (ACIC), among others.
7. **Web-based Branch Queuing System**  
The facility will allow the Bank's clients to have an online appointment and advance submission of transactions in selected time slot.
8. **Subsidiary Ledger (SL) Upgrade**  
The technical upgrade will enable the users to utilize SAP-SL functionality related to Asset Management and Budget Management. 🌱

# Customer Care Center

More than addressing concerns, developing service methods is at the core of the Customer Care Center’s (CCC) function. Each result is an input to systems checks and more efficient operations and business continuity.

As such, service management via phone system achieved top results in corresponding targets in 2018. Despite registering a 15% drop in calls received – 415,813 logged from 489,461 in 2017 – and the number of phonebankers reduced to 38 from last year’s rollout of 39 agents, service level increased to 86% compared to the 52% achieved last year, constituting a 66% rise in service level.

The frequency of calls answered also rose from 254,755 in 2017 to 358,430 which is a 41% increase. Average Handling Time (AHT) was also improved to correspond to the target ideal of five minutes, with overall AHT recorded at three minutes and 49 seconds from January to December 2018 compared to four minutes and 14 seconds AHT in 2017. That affords a 25-second convenience and improvement on ease of operations. The 25-second improvement in AHT is equivalent to 2,489 hours for the entire year.

In terms of concerns and queries via email, the CCC was able to adhere to the set response timeframe of five days from the date of email receipt. Likewise, a 90% adherence was lodged in response rate on queries entered through both Facebook and Twitter, with a 100% response rate administered in the former. All entries were addressed within a 1-hour response time.

While a shortfall was seen in emails responded within Service Level Agreement – 177,750 received in 2018 from the 209,709 in 2017 – a 20% rise in email response rate was registered. Of those, 160,793 emails were answered within the turnaround time (TAT) compared to the 147,938 in 2017 under the same setup, surpassing the 71% translation seen in 2017 to a 90% upswing in overall email response rate.

Greater focus was also directed towards social media presence as a further means of access and communication to the banking public. In light of this, CCC assigned another Social Networking Site (SNS) Specialist to handle entries in the said channel to share the task of SNS monitoring. Social media responsiveness showed significant increases at 18,808 direct messages and comments replied to compared to 9,394 in 2017.





### a. Complaints Management

To monitor the impact of our services as well as our interaction with customers, complaints are equally valued as comments and concerns.

Our Customer Care Center - Complaints Management Team has gathered 571 complaints received from allied external channels regarding LANDBANK services – a more than two-fold rise from 274 complaints lodged in 2017, signifying LANDBANK’s increasing consumer impact and widening service reach.

The 2017 figures charted 86% on complaints closed within TAT with only 235 completed of the total 273. But our performance this 2018, in contrast, has been markedly impressive with 515 complaints closed within TAT in all out of 571 logged – a high 90% average performance rating for 2018.

### Complaints Management

Channels	2017			2018		
	Received	Closed w/in TAT	%	Received	2018 Closed w/in TAT	%
	14	14	100%	326	300	92%
	122	105	86%	150	133	89%
	122	106	87%	49	40	82%
	9	6	67%	39	35	90%
Others	6	4	67%	7	7	100%
<b>TOTAL</b>	<b>273</b>	<b>235</b>	<b>86%</b>	<b>571</b>	<b>515</b>	<b>90%</b>



**254,755**

Total frequency of calls answered at the Customer Care Center



**18,808**

Direct messages received through social media



The CCC was also commended for conjuring a 95% resolution rate on complaints received via the 8888 national public service hotline. For this, we received a Certificate of Collaboration from the Office of the President of the Philippines.

**b. Backroom Support and Case Monitoring**

A high note in case monitoring was achieved last year with a 100% mark for both cases logged and closed – 134,368 received and resolved. In 2018, though, a decrease was seen in performance as CCC was able to close 123,219 out of 123,322 total cases logged. This equates to a 99.92% rating in case resolution

Period	Cases Logged	Cases Closed	%
Jan – Dec 2017	134,368	134,368	100.00%
Jan – Dec 2018	123,322	123,219	99.92%

In the case of CCC's supplementary work handling backroom support operations, particularly through the weAccess institutional internet banking facility, operations have also been on the upswing.

Functionality and usage have certainly been on the rise as 12,585 total requests have been logged by the team compared to 9,997 last year. Requests range mostly on account activities.

**weACCESS Related Request**

Request Type	2017	2018
Activation	6,075	5,698
Resetting	1,158	2,264
Unlocking	2,157	3,564
Email Update	607	1,059
<b>TOTAL</b>	<b>9,997</b>	<b>12,585</b>

Another charge for client support under CCC is updating and information dissemination through Short Message Service (SMS) blasts. The year 2018 registered more than 2.5 million SMS sent, the bulk of which were sent as Advisories in the period of July with over 2 Million SMS blasts delivered, signifying the Bank's and the CCC's constant drive towards improved service through persistent information sharing and relay.



80%

Percentage of activation status Workplace by Facebook



1,600

Total active users of Workplace by Facebook



SMS Blast (For the Year 2018)

Period	Fraud	EMV	Advisories	Unposted Bills Payment	Total
Jan	1,603	-	-	-	1,603
Feb	1,340	-	-	-	1,340
Mar	782	22,983	-	-	23,765
Apr	454	62,746	-	1,763	64,963
May	202	68,210	-	767	69,179
Jun	403	292,750	-	-	293,153
Jul	735	17,446	2,036,329	27	2,054,537
Aug	155	9,435	-	3	9,593
Sep	91	1,175	-	17	1,283
Oct	21,265	-	-	-	21,265
Nov	2,997	-	-	-	2,997
Dec	3,532	-	-	-	3,532
<b>TOTAL</b>	<b>33,559</b>	<b>474,745</b>	<b>2,036,329</b>	<b>2,577</b>	<b>2,547,210</b>

c. Workplace by Facebook

Launching an online community for all Landbankers by way of Workplace by Facebook SNS platform was done under the rationale of developing inter-coordination and fostering unity through establishing robust channels for communication.

As of December 2018, an 80% activation status has been noted, or 6,879 out of the total 8,599 LANDBANK employees have activated their accounts. Of these, 88% are mobile users.

Engagement among active members has been satisfactory as well, with more than 1,600 active users on average.

Corporate Information

• Bank website

LANDBANK's corporate website, www.landbank.com, serves as a virtual window through which the public can access information about the institution, including its history, products and services, network directory, financial and operational highlights, and business thrusts. The website also contains links to the log in pages of the Bank's various electronic banking channels.

- iAccess – LANDBANK's retail Internet banking facility
- weAccess – the Internet banking channel for LANDBANK's client institutions, corporations, government agencies, and other organizations
- i-Easy Padala – where remittance partners can process their remittances in real-time
- eTPS or e-Tax Payment System – tax payment through the Internet, in support of the Bureau of Internal Revenue's Electronic Filing and Payment System Facility (EFPS)
- eMDS or Electronic Modified Disbursement System – allows clients that are national government agencies (NGAs) to do selected MDS transactions online
- Link.BizPortal – an internet payment platform for fees, dues and charges of government and other merchants

# Take the LEAD Program



LANDBANK continued to cascade the Take the LEAD program in 2018. It is a training program with the main objectives of: a) Defining “We Help You Grow” as a service brand; b) Empowering employees to deliver excellent customer experience consistent with the Bank’s corporate values; and c) Reinforcing the right behaviours that support exceptional customer experience.



# 2,075

Employee participants to the Bank’s LEAD Program



Regular personnel, service company workers and service providers, comprised the 61 batches with a total of 2,075 participants. Of the total, 40 were trained to serve as trainers for the Branches Groups.

Newly hired employees, as well as participants to the Bank’s Leadership Programs, including the LANDBANK Officer Development Program (LODP) and Branch Officer Development Program (BODP) were also given modules on the Take the LEAD in Customer Service. There were 11 batches conducted for a total of 859 participants.🌱



FEATURE STORY

*“I always tell farmers like myself to never give up, never give in, and just do what’s right. With hard work and perseverance, our dreams will come true.”*





# Sowing the Seeds of Faith in Humanity

Pacifico Cordada Jr., 52, is from T’Boli in South Cotabato, a municipality that bears the name of his lineage. The T’Boli are among the Lumad—indigenous people (IP) belonging to the ethnic communities in Mindanao. They have lived off the land for centuries but industrialization and commercialization continue to encroach on their culture, limiting their opportunities in life. With few prospects for income, the people formed cooperatives in the hopes of getting more access to public resources.


One such cooperative is Laconon 100 Multi-Purpose Cooperative (LMPC) in Barangay Edwards, which is chaired by Cordada. LMPC was part of the consortium that created T’Boli Agrarian Development Inc. (TADI). Under the consortium, farmers turned their fields into pineapple plantations managed by TADI, which in turn provided logistics and knowhow.

The T’Boli relied heavily on TADI for their livelihood until it was shut down due to mismanagement, and many were forced to sell their lands to traders. Meanwhile, TADI’s financial responsibilities fell on the shoulders of the cooperatives. In 2003, Cordada met with LANDBANK’s president to discuss the IP farmers’ plight. The talks ultimately led to a tripartite agreement signed by the Bank, Dole Philippines, and the farmers’ group to revive the pineapple business in the area. After what happened with TADI, it was difficult to win back the people’s trust. But on the strength of Cordada’s credibility and intensive dialogue with LANDBANK, the T’Boli’s faith was restored.

Cordada contracted polio when he was just 2 (two) years old, but nobody seems to notice his disability because of his upbeat personality and sheer determination. “I always tell farmers like myself to never give up, never give in, and just do what’s right. With hard work and perseverance, our dreams will come true.” He has since diversified from pineapple plantations to cornfields; hog- and cattle-raising; and hauling and farm equipment businesses. Meanwhile, LMPC now has more than 700 members and 300 direct and indirect employees. Those with no land of their own are given jobs in the cooperative’s businesses, as well as PhilHealth coverage and other benefits.

## LACONON 100 MULTI-PURPOSE COOPERATIVE T’boli, South Cotabato

There was a time when 70 percent of the T’Boli population lived below the poverty line, but now the number is down to 30 percent. According to Cordada—who served as Municipal Councilor and *Sangguniang Bayan* Member of T’boli, South Cotabato—LANDBANK was instrumental in turning T’Boli from a third-class to a first-class municipality. Aside from development initiatives, the Bank implemented medical and environmental programs benefiting smallholders in IP communities; and gives seminars to farmers on managing finances and growing a business.

At least 80 percent of agricultural lands in the area are now IP-owned—thanks in part to the Bank, which helped the farmers map out a strategy for legitimizing their claims. Today, only 20 percent of the land is loaned to traders. But the mission is far from over, not for the farmers and LANDBANK. And most definitely, not until the rest of the T’Boli’s ancestral lands are in the hands of the rightful owners. 



# LAND BANK OF THE PHILIPPINES ORGANIZATIONAL STRUCTURE

## BOARD OF DIRECTORS

### RISK OVERSIGHT COMMITTEE (RiskCom)

- Risk Management Group (RMG) - FVP Sofia C. Ladores
  - Business Risk Management Department (BRMD)
  - Credit Risk Management Department (CRMD)
  - Enterprise Risk Management Office (ERMO)
  - Information Security & Technology Risk Management Office (ISTRMO)
  - Treasury Risk Management Department (TRMD)
  - Credit Policy Formulation and Review Unit (CPFRU)
  - Investment and Loans Committee Secretariat & Support Unit (ISSU)

### TRUST COMMITTEE (TrustCom)

- Trust Banking Group (TBG) – AVP Camilo G. Sanchez
  - Third Party Custodianship & Registry Department (TCRD)
  - Trust Account Management Department (TRAMD)
  - Trust Business Development Department (TBDD)
  - Trust Operations Department (TROD)
  - Trust Portfolio Management Department (TPMD)
  - Trust Oversight and Strategic Management Department (TOSD)

- Strategic Planning Group (SPG) - FVP Elcid C. Pangilinan
  - Central MIS Department (CMISD)
  - Corporate Planning & Economics & Policy Studies Department (CPEPSSD)
  - Customer Service & Product Development Department (CSPDD)
  - Quality Management Department (QMD)

Corporative Development Department (CDD) - Vacant

Physical Security Officer (PSO) - Security Officer/VP Efren S. Tedor

### AUDIT & COMPLIANCE COMMITTEE

- Compliance Management Group (CMG) - FVP Amelia S. Amparado
  - Anti-Money Laundering Department (AMLd)
  - Regulatory Compliance Department (RCD)

- Internal Audit Group (IAG) - VP Maria Edelwina D. Carreon
  - Lending Operations Audit Department (LOAD)
  - Field Operations Audit Department (FOAD)
  - Head Office and Systems Technology Audit Department (HOSTAD)

### AGRI-AGRA SOCIAL CONCERNS COMMITTEE

### CORPORATE GOVERNANCE COMMITTEE (CGCom)

### INVESTMENT & LOANS COMMITTEE (ILC)

### RELATED PARTY TRANSACTIONS COMMITTEE

Office of the Corporate Secretary (CorSec)  
- Corporate Secretary Myra Lyn S. Peñalosa

**ALEX V. BUENAVENTURA**  
PRESIDENT AND CEO

- Legal Services Group (LSG) - FVP Noel B. Marquez
  - Administrative Legal Department (ALD)
  - Banking Legal Services Department (BLSd)
  - CARP Legal Services Department (CLSD)
  - Litigation Department (LD)
  - Field Legal Services Department (FLSD)

- Agrarian Services Group (ASG) - SVP Alex A. Lorayes
  - Agrarian Operations Center (AOCs)
  - Bond Servicing Department (BSD)
  - Agrarian Support Department (ASD)
  - Land Transfer Processing Department (LTPD)

### Branching Banking Sector (BBS) EVP Liduvino S. Geron

- BRANCHES GROUP (10)
  - North NCR Branches Group (NNCRBG) - SVP Leila C. Martin
  - South NCR Branches Group (SNCRBG) - SVP Ramon R. Monteloyola
  - North Luzon Branches Group (NLBG) - FVP Ma. Belma T. Turla
  - Central Luzon Branches Group (CLBG) - FVP Sylvia C. Lim
  - Southwest Luzon Branches Group (SWLBG) - FVP Ma. Cielito D. Valdivia
  - Southeast Luzon Branches Group (SELBG) - FVP Marilou L. Villafranca
  - West Visayas Branches Group (WVBG) - FVP Althon C. Ferolino
  - East Visayas Branches Group (EVBG) - FVP Delma O. Bandiola
  - West Mindanao Branches Group (WMBG) - FVP Khurshid U. Kalabud
  - East Mindanao Branches Group (EMBG) - FVP Camilo C. Leyba

Conditional Cash Transfer – Program Management Office (CCT-PMO)  
– AVP Domingo Conrado G. Galsin

- CARD AND ELECTRONIC BANKING GROUP (CeBG)
  - FVP Randolph L. Montesa
    - Cash Management Solutions Department (CMSD)
    - Credit Card Administrations Department (CCAD)
    - Debit Cards and ATM Management Department (DCAMD)
    - Electronic Products Department (EPD)
    - eBanking Support Unit

- OFW REMITTANCE GROUP (ORG)
  - AVP Jose James T. Figueras
    - Domestic Remittance Marketing Department (DRMD)
    - Overseas Remittance Marketing & Support Department (ORMSD)
    - Overseas Representative Officers (OROs)

Branch Banking Support Department (BBSd)  
– VP Elenita C. Rapanut

Systems Implementation Department (SID)  
– AVP Aurelia M. Lavilla

### Treasury and Investment Banking Sector (TIBS) EVP Carel D. Halog

- ASSET AND LIABILITY MANAGEMENT GROUP (ALMG)
  - FVP Ma. Elizabeth L. Gener
    - Balance Sheet Management Department (BSMD)
    - Liquidity Reserve Management Department (LRMD)

- FINANCIAL MARKETS GROUP (FMG)
  - FVP Ma. Francia O. Titar
    - Capital Markets Trading Department (CMTD)
    - FX Sales & Hedging Solutions Department (FSHSD)
    - Rates & FX Trading Department (RFTD)

- INVESTMENT BANKING GROUP (IBG)
  - FVP Gonzalo Benjamin A. Bongolan
    - Investment Banking Department 1 (IBD 1)
    - Investment Banking Department 2 (IBD 2)

Investment Sales & Distribution Department (ISDD)  
– VP Lolita M. Almazar

Treasury Support Department (TSD)  
– Chief Economist Guian Angelo S. Dumalagan

Product Development and Research Officer

Treasury and Investment Legal Officer

### Operations Sector (OS) EVP Alan V. Bornas

- BANKING OPERATIONS GROUP (BOG)
  - FVP Winston Rochel L. Galang
    - Foreign and Domestic Remittance Department (FDRD)
    - International Trade Department (ITD)
    - Loans Implementation Department (LID)
    - Property Valuation & Credit Information Department (PV-CID)

- BANKING SERVICES GROUP (BSG)
  - VP Reynaldo C. Capa
    - ATM Operations Support Department (AOSD)
    - Cash Operations Support Department (COSD)
    - Central Clearing Department (CCD)
    - MDS & Collections Management Department (MCDM)

- CONTROLLERSHIP GROUP (CG)
  - SVP Annalene M. Bautista
    - Administrative Accounting Department (AAD)
    - Agrarian Accounting Department (AgAD)
    - Financial Accounting Department (FAD)
    - Systems and Methods Department (SMD)
    - Treasury Operations Department (TOD)

- TECHNOLOGY MANAGEMENT GROUP (TMG)
  - FVP Alden F. Abitona
    - Data Center Management Department (DCMD)
    - E-Banking Systems Department (EBSd)
    - Enterprise Systems Department (ESD)
    - IT-Project Management Department (IT-PMD)
    - Network Operations Department (NOD)
    - Retail Banking Systems Department (RBSd)
    - IT Security Office (ITSO)
    - Production Control & Administrative Services (PCAS)

IT-Quality Management Office (IT-QMO)  
– PM Quality Assurance Officer Josie M. Castro

### Agricultural & Development Lending Sector (ADLS) EVP Joselito P. Gutierrez

- CORPORATE BANKING GROUP (CBG)
  - SVP Ma. Celeste A. Burgos
    - Corporate Banking Department I (CBD I)
    - Corporate Banking Department II (CBD II)
    - Financial Institutions Department (FID)
    - Micro Finance Institutions Department (MFID)
    - Public Sector Department (PSD)

- RETAIL & MID-MARKET LENDING GROUP (RMLG)
  - FVP Lolita T. Silva
    - Mortgage Banking Department I (MBD I)
    - Mortgage Banking Department II (MBD II)
    - SME – Mid-Market Lending Department I (SME-MLLD I)
    - SME – Mid-Market Lending Department II (SME-MLLD II)

Lending Support Department (LSD)  
– AVP Teresita S. Aringo

Loan Recovery Department (LRD)  
– DM Eleanor D. Quicoy

- LENDING PROGRAMS MANAGEMENT GROUP (LPMG)
  - FVP Emellie V. Tamayo
    - Development Assistance Department (DAD)
    - Environmental Programs Management Department (EPMd)
    - Fund Sourcing Department (FSD)
    - Programs Management Department I (PMD I)
    - Programs Management Department II (PMD II)

- PROVINCIAL LENDING GROUPS (4)
  - Northern and Central Luzon Lending Group (NCLLG)
    - SVP Filipina B. Monje
    - Southern Luzon Lending Group (SLLG)
      - FVP Lucia E. Tesorero
      - Visayas Lending Group (VLG)
        - FVP Elsie Fe B. Tagupa
        - Mindanao Lending Group (MLG)
          - FVP Charlotte I. Conde

Special Assets Department (SPAD)  
– DM Margarita C. Laureano

### Corporate Services Sector (CSS) EVP Julio D. Climaco, Jr.

- HUMAN RESOURCE MANAGEMENT GROUP (HRMG) - VP Joselito B. Vallada
  - Employee Relations Department (ERD)
  - Organization Development Department (ODD)
  - Personnel Administration Department (PAD)

Provident Fund Department (PFD)  
– DM Virginia C. Limbo

- FACILITIES AND PROCUREMENT SERVICES GROUP (FPSG)
  - VP Dina Melanie R. Madrid
    - Facilities Management Department (FMD)
    - Procurement Department (ProcD)
    - Project Management & Engineering Department (PMED)

Corporate Affairs Department (CAD)  
– FVP Catherine Rowena B. Villanueva

Strategic Initiatives Office (SIO)



## Corporate Governance

As LANDBANK continually adheres to globally accepted governance principles and best practices, it maintains the Board's independence from management such that the Chairman of the Board and the President and CEO are two distinct individuals with clearly delineated duties and responsibilities.

### Overall Corporate Governance Structure and Practices

LANDBANK is fully compliant with the provisions of the Code of Corporate Governance.

LANDBANK's corporate governance is reflected in its organizational structure that defines a governance hierarchy led from top by the Board of Directors and its delegated duties and responsibilities through the seven Board-level Committees namely, (1) the Corporate Governance Committee, (2) the Audit and Compliance Committee, (3) the Risk Oversight Committee, (4) the Trust Committee, (5) the Investment and Loan Committee; (6) the Agri-Agra Social Concerns Committee; and (7) Related Party Transactions Committee. These seven committees are ably supported by independent Bank units — the Internal Audit Group, Risk Management Group, Trust Banking Group and Agrarian Services Group — which perform specific functions for the said Committees. These independent units report directly to the Board but are administratively supervised by the President and CEO. The Office of the Corporate Secretary provides logistical support to the LANDBANK Board, the Corporate Governance Committee and the Related Party Transactions Committee.

### Institutional Viability

As LANDBANK continually adheres to globally accepted governance principles and best practices, it maintains the Board's independence from management such that the Chairman of the Board and the President and CEO are two distinct individuals with clearly delineated duties and responsibilities.

While the Chairman assumes leadership, monitors the Bank's adherence to good governance policies, as well as the overall performance of the Bank; the President and CEO, on the other hand, directly manages the day-to-day operations of the Bank and executes the policies and strategies approved by the Board in pursuit of its institutional goals and objectives.

Specifically, the President and CEO supervises the Bank's five sectors, namely, (1) Agricultural and Development Lending Sector; (2) Branch Banking Sector; (3) Corporate Services Sector; (4) Operations Sector; and (5) Treasury and Investment Banking Sector. There are Bank units which report directly to the President and CEO, namely, the Strategic Planning Group, the Agrarian Services Group, the Legal Services Group, and the Physical Security Office.

### Selection Process for the Board

Under Sec. 15 of RA No. 10149, otherwise known as (An Act to Promote Financial Viability and Fiscal Discipline in Government-Owned and -Controlled (GOCCs) and to Strengthen the Role of the State in its Governance and Management to Make Them More Responsive to the Needs of Public Interest and for Other Purposes), all appointive directors of GOCCs are appointed by the President of the Philippines from shortlists prepared by the Governance Commission for GOCCs (GCG), which include only nominees who meet the Fit and Proper Rule and such other qualifications which the GCG may determine.

The President and CEO shall be elected by the members of the Board from among its ranks. However, the would-be President and CEO will only be qualified for election if he meets the requirements under the Fit and Proper Rule, and if he is appointed by the President of the Philippines into the



Governing Board of the GOCC. The President shall be subject to the disciplinary powers of the Board and may be removed by the Board for cause.

## Board's Overall Responsibility

The LANDBANK Board of Directors assumes certain responsibilities to the Bank's various stakeholders – the Bank itself, its stockholder, the National Government; its clients, its management and employees, the regulators, the deposit insurer and the public at large. These stakeholders have the right to expect that the institution is being managed in a prudent and sound manner. The Board of Directors is primarily responsible for the approval and oversight of the implementation of the Bank's strategic objectives, risk strategy, corporate governance and corporate values. They are also responsible for the monitoring and oversight of the performance of senior management as the latter manages the day-to-day affairs of LANDBANK.

The LANDBANK Board sets the overall policies and strategic directions of the Bank, which serve as the guide of management and operating units in the day-to-day operations. Moreover, the LANDBANK Board provides the oversight functions in the overall Bank performance, and champions good corporate governance by strong adherence to ethical standards and compliance with legal, institutional and regulatory requirements. The Board also ensures that the Bank remains accountable to its various stakeholders.

All Members of the Board of Directors are expected to abide by the following:

- a. Remain fit and proper for the position for the duration of his term.
- b. Conduct fair business transactions with the Bank and to ensure that personal interest does not bias board decisions.
- c. Act honestly and in good faith, with loyalty and in the best interest of the institution, its stockholders, regardless of the amount of their stockholdings, and other stakeholders such as its depositors, investors, borrowers, other clients, and general public.
- d. Devote time and attention necessary to properly discharge his duties and responsibilities.
- e. Act judiciously. Before deciding on any matter brought before the Board of Directors, every Director shall thoroughly evaluate the issues, ask questions and seek clarifications when necessary.
- f. To contribute significantly to the decision-making process of the Board. Directors should actively participate and exercise objective independent judgment on corporate affairs requiring the decision or approval of such Board.

- g. Exercise independent judgment. A Director shall view each problem or situation objectively. When a disagreement with others occurs, he shall carefully evaluate the situation and state his position. He should not be afraid to take a position even though it might be unpopular. Corollary, he shall support plans and ideas that he thinks are beneficial to the Bank.
- h. To have a working knowledge of the statutory and regulatory requirements affecting the institution, including the content of the LANDBANK Charter and by-laws, the requirements of the BSP, and the pertinent government agencies.
- i. Observe confidentiality. A Director should observe the confidentiality of non-public information acquired by reason of his position as Director. He should not disclose any information to any other person without the authority of the Board.
- j. Ensure the continuing soundness, effectiveness and adequacy of the Bank's control environment.
- k. A Director or Officer shall not solicit, nor accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan or anything of monetary value ("Gift") from any person where such Gift: (a) would be illegal or in violation of law; (b) is part of an attempt or agreement to do anything in return; (c) has a value beyond what is normal and customary in the Bank's business; (d) is being made to influence the member of Board's, or Officers' actions as such; or (e) could create the appearance of a conflict of interest.
- l. Attend orientation and training. A Director shall have an adequate orientation process and continuous development and education regarding the Bank's operations.

## Description of the Role and Contribution of Executive, Non-executive and Independent Directors, and of the Chairman of the Board

### 1. Chairman of the Board of Directors (Non-executive)

The Chairman of the LANDBANK Board of Directors is responsible for the efficient functioning of the Board. He exercises control over quality, quantity, and timeliness of the flow of information between Management and the Board. He calls the meetings, approves and sets the agenda, and presides over Board meetings. He also ensures that all Directors are enabled and encouraged to actively participate in all discussions and resolutions on matters taken up by the Board. He promotes critical discussion and ensures that dissenting views can be expressed and discussed within the decision-making process.

## 2. Vice Chairman (Executive Director)

The Vice Chairman of the Board of Directors is the Bank's President and CEO. The President of the Philippines issues two appointment letters to the LANDBANK President and CEO – one appoints him as the Bank's Head of Agency and another as one of its appointive Directors.

In the absence of the Chairman of the Board, the Vice Chairman presides over the meetings of the Board.

Among the nine members of the LANDBANK Board of Directors, the Vice Chairman is the sole Executive Director in the Board of Directors.

## 3. Non-Executive Directors

The non-executive directors shall perform the duties and responsibilities of a Director as prescribed by the LANDBANK Charter, BSP MORB, GCG rules and regulations, and other laws and issuances as may be applicable. In addition, the Board, consisting of the Non-Executive Directors has disciplinary powers over the President, an Executive Director, and may remove him for cause.

## 4. Independent Directors

The Board of Directors appoints/nominates the Independent Directors from among the appointive directors, seeking thereafter the confirmation of such nomination by the Monetary Board. For 2018, the

Independent Directors were Directors Virgilio DV. Robes, Jesus V. Hinlo, Jr., Jaime L. Miralles, Nancy Irlanda Tanjuatco, and former Director Rodolfo V. Puno.

In the nomination of an independent director, the Board of Directors ensures that the nominee will be able to devote sufficient time to effectively carry out his duties and responsibilities.

Pursuant to BSP Circular No. 969, s. 2017, the Independent Directors are members of the following Board-level committees: (a) Audit and Compliance Committee (with at least three members, majority shall be independent including the chairperson); (b) Corporate Governance Committee (with at least three members, majority shall be independent including the chairperson); and (c) Risk Oversight Committee (with at least three members, majority shall be independent including the chairperson).

Board Composition	
Secretary of Finance	Chairman (Ex-Officio)
LANDBANK President and CEO	Vice-Chairman
Secretary of Agrarian Reform	Ex-Officio Member
Secretary of Labor and Employment	Ex-Officio Member
Secretary of Agriculture	Ex-Officio Member
Two members appointed by the President of the Philippines representing Agrarian Reform Beneficiaries	
Two members appointed by the President of the Philippines representing the Private Sector	

### Composition of the LANDBANK Board of Directors as of 31 December 2018

Carlos G. Dominguez	Ex-Officio Chairman	Secretary, Dept. of Finance	(Non-executive director; Assumed on 30 June 2016)
Alex V. Buenaventura	Vice Chairman	President/Chief Executive Officer	(Executive director; Assumed on 11 November 2016)
Emmanuel F. Piñol	Ex-Officio Member	Secretary, Dept. of Agriculture	(Non-executive director; Assumed on 30 June 2016)
John R. Castriciones	Ex-Officio Member	Secretary, Dept. of Agrarian Reform	(Non-executive director; Assumed on 06 December 2017)
Silvestre H. Bello III	Ex-Officio Member	Secretary, Dept. of Labor and Employment	(Non-executive director; Assumed on 30 June 2016)
Virgilio DV. Robes		Member, Agrarian Reform Beneficiaries Representative	(Non-executive director; Assumed on 13 December 2016)
Jaime L. Miralles		Member, Agrarian Reform Beneficiaries Representative	(Non-executive director; Assumed on 24 July 2018)
Nancy Irlanda Tanjuatco		Member, Private Sector Representative	(Non-executive director; Assumed on 25 September 2018)
Jesus V. Hinlo, Jr.		Member, Private Sector Representative	(Non-executive director; Assumed on 07 November 2017)
Crispino T. Aguelo		Member, Agrarian Reform Beneficiaries Representative	(Non-executive director; Assumed on 23 September 2010 Term ended on 24 July 2018)
Rodolfo V. Puno		Member, Private Sector Representative	(Non-executive director; Assumed on 25 April 2017 Resigned on 30 April 2018)

## Board Qualification

Pursuant to RA No. 8791, RA No. 10149, BSP Manual of Regulations for Banks, the LANDBANK Charter, GCG Memorandum Circular No. 2012-07, and other pertinent laws and regulations, the following are the qualifications of the LANDBANK Board of Directors:

1. No person shall be elected or Appointed Director of the Bank unless he is a natural born citizen of the Philippines, not less than 35 years of age, of good moral character and has attained proficiency, expertise and recognized competence in one or more of the following: banking, finance, economics, law, agriculture, agrarian reform, business management. Provided further, that no Director, stakeholder or employee of any other bank shall be eligible for election or appointment as member of the Board of Directors of the Bank.
2. For an Appointive Director, he must have a college degree with at least five years of relevant work experience, except for a sectoral representative who only needs to be a bonafide member of the indicated sector of the association being represented as provided for in the Charter or By-Laws.
3. He must have attended a special seminar on corporate governance for Board of Directors conducted or accredited by the BSP.
4. An Appointive Director must have attended or will attend within three months from the date of appointment, a special seminar on public corporate governance for Directors conducted by the GCG or any individual or entity accredited by the GCG.
5. He must be fit and proper for the position of a Director of the Bank. In determining whether a position is fit and proper for the position of a Director, the following matters must be considered:
  - integrity
  - physical/mental fitness
  - competence
  - relevant education/financial literacy/training
  - diligence
  - knowledge/experience

All members of the LANDBANK Board, the President and CEO, including Appointive Directors in Subsidiaries and Affiliates shall be qualified by the Fit and Proper Rule issued by the Governance Commission for GOCCs (GCG) approved by the President of the Philippines, including any future amendments and revisions thereof.

## Relevant Qualifications and Experiences Including Directorship and Officership in Other Companies

### Carlos G. Dominguez

Ex-Officio Chairman  
 Secretary, Department of Finance  
 Age: 73  
 Nationality: Filipino  
 Training in Banking and Other Related Fields

Nature/Title	Conducted By:	Year Taken
Corporate Governance Going Forward	Center for Training and Development, Inc.	2015
Management Trainee	Stanford Executive Program	1969

Past Position-Other Private Institution	Position	Date Assumed	Term Ended
Lafayette (Philippines) Inc.	President	2006	2008
RCBC Capital Corp	Independent Director	2004	2010
IPVC Corp.	Director	2004	2008
Manila Electric Corporation	Director	2001	2003
Phil. Associated Smelting and Refining Corp.	President	1999	2002
Northern Mindanao Power Corp.	Director	1994	2006
RCBC Capital Corporation	Chairman	1994	2002
OGDAT	President	1993	2016
Huntly Corporation	President	1993	2016
United Paragon Mining	Director	1993	2016
Philippine Airlines	President	1993	1995
Phil. Tobacco Flue Curing Redrying Corporation	President	1992	2016
Baesa Redevelopment Corp.	President	1992	2016
Halifax Capital Resources Inc.	President	1992	2016
Retail Specialist Inc.	President	1991	2016
BPI Agriculture Development Bank	President	1984	1986
BPI	Vice President	1983	1986



## Alex V. Buenaventura

Vice Chairman

President and Chief Executive Officer

Age: 65

Nationality: Filipino

Training in Banking and Other Related Fields

Nature/Title	Conducted By	Year Taken
Fiduciary Essentials	fi360 Pacific	2018
Strategic Planning & Strategic Execution	R.G. Manabat & Co.	2018
Leading with Trust: A Session with Stephen M.R. Covey	ABS-CBN News Channel	2018
Study Tour on Poultry and Swine Business	Charon Tokthand	2018
BSP Cir. No. 706 as Amended by BSP Cir. No. 950, AMLA Law and the AML Risk Rating System for Board of Directors and Senior Management	Bankers Institute of the Philippines, Inc.	2018
ANC Leadership Series	ABS-CBN News Channel	2018
Command Conference of Heads of Posts	DFA	2018
Corporate Governance Orientation Program for Government Owned and Controlled Corporations	Institute of Corporate Directors	2017
Mitigating Risk on Current Trends in Money Laundering	AMLC – Atty. Julia C. Bacay-Abad	2015
Anti-Money Laundering Law	Bangko Sentral ng Pilipinas	2014
Basic Trust Banking for Bank Officers and Directors	Trust Institute Foundation of the Philippines, Inc. (TIFP)	2014
Updated AML Rules and Regulations (Cir. 706, ARRS, and AMLA Amendments – RA 10365)	Davao Federation of Rural Bankers	2013
Foreign Currency Deposit Unit	Banker's Institute of the Philippines	2012
Anti-Money Laundering Law	Anti-Money Laundering Project Phils. European Commission	2008
Corporate Governance & Risk Management for Bank's Board of Directors	Dev't. Finance Inst.	2002
Linkage Banking Experience in Asia	APRACA Agri-Development Bank of China	1998
Commercial Banks in Microfinance in Washington D.C.	USAID	1997
Islamic Banking in Bahrain, UAE	USAID	1997
Study Tour of Credit Agricole Operations in France	French Government	1988
Self Help Groups in Nanjing, China	APRACA	1986

Present Position – Other Private Institution	Position	Date Assumed	Term Ended
Buencor Farms, Inc.	Chairman/President (Stockholder)	2016	
ALN 3 Brothers, Inc.	Chairman/President (Stockholder)	2012	
Ultrabowl, Inc.	Chairman (Stockholder)	1986	

Past Position-Government	Position	From	To
Davao Del Norte State College, Panabo City	Trustee	1997	2003
Municipal Industrialization Task Force, Panabo City LGU	Chairman	1994	1996
Municipal Water District, Panabo City LGU	Director	1994	1996

Past Position-Other Private Institution	Position	From	To
One Network Bank (A Rural Bank of BDO)	President	2014	2016
Corporative System Foundation	Trustee	2007	2009
One Network Bank, Inc. (A Rural Bank)	President	2004	2014
Holy Cross of Davao College	Trustee	2000	2016
Microenterprise Access to Banking Services (MABS-USAID) Representing RBAP	MANCOM Member	1998	2005
Rural Bankers Research Development Foundation	Executive Director	1998	

Past Position-Other Private Institution	Position	From	To
DASURAI COR	Chairman	1997	2014
SMED National Council	Private Sector Representative For Mindanao	1995	1998
Ateneo De Davao University	Chairman, Board of Trustees	1995	1996
PAICOR	Chairman	1991	2014
Rural Bank of Panabo, Inc.	President/Gen. Manager	1980	1993
Bristol Laboratories	Product Group Manager	1979	1980
Unilever	Middle Manager	1978	1979
Unilever	Field Service Manager	1975	1976

### Emmanuel F. Piñol

Ex-Officio Member

Secretary, Department of Agriculture

Age: 65

Nationality: Filipino

Training in Banking and Other Related Fields

Nature/Title	Conducted By	Year Taken
Corporate Governance Orientation Program for Government Owned and Controlled Corporations	Institute of Corporate Directors	2016

Past Position – Government	Position	From	To
Provincial Government of Cotabato	Vice-Governor	07/01/2007	06/30/2010
Provincial Government of Cotabato	Governor	07/01/2001	06/30/2007
Provincial Government of Cotabato	Governor	07/01/2000	06/30/2001
Provincial Government of Cotabato	Governor	03/25/1998	12/31/2000
Local Government Unit M'Lang Cotabato	Municipal Mayor	01/01/1998	03/24/1998
Local Government Unit M'Lang Cotabato	Municipal Mayor	10/01/1996	12/31/1997
Local Government Unit M'Lang Cotabato	Municipal Mayor	01/01/1996	09/30/1996
Local Government Unit M'Lang Cotabato	Municipal Mayor	07/01/1995	12/31/1995
National Grains Authority	Public Relation Officer	02/16/1976	09/30/1977

### John R. Castriciones

Ex - Officio Member

Secretary, Department of Agrarian Reform

Age: 57

Nationality: Filipino

Training in Banking and Other Related Fields

Nature/Title	Conducted By	Year Taken
Corporate Governance Orientation Program	Institute of Corporate Directors	2018
Federalism and Good Governance: Best Practice Learning for Change – An International Benchmarking	Creative Learning, Washington DC, USA	2017
Task Force Electronic Crimes, New York	Department of Finance, USA	2005
Seminar on Whistle Blowing	University of Notre Dame, London	1998
Seminar Against Cybercrimes	National White Collar Crime Center, USA	1998
Colloquium on Teaching	Xavier School	1990

Past Position – Other Private Institutions	Position	From	To
Private Practice	Practicing Lawyer	2011	2015
Private Practice	Practicing Lawyer	2008	2008
Private Practice	Practicing Lawyer	1993	2005
Arellano University Law School	Law Professor	1986	2000
Xavier School, Greenhills	Teacher	1986	1990

Past Position – Government	Position	From	To
Department of the Interior and Local Government	Undersecretary for Operations	2016	2017
Office of Senator Aquilino Pimentel	Legal Consultant	2015	2016
ISLES, Department of Transportation and Communications	Director	2009	2010
Land Transportation Franchising and Regulatory Board	Legal Consultant	2006	2007

### Silvestre H. Bello III

Ex-Officio Member  
 Secretary, Department of Labor and Employment  
 Age: 74  
 Nationality: Filipino  
 Training in Banking and Other Related Fields

Nature/Title	Conducted By	Year Taken
Corporate Governance and Anti-Money Laundering Act Seminar	Philippine Securities Consultancy Corporation (PHILSECC)	2011

Present Position – Government	Position	Date Assumed	Term Ended
Department of Labor and Employment	Secretary	2016	
OWWA Board	Chairperson	2016	
National Wages and Productivity Council	Chairperson	2016	
POEA Board	Chairperson	2016	
Sugar Tripartite Council	Chairperson	2016	
National Maritime Polytechnic	Chairperson	2016	
ECC/OSHC	Chairperson	2016	
TESDA Board	Chairperson	2016	
National Housing Authority	Ex-Officio Member	2016	
PEZA Board	Ex-Officio Member	2016	
Philhealth Board	Ex-Officio Member	2016	
Dangerous Drugs Board	Ex-Officio Member	2016	
Construction Industry Authority of the Philippines	Ex-Officio Member	2016	
SSS Board	Ex-Officio Member	2016	
Pag-Ibig Board	Ex-Officio Member	2016	
Land Bank of the Philippines Board	Ex-Officio Member	2016	
Civil Aviation Authority of the Philippines Board	Ex-Officio Member	2016	

Past Position – Other Private institution	Position	From	To
San Miguel Purefoods Corp.	Independent Director	2013	2016
CAP College Foundation, Inc.	Board of Director	2012	2016
CAP Realty	Board of Director	2010	2016
Red Eagle Lending Investor Corp.	Board of Director	2009	2016
Camp John Hay Development Corp.	Board of Director	2008	2016
CAP General Insurance Corp.	Board of Director	2007	2016
CAP Philippines Inc.	Board of Director	2006	2016
Comprehensive Annuity Plan & Pension Corp.	Board of Director	2006	2016
CAP Life Insurance Corp.	Board of Director	2006	2016
Philippines Airlines	Board of Advisor	1993	1998
Puerto Azul	Board of Director	1993	1998
Baguio Country Club	Board of Director	1993	1998
Philippine Plaza Hotel	Board of Director	1993	1998
Urban Bank	Board of Director	1988	1990
Ambassador Hotel	Board of Director	1988	1990



# INSTITUTIONAL VIABILITY

Past Position – Government	Position	From	To
House of Representatives	Representative 1BAP Partylist 16 <sup>th</sup> Congress	2013	2016
Cabinet Secretary	Secretary	2008	2010
Cabinet Officer for Regional Development (CORD) for Region II	Secretary	2008	2010
Cabinet Oversight Officer for IP and NCIP Matters	Secretary	2008	2010
Presidential Adviser for New Government Centers	Secretary	2007	2008
Philippine Reclamation Authority	General Manager and Chief Executive Officer	2006	2006
PNO Development and Management Corporation	President and Chief Executive Officer	2004	2005
GRP Negotiating Panel for Talks with the CPP/NPA/NDF	Chairman	2001	2004
Department of Justice	Secretary	1998	1998
Office of the Solicitor General	Solicitor General	1996	1998
Department of Justice	Secretary	1990	1992
Department of Justice	Undersecretary	1986	1990

## Virgilio DV. Robes

Representative, Agrarian Reform Beneficiaries

Age: 71

Nationality: Filipino

Training in Banking Other Related Fields

Nature/Title	Conducted By	Year Taken
Joint Audit & Compliance Committee and Risk Oversight Committee Learning Session	Land Bank of the Philippines	2018
BSP Cir. No. 706 as Amended by BSP Cir. No. 950, AMLA Law and the AML Risk Rating System for Board of Directors and Sr. Management	Bankers Institute of the Philippines, Inc.	2018
Corporate Financial Risk Management Program	Ateneo Graduate School of Business – Center for Continuing Education	2017
Finance For Directors Program	Institute of Corporate Directors	2017
Corporate Governance Orientation Program	Institute of Corporate Directors	2017
Corporate Governance Orientation Program for GOCCs	Institute of Corporate Directors	2017

Past Position-Other Private Institutions	Position	Date Assumed	Term Ended
Robesland, Inc.	Chairman	07/06/2005	
Igay Mega Cockpit, Inc.	Director	07/17/2000	
Guillermo C. Robes Realty Corp.	Director	05/29/1996	
Real Estate	Broker	1970	

Past Position-Other Private Institutions	Position	From	To
Robes Trading	Proprietor	1970	1980

Past Position-Government	Position	From	To
Province of Bulacan	OIC - Vice Governor	1987	1988
Province of Bulacan	Provincial Consultant	1988	1990

## Jaime L. Miralles

Representative, Agrarian Reform Beneficiaries

Age: 68

Nationality: Filipino

Training in Banking and Other Related Fields

Nature/Title	Conducted By	Year Taken
Corporate Governance Orientation Program	Institute of Corporate Directors	2018
Corporate Governance Orientation Program for GOCCs	Institute of Corporate Directors	2018
Professional Directors Program	Institute of Corporate Directors	2011
Corporate Governance Orientation Program	Institute of Corporate Directors	2011

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Past Position-Other Private Institutions	Position	Date Assumed	Term Ended
Association of Genuine Labor Organizations	National President	2006	
Miralles & Associates	Senior Partner (Owner)	01/02/2013	
Association of Genuine Labor Organizations	Vice President-Legal Affairs Department	2002	2006
Flores – Miralles & Associates	Senior Partner	02/01/2000	12/31/2012
Banzuela –Flores Law Office	Senior Partner	01/02/1983	01/31/2000
Banzuela-Flores Law Office	Junior Partner	03/07/1979	12/20/1982

Past Position-Government	Position	From	To
Home Development Mutual Fund (Pag-Ibig Fund)	Board of Trustees	10/01/2010	01/01/2018
National Anti-Poverty Commission	Commissioner – representing Labor Sector	1998	1999

### Jesus V. Hinlo, Jr.

Representative, Private Sector

Age: 48

Nationality: Filipino

Training in Banking and Other Related Fields

Nature/Title	Conducted By	Year Taken
Joint Audit and Compliance Committee and Risk Oversight Committee Learning Session	Land Bank of the Philippines	2018
BSP Cir. No. 706 as Amended by BSP Cir. No. 950, AMLA Law and the AML Risk Rating System for Board of Directors and Sr. Management	Bankers Institute of the Philippines, Inc.	2018
Enhanced Corporate Governance Guidelines (BSP Cir. Nos. 969, 970, 971 and 972)	Bankers Institute of the Philippines, Inc.	2018
Beyond Compliance: Managing Technology and Cyber Security Risk (Highlighting BSP Cir. No. 982: Enhanced Guidelines on Information Security Management)	Bankers Institute of the Philippines, Inc.	2018
Corporate Governance Orientation Program	Institute of Corporate Directors	2018
Comparative Analysis of Recent Jurisprudence in Commercial Law as Lectured by Atty. Sergio Ceniza during MCLE Lecture Series 52 of the Asian Center for Legal Excellence	Asian Center for Legal Excellence	2018
Corporate Governance Orientation Program for GOCCs	Institute of Corporate Directors	2018

Past Position-Other Private Institutions	Position	From	To
JV Hinlo Law Office	Trial Lawyer	6/12/2008	6/29/2016
Amado Parreño Law Office	Trial Lawyer	01/00/2005	06/00/2008
E.L. Treyes and JV Hinlo Law Office	Trial Lawyer	08/00/2001	12/20/2004
Atty. Rowena Guanzon Law Office	Trial Lawyer	06/00/2001	10/00/2001
San Miguel Corp. Bacolod	Account Specialist	12/16/2000	5/31/2001
Law Firm Tumangan and Partners	Legal Assistant	11/00/1999	03/00/2000
Ultra Parts	In charge of Collecting Past Due accounts	1997	1997
Nissan Motors Bacolod	Field Operations Manager	01/00/1997	09/00/1997
Volkswagen at Philtown Motors Bacolod	Marketing/Sales Manager	06/00/1996	12/00/1996

Past Position-Government	Position	From	To
Department of the Interior and Local Government	Undersecretary	09/02/2016	11/06/2017
Department of the Interior and Local Government	Contract of Service	07/01/2016	09/01/2016
PLEB Bacolod City	Member	02/07/2014	02/09/2016
PNB General Insurers Co., Inc.	Officer-In-Charge	04/00/1993	06/00/1996
PNB Credit Card Co.	Collection Officer	06/00/1992	03/00/1993

**Nancy Irlanda Tanjuatco**

Representative, Private Sector

Age: 50

Nationality: Filipino

Training in Banking and Other Related Fields

Nature/Title	Conducted By	Year Taken
Fiduciary Essentials for Investment Stewards	Asia Pacific Association for Fiduciary Studies	2018
Corporate Governance Orientation Program	Institute of Corporate Directors	2018
Finance for Directors	Institute of Corporate Directors	2018
Corporate Governance Orientation Program for GOCCs	Institute of Corporate Directors	2018
BSP Philippine Economic Briefing	BSP	2018
Addressing the Risks in Mergers and Acquisitions	AIG/AON	2018
IMMAP Digital Congress (moderator)	Internet Mobile Marketing Association of the Philippines	2016
BSP Philippine Economic Briefing (moderator)	BSP	2007
Management Association of the Philippines International CEO Conference (moderator)	MAP	2006
BSP CEO Forum (moderator)	BSP	2002
APEC Summit Mexico	APEC	2002

Present Position-Other Private Institution	Position	Date assumed	Term Ended
Petron Corporation	Consultant	01/01/2017	

Past Position-Other Private Institutions	Position	From	To
ABS-CBN News Channel (ANC)	News Anchor	2015	2017
Solar News Channel (presently CNN Philippines)	News Anchor	2011	2014
ABS-CBN News Channel (ANC)	News Anchor	1996	2008
Fisher Broadcasting Corporation USA	TV Associate Producer	1995	1996
Citibank	Customer Relationship Manager	1994	1995
Irlanda Industries, Inc.	Special Assistant to the President	1991	1994

**Crispino T. Aguelo (Term ended on 24 July 2018)**

Representative, Agrarian Reform Beneficiaries

Age: 72

Nationality: Filipino

Training in Banking and Other Related Fields

Nature/Title	Conducted By	Year Taken
Joint Audit and Compliance Committee and Risk Oversight Committee Learning Session	Land Bank of the Philippines	2018
Trust Banking Seminar for BOD	Trust Institute Foundation of the Phils.	2015
Global Sustainable Finance Conference (trends and instruments on climate change mitigation & adaptation training)		2015
Study Tour/Orientation on Rural Farm School Act	Association International de Movimientos Familiares de Formacion Rural	2014
International Exposure Visit Program on Japan's Agricultural Recovery Measures from Disaster Damages	Japan Finance Corporation	2013
Deposit Training Function	Land Bank of the Philippines	2012
Investment Banking	Land Bank of the Philippines	2012
Assets and Liabilities Management	Land Bank of the Philippines	2012
Banking Services	Land Bank of the Philippines	2012
Banking Operations	Land Bank of the Philippines	2012
Overview of Lending	Land Bank of the Philippines	2012
Agrarian Operations	Land Bank of the Philippines	2012
Corporate Governance	Institute of Corporate Directors	2010
Audit Methodology and Audit Writing	Land Bank of the Philippines	1996



Past Position-Other Private Institutions	Position	From	To
Pambansang Kilusan ng Samahang Magsasaka	National President	2007	2013
Tangalan Integrated Service Association	Vice President	2002	2006
Pambansang Kilusan ng Samahang Magsasaka	National Council	1989	1992
Aklan Traders and Agency Co.	Branch Head	1979	1981
Filipinas Life Assurance Company	Debit Agent	1973	1979

Past Position-Government	Position	From	To
Department of Agrarian Reform	Member-Presidential Agrarian Reform Council	1992	1998
Local Government Unit	Municipal Councilor	1986	1989
Local Government Unit	Barangay Councilor	1984	1986

### Rodolfo V. Puno (Term ended on 30 April 2018)

Representative, Private Sector

Age: 69

Nationality: Filipino

Training in Banking and Other Related Fields

Nature/Title	Conducted By	Year Taken
Corporate Governance Orientation Program for GOCCs	Institute of Corporate Directors	2018
Corporate Governance Orientation Program	Institute of Corporate Directors	2017
RP-US Textile Agreement	US Trade Representative	1983-1984
ASEAN Economic Meeting	ASEAN	1982
RP-Europe Business Conference	World Economic Forum	1982

Past Position-Other Private Institutions	Position	From	To
Philippine Private Equity Holdings Inc.	Chief Executive Officer	May 2008	29 June 2017
DLA Global City Food enterprise	President	2003	2004
RPRP Ventures Mgt. & Devt Corp	Chairman of the Board	1995	2004
Micron Public Affairs Inc.	President	1991	2002
Fujiki Long Beach Ca. USA	Import/Export Manager	1989	1991
Investco, LA, California USA	Special Assistant	1987	1988
Regina Management Development Corp.	President	1983	1985
International Corporate Bank	Member, Board of Directors	1982	1984
Philippine International Trading Company	Officer in Charge	1982	1982
Garment & Textiles Export Board	Officer in Charge	1982	1982
RFC Securities Company	Executive Assistant	1972	1975

Past Position-Government	Position	From	To
Road Board Secretariat	Executive Director	2005	2008
Road Board of the Philippines Ministry of Trade and Industry	Special Trade Representative	1985	1986
National Cottage Industries Dev't. Authority	Administrator	1983	1985
NDC NACIDA	Director	1983	1985
National Coal Authority	Member, Executive Committee	1982	1984
Road Board of the Philippines Ministry of Trade and Industry	Head Executive Assistant	1982	1984
Task Force on the Duty Free Importation of Textile Materials	Head	1982	1984
Road Board of the Philippines Ministry of Trade and Industry	Assistant Secretary	1981	1986
Commission on Audit	Special Assistant to the Chairman	1975	1978

## Board-Level Committees including Membership and Function

As of 31 December 2018

### Corporate Governance Committee

The Corporate Governance Committee (CG Com) has the following duties and functions:

1. To review and recommend the organizational structure of the Bank and its units;
2. To review and evaluate the qualification standards for all positions in the Bank;
3. To review and recommend the selection/promotion of the officers as endorsed by the Selection Board II;
4. To ensure the Board’s effectiveness and due observance of corporate governance principles and guidelines;
5. To oversee the periodic performance evaluation of the Board and its committees and executive management;
6. To conduct an annual self-evaluation of its performance;
7. To decide whether or not a director is able to and has been adequately carrying out his/her duties as director bearing in mind the director’s contribution and performance;
8. To adopt, propose and recommend to the Board such internal guidelines to address the competing time commitments that are faced when directors and other Bank officers serve on multiple boards;
9. To study and recommend to the Board such policies regarding the continuing education of the Directors, assignment to Board Committees, succession plan for the senior officers and their remuneration commensurate with corporate and individual performance;
10. To decide the manner by which the Board’s performance may be evaluated and propose an objective performance criteria to be approved by the Board;
11. To study and recommend policies to ensure appropriate and effective management through organizational and procedural controls and independent audit mechanisms;

12. To promote transparency and operational responsibility and accountability in a manner consistent with the Bank’s vision, mission, strategic intent and operating values.

Chairperson	Director Virgilio De Vera Robes
Vice Chairperson	Director Jesus V. Hinlo, Jr.
Members	DOF Secretary Carlos G. Dominguez / Treasurer Rosalia V. de Leon /
	Deputy Treasurer Erwin D. Sta. Ana
	DOLE Secretary Silvestre H. Bello III /
	Usec. Claro Arellano / Asec. Joji Aragon
	Director Jaime L. Miralles
	Director Nancy Irlanda Tanjuatco

### Audit and Compliance Committee

The Audit and Compliance Committee’s primary purpose is to provide assistance to the LANDBANK Board of Directors in fulfilling its oversight responsibilities specifically:

1. For Internal Audit and Internal Control:
  - a. To oversee Senior Management in establishing and maintaining an adequate, effective and efficient internal control framework. It shall ensure that systems and processes are designed to provide assurance in areas including reporting, monitoring compliance with laws, regulations and internal policies, efficiency and effectiveness of operations, and safeguarding of assets
  - b. To oversee the internal audit function
2. For Compliance:
 

To oversee the implementation of the Bank’s Compliance Program

Chairperson	Director Jesus V. Hinlo, Jr.
Members	Director Virgilio De Vera Robes
	Director Jaime L. Miralles

### Risk Oversight Committee

The Risk Oversight Committee (Risk Com) is primarily responsible for:

1. Fulfilling statutory, fiduciary and regulatory responsibilities.
2. Assisting the Board in defining the risk appetite of the Bank.

3. Ensuring alignment of risk management objectives with overall business strategies and performance goals.
4. Developing and overseeing the risk management programs of the Bank which include the following:
  - a. Oversight of management functions and approval of proposals regarding the Bank's policies, procedures and best practices relative to asset and liability management, credit, market and business operational risks ensuring that:
    - i. Risk Management systems are in place;
    - ii. Limits/tolerance levels are observed;
    - iii. System of limits remain effective; and
    - iv. Immediate corrective actions are taken whenever limits are breached or whenever necessary.
  - b. Ensuring compliance to written policies and procedures relating to the management of risks throughout the Bank. This shall include:
    - i. Comprehensive risk management approach;
    - ii. Detailed structure of limits, guidelines and other parameters used to govern risk-taking units;
    - iii. Clear delineation of lines of responsibilities for managing risk;
    - iv. Adequate system for measuring risk; and
    - v. Effective internal controls and a comprehensive risk reporting process;
5. Developing a continuing education program to enhance its members' understanding of relevant regulatory and banking industry issues.

Chairperson	Director Jaime L. Miralles
Vice Chairperson	DOF Secretary Carlos G. Dominguez / Treasurer Rosalia V. de Leon / Deputy Treasurer Erwin D. Sta. Ana
Members	DA Secretary Emmanuel F. Piñol / Usec. Francisco M. Villano, Jr.
	Director Jesus V. Hinlo, Jr.
	Director Virgilio D. Robes
	Director Nancy Irlanda Tanjuatco

Major LANDBANK initiatives and new/enhanced guidelines approved by the Risk Com are as follows:

1. **Credit RM**
  - Updated Industry Benchmarks for Credit Rating System of Universal Banks, Commercial, Offshore and Foreign Banks
  - Amendment to Policy on Write-off of Salary Loans
  - Parameters to be used in the statistically-based credit rating model for Countryside Financial Institutions

2. **Market RM**
  - Retention of Treasury Risk Limits for 2018
  - Policies and Procedural Guidelines for Conducting Behavioral Analysis on the Prepayment of Loans
  - Revised Guidelines for the Preparation of Liquidity Gap Report – Version 7
  - Guidelines on Monitoring Report on the Holding Period for Available-for-Sale Securities
  - Guidelines on Liquidity Risk Management – Version 3
  - Guidelines on Model Risk Management
  - Revised Guidelines for the Preparation of the Repricing Gap/Earnings-at-Risk Report – Version 6
  - General Guidelines on the Use of Voice Logger System – version 4
  - Updated Pre-Settlement Risk Weights for 2018
3. **Operational RM**
  - Updated Legal Risk Management Framework
  - Implementing Guidelines on Risk and Control Self-Assessment for Process Risk (Amendment to EO No.134, series of 2016)
  - Implementing Guidelines on Risk and Opportunity Assessment (ROA)
  - Key Risk Indicators for Branch Banking Operations
  - Outsourcing Proposal Risk Assessment Template (OPRAT) and Outsourcing Risk Monitoring Template (ORMT)
  - Business Continuity Management Awareness Training via LANDBANK e-Learning Access Portal (LEAP)
  - Revised IT Systems Prioritization for 2018
  - Updates to the IT Data Recovery Plan
  - Updates on Crisis Communication Plan for 2018
  - Implementing Guidelines on RCSA of LANDBANK's People Risk
4. **Information Security and Technology RM**
  - Revised Information Security Program
5. **Enterprise RM**
  - Revised Risk Dictionary
  - Revised LANDBANK's Early Warning Indicators for 2018
  - Revisions on Risk Management Program for LANDBANK Subsidiaries

## Trust Committee

The Trust Committee (Trust Com), duly constituted and authorized by the Board of Directors, performs its responsibility for overseeing the fiduciary activities of the Bank in accordance with its authority. In the discharge of its function, the Trust Com:

1. Ensures that policies and procedures are in place from account opening to account administration and management up to account termination, in conformity with applicable laws, rules and regulations and prudent practices;



2. Ensures that policies and procedures that translate the Board's objectives and risk tolerance into prudent operating standards are in place and continue to be relevant, comprehensive and effective;
3. Monitors the implementation of stringent controls for the prudent management of fiduciary assets and its appropriate administration; maintaining adequate books, records and files for each account;
4. Oversees the proper implementation of the risk management framework, compliance program and internal controls to ensure that accounts are managed accordingly in different cycle of the market;
5. Adopts an appropriate organizational structure and staffing complement that will enable the Trust business unit to efficiently carry out its function with utmost diligence and skill; and ensures proper and continuous training for its Trust officers and personnel considering growing sophistication and complexity in trust business and changes in the financial market environment.
6. Oversees and evaluates the performance of the Trust Officer and of the Trust operations with regard to business objectives and strategies, compliance and risk monitoring and management, requiring periodic reports on the different areas of responsibility;
7. Requires the review of trust and other fiduciary accounts at least once every three years or as needed depending on the nature of the account, to determine the advisability of retaining or disposing of the trust or fiduciary assets; and whether the account is being managed in accordance with the instrument creating the trust or other fiduciary relationship. For this purpose, the Trust Committee shall meet whenever necessary and keep minutes of its actions and make periodic reports thereon to the Board;
8. Reviews reports submitted by internal and external auditors and regulatory agencies, and deliberates on major exceptions or non-compliance with existing laws, rules and regulations, policies and procedures and acts on appropriate recommendations;
9. Ensures that the Trust Banking Group (TBG) is taking appropriate measures to address all regulatory requirements under applicable laws, rules and regulations and that plans and actions are taken to correct reported conditions and accomplishes satisfactory disposition of findings;
10. Reviews and approves the plans and program of activities of the TBG; and,
11. Regularly reports to BOD on matters arising from fiduciary activities.

In particular, the Trust Com oversees the performance of the Trust Officer who is vested with the function and responsibility of managing the day-to-day fiduciary activities.

Chairperson	DAR Secretary John R. Castriciones / Usec. Luis Meinrado C. Pañgulayan
Vice Chairperson	DOF Secretary Carlos G. Dominguez / Treasurer Rosalia V. de Leon / Deputy Treasurer Erwin D. Sta. Ana
Members	President/CEO Alex V. Buenaventura / Head, Branch Banking Sector DOLE Secretary Silvestre H. Bello III / Usec. Claro Arellano / Asec. Joji Aragon Director Nancy Irlanda Tanjuatco The Trust Officer

## Investment and Loan Committee

The ILC has the following duties and responsibilities:

1. Evaluate and approve (within its delegated authority), or recommend to the LANDBANK Board of Directors for consideration and approval investment and loan proposals in accordance with the provisions of the Codified Approving/Signing Authorities (CA/SA).
2. Evaluate and approve credit policies and guidelines, including but not limited to the following:
  - a. Limits on total loan exposures to different industry/business sectors
  - b. Acceptable collaterals
    - Loan values and collateral cover
    - Appraisal policies
    - Estimated Construction Cost Ranges (ECCR)
  - c. Terms and conditions for each type of credit accommodation
  - d. Interest rate, penalty and other charges
  - e. Standards of account profitability yields on loan accounts
  - f. Credit Risk Rating Models and guidelines on implementation of such models
  - g. Credit Card policies
  - h. Remedial measures such as restructuring, refinancing and other form of work-out strategies
  - i. Foreclosure, dacion en pago, and other forms of settlement for loan accounts
  - j. Write-off of loans, real estate assets and personal property assets
3. Evaluate and recommend to the LANDBANK Board of Directors for consideration and approval investment policies and guidelines that define the structure, eligible investments and management of investment portfolios.
4. Review and monitor the following through reports submitted by the ILC Secretariat/Bank Units:
  - a. Loans Approved Below ILC
  - b. Non-Performing and Past Due Loans
  - c. Approved New Borrowers

- d. Changes in previously Approved Interest Rates
  - e. Amendment in terms and conditions of loans originally approved by the LANDBANK Board of Directors and ILC
  - f. Major Financial Indicators of Selected Local Commercial Banks
5. Present the Committee's Minutes of Meetings and Resolutions for confirmation of the Board. The Committee may refer to the Board any matter that the Committee believes should be addressed by the Board.

Chairperson	President and CEO Alex V. Buenaventura
Vice Chairperson	Director Jesus V. Hinlo, Jr.
Members	Director Virgilio De Vera Robes
	Director Jaime L. Miralles
	Director Nancy Irlanda Tanjuatco

The Committee meets weekly and held a total of 46 meetings in 2018 with an average attendance of 86.75%.

The ILC approved 665 loan accounts and endorsed 438 accounts to the LANDBANK Board for approval or confirmation. A total of 84 credit-related policies and programs were deliberated and approved for implementation. It likewise evaluated three investment accounts which were endorsed for approval of LANDBANK Board.

All Board level Committees, including the ILC, submitted Performance Rating Scorecards with parameters on Functions and Responsibilities, Structure, Processes and Performance. The overall rating of the ILC was 99.44% or Superior.

### Agri-Agra Social Concerns Committee

The Agri-Agra Social Concerns Committee (AASC) has the following duties and functions:

1. Formulate non-credit policies to improve the delivery of services on CARP and other agri-agra matters.
2. Serve as clearing house for CARP-related non-credit programs of LANDBANK and endorse to the LANDBANK Board for final approval.
3. Monitor the status of implementation of the various non-credit agri-agra programs of the Bank.
4. Monitor the status of implementation of social concerns programs of LANDBANK.
5. Attend to other functions as may be assigned by the Board of Directors.

Chairperson	LANDBANK President and CEO Alex V. Buenaventura
Members	DAR Secretary John R. Castriciones / Usec. Luis Meinrado C. Pañgulayan
	DA Sec. Emmanuel F. Piñol / Usec. Francisco M. Villano, Jr.
	Dir. Virgilio De Vera Robes
	Dir. Jaime L. Miralles

### Related Party Transactions Committee

The Related Party Transactions Committee (RPT Com) has the following duties and functions:

1. To evaluate on an ongoing basis existing relations between and among business and counterparties to ensure that all Related Parties are continuously identified, RPTs are monitored, and subsequent changes in relationships with counterparties (i.e., from non-related to related and vice versa) are captured;
2. To evaluate all material RPTs to ensure that these are not undertaken on more favorable economic terms to such RPs than similar transactions with non-related parties under similar circumstances;
3. To ensure that appropriate disclosure is made, and/or information provided to regulating and supervising authorities relating to the Bank's RPT exposures, and policies on conflicts of interest or potential conflicts of interest;
4. To report to the Board every quarter the status and aggregate exposures to each RP as well as the total amount of exposures to all RPs;
5. To ensure that RPTs, including write-off of exposures, are subject to periodic independent review or audit process; and
6. To oversee the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including the periodic review of RPT policies and procedures.



## Director's Attendance at Board and Board-Level Committee Meetings

Name of Directors	Board Meeting		Corporate Governance Committee		Audit and Compliance Committee		Risk Oversight Committee		Trust Committee		Investment and Loan Committee		Agri-Agra Social Concerns Committee		Related Party Transactions Committee	
	(25 Meetings)		(13 Meetings)		(15 Meetings)		(17 Meetings)		(8 Meetings)		(46 Meetings)		(5 Meetings)		(10 Meetings)	
	Attended	%	Attended	%	Attended	%	Attended	%	Attended	%	Attended	%	Attended	%	Attended	%
1. Carlos G. Dominguez	21	84.00	5	38.46	n/a	-	9	52.94	5	62.5	n/a	-	n/a	-	n/a	-
2. Alex V. Buenaventura	25	100.00	n/a	-	n/a	-	n/a	-	8	100.00	43	93.48	5	100.00	n/a	-
3. Emmanuel F. Piñol <sup>1)</sup>	19	76.00	n/a	-	3 out of 4	75.00	5	29.41	n/a	-	n/a	-	2	40.00	n/a	-
4. John R. Castricones <sup>2)</sup>	16	64.00	n/a	-	n/a	-	5 out of 11	45.45	8	100.00	2 out of 5	40.0	4	80.00	n/a	-
5. Silvestre H. Bello III <sup>3)</sup>	9	36.00	6	46.15	n/a	-	n/a	-	3 out of 6	50.00	n/a	-	n/a	-	n/a	-
6. Jesus V. Hinlo, Jr.	25	100.00	13	100.00	15	100.00	17	100.00	n/a	-	46	-	n/a	-	10	100.00
7. Rodolfo V. Puno <sup>4)</sup>	7 out of 8	87.50	3 out of 3	100.00	3 out of 4	75.00	5 out of 6	83.33	1 out of 2	50.00	12 out of 14	85.71	n/a	-	4 out of 5	80.00
8. Crispino T. Aguelo <sup>5)</sup>	13 out of 13	100.00	7 out of 7	100.00	9 out of 9	100.00	11 out of 11	100.00	n/a	-	27 out of 27	100.00	2 out of 3	66.66	1 out of 1	100.00
9. Virgilio DV. Robes	24	96.00	12	92.31	13	86.67	14	82.35	n/a	-	39	84.78	4	80.0	8	80.00
10. Jaime L. Miralles <sup>6)</sup>	11 out of 12	91.67	6 out of 6	100.00	6 out of 6	100.00	6 out of 6	100.00	n/a	-	17 out of 20	85.00	1 out of 2	50.00	3 out of 3	100.00
11. Nancy Irianda Taniuatco <sup>7)</sup>	8 out of 8	100.00	2 out of 2	100.00	n/a	-	3 out of 3	100.00	2 out of 2	100.00	11 out of 11	100.00	n/a	-	2 out of 2	100.00
<b>Total Number of Meetings Held During the Year : 139</b>																

<sup>1)</sup> Sec. Piñol is no longer a member of the Audit Com (Approved on 13 March 2018 BOD Meeting).

<sup>2)</sup> Sec. Castricones is no longer a member of the Risk Com due to the reorganization of Board Level Committees (Approved on 24 July 2018 BOD Meeting) and he temporarily sit as LLC member from 26 June to 24 July 2018 (Approved on 13 June 2018 BOD Meeting).

<sup>3)</sup> Sec. Bello was succeeded by Dir. Puno in the Trust Com (Approved on 13 March 2018 BOD Meeting). Due to the resignation of Dir. Puno, Secretary Bello was once again designated as member of the Trust Com (Approved on 08 May 2019 BOD Meeting).

<sup>4)</sup> Term as member of the LANDBANK Board ended on 30 April 2018

<sup>5)</sup> Dir. Aguelo was designated as member of the RPT Com (Approved on 08 May 2018 BOD Meeting). Term as member of the LANDBANK Board ended on 24 July 2018

<sup>6)</sup> Term as member of the LANDBANK Board started on 24 July 2018

<sup>7)</sup> Term as member of the LANDBANK Board started on 25 September 2018



To ensure that appropriate disclosure is made, and/or information provided to regulating and supervising authorities relating to the Bank's RPT exposures, and policies on conflicts of interest or potential conflicts of interest

## Director Performance Review

One of the components of the Performance Evaluation for Directors in the GOCC Sector, appraises the performance of individual members of the GOCC Governing Board.

Chairperson	Director Virgilio De Vera Robes
Vice Chairperson	Director Jesus V. Hinlo, Jr.
Member/s	Director Jaime L. Miralles Director Nancy Irlanda Tanjuatco

The Committee meets at least quarterly and held a total of 10 meetings in 2018.

The RPT Com vetted 10 loan accounts, two procurement transactions and one HOCAD transaction.

The Board of Directors approved and confirmed the following:

- 1) Approved three reports on Material RPT;
- 2) Confirmed three reports on Non-Material RPT; and
- 3) Confirmed one report on status and aggregate exposures on related parties

### Changes in the Board of Directors

Director Rodolfo V. Puno resigned as member of the LANDBANK Board of Directors representing the Private Sector effective 30 April 2018.

Director Jaime L. Miralles assumed office as member of the LANDBANK Board of Directors representing the Agrarian Reform Beneficiaries, vice Director Crispino T. Aguelo on 24 July 2018.

Director Nancy Irlanda Tanjuatco assumed office on 25 September 2018 as member of the LANDBANK Board of Directors representing the Private Sector, vice Rodolfo V. Puno.

### Performance Assessment Program

As the Bank's corporate governance gravitates on the role of the Board of Directors, an assessment tool is vital for evaluating the Board's performance.

Developed by the Institute of Corporate Directors (ICD), performance rating sheets are disseminated yearly to evaluate the performance of the Board and the Board-level Committees. The results are then evaluated and deliberated upon annually by the Corporate Governance Committee in a duly constituted meeting.

Another performance evaluation tool for directors, the internet-based Performance Evaluation for Directors (iPED) System was developed by the Governance Commission for GOCCs (GCG) to increase the level of confidentiality and security in the information being given by the directors. The Director Performance Review (DPR), one of the components of the Performance Evaluation for Directors in the GOCC Sector, appraises the performance of individual members of the GOCC Governing Board. The DPR Forms are being accomplished and submitted by each director directly to the GCG through the iPED System.

### List of Major Stockholders:

The LANDBANK is wholly-owned by the National Government.

### Retirement Age:

Board of Directors	Senior Management
N/A	Under Section 4.2, RA No. 7641, the Compulsory Retirement age is 65 years old

### Term of Office of Board of Directors:

Under GCG Memorandum Circular No. 2012-04 (re-issued), any provision in the charters of each GOCC to the contrary notwithstanding, the term of office of each Appointive Director shall be for one year, unless sooner removed for cause provided, however, that the Appointive Director shall continue to hold office until his/her successor is appointed.

## Units Under the Board of Directors

Moreover, in compliance with international standards, internal auditing also adds value to LANDBANK's operation by evaluating its risk management and governance processes.

### Internal Audit Group

#### The structure of the internal audit and compliance functions including its role, mandate/authority, and reporting process

To ensure its independence, the Internal Audit Group (IAG) reports functionally to the Board-designated Audit and Compliance Committee (AC Com) and administratively to the President and CEO.

The IAG plays a key role in assisting the LANDBANK Board of Directors, through the AC Com, in the discharge of its corporate governance responsibilities (1) by performing an independent and objective evaluation/assessment of management controls and operations performance, including technology risk management processes and IT controls; and (2) by determining the degree of compliance with laws, regulations, managerial policies, accountability measures, ethical standards and contractual obligations. It covers an appraisal of the plan of organization and all the coordinated methods and measures, in order to recommend courses of action on matters relating to operations and management controls. Moreover, in compliance with international standards, internal auditing also adds value to LANDBANK's operation by evaluating its risk management and governance processes.

As provided for in the IAG Charter, with strict accountability for confidentiality and safeguarding records and information, IAG is authorized to have unrestricted access to any Bank documents, records, properties, personnel, and information technology assets pertinent to carrying out an engagement and is relatedly authorized to require any personnel of the audited units to supply information and/or explanation as needed; and have discussions with any personnel of the auditable units during reasonable office time.

The results of its assurance services, consulting services, special/fraud audits and other services aim to draw attention to any breakdown in internal control or significant issues so that (1) remedial action may be undertaken; (2) improvements in procedures and systems to prevent waste, extravagance and fraud are recommended; and (3) appropriate system of controls and other accounting and operational matters are advised. The IAG also provides periodic reports on the internal audit activity's purpose, authority, and responsibility, as well

as performance relative to its plan including significant risk exposures and control issues, fraud risks, governance issues, and other matters needed or requested.

The IAG is also responsible for reporting to Senior Management and the AC Com on the internal audit activity's Quality Assurance and Improvement Program, including results of on-going assessments and external assessments conducted at least every year and every five years, respectively, including the status of compliance on the agreed corrective actions/plans on unresolved audit issues.

#### The review process adopted by the Board to ensure effectiveness and adequacy of the internal control system

The AC Com's primary purpose is to provide assistance to the LANDBANK Board in fulfilling its oversight responsibilities over the Bank's reporting policies, practices and control, internal and external audit functions.

The IAG reports to the AC Com the results of its assurance services, consulting services, special/fraud audits and other services to ensure that Senior Management is taking necessary corrective actions in a timely manner to address any weakness, non-compliance with policies, laws and regulations, and other issues identified by auditors.

The AC Com holds its meetings at least once a month to ensure the effectiveness and adequacy of the internal control system and that risks are properly managed. On top of the discussion and notation of the regular reports of the IAG and the Compliance Management Group, the Committee also deliberates on various issues and concerns related to the Bank's existing internal controls, potential breaches and vulnerabilities, and likewise recommends ways and measures to strengthen internal controls and manage risks. The business units that fail in the audit are also required to present to the AC Com the status/action taken on audit's recommendations to address internal control breaches or related plans.

The minutes of the meetings of the AC Com are confirmed by the LANDBANK Board.

The AC Com held 15 meetings in 2018 with an average attendance of 93.43%.

## Functional Supervision of the Audit and Compliance Committee

### a. Compliance Function

- Approved CMG's Plans and Programs and Compliance Testing Plan for CY 2018, AML Compliance Self-Testing, updated Compliance Manual, Trust Compliance Manual, revised Whitelisting Guidelines, and enhanced AML Testing Program
- Confirmed CMG's 2018 Management-approved budget
- Noted CMG's participation in the Accounts Review Committee
- Noted various management and compliance reports, such as: (1) results of independent and periodic compliance testing (Bank proper and Trust operations), (2) Reports on Crimes and Losses, (3) Reports on Fines and Penalties, (4) regulations issued, and (5) regulatory ratios
- Noted CMG's updates on the Bank's action taken on open findings/recommendations in the BSP ROE as of 31 March 2016 and CY 2014 as of December 2017; and the BSP reply to the Bank's amended Letter of Commitment containing specific accounts to address the BSP directives on Bank's AML/CFT Framework; and the quarterly status of the amended Letter of Commitment to BSP on the Bank's AML/CTF Framework
- Noted the updates on the implementation of action plans on COA observations and recommendation as of CY 2017, such as: (1) Third Party Service Provider for ATMs, and (2) suggested solutions to address COA's observations
- Noted the results of assessment of the Trust Banking Group's compliance with laws, rules and regulations adopting the BSP Trust Rating System
- Noted the Minutes of Meetings of the AML Committee

### b. Internal Audit

- Approved the revisions in the AC Com Charter and the IAG Plans and Programs for CY 2018 including amendments thereof
- Approved various internal audit policies/action plans/audit tools, such as: (1) Audit Expectations for 2018, (2) revisions in the IAG Charter, (3) Audit Risk Scoring System of Business Units, (4) discontinuance of audit of Supervising Units except in meritorious cases, (5) targeted number of Risk Measurement/Pricing Models for independent validation in CY 2018 with focus on those being used by BRMD and CRMD only, and (6) amendment on the frequency of review of Related Party Transactions from semi-annual to annual
- Confirmed IAG's Management-approved budget for CY 2018
- Endorsed the Business Models for Financial Assets Classification for Board approval
- Noted IAG's declaration of organizational independence and various periodic reports, such as: (1) Accomplishment Reports, (2) results of Audit Client

Satisfaction Survey, (3) long outstanding findings, (4) major/common/recurring findings, (5) outstanding major findings, (6) annual confirmation of balances for private deposit accounts, and (7) various special audits/fact-finding reports

- Noted the presentation of action plans of units that failed the Risk-Based Internal Audit
- Noted the results of the External Quality Assurance Review and corresponding IAG action plans/taken
- Noted the Minutes of Meetings and Accomplishment Reports of the Accountability Assessment Committee
- Noted the AC Com reports, such as: (1) Accomplishment Report, and (2) Results of Performance Rating for PY 2017

## Risk Management Group

Risk management involves the oversight function covering risk identification, assessment, measurement, control, monitoring, and reporting of risks inherent in all activities of the Bank. The Risk Management Group (RMG), as an independent unit, performs the oversight function for all major risk areas of the Bank: credit, market, liquidity, operational, IT risk, information security, and consumer protection, among others. RMG reports functionally to the Risk Com and administratively to the President and CEO of LANDBANK.

RMG is composed of seven Bank Units namely, Business Risk Management Department, Credit Risk Management Department, Enterprise Risk Management Office, Information Security and Technology Risk Management Office, Treasury Risk Management Department, Credit Policy Formulation and Review Unit, and Investment and Loans Committee Secretariat and Support Unit.

RMG also performs risk management assessment for the Bank's subsidiaries and supports the Bank's Internal Capital Adequacy and Assessment Process (ICAAP) Steering Committee in the preparation of the ICAAP document submitted annually to the BSP. It provides guidance on the development and enhancement of the ICAAP framework using scenario analyses and stress testing measures.

## Trust Banking Group

The LANDBANK Trust Banking Group (TBG) ended 2018 on a high note. Guided by its slogan "Stewards for Growth and Good Governance", TBG's performance was marked by sustained increases in Asset Under Management (AUM) which reached ₱305.69 Billion, recording a 132% accomplishment versus target. This is highlighted by an increase of ₱76.24 Billion generated from its Custody and Registry Services, or 46% more than its asset under custody in 2017. The TBG also surpassed its income target for 2018.

The six Unit Investment Trust Funds (UITFs) of TBG posted improved industry rankings by end 2018. Foremost is the LANDBANK Global \$ Fund which improved eight notches from its 2017 level and ranked number 1 by end-2018. Also, the LANDBANK Equity Index Fund ranked number 8 among 52 equity funds from its 38<sup>th</sup> position in 2017. Total UITF AUM increased to ₱576.43 Million by end-2018, mostly from individual investors.

In 2018, TBG has implemented the UITF Auto-invest program that enabled regular UITF contribution from LANDBANK employees via an automatic debit arrangement. The launching of the TBG Stewardship Awards which recognized the efforts of the Bank's employees from the branches, lending centers and other marketing units has likewise contributed to the increase in number of trust accounts, AUM, and income, as well as wider awareness and knowledge on trusts products and services. Also, the new Trust Banking System (Moneyware) marked its "Go-live" status.

The TBG embarked on the completion of the BSP-mandated activities on the migration of the defunct Living Trust Account (LTA) to the Personal Management Trust (PMT). In addition, TBG has adopted its Business Models and accomplished the classification of its existing accounts in line with the BSP regulations governing the implementation of PFRS 9.

Powering into 2019 to promote inclusive growth especially for the underserved sectors, TBG has set its focus to achieve its respective targets in AUM and income and operational efficiency through the following plans and programs, to wit:

1. Offer the UITF Auto-Invest Program to the investing public;
2. Launch the UITF i-Invest Facility that will enable investors to add and withdraw using their smartphones or tablets; and
3. Full implementation of its new Trust Banking System to improve efficiency in its internal processes, ensuring compliance to regulations and maintain quality customer service.

## Compliance Management

The Compliance Management Group (CMG) oversees the implementation of the Bank's Compliance Risk Management System which is designed to identify and mitigate risks which may erode the franchise value of the Bank and ensures that business operations are conducted in accordance with laws, rules and regulations, code of conduct and sound policies and standards of good practice.

CMG has two departments, namely: Regulatory Compliance Department and Anti-Money Laundering Department responsible for the implementation of LANDBANK Compliance Program and Money-Laundering and Terrorist Prevention Program Manual, respectively. CMG is headed by the Chief Compliance Officer (CCO) who functionally reports to the Board of Directors through the Audit and Compliance Committee (ACCom).

All the CMG personnel attended various training programs to progressively build the competencies and have a broad blend of skills and experiences necessary to effectively carry out the compliance functions.

## Units under the Office of the President and CEO

The LANDBANK President and CEO assumes direct supervision over four bank units, namely: (1) Strategic Planning Group; (2) Agrarian Services Group; (3) Legal Services Group; and (4) Security Officer/Physical Security Office.

One of the highlights in 2018 was ASG's reorganization covering the AOCs, BSD and LAPD. The initiative was made to strengthen agrarian operations and better serve the needs of the ARBs, landowners, government and other CARP Implementing Agencies. This also include the replacement of PARCS device, an automated future-proof custom-designed collection system used by the ASG field collectors to streamline the Bank's ARR/FAR Collection's remittance processes; increase coverage of ARR/FAR collection; address the delay or non-remittance of collections by the Field Collectors; eliminate if not lessen the occurrence of tampering of collection documents; generate timely and accurate reports; and reduce Agri-Non-Performing Loans managed by the Loans Recovery Department.

The new PARCS device is the first Android POS machine to be introduced in the Philippines and can perform multi-application as compared to conventional POS. It is functionally scalable to handle micro-loan and deposit servicing.

The following are the programs and projects that will be pursued by ASG:

1. Automation of LTC Monitoring System – This will enhance efficiency in the monitoring and settlement of land transfer claims (LTCs) and provide LANDBANK and DAR timely information on the status of processed and approved LTCs.
2. Collection of Past Due Loans through Portable Agrarian Reform Collection System (PARCS) - ASG's contribution in the reduction of Agri- Non-Performing Loans, recovers past due agri-loans and generates revenues for the bank.
3. Management of Agricultural ROPA Accounts covered under CARP – ASG will assist SPAD in the monitoring and collection of payments for Agri-ROPAs covered under CARP.
4. Transfer of Custodianship of CLOAs and Emancipation Patents from LANDBANK to the DAR – This will enable the FBs to fully enjoy and exercise their right of ownership over their awarded lands and to empower them to become dignified and productive members of society.

## Agricultural and Development Lending Sector

The Agricultural and Development Lending Sector (ADLS), which was headed by EVP Joselito P. Gutierrez, manages the Bank's lending activities. The Sector is directly in charge of providing timely and responsive financial assistance and other interventions to the Bank's mandated and priority sectors



including farmers and fishers, agrarian reform beneficiaries and their associations, agri and aqua-related businesses, and other programs aligned with the priorities of the National Government with the end goal of helping improve the quality of life especially in the countryside and promote inclusive growth.

To deliver the Bank's loan products and services across the country, there were 44 Lending Centers located in the key provinces and nine Lending Units based at the Head Office that cater to retail, mortgage and corporate lending. For efficient management and control, the provincial Lending Units are clustered by major island groupings: the North and Central Luzon, Southern Luzon, Visayas and Mindanao Lending Groups. At the Head Office, the lending units are grouped into Corporate Banking and Retail and Mid-Market Lending.

The CBG is comprised of the Corporate Department I (CBD I) and the Corporate Banking Department II (CBD II), both handling large corporations; the Public Sector Department (PSD), handling government accounts; the Financial Institutions Department (FID), which handles financial institutions and rural banks; the Microfinance Institutions Department (MFID), a department which was newly created in August 2017, focuses on lending to cooperatives within the National Capital Region (NCR).

The Retail and Mid-Market Lending Group, on the other hand, oversees the administration, monitoring, supervision and management of housing mortgage and mortgage loans, Sales Contract Receivables, and accounts of Small and Medium Enterprises (SMEs), including livelihood (salary) and OFW loans in the NCR.

To support the Bank's lending activities, the Lending Programs Management Group is responsible for program development, monitoring, and sourcing of foreign and domestic funds. The Lending Support Department provides administrative and backroom support to the Sector. The Loan Recovery Department and the Special Assets Department handle matters related to loan recovery and past due loans for Head Office Lending Units, and management and disposal of ROPAs acquired by all Lending Units, respectively.

## Branch Banking Sector

The Branch Banking Sector (BBS), which is headed by EVP Liduvino S. Geron, handles the deposit-taking and deposit-related servicing of the Bank.

As of 31 December 2018, the Bank has a total of 359 branches, 37 extension offices (EOs), 49 LANDBANK Easy Access Facilities (LEAFs), 12 Teller/FX Booths and 119 Cash Deposit Machines (CDMs). These units are clustered into 10 geographical locations for an effective branch management and control, namely: North and South NCR; North Luzon; Central Luzon; Southeast and Southwest Luzon; East and West Visayas; and East and West Mindanao Branches Groups.

The BBS markets and implements the electronic card-based products and services and other alternative e-banking solutions of the Bank through the Card and Electronic Banking Group. In support to government programs, the Sector through the OFW Remittance Group provides support to OFWs in terms of remittances both domestic and overseas. Presently, the Bank covers 22 countries/overseas jurisdictions and employs 12 Overseas Remittance Officers. The CCT Program Management Office (CCT-PMO), on the other hand, oversees the implementation requirements of the National Government for its Cash Transfer Programs which include the Conditional Cash Transfer, Unconditional Cash Transfer, and Tax Reform Cash Transfer Programs (4Ps, Social Pension and Listahanan). The CCT-PMO closely coordinates with the Department of Social Welfare and Development, concerned Bank units, and LANDBANK-accredited CCT conduits to ensure the efficient delivery and distribution of cash grants to eligible beneficiaries.

Providing support to the sector are the Branch Banking Support Department which handles administrative support to the various units and the Systems Implementation Department for technical support to all system users in the Branches.

In 2018, the BBS launched the Digital On-Boarding System (DOBS), a web-based browser which facilitates deposit account opening and approval processes. The DOBS allows both individual and institutional clients to fill out digital account opening forms prior to proceeding to the branch for the account opening process. It was initially implemented in 18 pilot branches and will be fully implemented in 2019.

Further, the BBS continuously promotes the use of digital technologies for the convenient banking of its clients, more particularly via the implementation of the LANDBANK Link. BizPortal. The platform allows clients to pay for products and services via the internet from both the government and private institutions. A total of 193 new merchants were enrolled in 2018. Similarly, to cater to the online banking requirements of clients such as fund transfer, bills payments and account inquiries, digital nooks/corners were installed in 71 branches.

In line with continued expansion to deliver its products and services, the Bank opened 19 additional branches/extension offices/LEAFs in 2018. It installed 192 ATMs, 26 CDMs and 334 Point-of-Sale (POS) cash-out and debit/credit terminals nationwide.

192

Installed ATMs

26

CDMs

19

Additional branches/  
extension offices/  
LEAFs in 2018

334

Point of Sale (POS)  
cash-out and debit/  
credit terminals  
nationwide

In its mandate of powering inclusive growth in the countryside, the BBS aims to (1) establish partnerships with reputable cash-rich agents or cooperatives who have the integrity, probity and the necessary expertise to deliver cash withdrawal and cash acceptance services in underserved and unbanked areas; (2) make banking services available and accessible through expansion of branch networks including the establishment of mobile branch, installation of additional ATMs/POS/CDMs and deployment of mobile ATMs; (3) continuously enhance operations on e-banking to promote secure and convenience banking; (4) shorten processing time through the use of new technology solutions which include the full implementation of customer digital on-boarding solutions, digital nooks and digital hubs; (5) actively market electronic payments and cash management solutions that will promote more convenience in banking transactions; and (6) continuously expand remittance services for OFWs through forging tie-ups with remittance partners with global coverage/networks.

## Treasury and Investment Banking Sector

The overall supervision of the Bank's treasury operations, financial resource management and investment banking is taken on by the Treasury and Investment Banking Sector (TIBS). EVP Carel S. Halog heads the TIBS which is comprised of three groups: (1) Asset and Liability Management Group (ALMG), (2) Financial Market Group (FMG), and (3) Investment Banking Group (IBG).

ALMG manages LANDBANK's balance sheet and liquidity and reserve positions.

FMG, on the other hand, undertakes the management of the Bank's trading units for both Peso and Foreign Currency-denominated instruments, and the formulation of trading strategies using fundamental and technical analysis.

IBG extends underwriting services and financial advisory for debt and equity capital market transactions, specialized and structured transactions, fund arrangement, and advisory services for corporate finance transactions. It also provides investment banking services for project finance transactions as well as monitoring the performance of all of the Bank's investments in equity and other financial instruments.

## Operations Sector

The Operations Sector (OS) is headed by EVP Alan V. Bornas. This Sector undertakes the provision of Bank-wide operational support including the accounting services and development and implementation of information technology system-related infrastructure. The OS is comprised of four groups with the following functions:

- The Banking Services Group (BSG) supervises the operations of its three Departments namely, (1) ATM Operations Support Department; (2) Cash Operations Support Department; (3) Central Clearing Department; and (4) MDS and Collections Management Department. This group is in charge of the central cash vault servicing such as cash withdrawals from the BSP, cash deliveries to

the Bank's cash centers in the NCR and nearby provinces, ATM monitoring and transactions reconciliation, check's monitoring, sorting and clearing, the processing of branches' collections and remittances, and the allocation and reimbursement of the National Government's Modified Disbursement Scheme (MDS).

- The Banking Operations Group (BOG) oversees the international trade, non-trade and foreign currency transactions, maintains the loans subsidiary ledgers, billing and collection functions related to lending operations, and processes inward and outward remittances both for foreign and domestic transactions. BOG has four bank units: (1) Foreign and Domestic Remittance Department; (2) International Trade Department; (3) Loans Implementation Department; and (4) Property and Valuation and Credit Information Department.
- The Controllership Group supervises the performance of general accounting, inter-office floats management, preparation of the Bank's financial statements and reports for external regulatory bodies, Bank-wide budget preparation and control, management of the Bank's tax position and documentation of operations and preparation of procedural guidelines on Bank operations. It also supervises five departments: (1) Administrative Accounting Department; (2) Agrarian Accounting Department; (3) Financial Accounting Department; (4) Systems and Methods Department; and (5) Treasury Operations Department.
- The Technology Management Group oversees information technology (IT) management functions, particularly the coordination on the Bank's IT plans, designing of IT architecture, oversight on the implementation of IT programs in coordination with the designated project teams, management and enhancement of IT infrastructure and applications. It also provides technical evaluation or advice for end-user selection of application software and hardware. The group is comprised of the following departments: Data Center Management, E-Banking Systems, Enterprise Systems, IT Project Management, Network Operations and Retail Banking Systems.

## Corporate Services Sector

The Corporate Services Sector is headed by EVP Julio D. Climaco, Jr. This Sector is comprised of four bank units with corresponding functions: (1) Human Resource and Management Group (HRMG) handles the overall supervision of the delivery of human resource support services; (2) Facilities and Procurement Services Group (FPSG) administers the Bank's facilities, properties and supplies; (3) Provident Fund Department (PFD) manages the Bank's Provident Fund; and (4) Corporate Affairs Department (CAD) covers the management and administration of LANDBANK's media and external relations programs.

Risk Management (RM) goes hand-in-hand on co-equal footing with LANDBANK's business strategy. It is an integrative component of good governance which the LANDBANK Board, Risk Oversight Committee (Risk Com) and Senior Management oversee to ensure adequacy of framework, policies, internal controls, RM systems and procedures to manage risks.

## LANDBANK Risk Management Philosophy and Culture

Risk Management (RM) goes hand-in-hand on co-equal footing with LANDBANK's business strategy. It is an integrative component of good governance which the LANDBANK Board, Risk Oversight Committee (Risk Com) and Senior Management oversee to ensure adequacy of framework, policies, internal controls, RM systems and procedures to manage risks.

The Bank's core RM philosophy is to balance risk and reward by maximizing business opportunities, operating within the risk threshold and minimizing losses beyond its appetite. RM is also embedded in all the business processes of the Bank and it ascertains that risk-taking is commensurate with its risk appetite.

The Bank's RM completes the triumvirate of audit and compliance functions which focus on the risk controls of the Bank. Together with internal audit and compliance, the synergy of the three functions provides credence to the role of the Bank's corporate governance in implementing an effective RM framework.

LANDBANK's RM approach is governed by the Board-approved Enterprise RM (ERM) anchored on its mission, vision, and strategic objectives. The LANDBANK's implementation of the ERM system with defined pro-active RM departs from silo approach. Thus, RM is implemented beyond compliance across the entire organization with active participation of the Board, Senior Management and all business units (BUs) of the Bank. ERM is implemented in three levels, namely, strategic, portfolio, and transactional levels.

At the Strategic Level, the LANDBANK Board through the Risk Com and Senior Management, are actively involved in an enterprise-wide RM oversight which involves formulation and approval of RM framework, policies and strategies, internal controls, and RM system as well as the annual review thereof. The LANDBANK Board and Senior Management are also involved in an organizational-wide risk monitoring which is used as basis for decision-making and review of LANDBANK's controls/mitigating measures (operational, financial and compliance control) and RM system.

At the Portfolio Level, the Groups or Departments oversee the implementation of policies and processes and monitor possible breaches. RM Group (RMG) recommends policies, processes and revisions based on risk reports submitted by the risk-taking BUs to address risk occurrences that cannot be solved at the level of the risk-taking BUs.

At the Transactional Level, the Authorized Risk Takers (ARTs) who act as the first line of defense are involved in the actual implementation of risk policies and procedures. The ARTs embrace the continuous management of risk events and immediately escalate policy breaches, procedural infractions and related risk occurrences that cannot be solved at their level to the Department or Group Heads.

### Risk Governance Framework (RGF)

RM involves the oversight function covering risk identification, assessment, measurement, control, monitoring, and reporting of risks inherent in all activities of the Bank. The RMG, as an independent unit, performs the oversight function for all major risk areas (credit, market, operational, compliance, concentration/contagion, interest rate, counterparty, liquidity, reputation, IT risk, among others) of the Bank. RMG reports functionally to the Risk Com and administratively to the President and Chief Executive Officer (CEO) of LANDBANK.

### Subsidiaries RM

Part of the Bank's RGF involves managing risks residing in LANDBANK Subsidiaries. This ensures that there is an integrated perspective of risk exposures both at disaggregated and aggregated level.

Subsidiaries Risk is the risk on earnings and assets of LANDBANK (direct impact) arising from the reduction or decline in net income of non-financial allied subsidiaries and/or newly acquired entities/institutions.

The Bank provides RM oversight to LANDBANK Subsidiaries acknowledging that the LANDBANK Subsidiaries' operations also bear impact on the Bank's financial statements. It monitors and reports risk exposures of the LANDBANK Subsidiaries through the submission of consolidated financial reports.

RM oversight to the LANDBANK Subsidiaries is also an essential component of corporate governance of LANDBANK. It is a means of improving the Bank's

business and services in a group-wide activity that involves LANDBANK as Parent Bank and its six wholly-owned Subsidiaries including newly acquired entities/institutions in the pursuit of its business goals and objectives:

1. LANDBANK Resources and Development Corporation (LBRDC)
2. Masaganang Sakahan, Incorporated (MSI)
3. LANDBANK Insurance Brokerage, Incorporated (LIBI)
4. LANDBANK Leasing and Finance Corporation (LLFC)
5. LANDBANK Countryside Development Foundation, Incorporated (LCDFI)
6. Overseas Filipino Bank (OFBank)

The RM Program for Subsidiaries (RMPS) of the Bank was approved on 17 December 2018 by Risk Com per ROC Resolution No. 2018(12)560. This includes relevant methodologies, processes and tools which guide LANDBANK Subsidiaries in implementing a robust RM.

The RMPS incorporates the LANDBANK Subsidiaries' RM Framework which includes:

1. RM Policy (Principles)
2. RM Oversight Structure, key roles, and responsibilities
3. Levels of RM (Strategic, Portfolio, and Transactional level)
4. Process for Risk Identification, Measurement, Monitoring, and Reporting
5. RM Strategy Formulation
6. Programs to promote RM Awareness and culture in LANDBANK Subsidiaries
8. RM Operations and Tools

These policies mirror the RM Framework and policies of LANDBANK as Parent Bank and are compliant with the regulatory requirements articulated under BSP Circular No. 971 dated 22 August 2017 "Guidelines on Risk Governance". It considers the diversity of LANDBANK Subsidiaries' mandate, nature of business operations, structure, risk appetite and other variables.

Also, as part of the continuing education of the Risk Com members, an Annual Learning Session is held to re-orient and provide updates on regulatory issuances relative to risk policies, procedures, guidelines, strategies, and various operational aspects of LANDBANK. The overall 2018 performance rating of the Risk Com is 99.50% or Superior based on the following parameters: Function and Responsibilities, Structure, Process, and Performance.

## Credit Risk Management

Credit risk arises from the failure of counterparty to meet the terms of any contract with the Bank. Credit risk is not limited to the loan portfolio but is found in all the Bank's activities where success depends on counterparty, issuer, or borrower performance. It arises any time the Bank's funds are extended, committed, invested, or otherwise exposed through actual or implied contractual agreements, whether reflected on or off the balance sheet. The Bank considers its loan portfolio as the major source of credit risk. However, other sources of credit risk exist throughout the activities of the Bank, including the banking and trading books and On- and Off-Balance Sheet transactions.

### Maximum Credit Risk Exposure

The table below shows LANDBANK's maximum exposure to credit risk, before and after considering eligible collateral held or other credit enhancements.

On-Balance Sheet (BS) Items	2018 (In P Millions)							
	CEA	0%	20%	50%	75%	100%	150%	CRWA
Cash on Hand	36,941	36,941						
Checks & Other Cash Items (COCI)	51		51					10
Due from Bangko Sentral ng Pilipinas (BSP)	334,804	334,804						
Due from Other Banks	4,718		67	4,563		88		2,383
Financial Assets Designated at FVTPL	912					912		912
Available-for-Sale (AFS) Financial Assets	92,902	65,926		22,898		4,078		15,527
Held-to-Maturity (HTM) Financial Assets	496,134	462,778		15,075		18,281		25,819
Loans & Receivables	723,222		7,652	16,295	87,501	606,498	5,276	689,716
1. Interbank Loans Receivables	48,449		7,364	10,732		30,323	30	37,207
2. Loans & Receivables – Others								
a. LGUs & Public Sector Entities	33,044					33,044		33,044
b. Government Corporation	1,988					1,988		1,988
c. Corporates	511,703					511,703		511,703
d. Microfinance/Small & Medium Enterprise	87,995		288		87,501	206		65,889
e. Loans to individuals	34,574			5,563		29,011		31,793
3. Defaulted Exposures	5,469					223	5,246	8,092
Other Loans and Receivables <sup>1/</sup>	50,549	50,549						0
Sales Contract Receivable (SCR)	890					425	465	1,123
Real & Other Properties Acquired (ROPA)	4,855						4,855	7,283
Total Exposures Excluding Other Assets	1,745,978	950,998	7,770	58,831	87,501	630,282	10,596	742,771
Add: Other Assets	17,511	17				17,494		17,494
Total On-BS RWA not covered by CRM								72
<b>Total On-BS Exposures</b>	<b>1,763,489</b>	<b>951,015</b>	<b>7,770</b>	<b>58,831</b>	<b>87,501</b>	<b>647,776</b>	<b>10,596</b>	<b>760,339</b>

<sup>1/</sup> Arising from Repurchase Agreements, Certificates of Assignment/Participation with Recourse, and Securities Lending and Borrowing Transactions



Off-BS Items	2018 (In P Millions)							
	CEA	0%	20%	50%	75%	100%	150%	CRWA
A. Direct credit substitutes	4,810			158		4,652		4,731
B. Transaction-related contingencies	59,888					59,888		59,888
C. Trade-related contingencies	2,308			1,126		1,182		1,745
D. Other commitments								-
Total Off-BS Exposures	67,006	-	-	1,284	-	65,722	-	66,364
Counterparty RWA In The Trading Book	CEA	0%	20%	50%	75%	100%	150%	CRWA
Derivative Exposures	231		10	85		136		181
<b>TOTAL</b>	<b>1,830,726</b>	<b>951,015</b>	<b>7,780</b>	<b>60,200</b>	<b>87,501</b>	<b>713,634</b>	<b>10,596</b>	<b>826,882</b>

CEA: Credit Equivalent Amount

CRM: Credit Risk Mitigant

RWA: Risk Weighted Assets

CRWA: Credit Risk Weighted Assets

## Credit Exposures and Credit-Related Commitments

As of 31 December 2018, LANDBANK's Gross Loans and Receivables (GLR) amounted to ₱723,222 Million, net of credit risk mitigation which consists mainly of prime collaterals such as deposit holdout, government securities (GS) and sovereign guarantees. Net of Loans and Receivables, Corporates stood at ₱511,703 Million (70.75%), followed by Micro, Small and Medium Enterprises (MSMEs) at ₱87,995 Million (12.17%), Government Corporation/Entities at ₱35,032 million (4.84%) and Loans to Individuals at ₱34,574 Million (4.78%). The Bank also holds substantial receivables arising from Repurchase Agreements aggregating ₱50,549 Million. The ₱66,364 Million credit risk weighted asset of net Off-balance Sheet exposures of ₱67,006 Million is computed based on respective Credit Conversion Factors. These accounts are composed mainly of general guarantees of indebtedness (e.g., financial standby letters of credit – domestic and foreign), performance bonds and warranties related to particular transactions, and contingencies arising from movement of goods and trust transactions. Outstanding derivative exposures are mainly over-the-counter foreign exchange option contracts.

The Bank's GLR reflected a Credit RWA of ₱689,716 Million following the Standardized Approach. This represents 83.41% of the Total Credit RWA of ₱826,882 Million. The Total Credit RWA increased by ₱198,521 Million or 31.59%, from ₱628,361 Million in 2017 to ₱826,882 Million in 2018. The Total Credit RWA represents 91.31% of the Bank's Aggregate RWA of ₱905,541 Million.

## Management of Credit Risk

Credit RM aims to adequately manage the risk of financial loss arising from the failure of borrowers or counterparties to settle their obligations in accordance with the terms and conditions of the duly approved contractual agreement.

This involves the identification, measurement and monitoring of actual or potential losses and the implementation of appropriate measures, including the setting-up of applicable limits to keep credit risk exposures within the Bank's risk appetite or the acceptable level of credit risk that it is willing to accept in pursuit of its lending plans and programs.

The Bank also manages the credit risk inherent in the entire portfolio as well as the risk in individual credits or transactions and the correlation of credit risk with other risks. The effective management of credit risk is a critical component of a comprehensive approach to RM and essential to the long-term success of the Bank.

The Bank manages credit risk through a structured framework duly approved by the LANDBANK Board that sets out policies and procedures covering the identification, measurement, control, and monitoring of credit risk. Accordingly, approval of credit application goes through prescribed loan approving levels which, depending on the transaction or amount of loan applied, could be elevated to the Credit Committee a Management-level Committee, the Investment and Loan Committee (ILC), a Board-level Committee and up to the LANDBANK Board of Directors, whenever applicable. The approval process also covers proposed remedial actions aimed at helping problem accounts regain normal operations. The Bank has put in place comprehensive set of credit policies through the issuance of Credit Manual, Credit Policy Issuances (CPIs) and Credit Bulletins. As the Bank's middle office for credit risk, the Credit Risk Management Department handles credit risk oversight, risk measurement and risk rating of borrowers.

To effectively monitor and maintain the quality of its loan portfolio, the Bank conducts annual qualitative and impairment review to assure proper loan classification and setting-up of valuation reserves. As of 31 December 2018, the Bank's net Non-Performing Loan (NPL) stood at ₱3,715 Million or 0.428% of the total loan portfolio of ₱867,217 Million.

## Credit Risk Rating

LANDBANK's Credit Risk Engine System (CRES) serves as the main platform for the development of statistically-based credit rating models which will be used to conduct automated credit ratings of borrowers to help determine their credit worthiness. The Bank undertakes continuing development and implementation of the automated CRES scoring facility to provide support to its ongoing initiatives for the adoption of applicable banking regulations and global best practices and approaches in Credit Risk Management.

The said credit ratings are also needed for the eventual adoption of the advance approaches in credit RM under the Basel Committee on Banking Supervision principles on sound credit RM.

Toward this end, the Bank has developed the following statistically-based credit scoring models and their corresponding rating guidelines in 2018:

- Application Scoring Model for Individual Home Buyers
- Application Scoring Model for Salary Loan Availers
- Behavioral Scoring Model for Existing Salary Loan Availers<sup>1</sup>

- Behavioral Scoring Model for Local Government Units (LGUs)
- Behavioral Scoring Model for Small & Medium Enterprises (SMEs)
- Behavioral Scoring Model for Corporates
- Behavioral Scoring Model for Cooperatives
- Application Scoring Model for Credit Card<sup>1</sup>
- Application Scoring Model for Livelihood Mobile Loan Saver<sup>1</sup>
- Behavioral Scoring Model for Countryside Financial Institutions<sup>1</sup>

Nonetheless, the Bank shall continue to use the expert-based credit rating system for Universal Banks, Commercial Banks and Offshore Banks.

### Credit Risk Monitoring

The Bank has continuously adopted a formal reporting system for the LANDBANK BOD and Senior Management to be able to monitor the credit quality of individual and loan portfolio using asset quality indicators such as past due ratio, NPL ratio, level of non-performing assets, coverage ratio, concentration risk. Clean large exposures, breaches in regulatory and internal limits, potential credit risk, Directors, Officers, Stockholders and their Related Interests loans, Related Party Transactions and compliance with Real Estate Stress Test (REST) are intensively monitored by the ILC and the Risk Com. The recovery of written-off accounts is also within the radar of the LANDBANK Board and Senior Management.

### Collateral and Other Credit Enhancements

The Bank adopts a cash flow lending principle and collateral is not the primary factor in granting credit. The required amount and type of collateral and other credit enhancements to mitigate credit exposures depend primarily on the results of the holistic and prudent credit assessment. When needed, the Bank diligently evaluates the enforceability, realizable value and marketability of offered collaterals. The Bank's Credit Manual and CPIs provide the guidelines on the acceptability of loan collateral and maximum valuation for each type of collateral.

The primary collateral accepted are Holdout on Deposits, GS, Real Estate Mortgage and Chattel Mortgage. The Bank also accepts government guarantees, cross suretyship from corporations and such other eligible guarantees. In the case of agricultural and agriculture-related loans that are vulnerable to the effects of climate and weather disturbances, borrowers are encouraged to avail of crop insurance guarantees and other insurance mechanisms to shield them from these risks.

### Credit Stress Test

LANDBANK regularly conducts stress testing of individual large exposure and its loan portfolio taking into account plausible risk events with high probability of occurrence. Utilizing such scenarios with documented assumptions, tests are done to determine the magnitude of impact on the Bank's loan portfolio, on the Credit RWA, and finally on the Common Equity Tier 1 (CET1) Ratio. The stress testing also includes prescribed regulatory tests such as uniform stress test and REST. Results of the stress testing, together with the contingency plans, are escalated to the ILC and Risk Com.

## Market Risk Management

### Market Risk Management Framework

LANDBANK is exposed to market risks in both its trading and non-trading banking activities. The Bank assumes market risk in market making and position taking in government securities and other debt instruments, equity, FX and other securities, as well as, in derivatives or financial instruments that derive their values from price, price fluctuations and price expectations of an underlying instrument (e.g., share, bond, FX or index). The Bank's exposure on derivatives is currently limited to currency swaps and currency forwards to manage FX exposure. The Bank is also exposed to derivatives that are embedded in some financial contracts, although, these are relatively insignificant in volume.

The Bank uses a combination of risk sensitivities, Value-at-Risk (VaR), stress testing, Capital Adequacy Ratio (CAR) and capital metrics to manage market risks and establish limits. The LANDBANK Board of Directors (BOD), Risk Com and the Asset and Liability Committee (ALCO), define and set the various market risk limits for each trading portfolio. The Treasury and Investment Banking Sector (TIBS), particularly the Financial Markets Group (FMG) which manages the Bank's trading units as well as the Asset and Liability Management Group (ALMG) which manages the liquidity and reserve positions, conduct risk-taking activities within limits and ensures that breaches are escalated to the Senior Management for appropriate action.

A management alert is activated whenever losses during a specified period equal or exceed specified management alert level. The Bank controls and minimizes the losses that may be incurred in daily trading activities through the VaR, Management Action Triggers (MATs) and Stop Loss. Positions are monitored on a daily basis to ensure that these are maintained within established position limits to control losses. Position limits are subordinated to MATs, VaR and Stop Loss limits. Macaulay and Modified Duration are used to identify the interest rate sensitivity of the Bond Portfolio of the Bank. In the same way, certain subsidiaries of the Bank independently quantify and manage their respective market risk exposures by maintaining their respective RM system and processes in place.

### Market Risk Weighted Assets

As of 31 December 2018, the LANDBANK's Total Market RWA stood at ₱9,302 Million, broken down as follows:

Particulars	In ₱ Million	
	Amount	
Interest Rate Exposure	858	
Equity Exposure	0	
FX Exposure	138	
Options	8,306	
<b>Total Market RWA</b>	<b>9,302</b>	

The Total Market RWA represents 1.03% of the Bank's Aggregate RWA of ₱905,541 Million.

## Managing Market Risk Components

Market Risk is associated to earnings arising from changes in interest rate, FX rates, equity and in their implied volatilities. Market risk arises in trading as well as non-trading portfolios.

The Bank manages the following key market risk components using its internal risk mitigation techniques:

### 1. Interest Rate Risk in the Trading Book

Interest Rate Risk represents exposures to instruments whose values vary with the level or volatility of interest rates as a result of market making and portfolio taking. LANDBANK continues to manage interest rate risk in trading activities through factor sensitivities and the use of an effective and independently validated VaR methodology and stress testing. Government Securities (GS) and Foreign Securities (FS) are subject to daily mark-to-market and controlled through risk limits such as position, VaR, MATs and Stop Loss.

Particular	Daily Limit		MAT	Stop Loss
	Position	VaR		
Government Securities	₱20,000.00M	₱150.00M	YTD Gain Erosion	₱200.00M
Foreign Securities	\$20.00M	\$0.20M	Group Target	\$0.64M

YTD: Year-to-Date

The Foreign Exchange Risk in FS is accounted under Foreign Exchange Risk Management.

**2,486,266** Total Gross FX Assets

### 2. Equity Price Risk Management

LANDBANK is exposed to equity price risk resulting from changes in the levels of volatility of equity prices, which in turn affect the value of equity securities and impacts on profit and loss of the Bank. Equities are subject to daily mark-to-market and controlled through risk limits such as position, VaR, MATs and Stop Loss.

In ₱ Million

Particular	Daily Limit		MAT	Stop Loss
	Position	VaR		
Equity	1,000.00	15.00	YTD Gain Erosion Group Target	90.00

### 3. FX Risk Management

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in FX rates. Using the Philippine Peso as the functional currency, the Bank monitors daily the currency positions to ensure that these are within established limits.

The following limits are set for foreign-currency related transactions:

In \$ Million

Particular	Daily Limit		MAT	Stop Loss
	Position	VaR		
FX Trading	50.00	0.36	YTD Gain Erosion	1.15
Foreign Securities	20.00	0.20	Group Target	0.64

LANDBANK had the following significant exposures denominated in foreign currencies as of 31 December 2018:

In \$ Thousand

Particular	USD	JPY	EUR	AUD	Others	Total
<b>ASSETS</b>						
Fx Currency Notes & Coins on Hand (FCNCH)/ Cash and Other Cash Items (COCI)	31,162	155	110	23	194	31,644
Due from Banks	78,419	1,761	6,567	208	1,130	88,085
Held for Trading	8,076	0	0	0	0	8,076
Available For Sale Investment	867,096	0	1	0	0	867,097
Investments in Bonds and Other Debt Instruments (IBODI)	636,840	0	0	0	0	636,840
Interbank Loans Receivable	344,000	0	0	0	0	344,000
Loans & Receivables	427,314	49,074	0	0	0	476,388
Other Assets	32,467	785	0	174	710	34,136
<b>Gross FX Assets</b>	<b>2,425,374</b>	<b>51,775</b>	<b>6,678</b>	<b>405</b>	<b>2,034</b>	<b>2,486,266</b>
<b>LIABILITIES</b>						
Deposit Liabilities	1,805,536	1,649	3,915	0	0	1,811,100
Bills Payable	268,081	292,899	28,589	0	0	589,569
Other Liabilities	130,273	1,565	1,680	174	710	134,402
<b>Gross FX Liabilities</b>	<b>2,203,890</b>	<b>296,113</b>	<b>34,184</b>	<b>174</b>	<b>710</b>	<b>2,535,071</b>

## Market Risk Measurement and Validation Tools

### 1. VaR Analysis

VaR is a statistical approach for measuring the potential variability of trading revenue. It is used to measure market risk in the trading book under normal conditions, estimating the potential range of loss in the market value of the trading portfolio, over a one-day period, at 99.0% confidence level, assuming a static portfolio.

The Bank uses internally developed Historical Simulation Model in computing VaR of Equities, FS, GS and FX trading portfolios as well as FX Net Open Position which is acceptable to BSP. Moreover, the Bank continuously pursues initiatives to improve its processes. The VaR disclosure is intended for external disclosure and for regulatory purposes.

The VaR both at portfolio and across portfolio level are monitored. Daily VaR calculations are compared against VaR limits which is the monetary amount of risk deemed tolerable by Management. The over-all VaR limit for the Treasury trading activities was set at ₱193 Million throughout 2018. The Bank also determines Diversified VaR that takes into account the diversification effect in which all losses in all securities in a portfolio are imperfectly correlated.

### 2. Stress Test

RM models have recently become the main focus of RM efforts in the banking industry where banking activities are exposed to changes in fair value of financial instruments. However, the Bank believes that the statistical models alone do not provide reliable method of monitoring and controlling risk because these models (while relatively sophisticated) have several known limitations, at the same time, do not incorporate the potential loss caused by very unusual market events. Thus, the VaR process is complemented by Stress Testing to measure this potential risk.

Stress Test is a RM tool used to determine the impact on earnings and capital of market movements considered "extreme", i.e., beyond "normal" occurrence. The Bank utilizes Stress Tests to estimate possible losses which the VaR does not capture.

The Bank's Portfolio Scenario Analysis (PSA) analyzes the impact of major risks that emerge out of the different scenarios, considering adverse and probable risk events, on activities related to Treasury's trading and investment portfolios. This seeks to establish how far the Bank can absorb certain levels of stress, to explore the events that could cause a significant impact to the Bank and to assess its vulnerabilities and capability to deal with shocks such as price risk, interest rate risk, FX risk and eventually, liquidity risk. Reverse Stress Tests are conducted to identify and simulate the events that can lead the Bank to a particular tail event.

Results of the PSA are also simulated in the CAR computation to be able to assess its impact on the Common Equity Tier (CET) 1 ratio set at 10.17% by BSP for LANDBANK as Domestic Systemically Important Banks (DSIB) for 2018.

### 3. Back-Test

LANDBANK adopts back-testing as the basic technique in verifying the quality of risk measures used by comparing actual trading results with model-generated risk measures.

Under the back-testing process, exception occurs if mark-to-market (MTM) and trading loss exceeds the result of the model-generated risk measure. The number of exceptions is noted and the model is classified into one of the three zones as follows:

zone classification	number of exceptions
safe/green zone	0-4 exceptions
non-conclusive/yellow zone	5-9 exceptions
problematic/red zone	10 or more exceptions

Back-testing results are presented to the ALCO and the Risk Com which examine the actual performance of portfolios against VaR measures to assess model accuracy and to enhance the risk estimation process in general.

### 4. Model Validation

Risk models used in managing market risk are subjected to independent model validation. The Internal Audit Group (IAG) is tasked to do model validation of RM models. The Bank has also engaged the services of a third party to conduct an independent model validation.

## Interest Rate Risk Management

### Interest Rate Risk in the banking book

For interest rate risk in the banking book, a key component of LANDBANK's asset and liability policy is the management of interest rate sensitivity. Interest rate sensitivity is the relationship between market interest rates and net interest income due to the maturity or re-pricing characteristics of rate sensitive assets and liabilities.

The Bank establishes the lending rates for its loans based on a spread over its internal base rate, reflecting the average cost of funds that is generally reset at the beginning of every two weeks. Interest rates on floating rate loans are typically reset every 30 to 90 days. For deposits, regular savings and time deposit account rates are set by reference to prevailing market rates.

The Bank manages interest risk based on approved policies and guidelines, established limit setting procedures and interest rate risk limits, application of interest rate risk measurement models and reporting standards such as Re-pricing Gap/Earning-at-Risk (EaR), Economic Value of Equity (EVE)-at-Risk, Bond Duration Report and Balance Sheet Duration Report.



The two interest rate risk perspectives adopted by the Bank in measuring interest rate risk in the banking book are as follows:

**1. Earnings Perspective:** The Bank uses the Earnings-at-Risk (EaR) Model to estimate changes in net interest income under a variety of rate scenarios over a 12 month horizon. EaR is a simulation method that analyzes the interest rate risk in the Banking Book in terms of earnings (accrual basis).

To determine the actual behavior of Non-Maturing Deposits (NMDs) and capture the Bank's actual interest rate risk exposure, the Bank analyzed its deposit base to estimate the proportion of core and non-core deposits and determine how actual maturity or re-pricing behavior may vary from the contractual terms.

Core Deposits are NMDs which are unlikely to re-price even under significant changes in interest rate environment while Non-Core (Volatile) Deposits are NMDs that are characterized by "activity" as manifested by the behavior based on withdrawal patterns, computed through statistical analysis of net withdrawal levels.

Non-Core NMDs are re-bucketed based on net withdrawal pattern for the past five years and Core NMDs are allocated in the "more than five years".

Furthermore, to enhance the process of forecasting cash flows from prepayment of loans and come up with a more accurate analysis of risk associated to interest rate in the banking book, a portion of the loan balance originally distributed across time bands is deducted representing loan prepayment and slotted in the nearest tenor "1 to 7-day bucket" based on the result of the behavioral analysis of prepayment of loans.

Excluded at the moment in the analysis of actual maturity or re-pricing behavior for the determination of Re-pricing Gap are the term deposits subject to early redemption risk. Early withdrawal of maturing deposits is considered an isolated case which will have minimal effect in the Bank's interest rate risk estimation.

The following table sets the Re-pricing Gap position of the Bank as of 31 December 2018 and the increase/decline in earnings for upward and downward interest rate shocks in the banking book:

Particulars	In ₱ Million			
	Within 1 month	> 1 month to 3 months	> 3 months to 6 months	> 6 months to 12 months
<b>Financial Assets</b>				
Liquid Assets	51,500	0	0	0
Total Investments	4,531	5,268	6,731	30,783
Total Loans	226,238	252,277	85,078	49,207
Other Assets	10	4	3	5
<b>Total Financial Assets</b>	<b>282,279</b>	<b>257,549</b>	<b>91,812</b>	<b>79,995</b>
<b>Financial Liabilities</b>				
Deposits	438,550	152,076	40,953	12,195
Bills Payable	4,206	493	12,531	0
Others	0	0	0	0
<b>Total Financial Liabilities</b>	<b>442,756</b>	<b>152,569</b>	<b>53,484</b>	<b>12,195</b>
<b>Off-Balance Sheet</b>				
Commitments	0	0	0	(59,521)
<b>Total Off-Balance Sheet</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(59,521)</b>
<b>Re-pricing Gap</b>	<b>(160,477)</b>	<b>104,980</b>	<b>38,328</b>	<b>8,279</b>

Change in Interest Rates - in basis points (bps)

EaR	In ₱ Million							
	-300	-200	-100	-50	+50	+100	+200	+300
	1,208	806	403	201	(201)	(403)	(806)	(1,208)

**2. Economic Value Perspective:** The Bank uses the EVE-at-Risk Model to assess the potential long-term effects of changes in interest rates over the remaining life of its holdings. This model also measures the change in the Bank's EVE for specified changes in interest rates.

The table below shows the increase (decline) in economic value for upward and downward rate shocks using the EVE-at-Risk Model to measure interest rate risk in the banking book.

Change in Interest Rates - in bps  
In ₱ Million

Basis	Interest Rate Scenario		EVE-at-Risk
	Peso	Dollar	
Hypothetical	+300	+200	1,662
BIS-IRRBB Calculation	+271	+200	1,330
5-year Historical Data (Year-on-Year Change on Average Rates at 99% Level Confidence Level)	+251	+153	1,631
5-year Historical Data (Year-on-Year Change on Average Rates at 95% Level Confidence Level)	+178	+108	1,252
Market Sentiment	+100	+50	903
Market Sentiment	+50	+50	136
Market Sentiment	-50	-50	(151)
Market Sentiment	-100	-50	(1,099)
5-year Historical Data (Year-on-Year Change on Average Rates at 95% Level Confidence Level)	-178	-108	(1,811)
5-year Historical Data (Year-on-Year Change on Average Rates at 99% Level Confidence Level)	-251	-153	(2,749)
BIS-IRRBB Calculation	-271	-200	(2,404)
Hypothetical	-300	-200	(3,153)

Both viewpoints are assessed to determine the full scope of the Bank's interest rate risk exposure (especially if the Bank has significant long-term or complex interest rate risk positions). Moreover, interest risk in the Bank is not managed in isolation. Interest risk measurement systems are integrated into the Bank's general risk measurement system and results from models are interpreted in coordination with other risk exposures.

The interest rate risk exposures of the Bank are measured and reported to the ALCO and Risk Com at least on a monthly basis under the Earnings Perspective through EaR Model and quarterly for the Economic Value Perspective using EVE-at-Risk Model.

## Liquidity Risk Management

### Liquidity Risk Management Framework

The Bank's liquidity RM process is consistent with its general RM framework covering risk identification, measurement and analysis, monitoring and control. The policies and procedures that govern liquidity RM are reviewed and endorsed on a regular basis by ALCO and Risk Com for approval of the LANDBANK Board. The basic liquidity policy of the Bank is to maintain fund availability at all times and hence, to be in a position to meet all of its obligations, in the normal course of business.

The Bank considers liquidity risk based on market and funding liquidity risk perspectives. Trading or market liquidity risk refers to the inability to unwind positions created from market, exchanges and counterparties due to temporary or permanent factors. It is the risk that the Bank cannot easily offset or eliminate a position at the market price because of inadequate market depth or through market disruption.

Market liquidity risk is also associated with the probability that large transactions may have a significant effect on market prices in markets that lack sufficient depth. This liquidity risk perspective is captured through stress testing or scenario analysis.

Funding liquidity risk is the risk that the Bank will not be able to meet efficiently both expected and unexpected current and future cash flow and collateral needs without affecting either daily operations or the financial condition of the Bank. It occurs from the mismatch of asset, liability, exchange contract and contingent commitment maturities. Funding liquidity risk is being monitored and controlled through the classification of maturities of assets and liabilities over time bands and across functional currencies as reflected in the Liquidity Gap Report (LGR).

The LANDBANK Board exercises oversight through Risk Com and has delegated the responsibility of managing the overall liquidity of the Bank to the ALCO. The ALCO and the Treasury Investment Banking Sector (TIBS) are responsible for the daily implementation and monitoring of relevant variables affecting Bank's liquidity position. The ALCO reviews the assets and liabilities position on a regular basis, and in coordination with the TIBS, recommends measures to promote diversification of its liabilities according to source, instrument and currency to minimize liquidity risks resulting from concentration in funding sources.

The ALCO meets twice a month or more frequently as required by prevailing situations. The RMG, through the Treasury Risk Management Department (TRMD) is responsible for the oversight monitoring of the Bank's liquidity risk positions and ensures that reports on the Bank's current risk are prepared and provided to ALCO and Risk Com in a timely manner.

The Bank performs a comprehensive liquidity risk measurement and control using as tool the LGR covering the bank-wide balance sheet. Risk models used in liquidity RM are subjected to independent model validation as conducted by the IAG and by a Third party.

## Liquidity Risk Measurement Models

LANDBANK manages the liquidity risk using the following tools:

### 1. Liquidity Gap Report (LGR)

The Bank conducts liquidity gap analysis using the LGR. This risk measurement tool is used in identifying the current liquidity position and the Bank's ability to meet future funding needs. It categorizes balance sheet items according to estimated maturities of assets and liabilities in order to determine any future mismatch such as long-term assets growing faster than long term liabilities.

TRMD prepares RBU (Peso and FX Regular), FCDU, and Consolidated (Solo-Parent) LGR on a monthly basis. Parent and Subsidiary LGR is prepared on a quarterly basis. ALCO reviews the Bank's assets and liabilities position on a regular basis and recommends measures to promote diversification of its liabilities according to sources, instruments, and currencies to minimize liquidity risks resulting from concentration in funding sources. The table presents the assets and liabilities based on the contractual maturity, settlement and expected recovery dates:

In ₱ Thousand

Particulars	LANDBANK					
	2018 (Audited)			2017 (Restated)		
	Due within 1 year	Due >1 year	Total	Due within 1 year	Due > 1 year	Total
<b>ASSETS</b>						
Cash & Other Cash Items	36,968,265	0	36,968,265	31,384,485	0	31,384,485
Due from BSP	331,197,576		331,197,576	305,349,912		305,349,912
Due from Other Banks	5,707,747	1,705	5,709,452	5,104,789	1,698	5,106,487
Interbank Loan Receivable	18,096,177	0	18,096,177	20,981,027	0	20,981,027
Security Purchased Under Agreement to Resell	50,019,792	0	50,019,792	52,232,925	0	52,232,925
Loans & Receivables	354,791,109	437,599,763	792,390,872	266,386,189	346,329,221	612,715,410
Investments	80,551,059	539,397,877	619,948,936	36,584,475	535,440,215	572,024,690
Other Assets	4,784,696	18,577,569	23,362,265	4,537,445	19,505,134	24,042,579
<b>Total Assets</b>	<b>882,116,421</b>	<b>995,576,914</b>	<b>1,877,693,335</b>	<b>722,561,247</b>	<b>901,276,268</b>	<b>1,623,837,515</b>
<b>LIABILITIES</b>						
<b>Deposits</b>						
Demand	798,036,466	0	798,036,466	709,508,966	0	709,508,966
Savings	770,728,834	0	770,728,834	645,770,968	0	645,770,968
Time	73,336,620	3,039,357	76,375,977	57,114,142	2,079,279	59,193,421
LTNCD	5,000,000	6,000,000	11,000,000		11,000,000	11,000,000
Bills Payable	5,953,285	25,303,552	31,256,837	1,998,296	22,581,812	24,580,108
Unsecure Subordinated Debt	0	0	0	0	0	0
Due to BTr, BSP, & MCs/PCIC	1,473,410	305,976	1,779,386	1,650,798	299,984	1,950,782
Due to Local Banks	0	0	0	0	0	0
Other Liabilities & Payable	955,909	52,601,640	53,557,549	258,523	57,880,960	58,139,483
<b>Total Liabilities</b>	<b>1,655,484,524</b>	<b>87,250,525</b>	<b>1,742,735,049</b>	<b>1,416,301,693</b>	<b>93,842,035</b>	<b>1,510,143,728</b>

The Bank also prepares on a quarterly basis the Consolidated LGR (Parent and Subsidiaries).

- **Core Deposit:** Core Deposit is calculated based on Net Withdrawal Pattern. It serves as a buffer that protects the Bank's assets, which are subject to interest rate risks. Core Deposit level is computed to determine the lowest deposit level that is expected to be retained under normal operating conditions. The computation involves determining the deposit mix comprising of volatile and non-volatile or Core Deposits.
- **Non-Maturing Deposits:** Regular savings (Total savings less High Yield Savings Accounts and Easy Savings Plus) and demand deposits

are Non-Maturing Deposits (NMDs). An analysis made to proximate scenario is to simulate behavioral withdrawal pattern. This is done by observing the pattern of deposit decays of the total end-of-day data for demand deposit account based on a five-year historical demand deposit data. The highest withdrawal percentage change is determined for each tenor bucket. The percentages are used as basis for slotting the NMD amount under the different tenors.

The following table sets forth the asset-liability gap position over the detailed time period for the Bank at carrying amounts as of 31 December 2018 based on contractual repayment arrangements which take into account the effective maturities as indicated by the deposit retention history.

In ₱ Million

Particulars	Due within 3 months	Due > 3 months to 6 months	Due > 6 months to 1 year	Due > 1 year to 5 years	Due > 5 years	Total
Financial Assets						
Cash & Due from Banks	323,533	0	50,340	0	2	373,875
Total Loans	257,773	93,884	71,250	176,883	260,717	860,507
Total Investments	19,241	6,731	54,579	219,817	319,581	619,949
Other Assets	3,118	0	1,666	114	18,464	23,362
<b>Total Assets</b>	<b>603,665</b>	<b>100,615</b>	<b>177,835</b>	<b>396,814</b>	<b>598,764</b>	<b>1,877,693</b>
Financial Liabilities						
Deposits	30,121	972	1,603	451	1,622,994	1,656,141
Borrowings	4,651	224	1,078	8,044	17,260	31,257
Other Liabilities & Unsecured Subordinated Debt	1,473	0	956	0	52,908	55,337
<b>Total Capital</b>					<b>134,958</b>	<b>134,958</b>
<b>Total Liabilities &amp; Capital</b>	<b>36,245</b>	<b>1,196</b>	<b>3,637</b>	<b>8,495</b>	<b>1,828,120</b>	<b>1,877,693</b>
Gap Position	567,420	99,419	174,198	388,319	(1,229,356)	

As of 31 December 2018, the Bank has in its possession a comfortable level of highly liquid assets to cover for liquidity risk that may arise in the earlier tenor buckets. Most assets (particularly loans and investments) have long term maturities. Cumulative gap after contingent accounts is positive in all buckets except in the "more than 5 years" bucket. Maximum Cumulative Outflow (MCO) limit was not breached in the entire time bucket within the one year horizon.

The Bank has established guidelines for liquidity risk limit setting to enable it to properly and prudently manage and control liquidity risk, consistent with the nature and complexity of its business activities, overall level of risk and its risk appetite.

The MCO limit set by the LANDBANK Board is one of the tools used to manage and control the liquidity risk in the Bank's gap report. It is a measure of the liquidity gap between maturing assets and liabilities. MCO limits put a cap on the total amount of negative gaps in the "1 day to 1 year" time buckets.

## 2. Financial Ratio Analysis

Financial Ratio Analysis is another liquidity risk measurement tool that calculates and compares liquidity and leverage ratios derived from information on the Bank's financial statements against set liquidity/leverage limits.



The following table sets out the LANDBANK's liquidity ratios as of the dates indicated:

Particulars	In Million except when expressed in percentage			
	31 December			
	2018 (Audited)	2017 (Audited)	2016 (Audited)	2015 (Audited)
Liquid Assets (*)	₱1,032,595	₱972,283	₱867,250	₱722,850
<b>Financial Ratios:</b>				
Liquid Assets to Total Assets	54.99%	59.88%	61.83%	60.08%
Liquid Assets to Total Deposits	62.35%	68.21%	70.17%	69.09%

\*Note: Liquid Assets include the following:

1. Cash and other Cash Items
2. Interbank Loans
3. Government Securities
4. Tradable non-Government securities and commercial paper

### 3. Liquidity Stress Test

The Bank conducts regular stress testing and scenario analysis to further assess the Bank's vulnerability to liquidity risk. This activity supplements the risk models used by the Bank which simulates various probable to worst-case scenarios happening in the industry that would affect LANDBANK. The following are the stress testing conducted by the Bank:

- Liquidity Stress Test/Scenario Analysis
- Fund Source Stress Test
- FX Regular Stress Test
- FCDU Stress Test

### Operational Risk Management

The Bank continued to take steps to strengthen its Operational Risk Management (ORM) system to fully adhere with BSP Circular 900 (Guidelines on Operational Risk Management) and BSP Circular 951 [Guidelines on Business Continuity Management (BCM)].

To strengthen the risk management culture, Risk Management Group (RMG) has conducted series of awareness cascading sessions on ORM and BCM to various units of the Bank.

Among the major improvement to adhere with BSP Circular 900 and to intensify risk assessment process are the following:

- Enhancement of Risk and Control Self-Assessment (RCSA) templates
- Revision of the Implementing Guidelines on RCSA for Process Risk and People Risk
- Implementation of top-level Key Risk Indicators (KRIs)
- Development of Risk and Opportunity Assessment (ROA) template and guidelines
- Enhancement of the risk assessment process of Bank products, programs, services, processes and other activities, including outsourcing.

The Bank also conducts regular review and continuous enhancement of the following ORM frameworks:

- Business Process Risk Management Framework (BPRMF)
- People Risk Management Framework (PRMF)
- Business Continuity Management Framework (BCMF)
- Legal Risk Management Framework (LRMF)

The frameworks aim to establish and implement RM strategies and best practices to effectively address and manage operational risk that are embedded in the day-to-day operations.

The Bank has a BCM Program which is compliant with BSP Circular 951 and ISO 22301:2012 (Business Continuity Management System). The BCM Framework is composed of the Bank's BCM Governance and Process.

As part of the Bank's BCM process, the Bank conducts annual Business Impact Analysis (BIA) and Business Continuity Risk Assessment (BCRA) to prioritize risks and implement corresponding controls, and identify and prioritize the Bank's most critical functions and IT systems in case of disruptions. Also, Business Continuity Plan (BCP) components are being reviewed, updated and tested annually to ensure validity and effectiveness of the Plans. The Bank has also supported the continuing education of officers and staff of Risk Management Group (RMG) through the certification programs where employees were licensed as Certified Risk Analysts (CRAs), Certified Risk Manager (CRM) and the BRMD Head passed the Bank Risk Management – Module 1 certification exam of Asian Institute of Chartered Banks (AICB).

Embedding of ORM across the institution is manifested with the BUs becoming aware of the specific operational risks they are confronted with. Taking a proactive stance in managing and escalating breaches as soon as they occur strengthens governance and enhances the oversight of these risks. BUs conduct self-assessment using various RM tools such as RCSA, BIA, BCRA, BCQ, heat maps, and hazard maps to quantify potential operational losses which serve as their dashboard in monitoring operational risk. RMG regularly monitors and escalates to RISKCOM and Management Committee the 2018 actual losses versus estimated losses.

## Operational Risk Exposure

LANDBANK uses the Basic Indicator Approach in calculating the capital charge for operational risk under Pillar 1. The average Gross Revenue of the Bank for the last three years is used to calculate the Operational RWA. Thus, with the Gross Revenue of the Bank consistently increase with business expansion, the Operational RWA has also been increasing annually. As of 31 December 2018, the Bank's Total Operational RWA using the Basic Indicator Approach was ₱69,356 Million or 7.66% of the Bank's Aggregate RWA of ₱905,541 Million.

Cognizant that Gross Revenues (BSP proxy data) are but a shadow indicator of operational risks in the Basic Indicator Approach, LANDBANK conducts a simulation of the computation of the estimated losses using the Bank's actual historical losses and estimated probability of occurrence to determine the variance from the Basic Indicator Approach model. Self-risk assessment of the five sub-risks of operational risk (people, process, systems/IT, event and legal risks) shows that the total estimated loss is way below the Total Operational RWA under the Basic Indicator Approach.

## Information Security and Technology Risk Management

The LANDBANK Board and Senior Management take the lead in the governance of information security and technology risk management and ensure that the Bank's strategic plans are aligned with business strategies by employing organizational, technical, and physical controls such as:

- Enhancement of and compliance with Bank policies and guidelines on InfoSec and IT risk management
- Strict observance of procurement process and monitoring of the performance of service providers
- Conduct of internal audit and external assessment of IT operations and security posture

- Conduct of awareness campaigns on information security and data privacy through various briefings, cascading sessions, and other communication channels
- Conduct of risk assessment on the Bank's information assets and processes
- Enhancement and testing of BCP and Disaster Recovery Plan (DRP) for critical banking processes and operations
- Development and testing of Cyber Resiliency Plan through tabletop exercises
- Continued upgrading of IT infrastructure and electronic banking channels
- Implementation of multi-factor authentication for high-risk transactions in e-banking channels
- Development of systems to comply with legal and regulatory requirements and to keep abreast with evolving technologies
- Issuance and posting of the Bank's Data Privacy Statement on the official website and in conspicuous areas in the branches
- Transfer of designation and functions of the Data Protection Officer (DPO) from the RMG to the Legal Services Group
- Attendance of the Bank's DPO, InfoSec and IT personnel to technical and soft skills trainings for the required skills and competence

The Bank employed the services of third-party consultants to assess the level of compliance and help the Bank in achieving certifications for the Payment Card Industry Data Security Standard (PCI DSS) and Integrated Management System (IMS). During these engagements, possible improvements on the Bank's systems and operations have been identified and acted upon to comply with the requirements of the standards. Major improvements include formulation and review of InfoSec and IT related policies and procedures, strengthening of security controls, enhancement of asset management and inventory, among others.

## Internal Capital Adequacy Assessment Process

LANDBANK as one of the major players in the banking industry annually conducts a thorough and comprehensive Internal Capital Adequacy Assessment Process (ICAAP) to determine the quality and adequacy of its capital, given the existing risk exposures as well as future risks arising from growth, new markets and expansion of the product portfolio.

To align with the local and global best practices, the LANDBANK Board and Senior Management performed collaborative governance and provided directions to enhance the ICAAP development and RM processes, and to strengthen the capital position of the Bank with the following enhancements:

- Enhanced and articulated the Risk Appetite Statement (RAS) and Materiality Threshold for Pillar 2 risks and Early Warning Indicators/alerts required by the BSP
- Updated the qualitative and quantitative Bank-wide stress testing of Pillar 1 and Pillar 2 Risks

- Enhanced the articulation of bases of assumptions for the quantification of Pillar 1 and Pillar 2 risks
- Presented contingency plans to continue the Bank's services

## ICAAP Culture

The ICAAP is embedded in the Bank's operating philosophy and has been cascaded down to the Business Unit (BU) level, forming an integral part of the Bank's RM process. This process enables the LANDBANK Board and Senior Management to assess all the risks that are inherent in the daily activities of the BUs on a continuing basis.

All BUs of the Bank are aware of the corresponding capital charge for the losses that could arise from any transaction or business they undertake. In monitoring the efficient performance of the BUs across the organization in the area of RM and capital utilization, the Bank adopts a rigorous escalation and thorough monitoring process via regular reports on actual losses versus estimated losses for each risk category established in the ICAAP.

## Strengthening Capital Planning

For 2018, LANDBANK's capital was strong and sufficient to deliver its mandated services and to cover the risks inherent in its operations. Under the most probable scenario, the Bank estimated the 2018 year-end CAR at 13.81% versus the 10.17% minimum regulatory requirement for CAR.

The actual CAR recorded as of 31 December 2018 was 12.69% implying an objective risk assessment and capital planning for the year. The actual CAR of 12.69% and CET 1 ratio of 11.86% of the Bank were above the BSP minimum requirements of 10.17% CAR and CET 1 ratio and were compliant with Basel III requirements.

LANDBANK maintains a strong capital base at all times to boost customer confidence, enhance competitiveness, ensure stability, and sustain long-term growth and viability. As such, the Bank continues to adhere with BSP's policies, rules and more specifically, comply with regulatory requirements on capital structure and capital adequacy. The Bank vigorously continues to preserve its capital to sustain developmental pursuit and quality service to its mandated clients while maintaining acceptable Return on Equity (ROE) of at least equal to the average ROE of the whole commercial banking industry.

LANDBANK's General Policy on Capital Planning was enhanced to establish capital levels that will adequately support the Bank's business plans and ensure continued compliance with the evolving capital and capital ratio requirements of the BSP. Given that internal capital generation through earnings remains as the principal source of the Bank's capital accumulation, the primary thrust of LANDBANK's capital planning activities is to maximize its profitability and consequently, attain higher retained earnings.

The Bank strictly manages its income-generating assets by managing the Risk Weighted Assets (RWA) via diversification of loan portfolio, review of loans/ provision of reserves in a timely manner, compliance with regulatory ratios, internal limits and risk appetite, strict monitoring of clean large exposures and DOSRI loans and timely calibration of credit and market risk measurement tools.

## Consumer Protection Risk Management System (CPRMS)

The LANDBANK's CPRMS is part of the Bank's enterprise-wide Risk Management System. It identifies, measures, monitors, and controls consumer protection risks inherent in LANDBANK's operations. Thus, the Bank ensures that its consumer protection practices address and prevent or mitigate identified or associated risk of financial harm to the Bank and its clientele (depositors, borrowers and other clients).

As part of oversight function on CPRMS, RMG ensures that board-approved CPRMS policies and procedures are in place, complaints management are strictly implemented, escalation of CPRMS-related issues are within the set timeline and training of Bank personnel are undertaken.

Further, RMG submits periodic report on a summary and analysis of the Customer Service Incident Reports (CSIRs) to Risk Com to regularly assess the trends of customer complaints and determine potential risk exposures on a continuing basis. RMG also conducts risk assessment of new, modified, or expanded product, programs, services and other activities, including outsourcing from third party service providers to deliver quality service and protect LANDBANK's clients.

To protect clients' information, RMG implements a bank-wide risk management program to manage information security risk.

The CPRMS Oversight Framework is aligned with and adheres to the following Financial Consumer Protection Standards of Conduct prescribed under BSP Circular No. 857:

- Disclosure and Transparency;
- Protection of Client Information;
- Fair Treatment;
- Effective Recourse; and
- Financial Education and Awareness

# Compliance Management

To continuously build and strengthen working relationship with Bank Units, periodic meetings with the Compliance Coordinators were held. Advisory service and guidance in managing compliance issues was also provided through CMG's participation in various committees and Technical Working Groups and in the preparation of the implementing guidelines.

The Compliance Management Group (CMG) oversees the implementation of the Bank's Compliance Risk Management System which is designed to identify and mitigate risks which may erode the franchise value of the Bank and ensures that business operations are conducted in accordance with laws, rules and regulations, code of conduct and sound policies and standards of good practice. CMG is headed by the Chief Compliance Officer (CCO) who functionally reports to the LANDBANK Board through the Audit and Compliance Committee (ACCom).

All the CMG personnel attended various training programs to progressively build the competencies and have a broad blend of skills and experiences necessary to effectively carry out the compliance functions.

## Compliance Manual

The Compliance Manual which documents the Bank's risk-based Compliance Program was updated and approved by the Board of Directors in July 2018 to incorporate new or updates to laws, rules and regulations and standards applicable and relevant to the Bank's operations and the changing responses to evolving internal and external conditions. The Compliance Program sets out the compliance function's planned activities such as the review of new regulations and identification of the requirements; regulatory risk assessment; communication and training of Bank personnel on regulations and compliance matters; compliance monitoring and testing; and reporting to Senior Management and Board of Directors.

## Money Laundering and Terrorist Prevention Program (MLPP) Manual

On 20 March 2018, the updated Money laundering and Terrorist Prevention Program (MTPP) Manual was approved by the Board. The MTPP Manual embodies the recent

amendments to the AML rules and regulations including, but not limited to the 2016 Revised Implementing Rules and Regulations of AMLA and BSP Circular 950 s. 2017 – AML Regulations and also the Bank's updated policies/guidelines on (1) Know your Customer and Due Diligence; (2) Additional Control Measures to Combat Money Laundering; (3) Risk Management Practices When Dealing Remittance Partners; (4) Reporting Chain/Approval of Suspicious Transaction Report; and (5) Revised/enhanced AML Compliance Testing Program, among others.

### Anti-Money Laundering (AML)/Combating Financing of Terrorism (CFT) governance, culture and description of the over-all Money Laundering/Terrorist Financing (ML/TF) risk management framework to prevent the use of the Bank for ML/TF activities

LANDBANK has the duty to maintain the highest level of integrity in the conduct of its affairs. To ensure that the Bank will not be used, intentionally or unintentionally, as a vehicle for ML/TF, LANDBANK adopts a comprehensive and risk-based policies and procedures, consistent with the AML/CFT laws such as RA 9160 AML Act, as amended, and RA 10168 Terrorist Financing Prevention and Suppression Act, their respective Implementing Rules and Regulations, as well as regulatory issuances by the Bangko Sentral ng Pilipinas and AML Council.

To properly guide the Board of Directors, Management Team and all employees, the LANDBANK's AML/CFT policies and procedures are embodied in the Board-approved Money Laundering & Terrorist Financing Prevention Program (MTPP) which is posted in Integrated Documents and Reports Archival and Retrieval System (IDRARS) making it available to all. The provisions of the MTPP are being implemented on a consolidated basis encompassing the Bank's branches, offices and subsidiaries.

AML/CFT compliance remains the basic responsibility of each Landbanker, from the Board of Directors, Management Team and to all employees. To effectively manage ML/TF risk, the Bank has defined the functions of all Landbankers to ensure that the risks associated in ML/TF are identified, assessed, monitored, mitigated and controlled.

The Board of Directors, thru the Audit and Compliance Committee (ACCom), oversee the implementation of the AML/CFT policy and ensure that compliance issues are resolved expeditiously.

One of the best methods to prevent and deter ML/TF is through sound knowledge of customers' profile and patterns of financial transactions. The adoption of policies and procedures on Know Your Customer, Customer Due Diligence and Transaction Monitoring policies and procedures is not only a principle of good business but also an essential tool to avoid involvement in ML/TF.

LANDBANK conducts regular AML/CFT Training Program for all Landbankers. This is to ensure that the Board of Directors, Management and all employees are informed and regularly updated of the new developments and issuances related to prevention of ML/TF as well as be reminded of their respective responsibilities on these aspects. Likewise, the Bank provides AML/CFT training to the representatives of non-covered counterparties prior to onboarding.



Management of the implementation of the MTPP is the primary task of AML Department (AMLD) of the Compliance Management Group (CMG). To ensure its independence, CMG has a direct reporting line to the Board thru ACCom on all matters related to AML/CFT which include: (1) identify and inform all responsible personnel of the regulatory issuances and compliance requirements on AML/CFT; (2) conduct of periodic AML compliance testing which also covers evaluation of existing policies and procedures; (3) ensure that AML compliance breaches are immediately addressed/corrected; and (4) report to the Management or Board on AML/CFT compliance issues and concerns.

Internal Audit Group is responsible for the periodic and independent evaluation of the risk management and degree of adherence to internal control mechanisms associated with ML/TF.

LANDBANK also adopts a Record Retention Program which is in accordance with AMLA, as amended. All customer identification documents and records, account files, business correspondences and other necessary records are retained in such forms as admissible in court pursuant to existing laws, rules and regulations.

## Identification and Assessment of Compliance Risk, Monitoring Compliance and Reporting

CMG identified and conducted risk assessment of laws, rules and regulations and other areas with exposure to compliance risk. To help update Bank personnel on new regulatory issuances, these were reviewed, requirements identified and disseminated to the concerned Units/personnel through the issuance of Compliance Bulletins. The Bank Units were required to submit the Compliance Action Plans which were monitored and validated. In CY 2018, there were 320 regulatory issuances.

To further check compliance, different compliance testing approaches suited to the identified and assessed regulatory risks were adopted. Pre-testing involves the checking of initial actions taken or plan of action to implement the requirements of new regulatory issuances. Periodic testing refers to the regular checking of compliance to existing laws, rules and regulations while independent testing involves a more detailed/thorough review of areas/activities identified to be exposed or vulnerable to high compliance risk. AML Compliance Testing (ACT) was also conducted which involved checking of the Bank's compliance with AML laws, rules, regulations and internal policies. The ACT Program, which was further enhanced and revised, was approved by the ACCom on 16 April 2018. In 2018, 206 regulations were subjected to pre-testing and periodic compliance testing. Independent testing was also conducted on various regulatory reports, accounts and high risk regulations/compliance issues. On-site ACT was conducted on 32 Units while 125 Units were subjected to off-site ACT. To supplement the ACT being conducted by CMG, starting 1 October 2018, AML Compliance Self-testing by branches was implemented to promptly identify and remediate non-compliance areas/issues. Also, in 2018 the Performance Measurement for Branches' AML Compliance was enforced.

The results of the compliance testing and the noted breaches or deviations were immediately referred to the concerned Units for corrective or appropriate action.

On a regular basis, the CCO reports to the AML Committee, Management Committee and to the Board through the ACCom. Reports include new regulations, compliance testing results and corrective measures taken, general status of the Bank's regulatory compliance, areas with compliance vulnerabilities and emerging regulatory risk.

## Training and Communication

Embedding compliance culture and fostering increased level of awareness among Bank personnel, appropriate training strategies to enhance knowledge on regulations were adopted. Lectures on regulations including AML were conducted through the LANDBANK in Perspective Program for new hires, BBS Trainors' Training for Branch personnel and agency tie-ups, various Management and Development Training Programs and classroom trainings for Internal Audit Group, Trust Banking Group and various Branches Groups.

Compliance advisories and reminders through "Compliance Nuggets", an easy-to-read tidbit of information on Compliance and AML, were regularly issued through the Lotus Notes, the Bank's e-mail facility and Newsgram, LANDBANK's newsletter for employees.

The Compliance Function Database, the repository or central record of regulations easily accessible to Bank employees, was kept updated.

To continuously build and strengthen working relationship with Bank Units, periodic meetings with the Compliance Coordinators were held. Advisory service and guidance in managing compliance issues was also provided through CMG's participation in various committees and Technical Working Groups and in the preparation of the implementing guidelines.

## Constructive Working Relationship with Regulators

The Bank maintains a cooperative and constructive working relationship with various regulatory agencies. Open and transparent communications and frequent dialogues and consultations to clarify specific concerns on regulations have strengthened and broadened the existing relationship with the regulators.

## AML System Enhancements

Enhancements are continuously being made to the Bank's AML System (AMLS) to improve the generation and reporting of covered transactions to AMLC and the process of detecting red flags/alerts for review and evaluation to determine possible suspicious transactions. Also, other systems interfaced with AMLS are being enhanced to meet the BSP and AMLC reporting requirements.



## Human Resource Management



**1,632**

Head Office-based employees who availed of on-site APE in 2018



**280**

Officers underwent Executive Check-Up (ECU) at different partner clinics and hospitals nationwide



### Continuing Compliance with the Anti-Red Tape Act of 2007

LANDBANK has consistently been improving its frontline services. In January 2018, LANDBANK was recognized as one of the Top 3 Frontline Service Champions and one of the Top 3 Hall of Famers by the Civil Service Commission during the 10<sup>th</sup> Anniversary of the Anti-Red Tape Act (ARTA) of 2007.

In May 2018, Republic Act (RA) No. 11032 (An Act Promoting Ease of Doing Business and Efficient Delivery of Government Services, Amending for the Purpose RA No. 9485, otherwise known as the Anti-Red Tape Act of 2007, and for Other Purposes), was signed by the President of the Republic of the Philippines.

### Annual Medical Examination

LANDBANK values its human resources and provides its employees with opportunities to maintain their health and well-being. Since 2016, LANDBANK has made mandatory the annual medical examination with the issuance of Executive Order (EO) No. 001, Guidelines on the Mandatory Annual Medical Examinations (AME) for LANDBANK Employees. This is in line with the Bank's thrusts of safeguarding employee health, safety and well-being, promoting productivity, and complying with the Occupational Safety and Health Standards and the Policy on Working Conditions at the Workplace set by regulatory bodies including the Civil Service Commission.

In addition to HMO-accredited facilities for the conduct of the AME nationwide, the on-site Annual Physical Examination at the LANDBANK Plaza was organized to make the service more accessible to LANDBANK personnel. This facility was availed of by 1,632 Head Office-based employees in 2018.

Also in 2018, 280 officers underwent Executive Check-Up (ECU) at different partner clinics and hospitals nationwide with LANDBANK shouldering the cost.

## Vaccination Program

To protect the health of employees and prevent communicable diseases, LANDBANK procures vaccines and implements a nationwide annual Influenza Vaccination Program on a voluntary basis. For 2018, there were 5,190 vaccine recipients.

## Healthcare Services

To provide its employees with access to medical services, LANDBANK operates a worksite Medical Clinic manned by healthcare professionals (i.e., internists, occupational health physicians, nurses) offering services such as consultation, first aid treatment, medical record-keeping, certification/fitness assessment and emergency ambulance transportation, if necessary. In 2018, medical consultation in the LANDBANK Medical Clinic was availed 5,717 times.

As an additional health promotion initiative for its employees, LANDBANK implements "My Access to Health Program" to assist Head Office employees in attaining compliance with physician's recommendations for proper nutrition, prescription medications and follow-through laboratory examinations. This brings to the worksite the following services:

- Phlebotomists are available twice a week at the LANDBANK Medical Clinic to extract blood from those with medical conditions requiring regular monitoring.
- A registered dietician offers nutritional counselling twice a month for those in need of guidance on proper nutrition. In 2018, 64 individuals sought dietary advice.

## Health Education

Part of the efforts to promote health involve providing employees with accurate and updated information on health with the objective of creating awareness, gaining new insights, and motivating practical application of learning to their daily life.

In 2018, seven Wellness Forums were conducted with a combined number of 263 participants. Wellness experts were invited to talk on various topics and promote adoption of healthy and well-balanced life. "Health Notes", a communication tool which aims to

keep LANDBANK employees informed about health issues (e.g., ADHD, autism awareness, bird flu, blood donation, breast health, dengue, drug abuse prevention, earthquake preparedness and response measures, HIV-AIDS, influenza, preventing stroke, privileges of persons with disability, rabies, reducing cancer risk, sexually transmitted infections, smoking cessation) were disseminated through various means of communication including internal e-mail network and social media. Forty-five health advisories were released in 2018.

## Occupational Safety and Health Promotion

In line with its thrust of promoting health and wellness in the workplace, the Employee Relations Department, together with the Corporate Affairs Department and Life-Care Fitness Management, Inc. (third-party service provider for the LANDBANK Gym and Fitness Center), produced the "Fit o'Clock Habit".

The "Fit o'Clock Habit" is a series of instructional videos on exercises that may be performed by Bank personnel while at their desk, and as a break during trainings/meetings, to help reduce the number of cases of work-related musculoskeletal disorders among LANDBANK employees. These videos are accessible to employees via Workplace by Facebook.

To help address ergonomic hazards (e.g., prolonged sitting, static posture, repetitive motions) and prevent musculoskeletal disorders, a survey was conducted using the Cornell Musculoskeletal Discomfort Questionnaire wherein 1,169 employees nationwide participated.

To ensure proper deployment of newly-hired personnel, 745 personnel were evaluated and classified based on their individual health risks and the health hazards that may accompany the work assignment.

In order to prevent the spread of pulmonary tuberculosis (PTB) in the workplace, contact tracing/screening was implemented for four primary cases of PTB, with 25 close contacts evaluated for the disease.







1,544

Participants joined group exercises offered at the LANDBANK Gym and Fitness Center

### Other Mechanisms to Support Employees' Health

In addition to assisting employees secure healthcare coverage administered by a Health Maintenance Organization (HMO), LANDBANK provides health-related benefits to its employees who had undergone gynecologic procedures (92 requests for special leave privileges under the Magna Carta of Women), sustained injuries due to work-related accidents (eight cases reviewed for special leaves/Rehabilitation Privilege), or been diagnosed with dreaded diseases or critical/debilitating medical conditions (71 claims for financial assistance and 26 requests for sick leave extension due to dreaded illnesses, 42 cases evaluated for separation due to medical conditions) to facilitate recovery and rehabilitation, or to properly manage health for those leaving the service.

### LANDBANK Gym and Fitness Center

Employees are provided with opportunities to pursue physical fitness through the LANDBANK Gym and Fitness Center (LANDBANK-GFC), a worksite gym that operates before and after office hours. A fitness instructor is available to design individualized programs and ensure participants' safety while using gym equipment. In 2018, the LANDBANK-GFC was accessed 7,388 times.

Group exercises offering a wide range of activities (e.g., dance aero, yoga, yogalates, zumba) were also held daily with a total of 1,544 participants.

In addition to these, 12 fitness-related special activities (e.g., beach body work out, duo fitness challenge, battling rope workout, body composition analysis, yoga block workout, stroops challenge, boot camp series challenge, speed agility) were held at the LANDBANK-GFC.

Employees in the Head Office also participated in the FitFil National Weight Loss Challenge, wherein challengers were asked to pledge weight loss of at least three pounds or roughly 1.4 kilograms within a six-month period. For 2018, the participants pledged a total of 1,693 pounds or 768 kilograms.

### Psychological Support Program

In compliance with RA No. 11036 or the Mental Health Act, and as a tangible manifestation of LANDBANK's paramount concern of uplifting the general well-being of its employees, LANDBANK Management approved the implementation of psychological counselling services in August 2018.

This is a proactive approach to help Bank employees build the necessary resilience to cope with the challenges of a changing organization and job context, highly competitive business environment, intense customer expectations, and fast-paced multitasking tasks vis-à-vis the demands of their personal lives.

### Random Drug Testing Program

LANDBANK is committed to safeguard the health, safety, and well-being of its employees by maintaining a drug-free work environment. In 2017, LANDBANK started to implement a drug-free workplace program which aims to



comply with various laws and policies including RA No. 9165 - Comprehensive Dangerous Drugs Act of 2002; Malacañang Memorandum Circular No. 89, series of 2015; Dangerous Drugs Board Regulation No. 2 series of 2004; and Civil Service Commission (CSC) Memorandum Circular (MC) No. 13, series of 2010; and CSC MC No. 13, series of 2017.

In 2018, LANDBANK conducted 11 batches of drug testing among 1,254 randomly selected Head Office-based employees.

Also, an accredited physician from the Dangerous Drugs Board conducted a forum on Substance use and abuse in September 2018.

### LANDBANK Day Care Center

Since 2005, a worksite day care center for employees' children with ages three to 12 years has been operating to assist employees in maintaining work life balance and help resolve gender and development (GAD) issues related to childcare and parenting.

The LANDBANK Day Care Center (LBDCC) implements a 10-month Early Childhood Care and Development (ECCD) program accredited by the Department of Social Welfare and Development (DSWD) with an Outstanding rating (5-star/level 3 compliance). In 2018, there were 40 children who attended the regular program (benefiting 53 employee-parents). In addition to this, a total of 140 walk-in attendees availed the LBDCC service (benefiting 160 employee-parents).

### Lactation Station

LANDBANK is a strong advocate of exclusive breastfeeding and has been recognized by the Department of Health as a "Mother-Baby Friendly Workplace". Notable is the continuing operations of a worksite Lactation Station where nursing employees can express and store their breast milk in a clean and sanitary environment. Thirty-six personnel accessed the facility in 2018.

Moreover, the Department of Health renewed the LANDBANK Lactation Station's "Mother-Baby Friendly Workplace" in October 2018.

To further motivate employees, two learning sessions on breastfeeding were held in 2018. The importance of breastfeeding was the subject matter in two issues of the internal communication tool, "Health Notes".

### Employee Wellness Program

Holistic wellness (i.e., addressing physical, mental, social, and spiritual dimensions of health) for employees is promoted via the ILiveWellness Program which is implemented Bankwide.

### Sports and Recreation Program

In the Head Office, competitive sports events (e.g., badminton, basketball, billiards, bowling, chess, darts, table tennis, volleyball) held at the worksite LANDBANK Recreation Center, or in nearby venues, were conducted year-round with 967 participants.

Participation in sports activities (e.g., badminton, basketball, billiards, bowling, gold, practical shooting, volleyball) organized by external institutions like the Government Corporation Athletic Association and the Bankers Athletic Association were also supported by LANDBANK with 183 employees.

Employee clubs were likewise provided support to enable them to pursue a hobby or interest. In 2018, LANDBANK supported seven employee clubs for seven recreational/sports events with 592 participants.

Also under the ILiveWellness program are fellowship and family-oriented activities with 15 events held in 2018 (i.e., ballroom dancing sessions, Christmas Party for children of employees, musical theatre workshop for employees' dependents and Officers' Night).



## Financial Wellness Program

Learning sessions primarily aimed at equipping employees with knowledge and skills on potential entrepreneurial ventures were conducted in 2018 with 12 sessions joined by 343 participants (i.e., barista/coffee making, bartending, bed cover and linen making, car maintenance for beginners, complete body massage, everyday hairstyle and make-up, herbal gardening, home repairs, native cakes and delicacies, no bake cake, and pillow case).

## Spiritual Wellness in the Workplace Program

Regular worship services and spiritual counselling are conducted at the LANDBANK Chapel in coordination with the Catholic employee community. Spiritual learning sessions participated by other employee spiritual groups are also being held.

In 2018, the Philippine Bible Week was observed with the conduct of two Servant Leadership workshops. Employees also donated a portion of the Corporate Social Responsibility (CSR) Fund to support the "May They Be One" ecumenical bible distribution advocacy program of the Philippine Bible Society.

## Employee Volunteerism Activities

Worksite bloodletting activities were conducted thrice in 2018 in partnership with the Philippine Red Cross (PRC). The campaign yielded 426.60 liters of blood from 948 donors. For these initiatives, the PRC recognized LANDBANK as one of its Outstanding Blood Services Partner for 2018.

Bank employees who are nursing mothers donated a total of 7,836 mL of breastmilk to the Milk Bank of the Philippine General Hospital in 2018.

LANDBANK employees gave a positive response to the call for monetary contributions to the Bank's CSR Fund through the project "Hour Time to Share" yielding 20,689 work hours donated by 6,896 employees or 87% of the total population.

The equivalent monetary value, ₱4.4 Million, of these work hours are then channeled mostly to the Bank's GAWAD PATNUBAY scholarship program for deserving but financially-disadvantaged students pursuing agriculture and fisheries-related courses.

## Gender and Development (GAD) Program

The LANDBANK's Internal GAD Program initiated a Gender Analysis and Harmonized Gender and Development Guidelines in February 2018.

In partnership with the Department of Finance (DOF), LANDBANK sponsored a GAD Immersion Program in Davao City on 29 - 31 May 2018. It also sponsored the GAD Orientation/Reorientation Workshop in June 2018



at LANDBANK Plaza attended by 40 representatives from the GAD Technical Working Groups of the different DOF-attached agencies. Trainings were conducted to equip members with knowledge and skills in the implementation of GAD programs.

Several GAD promotion activities were also held in 2018, namely, Women's Month Celebration, a Pampering week, "All About Eve and Her Steve", for female and male personnel was also held with about 1,262 participants, and advocacy campaign to end violence against women and children including sexual harassment.

## Fruit Distribution Program

During the Bank's Health and Wellness Fair in August 2018, the "FRUITductive Fridays" Program was initially launched in line with the Bank's advocacy to put premium on health and wellness of its human resources.



Fresh fruits (e.g., apples, bananas, oranges) were distributed to Bank personnel for free on a weekly basis at the Head Office. Its objectives are to concretize the Bank's support for its personnel's healthier lifestyle choice by promoting the importance of eating healthy, to help increase productivity of workforce by providing them with inexpensive food sources that are rich in nutrients and to boost the morale and loyalty of the human resources by showing them that the Bank shows concern for its employees' overall health and well-being.

The full-blown fruit distribution program officially commenced in the same month, in time for LANDBANK's 55<sup>th</sup> Anniversary Celebration and the fruit distribution continued every Friday thereafter.



## Relief and Disaster Assistance (RDA) Program

In accordance with LANDBANK Executive Order (EO) No. 028, series of 2015, as amended by LANDBANK EO No. 61, series of 2017, Guidelines on the Implementation of the RDA Program, a total of ₱4,560,000 financial assistance, ranging from ₱5,000 to ₱20,000, was granted by the Bank through its Relief and Disaster Assistance Fund (RDAF) in 2018 for 561 personnel whose residential houses were damaged by various calamities, disasters, and fire.

The RDA Program, through LANDBANK EO No. 028, series of 2015, was established as a form of assistance offered by the Bank through the RDAF to alleviate the condition of eligible beneficiaries/Bank personnel who are suffering from the effects of disaster/calamity and are at the time in need of basic necessities.

## Employee Discipline and Accountability

Cognizant of its responsibility to continually uphold the highest standards of ethics and excellence among its employees, LANDBANK formulated and implemented LANDBANK Administrative Order (AO) No. 141, series of 2018, otherwise known as the Revised Guidelines on Internal Whistleblowing and Reporting.

LANDBANK AO No. 141 was issued to fully comply with the provisions of Governance Commission for GOCCs (GCG) Memorandum Circular No. 2016-02 No. 2016-02, or the Revised Whistleblowing Policy for the GOCC Sector. Major changes include additional reporting channels and a listing of reportable conditions such as acts or omissions that are illegal, unethical, and violative of good governance principles and those that are against public policy and morals, promote unsound and unhealthy business practices, and are grossly disadvantageous to the Bank and/or the Government.

## Collective Negotiation Agreement

Starting 2018 up to 2020, the Bank and its employees adopted the Sixth Collective Negotiation Agreement (CNA). This agreement between the Management panel and the LANDBANK Employees' Association (LBPEA) panel for 2017-2020 was successfully reached in December 2017.

The 6<sup>th</sup> CNA incorporated the new core values of LANDBANK. It was also emphasized in the 6<sup>th</sup> CNA that the joint and continuing efforts of the Bank and its employees in accomplishing performance targets and attaining efficiency through cost-cutting measures and systems improvement, as well as their commitment to adopt measures that promote productivity, efficiency and economy in the Bank's operations and achievement of performance targets, as one of the requirements for the grant of the CNA Incentive.

A CNA is a contract between the Bank and the LBPEA on the terms and conditions of employment and its improvement that are not fixed by law. The negotiation is viewed as an excellent opportunity for both the Bank Management and LBPEA to listen, understand, and gain insights from each other on issues that are vital and beneficial to the Bank and all its employees.

## Learning and Development Initiatives

Guided by its mission of developing and nurturing talents who exemplify the highest standards of ethics and excellence, consistent with the best in the world, LANDBANK provides its employees with learning and development (L&D) interventions. The Organization Development Department (ODD), the Bank's training arm, adopts the 70-20-10 principle, where learning is sourced through various modes — on-the-job (70%), informal (20%) and formal (10%), both classroom and online.

There were 811 talents who joined LANDBANK in 2018. As part of their on-boarding and to facilitate their smooth integration into the organization, they attended a series of training programs, where Bank officers and supervisors served as resource persons.





The three-day orientation program dubbed as LANDBANK in Perspective introduced them to the Bank's strategy map, history, organizational structure and culture among others. A one-day session on Professional Image Enhancement (PrImE) was conducted to improve their capability to project a more positive, professional, confident, and credible image in dealing with existing and potential clients.

Additionally, new hires for branches underwent classroom-type training on branch banking for four days, followed by an on-the-job training in the designated Training Branches.

In 2018, 95% of the Bank's workforce was provided with at least two L&D programs, while the remaining 5% had one.

To enhance the employees' performance and maximize their potential to assume higher and more critical responsibilities in the Bank, a total of four batches of Management and Leadership Development Programs commenced in 2018: one batch each for the Branch Officers Development Program (with 23 participants) and Lending Officers Development Program (with 23 participants), and two batches of Leadership Development Program (Batch XI and Batch XII with 26 and 30 participants, respectively). These programs will end in 2019.

Screening and selection of participants for Batch VII of the Management Training Program took place in 2018, in time for its implementation in 2019.

These programs aim to ensure a readily available talent pool for succession. Numerous accolades for these programs were also received, both here and abroad, since their institutionalization in 2011.

Other leadership programs were also conducted to strengthen the people skills of the officers and supervisors, such as Applied HR for Line Managers (with 127 participants), and Coaching and Mentoring Workshop (with 49 participants). In addition, to enhance public speaking skills, two new in-house Toastmasters Clubs (with 41 Landbankers) were created bringing a total of five Toastmasters Clubs in LANDBANK.

The Bank continued to implement the Graduate Education Program (GEP) for employees interested in pursuing higher studies. A total of 79 employees were granted GEP scholarship in 2018.

The in-house Masters of Business Administration, in partnership with the College of the Holy Spirit, further expanded its coverage to Davao, with 31 participants. The new Head Office batch started with 32 participants. Classes of the Naga batch, with 30 participants, are ongoing, while the 56 students from the Iloilo and Urdaneta batches are awaiting graduation.

The Management also approved the professional certifications in relevant fields, wherein 71 personnel passed and were certified (e.g. ITIL v3 (2011) Foundation, Resilia Foundation, UITF Certification, BAP Treasury Certification Program, among others) while 16 more are undergoing review or awaiting exam results.

## Competency Framework Development Initiative

LANDBANK continued to close the competency gaps of concerned employees identified from the supervisors' assessment in 2016. In addition to formal trainings and Job Knowledge Enhancement (JKE) sessions, the procedures for the preparation of the Competency-based Individual Development Plan (CIDP) were finalized and communicated by ODD.

Institutional programs were also implemented to promote the Bank's core values such as Innovation, Accountability, Customer Focus, Collaboration, Excellence, and Social Responsibility (IACCES).

For Excellence, 22 batches of PrImE programs (with 1,112 participants) were conducted. Trained assessors for PrImE audited 14 branches/extension offices and proposed recommendations to sustain the Bank's standard professional image.

On Customer Focus, the Bank sustained the conduct of trainings under the Take the LEAD program. (Please see page 61 under Customer Service, for the total number of batches and participants in 2018). An integrated assessment tool for PrImE and Take the LEAD Program was also crafted to ensure effectiveness of both programs.

For Innovation, the Bank was able to create eight Quality Circles after attendance to training, capability building and coaching by the Quality Management Department.



## Orientation and Education Program for Directors and Senior Management

To strengthen their oversight functions and as part of their continuing education, the LANDBANK Board attended seminars on corporate governance and banking operations. They also participated in study tours abroad to gain exposure on current issues affecting the financial services industry. The learning and development programs they had in 2018 are listed below. For other trainings in banking and other related fields undertaken by the Members and Alternate Members of the LANDBANK Board of Directors, please refer to pages 68 to 75.



Name	Program	Date	Provider
<b>President and CEO Alex V. Buenaventura</b>	Fiduciary Essentials for Investment Stewards	16 November 2018	Asia Pacific Association for Fiduciary Studies
	Strategic Planning and Strategic Execution	24-26 October; 9 November 2018	R.G. Manabat and Company
	Leading with Trust: Session with Stephen Covey	19 June 2018	ABS-CBN News Channel
	Study Tour on Poultry and Swine Business	9-13 May 2018	Charoen Pokphand Foods Corporation
	BSP Circular No. 706 as amended by BSP Circular No. 950, AMLA Law and AML Risk Rating System of Board of Directors and Senior Management	27 April 2018	Bankers Institute of the Philippines
	Command Conference of Heads of Posts of Europe, Middle East and Africa	27-28 January 2018	Department of Finance
<b>Sec. Atty. John R. Castriciones</b>	Corporate Governance Orientation Program	6 June 2018	Institute of Corporate Directors
<b>Director Crispino T. Aguelo</b>	2018 Joint Accom and Riskcom Director's Learning Session	23-25 May 2018	LANDBANK AC Committee
<b>Director Virgilio D. Robes</b>	2018 Joint Accom and Riskcom Director's Learning Session	23-25 May 2018	LANDBANK AC Committee
	BSP Circular No. 706 as amended by BSP Circular No. 950, AMLA Law and the AML Risk Rating System for Board of Directors and Senior Management	27 April 2018	Bankers Institute of the Philippines
<b>Director Rodolfo V. Puno</b>	Corporate Governance Orientation Program for GOCCs	21 February 2018	Institute of Corporate Directors
<b>Director Jesus V. Hinlo, Jr.</b>	2018 Joint Accom and Riskcom Director's Learning Session	23-25 May 2018	LANDBANK AC Committee
	BSP Circular No. 706 as amended by BSP Circular No. 950, AMLA Law and the AML Risk Rating System for Board of Directors and Senior Management	27 April 2018	Bankers Institute of the Philippines
	Enhanced Corporate Governance Guidelines Seminar	16 March 2018	Bankers Institute of the Philippines
	Beyond Compliance: Managing Technology and Cyber Security Risk	14 March 2018	Bankers Institute of the Philippines
	Corporate Governance Orientation Program	7 March 2018	Institute of Corporate Directors
	Mandatory Continuing Legal Education	22-23 February; 1-2 March 2018	Asian Center for Legal Excellence
	Corporate Governance Orientation Program for GOCCs	21 February 2018	Institute of Corporate Directors

Name	Program	Date	Provider
<b>Atty. Francisco M. Villano, Jr.</b>	2018 Joint Accom and Riskcom Director's Learning Session	23-25 May 2018	LANDBANK AC Committee
<b>Usec. Luis Meinrado C. Pangulayan</b>	Fiduciary Essentials for Investment Stewards	26 November 2018	Asia Pacific Association for Fiduciary Studies
	2018 Joint Accom and Riskcom Director's Learning Session	23-25 May 2018	LANDBANK AC Committee
<b>Atty. Jaime L. Miralles</b>	Corporate Governance Orientation Program	14 November 2018	Institute of Corporate Directors
	Corporate Governance Orientation Program for GOCCs	18 October 2018	Institute of Corporate Directors
<b>Director Nancy Irlanda Tanjuatco</b>	Corporate Governance Orientation Program for GOCCs	18 October 2018	Institute of Corporate Directors
	Finance for Directors Program	15 November 2018	Institute of Corporate Directors
	Corporate Governance Orientation Program	20 November 2018	Institute of Corporate Directors
	Fiduciary Essentials For Investment Stewards	26 November 2018	Asia Pacific Association for Fiduciary Studies
	Addressing the Risks in Mergers and Acquisitions	3 December 2018	AIG Philippines Insurance Inc.
<b>DTOP Erwin D. Sta. Ana</b>	Fiduciary Essentials for Investment Stewards	26 November 2018	Asia Pacific Association for Fiduciary Studies
<b>Asec. Joji V. Aragon</b>	Fiduciary Essentials for Investment Stewards	16 November 2018	Asia Pacific Association for Fiduciary Studies

On the other hand, the Bank's Senior Officers enhanced their knowledge on the business of banking and its major functional areas, and obtained updates on banking regulations through the 250 L&D programs they attended. They also managed to strengthen strategic partnerships with other financial institutions and stakeholders, including multilateral organizations and government agencies.

On human capital development, they played a major role in the implementation of Management and Leadership Development Programs (MLDP) aimed to strengthen the Bank's Succession Program.

Aside from being resource persons, they also served as members of the panel to whom the participants presented and defended their integrating projects (IP). Others were designated by Management as IP advisers.

## Performance Assessment Program

In accordance with LANDBANK AO No. 072, series of 2018, or the Revised Implementing Guidelines on the LANDBANK Strategic Performance Management System (SPMS), LANDBANK has established and implemented its own SPMS pursuant to CSC MC No. 6, series of 2012, and CSC Resolution No. 1200481.

The basic elements present in the SPMS include alignments of performance goals to the organization's performance scorecard and objectives, clear delineation of rater and ratee's roles, and presence on information system to support performance monitoring.

The LANDBANK SPMS guidelines cover all full-time Bank officers and staff, whether permanent, temporary or co-terminus, regardless of the assignment, for the full performance management cycle.

## Retirement Policy

LANDBANK's Retirement Program is in compliance with the appropriate rules and regulations issued by various regulatory bodies. These regulations support lengthy tenures resulting in capable and experienced senior personnel who have dedicated their lives and career to LANDBANK's mandate.

To improve overall work productivity, provide flexibility and retain key personnel, the Bank implements an early separation program for employees aside from the optional and mandatory retirement pursuant to applicable retirement laws. This mechanism has allowed the institution to attract fresh talents to join its workforce. It has also allowed for movement across LANDBANK which encourages development and growth for the next set of leaders.

## Succession Policy

LANDBANK ensures the readiness of successors for critical positions in the Bank for the continuity of its business operations through Succession Planning (SP).

In partnership with incumbents, the Human Resources Management Group (HRMG) conducts the SP process which involves the following activities: (a) identification of key positions in the organization; (b) determination of appropriate qualification and competency standards for these positions; (c) assessment of possible successors against the standards; (d) mapping of candidates in the succession pool; and (e) design and implementation of development programs to ensure and continuously monitor the readiness of potential successors to assume the functions and responsibilities of the position.

To ensure the availability of a highly trained and qualified management pool, the Management and Leadership Development Program (MLDP), the Bank's premier training program for its high potentials and high performers, is continuously being conducted annually.

To date, LANDBANK has four MLDP tracks: (a) Management Training Program for first line Supervisors; (b) Branch Officers Development Program for future Branch Managers; (c) Lending Officers Development Program to harness our Account Officers in the lending operations; and (d) Leadership Development Program for current Heads of Units to strengthen and reinforce management skills in building high performing teams.

## Remuneration Policy

LANDBANK's basic salary rates are aligned with the National Government's Salary Standardization Law.

The Bank pays salaries, allowances, benefits and incentives in accordance with the issuances from the National Government agencies (Office of the President of the Philippines Administrative/Executive Orders, Memorandum Circulars issued by the Department of Budget and Management (DBM), Civil Service Commission (CSC), and Governance Commission for GOCCs (GCG).

The compensation package of the Bank's Senior Officers consists of monetary and non-monetary benefits, fringe benefits, incentive, recognition, and rewards for those who meet their performance targets or goals. The compensation package consists of basic salaries, standard allowances, benefits and incentives like Personnel Economic and Relief Allowance, Clothing Allowance, Mid-Year Bonus, Year End Bonus, and Cash Gift. Specific purpose allowances and benefits, such as, Representation Allowance and Transportation Allowance (RATA), per diem, and honoraria are also given to Senior Officers under specific conditions related to the actual performance of work at prescribed rates.

The Bank also provides awards and incentives to its Senior Officers through the grant of the annual Performance Based Bonus (PBB), Productivity Enhancement Incentive (PEI), CNA Incentive, and Program on Awards and Incentives for Service Excellence (PRAISE) which are linked to organizational and individual performance.

LANDBANK's Remuneration Policy includes indirect compensation which are regulated under existing laws like the Bank's share to GSIS, PhilHealth, Pag-IBIG, Provident Fund, and various leave benefits authorized by the CSC.

## Compensation of the LANDBANK Board of Directors

The current Allowances, Benefits and Incentives (ABI) are governed by the guidelines released by regulatory agencies and adopted by the Bank's Board.

The ABIs of the LANDBANK Board are guided by EO No. 24, series of 2011 "Prescribing Rules to Govern the Compensation of Members of the Board of Directors/ Trustees in GOCCs including GFIs", issued by then President Benigno Aquino III, and by GOCC Circulars (1) MC2016-01-Compensation Framework for GOCC Governing Boards and (2) Reissued MC 2012-02-Revised Interim Rules on Per Diem and other entitlements of Members of the Governing Boards of GOCCs covered by RA No.10149.

The Bank's Corporate Secretary oversees the implementation of the ABIs of LANDBANK's appointive Directors. The Director's attendance and actual performance in their chosen committees are reported on a regular basis to the Bank's Board.

## Selection Process

The Recruitment, Selection and Placement (RSP) process of LANDBANK for its personnel is based on merit and fitness to ensure competent and efficient performance of the duties and assumption of responsibilities of the positions to which these personnel may be appointed.

LANDBANK applies the Equal Employment Opportunity Principle (EEO) to all employees and applicants for employment without regard to race, color, religion, political belief or affiliation, gender, ethnicity, age, height, weight, disability or any other form of prejudicial and arbitrary classifications.

As a Government Financial Institution (GFI), however, the Bank observes and complies with the fit and proper rule issued by the Bangko Sentral ng Pilipinas (BSP), GCG, and other regulatory bodies in addition to internal documentary requirements as well as the CSC rules on promotion.

Selection of senior officer positions in LANDBANK is in accordance with applicable CSC, BSP, and GCG rules and regulations. All candidates for such positions are to be endorsed for hiring via proposal by the LANDBANK President and CEO and/or the respective Head of the Sector where the vacancy is identified.

Upon receipt of the duly endorsed proposal, the Personnel Administration Department (PAD) will facilitate the validation of the position followed by the administration of the necessary pre-employment examination (e.g., Executive Profiling exam). The candidate is then provided with the list of LANDBANK Pre-employment requirements they need to submit for the processing of their proposal, including a set of medical tests which the candidate must undergo as part of the Bank's process in assessing candidates in accordance to the "fit and proper rule" issued by the regulatory bodies.

The position and item number they are being considered for shall be posted in the Bank's bulletin and published by the CSC for at least 10 days. PAD shall also process the request for the conduct of the person's Background and Credit Investigation (BI/CI) as well as the assessment of his/her training requirements vis-à-vis the LANDBANK Qualification Standards (QS) of the position.

Once the exam results are generated and the pre-employment requirements have been complied with, the candidate will undergo an interview by the Corporate Services Sector (CSS) Head. Upon completion of all the necessary requirements such as the BI and CI report, training certification and medical clearance, the proposal of the candidate will then be subject for deliberation and evaluation of the Selection Board II (SB II).

Once the SB II decides to favorably endorse the candidate, the proposal will be submitted by PAD to the Corporate Governance Committee and LANDBANK Board of Directors for approval. Approval from both authorities shall allow the candidate to assume duty on the first working day of the following month.

## Executive Officers/Senior Managers

As of 31 December 2018

Alex V. Buenaventura	- President and Chief Executive Officer
Carel D. Halog	- Executive Vice President, Treasury and Investment Banking Sector
Alan V. Bornas	- Executive Vice President, Operations Sector
Joselito P. Gutierrez	- Executive Vice President, Agricultural and Development Lending Sector
Julio D. Climaco, Jr.	- Executive Vice President, Corporate Services Sector
Liduvino S. Geron	- Executive Vice President, Branch Banking Sector
Leila C. Martin	- Senior Vice President, North NCR Branches Group
Filipina B. Monje	- Senior Vice President, Northern and Central Luzon Lending Group
Ramon R. Monteloyola	- Senior Vice President, South NCR Branches Group
Annalene M. Bautista	- Senior Vice President, Controllership Group
Ma. Celeste A. Burgos	- Senior Vice President, Corporate Banking Group
Alex A. Lorayes	- Senior Vice President, Agrarian Services Group
Lolita T. Silva	- First Vice President, Retail and Mid-Market Lending Group
Elsie Fe B. Tagupa	- First Vice President, Visayas Lending Group
Ma. Elizabeth L. Gener	- First Vice President, Asset and Liability Management Group
Lucila E. Tesorero	- First Vice President, Southern Luzon Lending Group
Camilo C. Leyba	- First Vice President, East Mindanao Branches Group
Ma. Cielito D. Valdivia	- First Vice President, Southwest Luzon Branches Group
Sylvia C. Lim	- First Vice President, Central Luzon Branches Group
Ma. Belma T. Turla	- First Vice President, North Luzon Branches Group
Emellie V. Tamayo	- First Vice President, Lending Programs Management Group
Renato G. Eje	- First Vice President, OFW Remittance Group
Charlotte I. Conde	- First Vice President, Mindanao Lending Group
Khurshid U. Kalabud	- First Vice President, West Mindanao Branches Group
Noel B. Marquez	- First Vice President, Legal Services Group
Winston Rochel L. Galang	- First Vice President, Banking Operations Group
Althon C. Ferolino	- First Vice President, West Visayas Branches Group
Alden F. Abitona	- First Vice President, Technology Management Group
Marilou L. Villafranca	- First Vice President, Southeast Luzon Branches Group
Ma. Francia O. Titar	- First Vice President, Financial Markets Group
Delma O. Bandiola	- First Vice President, East Visayas Branches Group
Randolph L. Montesa	- First Vice President, Card and Electronic Banking Group



Catherine Rowena B. Villanueva	- First Vice President, Corporate Affairs Department
Sofia C. Ladores	- First Vice President, Risk Management Group
Amelia S. Amparado	- First Vice President, Compliance Management Group
Elcid C. Pangilinan	- First Vice President, Strategic Planning Group
Gonzalo Benjamin A. Bongolan	- First Vice President, Investment Banking Group
Merceditas N. Oliva	- Vice President, Financial Accounting Department
Lolita M. Almazar	- Vice President, Investment Sales and Distribution Department
Virgilio C. Paranal	- Vice President, Buendia Branch
Bernardo B. Bayangos	- Vice President, Isabela Lending Center
Reynaldo C. Capa	- Vice President, Banking Services Group
Maria Edelwina D. Carreon	- Vice President, Internal Audit Group
Marietta B. Cajuguiran	- Vice President, Corporate Banking Department II
Elenita C. Rapanut	- Vice President, Branch Banking Support Department
Allan R. Bisnar	- Vice President, Cebu South Lending Center
Eduardo N. Reyes, Jr.	- Vice President, Nueva Ecija Lending Center
Dina Melanie R. Madrid	- Vice President, Facilities and Procurement Services Group
Emma M. Brosas	- Vice President, Corporate Banking Department I
Ivy C. Sacramento	- Vice President, Balance Sheet Management Department
Esperanza N. Martinez	- Vice President, Public Sector Department
Emmanuel G. Dimaano	- Vice President, Capital Markets Trading Department
Eulalio G. Lagapa, Jr.	- Vice President, Cebu North Lending Center
Marjorie R. Cortez	- Vice President, Business Risk Management Department
Enrique L. Sazon, Jr.	- Vice President, Network Operations Department
Pacifico C. De Paz, Jr.	- Vice President, Electronic Products Department
Rose Marie E. Sotelo	- Vice President, Treasury Risk Management Department
Emmanuel G. Hio, Jr.	- Vice President, Organization Development Department
Cielito H. Lunaria	- Vice President, Financial Institutions Department
Arthur E. Dalampun	- Vice President, Electronic Banking Systems Department
Grace Ofelia Lovely V. Dayo	- Vice President, Retail Banking Systems Department
Adelfa R. Masacupan	- Vice President, Liquidity and Reserve Management Department
Joselito B. Vallada	- Vice President, Human Resources Management Group
Efren S. Tedor	- Vice President, Physical Security Office
Maria Aurora R. Bocato	- Vice President, Credit Risk Management Department
Rossana S. Coronel	- Relationship Officer, South NCRBG Cluster A

## Executive Officers and Senior Managers, and their Relevant Qualifications and Experiences

As of 31 December 2018

Name	Relevant Qualifications/Experience
ALEX V. BUENAVENTURA President and Chief Executive Officer 65 years old, Filipino	<ul style="list-style-type: none"> <li>• 11 November 2016 to 31 December 2018 – Land Bank of the Philippines</li> <li>• June 2016 – Chairman/President – Buencor Farms, Incorporated</li> <li>• September 2014 to 10 November 2016 – President – One Network Bank, Incorporated (A Rural Bank of BDO)</li> <li>• 2012 – Chairman/President – ALN 3 Brothers, Incorporated</li> <li>• April 2004 to August 2014 – President – One Network Bank (A Rural Bank)</li> <li>• 1986 – Chairman – Ultra Bowl, Incorporated</li> </ul>
CAREL D. HALOG Executive Vice President Treasury and Investment Banking Sector 54 years old, Filipino	<ul style="list-style-type: none"> <li>• Geodetic Engineer</li> <li>• 16 March 1988 to present – Land Bank of the Philippines; in present position since 16 June 2016</li> <li>• 11 July 1985 to 15 March 1988 – Geodetic Engineer – Bureau of Mines and Geodetic Science</li> </ul>

ALAN V. BORNAS Executive Vice President Operations Sector 52 years old, Filipino	<ul style="list-style-type: none"> <li>• 5 April 1988 to present – Land Bank of the Philippines; in present position since 14 July 2016</li> <li>• 16 June 1987 to 15 December 1987 – Instructor - AMA Computer Learning Center</li> </ul>
JOSELITO P. GUTIERREZ Executive Vice President Agricultural and Development Lending Sector 59 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 1 August 1988 to present – Land Bank of the Philippines; in present position since 1 March 2018</li> <li>• 1 February 1981 to 31 July 1988 – Assistant Manager – Republic Planters Bank</li> <li>• 1 November 1979 to 31 January 1981 – Clerk – Bank of America – Finance Corporation</li> </ul>
JULIO D. CLIMACO, JR. Executive Vice President Corporate Services Sector 61 years old, Filipino	<ul style="list-style-type: none"> <li>• 7 December 1993 to present – Land Bank of the Philippines; in present position since 2 July 2012</li> <li>• 1 July 1991 to 6 December 1993 – Managing Consultant – Joaquin Cunanan and Company/Price Waterhouse</li> <li>• 1 July 1990 to 30 June 1991 – Supervising Consultant – Joaquin Cunanan and Company/Price Waterhouse</li> <li>• 1 December 1988 to 30 June 1990 – Senior Consultant – Joaquin Cunanan and Company/Price Waterhouse</li> <li>• 16 November 1987 to 30 November 1987 – Staff Officer – The Hongkong and Shanghai Banking Corporation</li> <li>• 1 May 1985 to 15 November 1987 – Market Analyst – The Hongkong and Shanghai Banking Corporation</li> <li>• 1 October 1981 to 30 April 1985 – Research Associate – Center for Research and Communication</li> <li>• 1 January 1981 – 31 August 1981 – Purchasing Officer – Castilex Industrial Corporation</li> </ul>
LIDUVINO S. GERON Executive Vice President Branch Banking Sector 54 years old, Filipino	<ul style="list-style-type: none"> <li>• 20 June 1994 to present – Land Bank of the Philippines; in present position since 18 July 2016</li> <li>• 13 May 1992 to 19 June 1994 – Division Chief – National Post-Harvest Institute for Research and Extension</li> <li>• 1 July 1989 to 12 May 1992 – Project Development Officer - National Post-Harvest Institute for Research and Extension</li> <li>• 7 May 1985 to 30 June 1989 – Research Assistant – National Post-Harvest Institute for Research and Extension</li> </ul>
LEILA C. MARTIN Senior Vice President North NCR Branches Group 57 years old, Filipino	<ul style="list-style-type: none"> <li>• 5 May 1982 to present – Land Bank of the Philippines; in present position since 3 July 2017</li> </ul>
FILIPINA B. MONJE Senior Vice President Northern and Central Luzon Lending Group 57 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 3 November 1983 to present – Land Bank of the Philippines; in present position since 3 October 2016</li> <li>• 1 June 1983 to 31 October 1983 – Accounting Instructor – Luzon Colleges</li> <li>• 1 July 1982 to 30 November 1983 – Clerk/Bookkeeper – Ministry of Human Settlements</li> </ul>
RAMON R. MONTELOYOLA Senior Vice President South NCR Branches Group 57 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 21 November 1983 to present – Land Bank of the Philippines; in present position since 3 October 2016</li> <li>• 16 October 1983 to 20 November 1983 – BWP Assistant – Bureau of Forest Development</li> <li>• 28 September 1979 to 15 October 1983 – Clerk Typist – Bureau of Forest Development</li> </ul>
ANNALENE M. BAUTISTA Senior Vice President Controllership Group 55 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 6 January 1986 to present – Land Bank of the Philippines; in present position since 16 April 2018</li> <li>• 1 April 1985 to 30 September 1985 – Bookkeeper – Faith Insurance Services</li> <li>• 1 December 1984 to 31 March 1985 – Instructress – Amadeo Western Cavite Institute</li> </ul>
MA. CELESTE A. BURGOS Senior Vice President Corporate Banking Group 54 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 10 February 1986 to present – Land Bank of the Philippines; in present position since 3 October 2016</li> </ul>

ALEX A. LORAYES Senior Vice President Agrarian Services Group 56 years old, Filipino	<ul style="list-style-type: none"> <li>• Civil Engineer</li> <li>• Geodetic Engineer</li> <li>• 26 December 1988 to present – Land Bank of the Philippines; in present position since 1 September 2015</li> <li>• 1 June 1985 to 30 November 1988 – Reviewer – Besevilla Engineering Review Center</li> <li>• 1 June 1985 to 30 November 1988 – Lecturer – Divine Word College of Legazpi</li> <li>• 15 May 1982 to 31 December 1983 – Survey Returns Verifier - Bureau of Lands</li> </ul>
LOLITA T. SILVA First Vice President Retail and Mid-Market Lending Group 59 years old, Filipino	<ul style="list-style-type: none"> <li>• 27 December 1982 to present – Land Bank of the Philippines; in present position since 1 September 2015</li> <li>• 1 July 1982 to 15 December 1982 – Clerk – Planters Development Bank</li> <li>• 16 December 1981 to 30 April 1982 – Secretary – Hanalex Trading</li> <li>• 1 July 1979 to 1 December 1981 – Executive Secretary – El Buen Asenso, Inc.</li> </ul>
ELSIE FE B. TAGUPA First Vice President Visayas Lending Group 58 years old, Filipino	<ul style="list-style-type: none"> <li>• 25 April 1983 to present – Land Bank of the Philippines; in present position since 3 July 2017</li> </ul>
MA. ELIZABETH L. GENER First Vice President Asset and Liability Management Group 55 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 1 September 1983 to present – Land Bank of the Philippines; in present position since 16 April 2018</li> </ul>
LUCILA E. TESORERO First Vice President Southern Luzon Lending Group 55 years old, Filipino	<ul style="list-style-type: none"> <li>• 2 July 1985 to present – Land Bank of the Philippines; in present position since 3 July 2017</li> </ul>
CAMILO C. LEYBA First Vice President East Mindanao Branches Group 56 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 19 November 1984 to present – Land Bank of the Philippines; in present position since 1 July 2015</li> <li>• 15 June 1984 to 18 November 1984 – Junior Auditor - Golden Farms, Inc.</li> </ul>
MA. CIELITO D. VALDIVIA First Vice President Southwest Luzon Branches Group 54 years old, Filipino	<ul style="list-style-type: none"> <li>• 8 September 1987 to present – Land Bank of the Philippines; in present position since 16 April 2018</li> <li>• 1 June 1986 to 31 March 1987 – High School Teacher – Liceo de Paete</li> <li>• 1 September 1985 to 30 April 1986 – Research Assistant – Forest Research Institute</li> </ul>
SYLVIA C. LIM First Vice President Central Luzon Branches Group 51 years old, Filipino	<ul style="list-style-type: none"> <li>• 23 November 1987 to present – Land Bank of the Philippines; in present position since 16 April 2018</li> </ul>
MA. BELMA T. TURLA First Vice President North Luzon Branches Group 51 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 3 April 1989 to present – Land Bank of the Philippines; in present position since 16 April 2018</li> <li>• 1 November 1987 to 2 April 1989 – Personal Assistant - Atty. Arnulfo P. Fuentesbella Law Office</li> </ul>
EMELLIE V. TAMAYO First Vice President Lending Programs Management Group 51 years old, Filipino	<ul style="list-style-type: none"> <li>• 21 August 1989 to present – Land Bank of the Philippines; in present position since 1 March 2018</li> <li>• 1 January 1987 to 20 August 1989 – Junior Auditor - Sycip, Gorres, Velayo and Co.</li> </ul>
RENATO G. EJE First Vice President OFW Remittance Group 55 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 19 September 1989 to present – Land Bank of the Philippines; in present position since 1 July 2015</li> <li>• 17 September 1984 to 17 September 1989 – Project Accountant/Head of Admin-Finance - MERALCO Industrial Engineering Services Corporation</li> </ul>
CHARLOTTE I. CONDE First Vice President Mindanao Lending Group 53 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 15 August 1988 to present – Land Bank of the Philippines; in present position since 16 April 2018</li> <li>• 1 April 1987 to 31 October 1987 – Accounting Clerk – EMCOR, Incorporated</li> </ul>
KURSHID U. KALABUD First Vice President West Mindanao Branches Group 50 years old, Filipino	<ul style="list-style-type: none"> <li>• 18 June 1990 to present – Land Bank of the Philippines; in present position since 3 July 2017</li> </ul>
NOEL B. MARQUEZ First Vice President Legal Services Group 57 years old, Filipino	<ul style="list-style-type: none"> <li>• Eligibility - Bar</li> <li>• 18 December 1990 to present – Land Bank of the Philippines; in present position since 3 July 2017</li> <li>• 1 May 1989 to 31 January 1990 – Associate Lawyer – Bengzon Law Office</li> </ul>

WINSTON ROCHEL L. GALANG First Vice President Banking Operations Group 56 years old, Filipino	<ul style="list-style-type: none"> <li>• Civil Engineer</li> <li>• 12 November 1990 to present – Land Bank of the Philippines; in present position since 16 April 2018</li> </ul>
ALTHON C. FEROLINO First Vice President West Visayas Branches Group 52 years old, Filipino	<ul style="list-style-type: none"> <li>• 21 June 1991 to present – Land Bank of the Philippines; in present position since 3 July 2017</li> <li>• 1 January 1990 to 28 February 1991 – Irrigator’s Development Officer – National Irrigation Administration</li> <li>• 1 June 1989 to 30 October 1989 – Instructor – Iligan Medical Center Colleges and Mindanao State University</li> </ul>
ALDEN F. ABITONA First Vice President Technology Management Group 48 years old, Filipino	<ul style="list-style-type: none"> <li>• 24 September 1991 to present – Land Bank of the Philippines; in present position since 1 March 2018</li> </ul>
MARILOU L. VILLAFRANCA First Vice President Southeast Luzon Branches Group 50 years old, Filipino	<ul style="list-style-type: none"> <li>• 16 March 1992 to present – Land Bank of the Philippines; in present position since 3 July 2017</li> <li>• 1 March 1992 to 15 March 1992 – Acting Administrative Officer – Lumang Bayan Realty Development Corporation</li> <li>• 21 January 1991 to 29 February 1992 – Executive Secretary – Lumang Bayan Realty Development Corporation</li> <li>• 17 July 1989 to 15 October 1990 – Legal Secretary – Ote Law Offices</li> </ul>
MA. FRANCIA O. TITAR First Vice President Financial Markets Group 48 years old, Filipino	<ul style="list-style-type: none"> <li>• 10 August 1992 to present – Land Bank of the Philippines; in present position since 16 April 2018</li> <li>• 9 January 1992 to 30 June 1992 – Clerk Typist – Excellent Manpower Services – FEBTC</li> <li>• 1 March 1989 to 30 June 1989 – Sales Clerk – Ever Grand Central</li> </ul>
DELMA O. BANDIOLA First Vice President East Visayas Branches Group 48 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 16 September 1992 to present – Land Bank of the Philippines; in present position since 16 April 2018</li> <li>• 8 January 1992 to 31 March 1992 – Bookkeeper – Surge Multi-Resources Trading Corporation</li> </ul>
RANDOLPH L. MONTESA First Vice President Card and Electronic Banking Group 51 years old, Filipino	<ul style="list-style-type: none"> <li>• 1 August 2003 to present – Land Bank of the Philippines; in present position since 1 July 2015</li> <li>• 1 April 2000 to 30 November 2002 – Project Manager – IBM Philippines</li> <li>• 16 February 1998 to 31 May 1999 – Technical Support Analyst – Oracle Systems (Philippines)</li> <li>• 1 August 1988 to 15 February 1998 – System Manager – Philippine Airlines, Incorporated</li> </ul>
CATHERINE ROWENA B. VILLANUEVA First Vice President Corporate Affairs Department 47 years old, Filipino	<ul style="list-style-type: none"> <li>• 2 January 2012 to present – Land Bank of the Philippines; in present position since 1 October 2015</li> <li>• 1 August 2010 to 30 January 2011 – CSR Head, Public Affairs Office – Citibank NA, Philippines</li> <li>• 1 December 2008 to 30 July 2010 – Head, Marketing Communications for Retail Bank – Citibank, NA, Philippines</li> <li>• 15 July 2006 to 15 August 2007 – Head, Acquisitions Marketing and e-Business – Citibank International Personal Bank, Singapore</li> <li>• 1 September 2005 to 1 July 2006 – Head, Micromarketing &amp; Strategic Alliance – Citibank NA, Philippines</li> <li>• 1 May 2004 to 30 June 2005 – Head, Branding &amp; Micromarketing for Retail Bank – Citibank NA, Philippines</li> <li>• 12 March 2001 to 30 April 2004 – Events and Media Manager – Citibank NA, Philippines</li> <li>• 15 January 2001 to 1 March 2001 – Marketing Head – Philamcare</li> <li>• 1 January 1996 to 1 September 2000 – Manager, Special Projects &amp; Concurrent Executive Producer – Slimmers World International</li> <li>• 1 June 1994 to 1 December 1996 – TV Production Supervisor and Scriptwriter – Slimmers World International</li> <li>• 1 March 1994 to 31 May 1994 – Marketing and Promotions Coordinator – Slimmers World International</li> <li>• 1 January 1993 to 1 March 1994 – Advertising Assistant – Slimmers World International</li> <li>• 1 July 1992 to 31 December 1993 – Public Relations Officer – Slimmers World International</li> </ul>
SOFIA C. LADORES First Vice President Risk Management Group 64 years old, Filipino	<ul style="list-style-type: none"> <li>• 16 May 2012 to 31 December 2018 – Land Bank of the Philippines; in present position since 16 April 2018</li> <li>• 1 January 2003 to 7 May 2012 – Assistant Vice President – Philippine National Bank</li> </ul>



<p>AMELIA S. AMPARADO First Vice President Compliance Management Group 61 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 1 July 2014 to present – Land Bank of the Philippines;</li> <li>• 1 February 2010 to 30 June 2014 – Chief Compliance Officer/ First Vice President – Metropolitan Bank &amp; Trust Company</li> <li>• 1 August 2009 to 15 January 2010 – Chief Compliance Officer/ Vice President – East West Banking Corporation</li> <li>• 5 January 2009 to 31 July 2009 – Consultant – East West Banking Corporation</li> <li>• 16 May 1982 to 31 July 2000 – Internal Auditor – China Banking Corporation</li> <li>• 1 October 1978 to 30 April 1982 – Auditor – Sycip, Gorres, Velayo CPAs</li> </ul>
<p>ELCID C. PANGILINAN First Vice President Strategic Planning Group 50 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• 30 June 2017 to present – Land Bank of the Philippines</li> <li>• 1 November 2013 to 29 June 2017 – Director – USAID – FPI and Surge (Project)</li> <li>• 1 May 2011 to 30 November 2013 – Director – Millenium Challenge Account – Philippines</li> <li>• 1 August 2007 to 31 December 2010 – Senior Policy Adviser – Department of Education</li> <li>• 1 January 2003 to 31 July 2006 – Program Support Manager – United Nations Development Program – Philippines</li> <li>• 1 February 1995 to 4 April 2002 – Bank Executive Officer – Land Bank of the Philippines</li> <li>• 1 February 1989 to 31 October 1993 – Presidential Staff Officer – Office of the President of the Philippines</li> </ul>
<p>GONZALO BENJAMIN A. BONGOLAN First Vice President Investment Banking Group 53 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• 24 January 2018 to present – Land Bank of the Philippines</li> <li>• January 2011 to January 2018 – Vice President – Philippine Commercial Capital, Incorporated (PCCI)</li> <li>• May 2001 to May 2010 – Manager – Home Guaranty Corporation</li> <li>• September 1998 to May 2001 – Assistant Vice President - PCCI Securities Brokers Corporation</li> <li>• May 1998 to September 1998 – Manager – First Metro Investment Corporation</li> <li>• January 1997 to March 1998 – Manager – Belson-Prime East Asia Capital, Incorporated</li> <li>• June 1996 to January 1997 – Senior Economist – Banque Nationale de Paris-PrimeEast</li> <li>• July 1995 to May 1996 – Legislative Staff Officer – House of Representatives</li> <li>• June 1993 to October 1994 – Teaching Fellow – UP School of Economics</li> <li>• March 1990 to June 1995 – Research Fellow – Philippine Center for Policy Studies</li> <li>• June 1987 to October 1988 – Teaching Fellow – UP School of Economics</li> </ul>
<p>MERCEDITAS N. OLIVA Vice President Financial Accounting Department 61 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 23 August 1982 to present – Land Bank of the Philippines; in present position since 3 July 2017</li> <li>• 1 April 1979 to 22 August 1982 – Accounting Clerk – Oriental Media, Incorporated</li> <li>• 1 February 1978 to 31 March 1978 – Accounting Clerk – Quadratic Construction, Incorporated</li> </ul>
<p>LOLITA M. ALMAZAR Vice President Investment Sales and Distribution Department 54 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• 7 January 1986 to present – Land Bank of the Philippines; in present position since July 1, 2015</li> </ul>
<p>VIRGILIO C. PARANIAL Vice President Buendia Branch 56 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 19 October 1987 to 8 February 1989 – Land Bank of the Philippines; in present position since 1 October 2018</li> <li>• 14 August 1987 to 14 October 1987 – Accounting Clerk – Woodstown Condominium Corporation</li> <li>• 16 October 1984 to 30 November 1986 – Clerk – Mariano Marcos State University</li> </ul>
<p>BERNARDO B. BAYANGOS Vice President Isabela Lending Center 55 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 14 December 1987 to present – Land Bank of the Philippines; in present position since 1 March 2018</li> <li>• 9 September 1986 to 13 December 1987 – Administrative Assistant – Ayala Agricultural Development Corporation</li> <li>• 1 April 1985 to 31 August 1986 – Senior Auditor – Santiago, Cruz and Company CPAs</li> </ul>
<p>REYNALDO C. CAPA Vice President Banking Services Group 55 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• 7 March 1989 to present – Land Bank of the Philippines; in present position since 1 March 2018</li> <li>• 1 January 1985 to 1 January 1986 – Proof Settling Clerk – Manila Bank</li> </ul>

MARIA EDELWINA D. CARREON Vice President Internal Audit Group 58 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 11 July 1988 to present – Land Bank of the Philippines; in present position since 3 July 2017</li> <li>• 13 February 1981 to 8 July 1988 – Section Chief – Great Pacific Life</li> <li>• 6 January 1981 to 12 February 1981 – Accounting Clerk – Peace Advertising Corporation</li> </ul>
MARIETTA B. CAJUGUIRAN Vice President Corporate Banking Department II 53 years old, Filipino	<ul style="list-style-type: none"> <li>• 2 November 1988 to present – Land Bank of the Philippines; in present position since 1 March 2018</li> <li>• 1 December 1986 to 31 January 1988 – Supervisor – B.I. Cottonhouse Philippines, Incorporated</li> </ul>
ELENITA C. RAPANUT Vice President Branch Banking Support Department 55 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 30 January 1989 to present – Land Bank of the Philippines; in present position since 2 November 2016</li> <li>• 1 July 1988 to 29 January 1989 – Financial Analyst – Concepcion Industries, Incorporated</li> <li>• 1 February 1984 to 30 June 1988 – Clerk – Philippine Cotton Corporation</li> </ul>
ALLAN R. BISNAR Vice President Cebu South Lending Center 50 years old, Filipino	<ul style="list-style-type: none"> <li>• 1 September 1989 to present – Land Bank of the Philippines; in present position since 1 March 2018</li> </ul>
EDUARDO N. REYES, JR. Vice President Nueva Ecija Lending Center 54 years old, Filipino	<ul style="list-style-type: none"> <li>• 1 August 1988 to present – Land Bank of the Philippines; in present position since 3 July 2017</li> <li>• 16 February 1987 to 31 July 1988 – Economic Researcher – Office of the Provincial Agriculturist – Nueva Ecija</li> <li>• 1 October 1986 to 15 February 1987 – Extension Services Technologist – Office of the Provincial Agriculturist – Nueva Ecija</li> <li>• 28 October 1984 to 31 October 1985 – Project Research Assistant – University of Life/Ministry of Human Settlement</li> </ul>
DINA MELANIE R. MADRID Vice President Facilities and Procurement Services Group 56 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 23 May 1989 to present – Land Bank of the Philippines; in present position since 1 October 2018</li> <li>• 1 July 1986 to 22 May 1989 – Accountant – Solidphil Security Services, Incorporated</li> <li>• 1 July 1984 to 30 June 1986 – Cost Accounting Clerk – Graphic Arts Service, Incorporated</li> <li>• 1 January 1984 to 30 June 1984 – Accounting Clerk – Vintas International, Incorporated</li> </ul>
EMMA M. BROSAS Vice President Corporate Banking Department I 52 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 17 July 1989 to present – Land Bank of the Philippines; in present position since 16 January 2017</li> <li>• 16 February 1989 to 15 April 1989 – Audit Staff – SGV and Co.</li> </ul>
IVY C. SACRAMENTO Vice President Balance Sheet Management Department 53 years old, Filipino	<ul style="list-style-type: none"> <li>• 21 March 1990 to present – Land Bank of the Philippines; in present position since 3 July 2017</li> <li>• 16 June 1987 to 28 February 1990 – Cashier – San Lorenzo Freezing Point</li> <li>• 1 January 1987 to 15 June 1987 – Executive Secretary – Link Management and Services, Incorporated</li> </ul>
ESPERANZA N. MARTINEZ Vice President Public Sector Department 51 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 1 June 1990 to present – Land Bank of the Philippines; in present position since 1 October 2018</li> <li>• 1 February 1989 to 30 April 1990 – Accountant – Solid Business Machines Center, Incorporated</li> </ul>
EMMANUEL G. DIMAANO Vice President Capital Markets Trading Department 57 years old, Filipino	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 3 June 1991 to present – Land Bank of the Philippines; in present position since 1 October 2018</li> <li>• 1 November 1989 to 31 May 1991 – Audit Examiner – Boston Bank of the Philippines</li> <li>• 1 May 1989 to 31 October 1989 – Internal Auditor – Drugmakers Laboratories, Incorporated</li> <li>• 1 September 1986 to 31 August 1988 – Branch Accountant – Manila Banking Corporation</li> <li>• 16 May 1983 to 31 August 1986 – Audit Examiner – Manila Banking Corporation</li> <li>• 8 May 1982 to 15 May 1983 – Accountant – Scannex Corporation</li> </ul>
EULALIO G. LAGAPA, JR. Vice President Cebu North Lending Center 48 years old, Filipino	<ul style="list-style-type: none"> <li>• Agricultural Engineer</li> <li>• 8 October 1991 to present – Land Bank of the Philippines; in present position since 1 October 2018</li> </ul>

<p>MARJORIE R. CORTEZ Vice President Business Risk Management Department 49 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 18 November 1991 to present – Land Bank of the Philippines; in present position since 1 October 2018</li> <li>• 1 July 1991 to 16 November 1991 – Account Management Trainee – Dasmariñas Garments Corporation</li> <li>• 1 November 1990 to 30 June 1991 – Secretary/Land Researcher – Cortez Survey Office</li> <li>• 1 February 1988 to 30 November 1989 – Compiler/Researcher – Anap Research Services Foundation, Incorporated</li> </ul>
<p>ENRIQUE L. SAZON, JR. Vice President Network Operations Department 49 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• Electronics and Communications Engineer</li> <li>• 16 July 1992 to present – Land Bank of the Philippines; in present position since 1 October 2018</li> <li>• 1 September 1996 to 31 January 1997 – Assistant Manager – Banco de Oro</li> <li>• 1 December 1994 to 31 August 1996 – Information Technology Specialist – Duty Free Philippines</li> <li>• 3 December 1993 to 30 November 1994 – Communication Specialist – Duty Free Philippines</li> </ul>
<p>PACIFICO C. DE PAZ, JR. Vice President Electronic Products Department 57 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• Civil Engineer</li> <li>• 1 July 1993 to present – Land Bank of the Philippines; in present position since 2 November 2016</li> <li>• 16 January 1993 to 30 June 1993 – Account Management Specialist – Development Bank of the Philippines</li> <li>• 31 July 1991 to 15 January 1993 – Appraiser – Development Bank of the Philippines</li> <li>• 1 June 1990 to 30 July 1991 – Office Engineer – Fisher Engineering and Maintenance Company</li> <li>• 1 February 1989 to 31 May 1990 – Project Engineer – Federal Builders</li> <li>• 16 September 1987 to 31 December 1987 – Formwork Engineer – KJS Construction</li> <li>• 16 January 1987 to 15 September 1987 – Project Engineer – Unimasters Conglomerate, Incorporated</li> <li>• 1 September 1986 to 15 January 1987 – Office Engineer Estimator – Unimasters Conglomerate, Incorporated</li> <li>• 16 December 1984 to 15 August 1986 – Assistant Project Engineer – Unimasters Conglomerate, Incorporated</li> <li>• 1 September 1984 to 15 December 1984 – Civil Engineer Aide – Provincial Government of Leyte</li> </ul>
<p>ROSE MARIE E. SOTELO Vice President Treasury Risk Management Department 56 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• 21 June 1993 to present – Land Bank of the Philippines; in present position since 1 October 2018</li> <li>• 1 October 1989 to 14 June 1993 – Supervising TLO Officer – Technology and Livelihood Research Center (TLRC)</li> <li>• 1 October 1989 to 1 October 1989 – Project Disbursement Head – TLRC</li> <li>• 1 July 1989 to 30 September 1989 – Senior TLO Officer – TLRC</li> <li>• 2 November 1987 to 30 June 1989 – Project Evaluation Officer II – TLRC</li> <li>• 3 March 1986 to 31 July 1987 – Senior Project Specialist – KKK National Secretariat</li> <li>• 1 October 1985 to 1 March 1986 – Senior Technical Specialist – KKK National Secretariat</li> <li>• 1 October 1983 to 30 September 1985 – Investment Analyst – KKK National Secretariat</li> <li>• 1 November 1982 to 30 September 1983 – Financial Analyst – MHS Livelihood Development Group</li> </ul>
<p>EMMANUEL G. HIO, JR. Vice President Organization Development Department 46 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• 1 September 1994 to present – Land Bank of the Philippines; in present position since 1 March 2018</li> <li>• 1 June 1992 to 31 August 1994 – Faculty Teacher – De La Salle University</li> </ul>
<p>CIELITO H. LUNARIA Vice President Financial Institutions Department 55 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• Chemical Engineer</li> <li>• 23 May 1994 to present – Land Bank of the Philippines; in present position since 1 July 2015</li> <li>• 1 October 1992 to 31 July 1993 – Junior Processing Engineer – P.T. Astra Microtronics Technology</li> <li>• 15 August 1988 to 31 August 1991 – Technical Sales Supervisor – Accord International, Incorporated</li> <li>• 2 January 1987 to 31 January 1988 – Feature Writer – Line Publications Mapua Ches.-Chem. Alumni</li> <li>• 2 January 1986 to 14 August 1988 – Sales Engineer – Cougar Resources Corporation</li> </ul>

<p>ARTHUR E. DALAMPAN Vice President Electronic Banking Systems Department 46 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• Associate Electrical Engineer</li> <li>• 15 April 1996 to present – Land Bank of the Philippines; in present position since 1 March 2018</li> <li>• 1 September 1994 to 31 March 1995 – Programmer Trainee – NETCOR</li> </ul>
<p>GRACE OFELIA LOVELY V. DAYO Vice President Retail Banking Systems Department 46 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• 25 June 1998 to present – Land Bank of the Philippines; in present position since 1 October 2018</li> <li>• 1 July 1996 to 31 March 1998 – Science Research Specialist – University of the Philippines Solar Laboratory</li> <li>• 3 January 1996 to 30 June 1996 – Science Research Analyst – University of the Philippines Solar Laboratory</li> </ul>
<p>ADELFA R. MASACUPAN Vice President Liquidity and Reserve Management Department 45 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• 3 February 2003 to present – Land Bank of the Philippines; in present position since 16 November 2018</li> <li>• 1 April 2001 to 2 February 2003 – Researcher/Special Assistant – Department of Environment and Natural Resources</li> <li>• 1 April 2001 to 30 August 2001 – Foreign Exchange Trader – Belkin Management Consultancy</li> <li>• 1 July 1998 to 31 March 2001 – Researcher/Special Assistant – Office of Congressman Heherson Alvarez</li> <li>• 27 May 1993 to 30 June 1998 – Legislative Staff Officer – Office of Senator Heherson Alvarez</li> </ul>
<p>JOSELITO B. VALLADA Vice President Human Resources Management Group 47 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• Eligibility – Bar</li> <li>• 1 April 2003 to present – Land Bank of the Philippines; in present position since 4 July 2017</li> <li>• 1 November 2000 to 30 March 2003 – Associate – Peña Sanchez Lacson Mison and Figueroa Law Offices</li> <li>• 1 October 1999 to 31 August 2000 – Figueroa and Associates Law Office</li> </ul>
<p>EFREN S. TEDOR Vice President Physical Security Office 64 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• 26 August 2011 to 31 December 2018 – Land Bank of the Philippines; in present position since 1 September 2015</li> <li>• 20 June 2010 to 25 August 2011 – Naval Officer – Armed Forces of the Philippines (AFP)</li> <li>• 9 September 2009 to 19 June 2010 – Chief – AFP Command Center, General Headquarters</li> <li>• 7 July 2008 to 19 January 2009 – Naval Internal Auditor – Philippine Navy</li> <li>• 22 January 2008 to 28 July 2008 – Commander – Bonifacio Naval Station</li> <li>• 12 February 2007 to 22 January 2008 – Deputy Commander – Naval Base Cavite, Philippine Navy</li> <li>• 1 January 2004 to 31 December 2006 – Defense and Armed Forces Attache – MIG 21, ISAFP</li> <li>• 1 January 2003 to 23 July 2003 – Chief of Staff – Naval Forces Central Philippine Navy</li> </ul>
<p>MARIA AURORA R. BOCATO Vice President Credit Risk Management Department 53 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 5 July 2017 to present – Land Bank of the Philippines; in present position since 1 October 2018</li> <li>• 1 January 2006 to 3 July 2017 – Senior Assistant Vice President – Philippine National Bank (PNB) – Market and ALM Division</li> <li>• 7 August 2003 to 31 December 2005 – Manager/Risk Management Officer – PNB Risk Management Group</li> <li>• 29 December 1994 to 6 August 2003 – Senior Assistant Manager/Risk Management Officer – PNB Credit Policy and Risk Control Division</li> <li>• 11 July 1994 to 28 December 1994 – Bank Executive Officer – PNB Credit Department</li> <li>• 16 February 1992 to 10 July 1994 – Loans and Distribution Officer – PNB</li> <li>• 18 December 1990 to 15 February 1993 – Loans Analyst – PNB</li> <li>• 1 March 1990 to 17 December 1990 – Financial Analyst/Acting Accountant – PNB</li> <li>• 1 August 1988 to 28 February 1990 – Bank Teller – PNB</li> <li>• 12 October 1987 to 31 July 1988 – Accounting Clerk – PNB</li> </ul>
<p>ROSSANA S. CORONEL Relationship Officer South NCRBG Cluster A 55 years old, Filipino</p>	<ul style="list-style-type: none"> <li>• Certified Public Accountant</li> <li>• 4 April 1989 to present – Land Bank of the Philippines; in present position since 2 November 2016</li> <li>• 1 January 1988 to 3 April 1989 – Budget Examiner – Department of Health (DOH)</li> <li>• 5 November 1985 to 31 December 1987 – Budget Aide – DOH</li> </ul>



## Trainings for Executive Officers and Senior Managers

Executive Officer/ Senior Manager	Name of the Business Event	Start date	End date	Provider
1. ALEX V. BUENAVENTURA President and CEO	Fiduciary Essentials	11/26/2018	11/26/2018	APAFS
	Strategic Planning & Strategic Execution	10/24/2018	11/9/2018	R.G. MANABAT & CO.
	Leading With Trust: Session with Stephen Covey	06/19/2018	06/19/2018	ABS-CBN
	Study Tour on Poultry & Swine Business	05/09/2018	05/13/2018	CHAROEN
	BSP Cir. 706, AMLA Law, AML Risk Rating	04/27/2018	04/27/2018	BAIPHIL
	ANC Leadership Series	03/20/2018	03/20/2018	ANC
2. CAREL D. HALOG EVP, Treasury and Investment Banking Sector	Command Conference of Heads of Posts	01/27/2018	01/28/2018	DFA
	Mart Annual Convention	11/09/2018	11/11/2018	MART
	Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
	Philippine Economic Briefing	09/18/2018	09/19/2018	BSP - IRO
	AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
	ACI Philippines Annual Convention	04/20/2018	04/22/2018	ACI PHILS
	Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
	ANC Leadership Series	03/20/2018	03/20/2018	ANC
3. ALAN V. BORNAS EVP, Operations Sector	FMAP Annual Convention	03/09/2018	03/11/2018	FMAP 2010
	Impact of Train Law on Government Banks	01/25/2018	01/25/2018	SGV
	Strategic Planning & Strategic Execution	10/24/2018	11/9/2018	R.G. MANABAT & CO.
	SAS Leaders Exchange Conference	06/20/2018	06/21/2018	SAS INSTI
	Inaugural Forum of AFS-IT	05/08/2018	05/09/2018	AFSIT
	AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
4. JOSELITO P. GUTIERREZ EVP, Agricultural and Development Lending Sector	Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
	ANC Leadership Series	03/20/2018	03/20/2018	ANC
	Impact of Train Law on Government Banks	01/25/2018	01/25/2018	SGV
	Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
	Karlsruhe Sustainable Finance Awards & Conference	07/12/2018	07/13/2018	EOSD
5. JULIO D. CLIMACO, JR. EVP, Corporate Services Sector	AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
	ANC Leadership Series	03/20/2018	03/20/2018	ANC
	Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
	PMAP Annual Conference	10/10/2018	10/12/2018	PMAP
	Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
6. LIDUVINO S. GERON EVP, Branch Banking Sector	FELDA/FELCRA Development Model	03/12/2018	03/16/2018	JICA
	AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
	Corporate Governance Orientation Program For GOCCs	04/18/2018	04/18/2018	ICD
	Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
7. LEILA C. MARTIN Senior Vice President North NCR Branches Group	Impact of Train Law on Government Banks	01/25/2018	01/25/2018	SGV4
	AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
	Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
	Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
8. FILIPINA B. MONJE Senior Vice President Northern and Central Luzon Lending Group	Orientation on the Revised LANDBANK SPMS	08/24/2018	08/24/2018	PAD
	AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
9. RAMON R. MONTELOYOLA Senior Vice President South NCR Branches Group	Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
	AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
	Orientation on the Revised LANDBANK SPMS	08/24/2018	08/24/2018	PAD
	Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.

10.	ANNALENE M. BAUTISTA Senior Vice President Controllershship Group	Microsoft Excel Advanced	12/07/2018	12/07/2018	MS EXCEL-CG
		Tax And PFRS Updates	11/17/2018	11/17/2018	SGV
		Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
		Accountancy Week	07/19/2018	07/19/2018	GACPA&PICPA
		COSO Enterprise Risk Management	06/29/2018	06/29/2018	COSO PICPA
		Tools & Tips For Powerful Communication	06/18/2018	06/18/2018	PICPA
		GACPA 40Th Annual National Convention	05/23/2018	05/26/2018	GACPA
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Effective Conversation Fluency	04/20/2018	04/20/2018	PICPAEMM
		PFRS9 Project KTS: CALCN Exercise PF	04/19/2018	04/19/2018	SGV
		PFRS 9 Project KTS: CALCN Exer for UB/KB	04/19/2018	04/19/2018	SGV
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
		Benefits of Corporate Governance	01/29/2018	01/29/2018	ATENEOCCE
Impact of Train Law on Government Banks	01/25/2018	01/25/2018	SGV		
11.	MA. CELESTE A. BURGOS Senior Vice President Corporate Banking Group	Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
12.	ALEX A. LORAYES Senior Vice President Agrarian Services Group	Global Forum on Infrastructure Strategies	01/18/2018	01/18/2018	PCM ASIA
		Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
13.	LOLITA T. SILVA First Vice President Retail and Mid-Market Lending Group	AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
		Metro Manila Tourism Forum 2018	08/30/2018	08/31/2018	AAP
14.	ELSIE FE B. TAGUPA First Vice President Visayas Lending Group	AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
		Karlsruhe Sustainable Finance Awards & Conference	07/12/2018	07/13/2018	EOSD
15.	MA. ELIZABETH L. GENER First Vice President Asset and Liability Management Group	AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
		Managing Risk From FX & Interest Rate Exposures	07/05/2018	07/06/2018	ATENEO
		GACPA 40Th Annual National Convention	05/23/2018	05/26/2018	GACPA
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
16.	LUCILA E. TESORERO First Vice President Southern Luzon Lending Group	Conduct of Stress Testing Exercises	03/02/2018	03/02/2018	BAIPHIL
		Impact of Train Law on Government Banks	01/25/2018	01/25/2018	SGV
17.	CAMILO C. LEYBA First Vice President East Mindanao Branches Group	AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Training on Revised IRR of RA No. 9184/PHILGEPS	10/22/2018	10/24/2018	GPPB
		Orientation on the Revised LANDBANK SPMS	08/24/2018	08/24/2018	PAD
18.	MA. CIELITO D. VALDIVIA First Vice President Southwest Luzon Branches Group	AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Orientation on the Revised IRR of RA No. 9184/PHILGEPS	10/08/2018	10/10/2018	GPPB
		Orientation on the Revised LANDBANK SPMS	08/24/2018	08/24/2018	PAD
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
19.	SYLVIA C. LIM First Vice President Central Luzon Branches Group	AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
		Training on Revised IRR of RA No. 9184/PHILGEPS	10/08/2018	10/10/2018	GPPB
20.	MA. BELMA T. TURLA First Vice President North Luzon Branches Group	Orientation on the Revised LANDBANK SPMS	08/24/2018	08/24/2018	PAD
		Training on Revised IRR of RA No. 9184/PHILGEPS	10/08/2018	10/10/2018	GPPB
		BIR-LINK.BIZPORTAL	03/17/2018	03/17/2018	EPD
21.	RENATO G. EJE First Vice President OFW Remittance Group	Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
22.	CHARLOTTE I. CONDE First Vice President Mindanao Lending Group	Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
		Study Tour on Poultry & Swine Business	05/09/2018	05/13/2018	CHAROEN
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		FELDA/FELCRA Development Model	03/12/2018	03/16/2018	JICA
23.	KHURSHID U. KALABUD First Vice President West Mindanao Branches Group	Training on Revised IRR of RA No. 9184/PHILGEPS	10/22/2018	10/24/2018	GPPB3
		Orientation on the Revised LANDBANK SPMS	08/24/2018	08/24/2018	PAD
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017

24.	NOEL B. MARQUEZ First Vice President Legal Services Group	Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
		Corporate Governance Orientation Program for GOCCs	10/18/2018	10/18/2018	ICD
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
25.	WINSTON ROCHEL L. GALANG First Vice President Banking Operations Group	2018 Global Payments	09/21/2018	09/21/2018	WFARGO
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
26.	ALTHON C. FEROLINO First Vice President West Visayas Branches Group	Strategic Planning & Strategic Execution	10/24/2018	11/9/2018	R.G. MANABAT & CO.
		Training on Revised IRR of RA No. 9184/PHILGEPS	09/24/2018	09/26/2018	GPPB3
		Orientation on the Revised LANDBANK SPMS	08/24/2018	08/24/2018	PAD
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
27.	ALDEN F. ABITONA First Vice President Technology Management Group	Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
28.	MARILOU L. VILLAFRANCA First Vice President Southeast Luzon Branches Group	ACST, AML Updates & Common Audit Findgs	11/30/2018	11/30/2018	SELBG
		Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
		Orientation on the Revised LANDBANK SPMS	8/24/2018	08/24/2018	PAD
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
29.	MA. FRANCIA O. TITAR First Vice President Financial Markets Group	Mart Annual Convention	11/09/2018	11/11/2018	MART2
		Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
		Building Blocks of Fixed Income Strategies	09/28/2018	09/28/2018	MART
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
30.	DELMA O. BANDIOLA First Vice President East Visayas Branches Group	Impact Of Train Law On Government Banks	01/25/2018	01/25/2018	SGV
		Training on Revised IRR of RA No. 9184/PHILGEPS	09/24/2018	09/26/2018	GPPB3
		Orientation on the Revised LANDBANK SPMS	08/24/2018	08/24/2018	PAD
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
31.	RANDOLPH L. MONTESA First Vice President Card and Electronic Banking Group	CCAP Annual Planning Conference	05/10/2018	05/12/2018	CCAP
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
32.	CATHERINE ROWENA B. VILLANUEVA First Vice President Corporate Affairs Department	Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
		Applied HR for Line Managers	09/19/2018	09/21/2018	ATENEO-CCE
		Integrating Culture and Core Values Program	05/25/2018	05/25/2018	TEAMBUILDING
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
33.	SOFIA C. LADORES First Vice President Risk Management Group	Joint Audit & Compliance	05/23/2018	05/24/2018	JAC
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
		Executive Briefing on IMS	04/03/2018	04/03/2018	EXECUTIVE BRIEFING IMS
		Impact of Train Law on Government Banks	01/25/2018	01/25/2018	SGV
34.	AMELIA S. AMPARADO First Vice President Compliance Management Group	Strategic Planning & Strategic Execution	10/24/2018	11/09/2018	R.G. MANABAT & CO.
		Responsible Finance	10/16/2018	10/16/2018	ABA
		ABCOMP-AMLO 3rd Biennial AML Conference	08/02/2018	08/03/2018	ABCOMP
		Enhanced AML	06/18/2018	06/18/2018	CRD
		Joint Audit & Compliance	05/23/2018	05/24/2018	JAC
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
		Impact of Train Law on Government Banks	01/25/2018	01/25/2018	SGV
35.	ELCID C. PANGILINAN First Vice President Strategic Planning Group	56th PES Annual Meeting And Conference	11/08/2018	11/08/2018	PES
		Strategic Planning & Strategic Execution	10/24/2018	11/9/2018	R.G. MANABAT & CO.
		National Quality Forum	10/17/2018	10/18/2018	PSQ
		National Government Portal Scope & Resource Planning	07/18/2018	07/20/2018	DICT
		AML Updating LEAP	04/20/2018	04/20/2018	AMLA 2017
		Corporate Governance Orientation Program for GOCCs	04/18/2018	04/18/2018	ICD
		Executive Briefing on IMS	04/03/2018	04/03/2018	EXECUTIVE BRIEFING IMS