

LANDBANK SERVES

CHRONICLES OF GROWTH



LANDBANK
WE HELP YOU GROW.

Volume XVI No. 7 | July 2021

STRENGTHENING FINANCIAL INCLUSION

#BankingOnTheFilipinoSpirit



UNIFYING AGRI-BANKING SUPPORT

- LANDBANK to merge with UCPB

SUPPORTING BUSINESSES AND LIVELIHOOD

- I-RESCUE Fund hiked further to P50B for COVID-affected businesses
- LANDBANK expands lending program for former rebels, extremists

REACHING THE COUNTRYSIDE

- LANDBANK rolls out mobile branches
 - Mobile Branches serve customers in Pampanga and Camp Crame

PART OF THE COMMUNITY

- LANDBANK lauded as among top taxpayers in Manila
- North Luzon Landbankers conduct all-in-one financial assistance distribution at Fuga Island
- Free interbank fund transfer fees extended

LANDBANK Serves is a monthly online publication produced by LANDBANK's Corporate Affairs Group, with address at the 32nd Floor, LANDBANK Plaza, 1598 M.H. Del Pilar cor. Dr. Quintos Sts., Malate, Manila, Philippines 1004. LANDBANK Serves Editors reserve the right to edit and finalize all stories prior to publication. For comments or suggestions/contributions, please contact us at 8551-2200 loc. 2288 or e-mail lbp-cad@mail.landbank.com.

Deposits are insured by PDIC up to P500,000 per depositor.
Regulated by the Bangko Sentral ng Pilipinas
Telephone: (+632) 8708-7087 | SMS: 021582277 (Globe)
Webchat: <http://www.bsp.gov.ph/> | E-mail: consumeraffairs@bsp.gov.ph
Facebook: @BangkoSentralngPilipinas

LANDBANK SERVES EDITORIAL STAFF

Editorial Board

Vivian M. Cañonero | Melissa B. Calimag

Managing Editor

Mary Joshias C. Guan

Staff Writers

Mark Louis F. Ferrolino | Marie Phaniel B. Manansala
Lester S. Niere | Pamela Louise Y. Nuyles
Rizzalyn C. Rosales | Kurt Dale O. Tordesillas

Photographers and Layout Artists

Ma. Angeline S. Dela Cruz | Francisco C. Floresca, Jr.
Rodel C. Lugo | Ma. Luisa P. Magsakay
Jericho B. Montellano | Joselito G. Ramos

Subscribe to our official online and social media channels:



www.landbank.com



[landbankofficial](https://www.facebook.com/landbankofficial)



[@LBP_Official](https://twitter.com/LBP_Official)



[LANDBANK](https://www.whatsapp.com/channel/0029va111111111111111111)

LANDBANK TO MERGE WITH UCPB



LANDBANK's upcoming merger with the United Coconut Planters Bank (UCPB) will strengthen government efforts to build a stronger, unified banking institution capable of serving coconut farmers and other workers in the agricultural sector.

According to LANDBANK President and CEO Cecilia C. Borromeo, the merger will promote unprecedented rural development, in keeping with President Rodrigo Roa Duterte's goal of expanding financial inclusion among Filipinos, especially those in the countryside who belong to the underserved and unbanked sectors.

LANDBANK, the biggest public sector bank in the country, will be the surviving entity under the merger. As the surviving entity, LANDBANK will further solidify its place as the second largest bank in the country in terms of assets, representing a unified, stronger, and more resilient institution for promoting inclusive and sustainable rural development.

"LANDBANK's track record of being consistently compliant with the Agri Agra Law shows our commitment to perform our mandate, to empower not only the farmers but all workers in the agriculture sector," said LANDBANK President Borromeo.

Republic Act No. 10000, or the Agri Agra Law, mandates banks to allot 15% of their total lending portfolio for agriculture loans and 10% of its total loanable funds to agrarian reform beneficiaries.

As of December 2020, LANDBANK's agriculture loans reached 76.95% of its total loan portfolio, significantly above the minimum requirement of 15%. Agrarian reform lending, meanwhile, hit 11.52% during the same period, also above the 10% required under the Agri Agra law.

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.

As of end-June 2021, LANDBANK's loans to agriculture reached P223.02 billion.

The number of farmers and fishers assisted by LANDBANK also reached 2,754,993 as of June 2021, an increase of 20,421 from 2,734,572 in May 2021.

According to LANDBANK President Borromeo, the merged resources of LANDBANK and UCPB can bring its services closer to the farmers as both banks can tap the combined total of 722 branches and servicing units, including those in the provinces to serve the nation. She added that it will also be beneficial to the existing UCPB clients since they can access the bigger branch and ATM (automated teller machine) network of LANDBANK, as well as avail the Bank's wide range of

products and services such as the LANDBANK digital banking service.

LANDBANK's management expertise is also expected to provide support to UCPB, thus protecting the interest of coconut farmers in the would-be merged banks.

"Our goal is to ensure that we are able to efficiently manage and protect government resources in these banks for the ultimate benefit of the Filipino people. With the merger, we will be in a better position to grow our loan portfolio in order to meet the needs of the people," LANDBANK President Borromeo said.

Pending the approval of relevant regulatory authorities, LANDBANK expects its acquisition of the shares of stock of UCPB and attendant absorption of its assets and liabilities will similarly expand deposits, loans, and capital. Due diligence was likewise conducted by LANDBANK, and the transaction went through the review and approval by the Bangko Sentral ng Pilipinas (BSP) and Monetary Board.

Based on LANDBANK's projections on the merger, Common Equity Tier 1 (CET1) ratio by end-2021 will remain higher than the 11% regulatory requirement of the BSP. CET1 ratio is used to measure a bank's core equity capital, compared with its total risk-weighted assets, and signifies a bank's financial strength.

Projections from LANDBANK indicate that the combined resources of the banks will amount to almost P3 trillion in assets by the end of the year.

On the part of the UCPB, Officer-in-Charge (OIC) Liduvino S. Geron said, "The merger enables UCPB and its clients to benefit from the strength, stability, scale and reach of LANDBANK. This also allows us to pursue our original mandate to serve coconut farmers nationwide while providing a wider range of products and services to our clients composed of individuals, private and government institutions, middle-market companies, and small enterprises nationwide."

LANDBANK and UCPB clients are being assured that banking services will continue to be unhampered throughout the ongoing merger process, with deposits to remain intact and secured in their current servicing branches.

At the same time, both banks assure its employees that all concerns pertaining to personnel matters will be addressed accordingly, and that all actions on human resources will comply with relevant labor and/or civil service laws and regulations.

Under Executive Order No. 142 issued on June 25, 2021, President Duterte ordered the LANDBANK and UCPB to enter into a merger applicable to government-owned and -controlled corporations (GOCCs) and recognized by regulatory agencies.

"The mandate of LANDBANK has continuously evolved over the years. Aside from assisting farmers of palay, coconut and other crops, fishers, and all stakeholders in the agri-business value chain, LANDBANK has become a reliable contributor to the National Government's development agenda towards supporting other key economic sectors that promote nation-building. LANDBANK's merger with UCPB only enhances our capacity to serve the whole agriculture sector and the nation at large," said LANDBANK President Borromeo.

I-RESCUE FUND HIKE ANEW TO P50B TO ASSIST COVID-AFFECTED BUSINESSES

LANDBANK has raised to P50 billion the available loanable fund for local businesses adversely affected by the COVID-19 pandemic to accommodate more borrowers.

This is the second budget hike made for the LANDBANK I-RESCUE (Interim REhabilitation Support to Cushion Unfavorably affected Enterprises by COVID-19) Lending Program since its launch in April 2020. With an initial fund of P10 billion, the Bank later doubled this to P20 billion in April 2021.

The LANDBANK I-RESCUE Lending Program provides credit and loan restructuring assistance to businesses whose operations have been severely affected by the pandemic, through more flexible loan terms and conditions.

"Since its launch at the height of the pandemic last year, the I-RESCUE Lending Program has gained wide acceptance from borrowers striving to keep their businesses afloat amid the ongoing crisis. Rest assured that LANDBANK will continue to provide responsive credit assistance to support key sectors and contribute to accelerate the country's ongoing economic recovery," said LANDBANK President and CEO Cecilia C. Borromeo.

As of May 31, 2021, LANDBANK has approved loans totaling P20.95 billion to 460 borrowers, comprised of 310 micro, small and medium enterprises (MSMEs), 83 cooperatives, 62 large corporations, and five microfinance institutions (MFIs). Of this amount, 93% or P19.53 billion has already been released.

Under the I-RESCUE Lending Program, eligible borrowers may loan up to 85% of their emergency or permanent working capital requirements, with an affordable interest rate of 5% per annum for three years, subject to annual



I-RESCUE LENDING PROGRAM

Interim REhabilitation
Support to Cushion
Unfavorably-affected
Enterprises by COVID-19

re-pricing thereafter, and payable up to 10 years with a maximum of two years grace period on the principal repayment.

The Program also offers a sub-credit facility for MSMEs and cooperatives, as well as self-employed individuals duly registered with the Department of Trade and Industry (DTI) and the Securities and Exchange Commission (SEC), classified to be critically affected by the ongoing pandemic.

Qualified borrowers may borrow a minimum amount of P100,000 or up to 85% of the actual permanent working capital requirement but not exceeding P3 million, at a lower fixed interest rate of 3% per annum, with no hard collateral requirement, and payable for up to three years.

For existing LANDBANK clients, the Program provides loan restructuring assistance via additional loan and extended repayment period, or a combination of means to rehabilitate and restore operational cash flow.

The LANDBANK I-RESCUE Lending Program is available until December 31, 2022.

LANDBANK EXPANDS LENDING PROGRAM FOR FORMER REBELS, EXTREMISTS

LANDBANK has renamed its Lending Program for former rebels to the Balik-Loob Lending Program (BLLP) and widened its eligible borrowers to cover as well former violent extremists, including cooperatives and associations with former violent extremists as regular members.

The coverage expansion forms part of the Bank's support to the National Government's Enhanced-Comprehensive Local Integration Program (E-CLIP), which aims to improve the livelihood of former rebels and violent extremists and their families by financing small businesses and agri-enterprises.

"As part of the National Government's 'Whole-of-Nation' approach, LANDBANK supports peace-building efforts in conflict-affected areas. Centered on our thrust of financial inclusion, we are offering financial assistance for the social re-integration of those who have voluntarily abandoned armed struggle to improve their livelihood," said LANDBANK President and CEO Cecilia C. Borromeo.

Under the updated terms of the BLLP, interested former rebels and violent extremists may apply for a loan provided that they will designate an immediate family member as a co-maker.

Eligibility criteria for borrowers include an age requirement of at least 21 years old, no pending legal case, and a certification from the Joint AFP-PNP Intelligence Committee (JAPIC), as the government body assigned to verify the identities of former rebels and violent extremists upon their return to the fold of the law.

Launched in 2018, LANDBANK's BLLP has financed livelihood projects, such as sari-sari stores, RTW retailing, fruits and vegetables retailing, and curtain making, as well as agri-enterprises, which include crop production, piggery, and poultry, among others. Eligible borrowers also attended capacity building and skills trainings endorsed under the E-CLIP.

The E-CLIP is the flagship program of the National Government for social healing and national unity to achieve just and lasting peace in conflict-affected areas.

Unlike previous rebel reintegration programs, the E-CLIP provides a wider array of benefits based on the specific needs of former rebels and extremists and their families, such as financial assistance, housing, education, skills training, healthcare, and legal assistance, among others.

LANDBANK ROLLS OUT MOBILE BRANCHES



San Fernando City, Pampanga

City of San Fernando Mayor Edwin D. Santiago (4th from left), Vice Mayor Jaime T. Lazatin (5th from left) and Executive Vice President Julio D. Climaco, Jr. (3rd from left), head of LANDBANK's Branch Banking Sector, led the blessing and inauguration of the LANDBANK Mobile Branch in Pampanga. Senior Vice President Marilou L. Villafranca (2nd from left), head of LANDBANK North National Capital Region Branches Group, First Vice President Sylvia C. Lim (rightmost), head of LANDBANK Central Luzon Branches Group, and Assistant Vice President Rogelio P. Samia (leftmost), head of the LANDBANK San Fernando Branch joined them.



Camp BGen Rafael T. Crame, Quezon City

PNP Chief Police General Guillermo Lorenzo T. Eleazar (foreground, center), Executive Vice President Julio D. Climaco, Jr. (foreground, left), head of LANDBANK's Branch Banking Sector, and Senior Vice President Marilou L. Villafranca (foreground, right), head of LANDBANK North National Capital Region Branches Group led the blessing and inauguration of the LANDBANK Mobile Branch in Quezon City. They were also joined by Police Lieutenant Generals Joselito Manalad V. Cruz, Israel Ephraim T. Dickson, and Dionardo B. Carlos; Police Major General Rodolfo S. Azurin, Jr.; and Police Brigadier Generals Jose Melencio C. Nartatez, Jr. and Jason D. Ortizo. Also at hand were officials from LANDBANK led by Senior Vice President Ramon R. Monteloyola, head of the South National Capital Region Branches Group; and Assistant Vice President Atty. Rosemarie J. Romillo, head of the Camp Crame Branch.

LANDBANK officially inaugurated its first two mobile branches last July 21, 2021 at the Heroes Hall, Lazatin Boulevard, San Fernando City Pampanga; and on July 23, 2021 at Camp BGen Rafael T. Crame in Quezon City.

Housed in six-wheeler trucks, the LANDBANK Mobile Branches function as pop-up branches to service communities across the country with disrupted or limited access to banking services. These include areas affected by calamities and other unexpected events, as well as unbanked and underserved communities.

Part of the Bank's efforts to bring more unbanked Filipinos into the formal banking system in support for the National Government's financial inclusion agenda, the LANDBANK Mobile Branch can facilitate banking services such as account opening and maintenance, deposit, withdrawal, encashment, debit or credit memo, online collection payment, enrollment in e-banking facilities, and ATM services.

In addition to providing basic banking services, the LANDBANK Mobile Branch is also designed to assist the National Government during retail and emergency disbursements or payouts, including cash subsidies distribution under the programs of the Department of Social Welfare and Development and other government agencies.

During the launch event in Pampanga, the Bank also distributed at least 600 LANDBANK Cash Cards to the first batch of City Social Welfare Development beneficiaries under the support programs

of the City of San Fernando local government unit.

The distribution of cash cards forms part of LANDBANK's support to the City of San Fernando LGU in establishing efficient, safe and secure cash assistance disbursement to the City's most vulnerable sectors, including senior citizens, persons with disabilities and local Pantawid Familyang Pilipino Program beneficiaries.

Meanwhile, LANDBANK has also brought its new Mobile Branch to the Philippine National Police (PNP) national headquarters for one whole day to cater exclusively to the banking needs of the country's police officers and personnel. A total of 10 PNP officers and 100 PNP recruits opened their own LANDBANK ATM and payroll accounts, respectively.

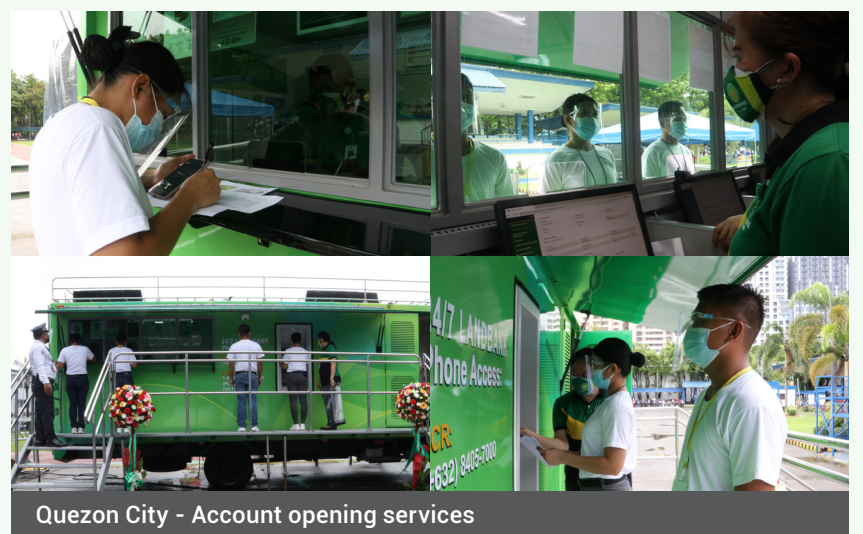
After the blessing and inauguration, the two Mobile Branches will be deployed to various areas. As financial services are needed in the event of calamities and other similar situations, a Mobile Branch unit will be deployed in the Bicol region, one of the country's disaster-prone areas. Meanwhile, the Bank is geared at bringing the other Mobile Branch unit to the underserved and unbanked communities in the Bangsamoro Autonomous Region of Muslim Mindanao (BARMM) to extend the Bank's financial services where they are needed the most.



MOBILE BRANCHES SERVE CUSTOMERS IN PAMPANGA AND CAMP CRAME



Pampanga - Cash Card distribution and ATM disbursement services



Quezon City - Account opening services

LANDBANK LAUDED AS AMONG TOP TAXPAYERS IN MANILA

LANDBANK was awarded as one of the Top 10 Business Taxpayers for the Year 2020 by the City of Manila during the Outstanding Manilans Awarding Ceremonies held on June 23, 2021, in line with the celebration of 450th Founding Anniversary of the City of Manila.

The award recognizes corporations and institutions in the City that have consistently fulfilled the timely payment of business taxes according to the local government code schedule. Out of the 10 awardees, LANDBANK was the only government institution to receive the award.

"Katangi-tangi ang kanilang debosyon sa pagtupad ng kanilang obligasyon bilang mga indibidwal, korporasyon, o negosyante, sa kabila ng pandemya, at patuloy ang kanilang pagtupad sa kanilang pananagutan sa pamahalaan," said Manila City Mayor Francisco "Isko Moreno" Domagoso during his speech.

LANDBANK North National Capital Region Branches Group Head Senior Vice President Marilou L. Villafranca received the award on behalf of LANDBANK, which was conferred by Mayor Isko Moreno, Vice Mayor Honey Lacuna-Pangan, and City Treasurer's Office OIC Ms. Ma. Jazmin Talego.

"We are committed to fulfill our obligation to the City of Manila through the timely payment of LANDBANK's dues and taxes, even during this pandemic. Together with the City Government of Manila and other LGU partners, we continue to work towards accelerating the collective recovery of our economy and local communities," said LANDBANK President and CEO Cecilia C. Borromeo.

The Outstanding Manilans Awarding Ceremonies, which was held at the newly renovated and historic Metropolitan Theater in Ermita, Manila, recognized outstanding individuals, government and private institutions in the City.

A total of 50 awards were conferred during the ceremony, that included Posthumous Awards for medical frontliners who served during the pandemic, the Top 10 Real Property Taxpayers of 2020, and 'Outstanding Manilan' awards recognizing exemplary citizens in their respective fields.



On behalf of LANDBANK, North National Capital Region Branches Group Head Senior Vice President Marilou L. Villafranca (2nd from right) received the award as one of the "Top 10 Business Taxpayers for the Year 2020" from Manila City Mayor Isko Moreno (2nd from left), Vice Mayor Honey Lacuna-Pangan (rightmost), and City Treasurer's Office OIC Ms. Ma. Jazmin Talego (leftmost).

Photo courtesy of the Department of Tourism, Culture, and Arts of Manila

NORTH LUZON LANDBANKERS CONDUCT ALL-IN-ONE FINANCIAL ASSISTANCE DISTRIBUTION AT FUGA ISLAND



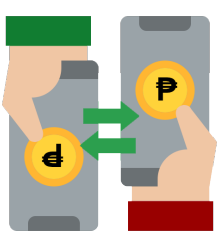
In its continuing efforts to deliver National Government programs to all Filipinos, LANDBANK conducted an all-in-one offsite cash card distribution and cash payout on June 16 to 17, 2021 at Fuga Island, Aparri for beneficiaries of the Conditional Cash Transfer (CCT), Unconditional Cash Transfer (UCT), Listahanan, and Social Pension Program.

LANDBANK Aparri Branch, headed by Bernard A. Evangelista, distributed financial assistance to 378 beneficiaries of the CCT Program covering the P1 2020 to P6 2020 amounting to a total of P1.37 million. Meanwhile, a total of 735 cardholders/beneficiaries of UCT-Listahanan, and Social Pension Program covering the period of 2018 to 2020 received their cash cards amounting to a total of P2.14 million.

The offsite distribution was led by LANDBANK Aparri Branch Sub-Cash Operations Unit Head Paul Loren Angelito M. Narag and Branch personnel Moises A. Fernandez, as well as Romar D. Cayanga of North Luzon Branches Group.

Barangay Fuga Island is located in North Luzon and is part of the Babuyan Island. It is one of the Geographically Isolated and Disadvantaged Areas (GIDA) in Cagayan. The Team was able to reach the locality via chopper from Lal-lo International Airport through the assistance of the Philippine Armed Forces.

EXTENDED!



LANDBANK extended the **waiver of fund transfer fees** via InstaPay and PESONet to **September 30, 2021.**

To learn how to use the Fund Transfer feature of the LANDBANK Mobile Banking App, watch <https://youtu.be/-rr8wyIRn2M>.

LANDBANK: Serving the Nation