

LANDBANK SUPPORTS AGRI-AGRA LAW AMENDMENTS TO EXPAND LOAN ACCESS FOR FARMERS, FISHERS

LANDBANK fully supports the ongoing Senate initiative to amend the provisions of Republic Act. No. 10000, otherwise known as the Agri-Agra Reform Credit of 2009 (Agri-Agra Law), which will provide farmers and fishers nationwide an expanded and easier access to responsive agricultural financing.

During a public hearing on the proposed Agri-Agra Law amendments on May 12, 2021, the Bank also welcomed recommendations from legislators to revisit its loan application requirements, specifically for small farmers and fishers, to make it easier for them to access financing.

In 2019, prior to the ongoing Agri-Agra law revisit, LANDBANK started simplifying its loan processes to make the Bank's programs more accessible to small farmers and fishers.

First, the loan application form was condensed from three documents to just one document and was reformatted with mostly tick boxes for easier completion. Second, the Promissory Note was significantly trimmed from 14 pages to only one page.

LANDBANK has also consistently complied with the Agri-Agra Law, which requires all banking institutions to allot 15% of their total lending portfolio for agriculture loans and 10% for agrarian reform credit.

As of December 2020, LANDBANK's agriculture loans reached 76.95% and 11.52% for agrarian reform. Overall, LANDBANK's agriculture lending has been consistently growing from P222.05 billion in 2018, to P236.31 billion in 2019, and P237.62 billion in 2020.

Likewise, as of March 31, 2021, LANDBANK's total loan portfolio to the agriculture sector also grew by 4.8% to P229.70 billion from P219.24 billion last February. The increase is primarily attributed to a 9.5% rise in loans released to small, medium and large enterprises.

Of the P229.70 billion total outstanding loans, P36.27 billion benefited small farmers and fishers, cooperatives and farmers' associations, rural financial institutions and other conduits.

In partnership with the Department of Agriculture (DA) and Department of Agrarian Reform (DAR), LANDBANK has also assisted cumulatively 2,696,839 farmers and fishers nationwide as of end-March 2021. This represents an increase of 14,147 beneficiaries from February, and 25,990 for the first three months of the year.

Last May, LANDBANK also culminated its Online Stakeholder's Consultation Forum towards addressing emerging challenges and issues faced by clients in accessing agricultural credit amid the COVID-19 pandemic.

The Forum facilitated knowledge sharing with key players in the agribusiness value chain to help the Bank further improve the accessibility of its lending products and services, especially under the new normal.

Online survey and focus group discussions were conducted to gain insights and suggestions from farmers and fishers groups, agri-input suppliers, aggregators and traders, processors, and wholesalers and exporters.

PALAWAN PALAY FARMER TURNS BUSINESS OWNER



Farmer Jessie Cabuhat rents out his modern combine harvester which was acquired through a loan under LANDBANK's Agricultural Competitiveness Enhancement Fund (ACEF) Lending Program.

For the past 30 years, palay farmer Jessie Cabuhat has been tilling his own farm in Barangay Taritien, Narra, Palawan, dreaming that one day, he will be able to set-up a small business of renting out farm machinery as an additional source of income for his family.

That dream became a reality in early 2020 through the assistance of the LANDBANK under the Agricultural Competitiveness Enhancement Fund (ACEF) lending program.

Facilitated by the LANDBANK Palawan Lending Center, Cabuhat was able to borrow under the ACEF to purchase a DC70 PH Plus combine harvester in time for the harvest of the wet season.

Cabuhat has since been renting out the combine harvester to other farmers in the area and has been earning from it for nearly a year now. He is also using the machinery for farming his family-owned six hectares of rice farmland, and another eight

hectares which he is renting from his parents.

Now, the farmer turned entrepreneur has also generated employment by hiring four additional employees to beef up his regular roster of six farm helpers.

Cabuhat is grateful to LANDBANK for offering a loan opportunity at a very low interest rate of 2% per annum. For him, the equipment rental business has significantly complemented his regular income, supporting his family's financial needs.

"Salamat sa tulong ng LANDBANK at nagkaroon ng katuparan ang isa sa aking mga pangarap. Ang rice harvester na inaasam-asam ko lang dati ay nakamit na rin at napakalaking tulong sa aking pamilya, pati na rin sa mga kapwa kong magsasaka," said Cabuhat.

The ACEF is a direct lending program administered by LANDBANK in partnership with the Department of Agriculture (DA), to provide timely and affordable credit to farmers and fishers, their cooperatives and associations, as well as micro and small enterprises (MSEs) to increase their productivity and income.

Individual farmers and fishers may use the loan to purchase farm inputs and equipment, or for farm improvements. For MSEs, cooperatives and associations, the loan may be used for the acquisition of machineries, equipment and facilities for agri-based production and post-production, as well as processing activities.

As of May 31, 2021, LANDBANK has released under the ACEF lending program a total of P5.10 billion that benefited 40,556 farmers and fishers, 113 cooperatives, and 195 MSEs.

LANDBANK Q1 ASSETS UP 16.14% AS DEPOSITS RISE

LANDBANK reported a 16.14% growth in total assets to P2.405 trillion as of March 31, 2021, from the P2.071 trillion in the same period last year.

The assets increase was driven by the 16.21% growth in deposits to P2.123 trillion from P1.827 trillion in 2020.

Despite the continuing challenges set by the pandemic, LANDBANK is on track to meet its year-end net income target of P19.68 billion, as net income grew a modest 1.67% to P5.48 billion for the first three months of the year.

LANDBANK's capital also rose by 32.44% to P194.59 billion from P146.93 billion year-on-year. This was backed by the P27.5 billion infusion of the National Government in February under Republic Act (RA) No. 11494 or the Bayanihan to Recover as One Act (Bayanihan 2), designed to bolster the Bank's ongoing financial recovery interventions to sectors severely affected by the COVID-19 pandemic.

"The robust growth of our deposit base coupled with the equity booked from Bayanihan 2 allows us to extend greater financial assistance to our priority sectors, especially to small farmers and fishers, MSMEs, and other key development players. LANDBANK remains in prime position to continue providing for the recovery requirements of clients and the nation at large," said LANDBANK President and CEO Cecilia C. Borromeo.

The Bank's financial ratios have also remained resilient with a return on equity of 10.09%—higher than the industry average of 6.61%—while return on assets stood at 0.77% and net interest margin at 3.11%.

COVID-related loan programs

As part of its ongoing efforts to support sectors adversely affected by the COVID-19 pandemic, LANDBANK has so far approved loans amounting to P93.14 billion under various lending programs as of April 30, 2021.



Among these programs include the I-RESCUE (Interim REhabilitation Support to Cushion Unfavorably affected Enterprises by COVID-19) Lending Program with total approved loans of P20.07 billion for 434 borrowers comprised of 292 Micro, Small, and Medium Enterprises (MSMEs), 81 cooperatives, 56 large corporations, and 5 Microfinance institutions (MFIs). From the initial program fund of P10 billion, it was previously doubled to P20 billion and most recently increased further to P50 billion to accommodate increasing applications.

Under the RISE UP LGUs (Restoration and Invigoration package for a Self-Sufficient Economy towards UPgrowth for Local Government Units) Program, LANDBANK has approved loans totaling P72.18 billion for 245 LGUs nationwide to help revive their local communities and recover from the adverse economic impact of the pandemic.

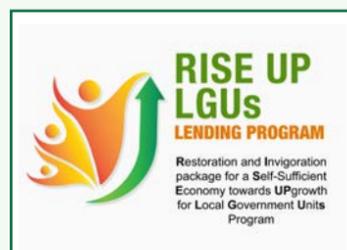
Finally, LANDBANK has approved loans amounting to P889 million to 20 academic institutions under its ACADEME (ACcess to Academic Development to Empower the Masses towards Endless Opportunities) Lending Program, which aims to boost the capacity of private academic institutions to implement a "study now, pay later" scheme for students.

COVID-RELATED LOAN PROGRAMS



I-RESCUE
Interim REhabilitation Support
to Cushion Unfavorably
affected Enterprises by
COVID-19 Lending Program

- Supports SMEs, Cooperatives and MFIs through the provision of additional funds and loan restructuring under more flexible terms and conditions
 - **Interest Rate:** 5% per annum fixed for three years
 - **Loanable Amount:** Up to 85% of actual need provided the total loan exposure (including the existing loans) shall be within repayment capacity of the borrower as per LANDBANK computation



RISE UP LGUs
Restoration and Invigoration
package for a Self-Sufficient
Economy towards UPgrowth
for Local Government Units
Program

- Finances Local Government Units in providing basic and support services for local enterprises, and other innovative programs to bring back development in the local economy
 - **Interest Rate:** Fixed at 4.5% per annum for the first year and subject to annual repricing thereafter
 - **Loanable Amount:** Depending on the requirement of the LGU provided that the total loan exposure (including the proposed loan under the program) should not be more than its Net Borrowing Capacity (NBC) per BLGF computation/certification



ACADEME
ACcess to Academic
Development to Empower
the Masses towards
Endless Opportunities
Lending Program

- Provides credit fund to Private/non-DepEd high schools, Private Technical-Vocational and Education Training (TVET) Institutions, and Private Higher Education Institutions (HEIs) for a study now and pay later scheme for their students
 - **Interest Rate:** 3% per annum fixed up to the maturity date
 - **Loanable Amount:** 70% of the Promissory Notes issued by the parents/benefactors of the students on a per semester basis and subject further to a maximum amount based on the school's net borrowing capacity as per LANDBANK computation

UITF NOW AVAILABLE IN LANDBANK MOBILE APP

As part of the Bank's initiative to provide convenient investment services to clients in the country and abroad, LANDBANK made the Unit Investment Trust Fund (UITF) module available in its Mobile Banking Application (MBA).

This will allow UITF clients to enroll their existing UITF accounts, subscribe to available peso-denominated UITFs within their risk profiles, and view their UITF investment portfolio online.

How to enroll your UITF account in LANDBANK MBA¹:

1. Log-in to your LANDBANK MBA
2. In the lower right corner of the screen, click on "More" and select Manage My Accounts > Enroll Additional Own Account > Investment.
3. Enter your UITF Trust Account Number (TAN) including special characters (e.g., dashes "-") and click submit.
4. A One-Time PIN (OTP) will be sent to your iAccess registered mobile number. Enter the OTP and click "Next" to proceed with the enrollment.
5. Review and ensure that the Transaction Details are correct for the registration.
6. Read and understand the Terms and Conditions of the enrollment and signify your agreement by clicking the checkbox.

Manage your investments on-the-go!



For more information, UITF clients may refer to the Frequently Asked Questions (FAQs) in the LANDBANK MBA or view it on LANDBANK's website at:

<https://www.landbank.com/trust-banking/trust-products-and-services/unit-investment-trust-fund/how-to-open-a-uitf-account>

¹Requires an active LANDBANK MBA account and an existing LANDBANK UITF account. The mobile number for the UITF account registered with the LANDBANK Trust Banking Group should be the same mobile number used in iAccess and MBA transactions to be able to proceed with the enrollment.

TIPS FOR SAFE ONLINE BANKING

Online banking has made financial management more convenient than it used to be. But with all the advantages of online banking, it also made things easier for thieves and fraudsters to trick people and steal sensitive account details to make unauthorized purchases their bank account or credit card.

LANDBANK reminds its clients to protect their account and practice these online banking safety tips:

1. Never share your One-Time Passwords (OTPs) with anyone.

OTPs provide additional layer of protection against unauthorized transactions.

2. Be aware of voice phishing or "vishing" scams.

Vishing is the act of tricking a victim into revealing personal or financial information over the phone. Remember, official representatives of LANDBANK will never ask for your personal financial information (e.g., card number, CVV, and passwords)

3. Do not take the bait of phishing attacks.

Check the legitimacy of the sender and avoid opening suspicious emails, links, or attachments from unverified accounts.

4. Do not entertain fraudsters posing as official LANDBANK representatives offering "tulong" or government "ayuda" in exchange for likes and personal information.

5. Activate the biometrics* authentication feature of your LANDBANK Mobile Banking App (MBA) to add an extra layer of security whenever you log-in and use Mobilock to lock or unlock your ATM cards against unauthorized use.

**Depends on the mobile device's capability (fingerprint authentication and/or facial recognition)*

6. Use strong passwords and PINs.
7. Be extra careful when using public computers and Wi-Fi.

Connecting to an unsecured public Wi-Fi run the risk of exposing your sensitive data to hackers.

8. Check your bank statements regularly and report any suspicious activities right away.



Report any suspicious activities or transactions to our 24/7 Customer Care Hotline at **(02) 8-405-7000** or **1-800-10-405-7000** (PLDT Domestic Toll-Free Number) or email us at customercare@mail.landbank.com.

LANDBANK LANDS IN LINKEDIN'S 2021 TOP PH COMPANIES LIST

LANDBANK is ranked as one of the top 15 companies of the country—and the only government agency—to make it on LinkedIn's list of best companies to grow one's career.

The global business and professional networking platform recently released its first-ever 2021 LinkedIn Top Companies list in the Philippines showing LANDBANK as among the best companies that "help employees build a professional foundation that sets them up for success both at the company and beyond."

LinkedIn based the list on seven key factors seen to lead to career progression, namely, (1) ability to advance, (2) skills growth, (3) company stability, (4) external opportunity, (5) company affinity, (6) gender diversity, and (7) educational background.

"This recognition from LinkedIn affirms LANDBANK's commitment to support our employees who are our most valuable asset. In LANDBANK, we endeavor to build a culture of service excellence where our employees flourish professionally, and deliver delightful service to our customers," said LANDBANK President and CEO Cecilia C. Borromeo.

LANDBANK said that the seven factors used for the LinkedIn ranking are consistent with the Bank's efforts

to invest in employee success, career development, and equity and inclusion, to ensure it maintains its reputation as an employer of choice.

The Bank also prioritizes employees through the implementation of various policies centered on physical and mental wellness, as well as training and development programs.

LANDBANK's mission-vision is embedded with its commitment to its employees to "develop and nurture talents who exemplify the highest standards of ethics, social responsibility and service excellence," and "support diversity and cultivate a healthy work environment with equal opportunity for professional growth and advancement."



RESBAKUNA KASANGGA NG BIDA

LANDBANKERS RECEIVE COVID-19 VACCINE

Getting vaccinated is one of the best ways to protect yourself and others from the COVID-19 virus.

In a bid to make banking safer in the field units, some Landbankers from various parts of the country heeded the Department of Health's #RESBAKUNA campaign and got vaccinated in coordination with the local government units covering these branches.



Basilan Branch



Biñan Branch



Boac Branch



Bongao Branch



Cotabato City Hall Branch



Wao Branch

As vaccines finally become available, it is still important for all of us to adhere to all the safety precautions to prevent the spread of COVID-19. These include physically distancing yourself; wearing a mask, especially in crowded and poorly ventilated areas; regularly washing your hands; covering any cough or sneeze with your bent elbow; and opening windows when indoors.

ADVISORY FOR MOBILE BANKING APP USERS



Please be informed that the **sending of One-Time PIN (OTP) via e-mail** has been **disabled** starting **June 8, 2021**.

To ensure continued receipt of OTPs for your financial transactions, please update your mobile number and/or register in the **LANDBANK MBA's OTP Generator**.

LANDBANK: Serving the Nation