



## SEC FORM-ACGR (FOR PC/RI)

### ANNUAL CORPORATE GOVERNANCE REPORT FOR PUBLIC COMPANIES AND REGISTERED ISSUERS

1. For the fiscal year ended: **December 31, 2024**
2. SEC Registration Number: **RA 00003844/RA 10374**
3. BIR Tax Identification Number: **000-470-349-000**
4. Exact Name of the Issuer as specified in its charter: **Land Bank of the Philippines**
5. Province, Country or other jurisdiction of incorporation or organization: **Philippines**
6. Address of Principal Office: **1598 M.H. Del Pilar corner Dr. J Quintos Streets, Malate. Manila**
7. Postal Code: **1004**
8. Issuer's telephone number, including area code: **(02) 8522-0000**
9. Former name, former address, and former fiscal year, if changed since last report: **N/A**
10. Industry Classification Code (For SEC's use only) .....

ANNUAL CORPORATE GOVERNANCE REPORT FOR PUBLIC COMPANIES AND REGISTERED ISSUERS

RECOMMENDATION		COMPLIANT/ NON-COMPLIANT	ADDITIONAL INFORMATION	EXPLANATION
THE BOARD’S GOVERNANCE RESPONSIBILITIES				
Principle 1. ESTABLISHING A COMPETENT BOARD				
The company should be headed by a competent, working Board to foster the long-term success of the corporation, and to sustain its competitiveness and growth in a manner consistent with its corporate objectives and the long-term best interests of its shareholders/members and other stakeholders.				
Recommendation 1.1				
1	The Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the company’s industry/sector.	Compliant	Please see <b>Annex A</b> titled “ <i>Relevant Qualifications and Experiences Including Directorship and Officership in Other Companies</i> ” detailing the educational background, training/s and work experience/s of each and every member of the Land Bank of the Philippines (LBP) Board of Directors (BOD);  and  The qualifications of a director are established in the Bank’s Manual on Corporate Governance (MCG) which provides for the required competencies, trainings and qualifications of a Director under the Fit and Proper Rule as prescribed by existing applicable laws and regulations. Please see pages 8-10, item C ( <i>Qualifications of a Director</i> ) of the LBP MCG posted under the Transparency Seal of the Bank’s website:  <a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a>	
2	The Board has an appropriate mix of competence and expertise.	Compliant		
3	Directors remain qualified for their positions individually and collectively to enable them to fulfill their roles and responsibilities and respond to the needs of the organization.	Compliant		
Recommendation 1.2				
1	The Board is headed by a competent and qualified Chairperson.	Compliant	Chairman Ralph G. Recto is the current Secretary of the Department of Finance (DOF) and member of the Monetary Board, the highest policy-making body of the Bangko Sentral ng Pilipinas (BSP), representing the government.  Please see profile of Sec. Recto posted under the Bank’s website: <a href="https://www.landbank.com/about-us/about-landbank/board-of-directors-and-management-team">https://www.landbank.com/about-us/about-landbank/board-of-directors-and-management-team</a>  Sec. Recto’s qualifications and experiences, including his directorship and officership in other companies are likewise provided on pages 1-2 of <b>Annex A</b> .	

Recommendation 1.3				
1	The company provides a policy on training of directors.	Compliant	Please see pages 34-35, item J ( <i>Trainings and Orientation Programs for Directors</i> ) of the LBP MCG posted under the Transparency Seal of the Bank’s website: <a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a>  Please also see <b>Annex A</b> which provides the list of trainings/programs undertaken by the LBP BODs.  For Directors who are members of the Philippine Bar, their compliance with the Mandatory Continuing Legal Education is also relevant.	
2	The company has an orientation program for first-time directors.	Compliant		
3	The company has relevant annual continuing training for all directors.	Compliant – Appointive Directors		
Recommendation 1.4				
1	The Board has a policy on board diversity.	Compliant	LBP Charter (RA 3844, as amended) prescribes the diverse membership in the Bank’s Board, thus: <ul style="list-style-type: none"><li>• Secretary of Finance<ul style="list-style-type: none"><li>- Chairperson (Ex Officio)</li></ul></li><li>• LANDBANK President and CEO<ul style="list-style-type: none"><li>- Vice- Chairperson</li></ul></li><li>• Secretary of Agrarian Reform<ul style="list-style-type: none"><li>- Ex Officio Member</li></ul></li><li>• Secretary of Labor and Employment<ul style="list-style-type: none"><li>- Ex Officio Member</li></ul></li><li>• Secretary of Agriculture<ul style="list-style-type: none"><li>- Ex Officio Member</li></ul></li><li>• Two members appointed by the President of the Philippines representing Agrarian Reform Beneficiaries</li><li>• Two members appointed by the President of the Philippines representing the Private Sector</li></ul>	
Recommendation 1.5				
1	The Board is assisted by a Corporate Secretary.	Compliant	The incumbent LBP Corporate Secretary is Atty. Myra-Lyn S. Peñalosa, who has been a member of the Philippine Bar since 1997. She has a rank of Vice President (VP)/Head of the Office of the Corporate Secretary.	
2	The Corporate Secretary is a separate individual from the Compliance Officer.	Compliant	VP/Atty. Myra-Lyn S. Peñalosa is the Bank’s Corporate Secretary while FVP/Atty Cesar S. Cabañes is the Chief Compliance Officer (CCO).	
3	The Corporate Secretary is not a member of the Board of Directors.	Compliant	VP/Atty. Myra-Lyn S. Peñalosa is not a member of the LBP Board. The Bank complies with BSP regulations, particularly with the provision that prohibits Members of the BODs from being appointed as Corporate Secretary or Chief Compliance Officer.	
4	The Corporate Secretary attends annual training/s on corporate governance.	Compliant	VP/Atty. Myra-Lyn S. Peñalosa attended a course under the LBP-Udemy titled “The Complete Guide to Corporate Governance” held on December 27, 2024.	

Recommendation 1.6				
1	The Board is assisted by a Compliance Officer.	Compliant	The Chief Compliance Officer advises the Board on relevant laws, rules and standards, including keeping it informed on developments in the area. He also assists the Board in ensuring that a compliance program is defined for the Bank and the compliance issues are resolved expeditiously.	
2	The Compliance Officer has a rank of Senior Vice-President or an equivalent position with adequate stature and authority in the corporation.	Compliant	Atty. Cesar S. Cabañes holds a First Vice President (FVP) position which is classified as a senior officer position in LBP.	
3	The Compliance Officer is not a member of the board.	Compliant	FVP/Atty. Cesar S. Cabañes is not a member of the LBP Board.	
4	The Compliance Officer attends annual training/s on corporate governance.	Compliant	FVP/Atty. Cesar S. Cabañes attended the seminar titled "Balancing Governance with Transformation and Navigating Climate Transition Risks in a Circular Economy" held on July 17, 2024, during the ABCOMP General Membership Meeting (GMM). The seminar included discussions on Corporate Governance among its key topics.	
Principle 2. ESTABLISHING CLEAR ROLES AND RESPONSIBILITIES OF THE BOARD				
The fiduciary roles, responsibilities, and accountabilities of the Board, as provided under the law, the company's articles of incorporation and bylaws, and other legal pronouncements and guidelines should be clearly made known to all directors as well as to shareholders/members and other stakeholders.				
Recommendation 2.1				
1	The Directors act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company, shareholders and stakeholders.	Compliant	<p>Please see pages 14-32, items E (<i>Powers/Responsibilities and Duties of Directors</i>) and F (<i>Other Responsibilities of the Board</i>) of the LBP MCG posted under the Transparency Seal of the Bank's website:</p> <p><a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p> <p>Enumerated therein are the clear and specific roles, duties and responsibilities of the Directors aimed at ensuring the best interest of the Bank, its shareholders and stakeholders.</p>	
Recommendation 2.2				
1	The Board oversees the development and approval of the company's business objectives and strategy.	Compliant	Chapter 2 (page 16) of the LBP MCG states that:	
2	The Board oversees and monitors the implementation of the company's business objectives and strategy.	Compliant	<p><i>"E. Powers/Responsibilities and Duties of Directors</i></p> <p><i>b. To approve and monitor the implementation of strategic objectives and in overseeing management's implementation thereof. In this regard, the board of directors shall:</i></p> <p><i>(1) Ensure that the Bank has beneficial influence on the economy by continuously providing services and facilities which will be supportive of the national economy.</i></p>	

			<p>(2) Approve the Bank's strategic objectives and business plans. These shall take into account the Bank's long-term financial interests, its level of risk tolerance, and ability to manage risks effectively. In this respect, the board of directors shall establish a system for measuring performance against plans.</p> <p>(3) Actively engage in the affairs of the Bank and keep-up with material changes in the Bank's business and regulatory environment as well as act in a timely manner to protect the long-term interests of the Bank.</p> <p>(4) Approve and oversee the implementation of policies governing major areas of the Bank's operations. The board of directors shall regularly review these policies, as well as evaluate control functions (e.g., internal audit, risk management and compliance) with senior management to determine areas for improvement as well as to promptly identify and address significant risks and issues."</p> <p>For reference, please see LBP MCG posted under the Transparency Seal of the Bank's website:</p> <p><a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p>	
<b>Recommendation 2.3</b>				
1	The Board ensures and adopts an effective succession planning program for directors, key officers and management.	<p>Compliant (for officers)</p> <p>Not Applicable (for directors)</p>	The minimum internal control mechanism for the LBP Board's oversight responsibility includes reviewing the Bank's personnel and human resource policies and sufficiency, and management succession plan. This has been laid down in the LBP MCG particularly on page 17 (item 4), page 19 (item 3), and page 28 (item 2.d.), thereof.	
2	The Board adopts a policy for the retirement of directors and key officers.	<p>Compliant (for officers)</p> <p>Not Applicable (for directors)</p>	<p>On the other hand, there is no succession planning program affecting the directors considering that their appointment to the LANDBANK Board is dependent on law or appointing authority. They serve at the pleasure of the President of the Philippines.</p> <p>As a government financial institution, all positions in the Bank are governed by a compensation and position classification system (CPCS) approved by the Governance Commission on GOCCs (GCG) based on the qualification standards and a comprehensive job analysis and audit of actual duties and responsibilities (per GOCC Governance Act of 2011).</p> <p>Charters or By-laws of the Bank to the contrary notwithstanding, the compensation, per diems, allowances and incentives of the Appointive Directors shall be determined by the GCG, using as a reference, among others, Executive Order No. 24, dated February 10, 2011. Nevertheless, directors shall not be titled to retirement benefits acting as such.</p>	

Recommendation 2.4				
1	The Board aligns the remuneration of key officers and board members with the long-term interests of the company.	Not applicable	Being a government financial institution, all positions in the Bank are governed by a compensation and position classification system (CPCS) approved by the Governance Commission on GOCCs (GCG) based on the qualification standards and a comprehensive job analysis and audit of actual duties and responsibilities (per GOCC Governance Act of 2011).  Further, on page 34, item I (Limits to Compensation, Per Diems, allowances and Incentives) of the LBP MCG states that:  <i>"The Charters or By-laws of the Bank to the contrary notwithstanding, the compensation, per diems, allowances and incentives of the Appointive Directors shall be determined by the GCG, using as a reference, among others, Executive Order No. 24, dated February 10, 2011. Directors shall not be entitled to retirement benefits acting as such."</i>  For reference, please see LBP MCG posted under the Transparency Seal of the Bank's website:  <a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a>	
2	The Board adopts a policy specifying the relationship between remuneration and performance.	Not applicable		
3	The Directors do not participate in discussions or deliberations involving his/her own remuneration.	Not applicable		
Recommendation 2.5				
1	The Board has a formal and transparent board nomination and election policy.	Not applicable	Please see pages 6-7, item A ( <i>Composition of the Board of Directors</i> ) of the LBP MCG posted under the Transparency Seal of the Bank's website:  <a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a>  Although it provides therein that the President and CEO shall be elected annually by the members of the board from among its ranks, it is the President of the Philippines that issues the appointment letter to the designated President of the GOCC. The said election is a mere formality.  Also, the appointment of the Board of Directors in LBP is in accordance with GCG MC No. 2012-04 entitled "Nomination and Appointment of Appointive Members of the BOD/Trustees of GOCCs, Subsidiaries and Affiliates."	
2	The Board nomination and election policy is disclosed in the company's Manual on Corporate Governance.	Compliant		
3	The Board nomination and election policy includes how the company accepted nominations from shareholders/members.	Not Applicable		
4	The Board nomination and election policy includes how the board reviews the qualifications of nominated candidates.	Not Applicable	The members of the LBP Board are appointed by the President of the Republic. The appointment is subject to GCG regulations. (Under Section 15 of Republic Act No. 10149)	
5	The Board nomination and election policy includes an assessment of the effectiveness of the Board's processes in the nomination, election or replacement/removal of a director.	Not Applicable		
6	The Board has a process for identifying the quality of directors/trustees that is aligned with the strategic direction of the company.	Not Applicable		

Recommendation 2.6				
1	The Board has overall responsibility in ensuring that there is a policy and system governing related party transactions (RPTs) and other unusual or infrequently occurring transactions.	Compliant	<p>The LBP Board has approved the creation of the Related Party Transactions Committee on 11 April 2016.</p> <p>The Bank has an existing Executive Order No. 031, Series of 2024: Revised Guidelines on the Bank's Related Party Transactions and Related Party System which was approved by the Board.</p>	
2	The RPT policy includes appropriate review and approval of material RPTs, which guarantee fairness and transparency of the transactions.	Compliant	<p>In addition, said guidelines is on the process of revision to enhance the policies/guidelines/procedures in handling the Bank's RPTs in view of various audit observations, and to include recent pertinent issuances concerning RPTs.</p> <p>In accordance with said guidelines, the Related Party Transactions Committee evaluates material RPTs to ensure that RPTs are at arm's length basis (the standard under which unrelated parties, each acting in his or her own best interest, would carry out a particular transactions).</p> <p>For the year 2024, the RPT Com has vetted and deliberated a total of fourteen (14) material RPTs, particularly, five (5) loan transactions, three (3) procurement transactions, two (2) donations, two (2) other transactions and two (2) write-offs.</p>	
Recommendation 2.7				
1	The Board is primarily responsible for approving the selection of Management, led by the Chief Executive Officer (CEO) or his/her equivalent, and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive, as may be applicable).	Compliant	<p>The LBP Board approves the selection of the key members of senior management and control functions and oversee their performance. The selection process is deliberated in the CG Com and Board meeting.</p> <p>Also, under Chapter 2 of the LBP MCG (pages 16-17):</p> <p><i>"E. Powers/Responsibilities and Duties of Directors</i>  <i>c. To appoint/select of key members of senior management and heads of control functions and approve a sound remuneration and other incentives policy for personnel. In this regard, the board of directors shall:</i></p> <p><i>(1) Oversee selection of the CEO and other key personnel, including members of senior management and heads of control functions based on the application of fit and proper standards. Integrity, technical expertise, and experience in the Bank's business, either current or planned, shall be the key considerations in the selection process. Moreover, since mutual trust and a close working relationship are important, the members of senior management shall uphold the general operating philosophy, vision and core values of the Bank."</i></p> <p>For reference, please see LBP MCG posted under the Transparency Seal of the Bank's website:</p> <p><a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p>	

2	<p>The Board is primarily responsible for assessing the performance of Management, led by the CEO or his/her equivalent and the heads of the other control functions (Chief Risk Officer, Chief Compliance Officer and Chief Audit Executive, as may be applicable).</p>	Compliant	<ul style="list-style-type: none"> <li>• The LBP Board regularly monitors and assesses the performance of the management team and heads of control functions based on approved performance standards.</li> </ul> <p>The LBP Board holds members of senior management accountable for their actions and enumerates the possible consequences if those actions are not aligned with the board of directors' performance expectations. These expectations include adherence to the Bank's values, risk appetite and risk culture, under all circumstances.</p> <p>The assessment process is done annually through the Individual Performance Commitment Review for Officers (IPCR-O). This rating scale is based on the Civil Service Commission Memorandum Circular No. 06, series of 2012 that sets the guidelines on the establishment and implementation of the Strategic Performance Management System (SPMS) as mandated in all government agencies, LANDBANK as a GFI is included.</p> <p>For reference, please see LBP MCG posted under the Transparency Seal of the Bank's website:  <a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p> <ul style="list-style-type: none"> <li>• Under Chapter 2 of the LBP MCG (page 17):  <i>"E. Powers/Responsibilities and Duties of Directors  (3) To oversee the performance of senior management and heads of control functions:  (i) The board of directors shall regularly monitor and assess the performance of the management team and heads of control functions based on approved performance standards. "</i></li> <li>• Under Chapter 9 of the LBP MCG (page 96):  <i>"Chief Risk Officer  The Bank shall appoint a Chief Risk Officer (CRO), or any equivalent position, who shall be independent from executive functions and business line responsibilities, operations and revenue-generating functions. xxx  In this regard, the board of directors shall confirm the performance ratings given by the President or Senior Management to the CRO."</i></li> <li>• Under Chapter 3 of the LBP MCG (page 38-39):  <i>"Audit and Compliance Committee (AC Com)  5.1 Responsibilities in the Functional Supervision over IAG and CMG  d. Review and approve the performance evaluation/appraisal of the Heads of IAG and CMG. "</i></li> </ul>	
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Recommendation 2.8				
1	The Board establishes an effective performance evaluation framework that includes a standard or criteria for assessment and ensures that Management’s performance is on par with the standards set by the Board and Senior Management.	Compliant	The Strategic Performance Management System of the Land Bank of the Philippines (LBP-SPMS) under Administrative Order 072, series of 2018 is the official guidelines for the alignment of performance goals to the organization’s performance scorecard and objectives. It is used to support performance monitoring and address developmental needs adhering to the principles of merit, fitness, and equality among LBP employees. The annual goals and objectives approved and established by the senior management and board are strategically aligned with employees’ individual performance targets and objectives to ensure organizational effectiveness.	
2	The Board establishes an effective performance evaluation framework that includes a standard or criteria for assessment and ensures that personnel’s performance is on par with the standards set by the Board and Senior Management.	Compliant		
Recommendation 2.9				
1	The Board ensures that an appropriate internal control system is in place.	Compliant	The Bank has an adequate, effective and efficient internal control framework. Its 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. This was extracted from pages 35-41, item A ( <i>Audit and Compliance Committee</i> ) of the LBP MCG posted under the Transparency Seal of the Bank’s website:  <a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a>	
2	The internal control system includes a mechanism for monitoring and managing potential/actual conflicts of interest of the board members/trustees, management and shareholders/members.	Compliant		
3	The Board adopts an Internal Audit Charter.	Compliant		
Recommendation 2.10				
1	The Board ensures that the company has in place a sound enterprise risk management (ERM) framework to effectively identify, monitor, assess and manage key business risks.	Compliant	Please see <b>Annex B</b> providing the various information related to LBP’s risk management framework.	
2	The risk management framework guides the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.	Compliant		
Recommendation 2.11				
1	The Board has a Board Charter that formalizes and clearly states its roles, responsibilities and accountabilities in carrying out its fiduciary duties.	Compliant	The LBP Charter (R.A. 3844, as last amended by R.A. 10878 provides for the basic roles, responsibilities and accountabilities of the Board. Furthermore, the Bank’s MCG elaborates in clear and specific terms all of the Board’s duties and responsibilities. Both are publicly made available.	
2	The Board Charter serves as a guide to the directors/trustees in the performance of their functions.	Compliant		
3	The Board Charter is publicly available.	Compliant	<a href="https://www.officialgazette.gov.ph/1963/08/08/republic-act-no-3844/">https://www.officialgazette.gov.ph/1963/08/08/republic-act-no-3844/</a>  <a href="https://www.officialgazette.gov.ph/2016/07/17/republic-act-no-10878/">https://www.officialgazette.gov.ph/2016/07/17/republic-act-no-10878/</a>	
Principle 3. ESTABLISHING BOARD COMMITTEES				
The board committees should be set up to the extent possible to support the effective performance of the Board’s functions, particularly with respect to audit, risk management, compliance and other key corporate governance concerns, such as nomination and remuneration. The composition, functions and responsibilities of all the board committees should be contained in their respective board committee charters.				

Recommendation 3.1				
1	The Board establishes board committees that focus on specific board functions to aid in the optimal performance of its roles and responsibilities.	Compliant	<p>Please see pages 35-62, Chapter 3 (<i>Board Level Committees</i>) of the LBP MCG posted under the Transparency Seal of the Bank's website:</p> <p><a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p> <p>Chapter 3 of the MCG contains the functions of the following Board-Level Committees:</p> <ul style="list-style-type: none"> <li>A. Audit and Compliance Committee (pages 35-41)</li> <li>B. Risk Oversight Committee (pages 41-51)</li> <li>C. Trust Committee (pages 51-56)</li> <li>D. Corporate Governance Committee (pages 56-58)</li> <li>E. Related Party Transactions Committee (pages 59-62)</li> </ul>	
Recommendation 3.2				
1	The Board establishes an Audit Committee to enhance its oversight capability over the company's financial reporting, internal control system, internal and external audit processes, and compliance with applicable laws and regulations.	Compliant	<p>Please see pages 35-41, item A (<i>Audit and Compliance Committee</i>) of the LBP MCG posted under the Transparency Seal of the Bank's website:</p> <p><a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p>	
2	The Audit Committee is composed of at least three (3) qualified non-executive directors, the majority of whom, including the Chairperson, are independent directors.	Compliant	<p>The following is the composition of the Audit and Compliance Committee (AC Com) for CY 2024:</p> <p>Chairperson : Dir. David D. Erro  Vice Chairperson : Dir. Virginia N. Orogo  Member/s : Sec. Conrado M. Estrella III</p> <p>All members are non-executive directors. The Chairperson and Vice Chairperson are independent directors.</p> <p>Please see <b>Annex A</b> titled "Relevant Qualifications and Experiences Including Directorship and Officership in Other Companies", particularly:</p> <p>Dir. David D. Erro – page 9  Dir. Virginia N. Orogo - pages 10-12  Sec. Conrado M. Estrella III – page 6</p>	
3	All the members of the committee have relevant background, knowledge, skills, and/or experience in the areas of accounting, auditing and finance.	Compliant	<p>The following AC Com members have Audit and Finance background:</p> <ul style="list-style-type: none"> <li>1. Dir. Atty. David Erro - Bachelor of Laws (assumed – April 12, 2023) - former DAR Undersecretary who headed four sectors/offices—Finance, Planning and Administration; Policy, Planning and Research; Field Operations; and External Affairs and Communications Operations, all while serving as the official spokesperson with the longest term.</li> </ul>	

			<p>2. Dir. Virginia N. Orogo - Bachelor's Degree in Social Work (assumed - March 08, 2023); with Certificate in Social Entrepreneurship and Enterprise Development, and training in Developmental Marketing and Alternative Trading</p> <p>3. Dir. Conrado M. Estrella III – Bachelor of Arts in Political Science (assumed – January 24, 2024)- Treasurer of Rural Bank of Rosales)</p>	
4	The Chairperson of the Audit Committee is not the Chairperson of the Board or of any other committee.	Compliant	<p>The Chairperson of the LBP Board is Sec. Ralph G. Recto, effective January 12, 2024.</p> <p>The AC Com is Chaired by Dir. David D. Erro. Dir. Erro does not sit as Chairperson of other Board-level Committee.</p> <p>Please see the “Information on Board-Level Committees and their activities for 2024”, posted under the Transparency Seal of the Bank’s website:</p> <p><a href="https://www.landbank.com/public/upload/files/3b-Info-on-Board-Committees-123124).pdf">https://www.landbank.com/public/upload/files/3b-Info-on-Board-Committees-123124).pdf</a></p> <p>Said document provides the memberships of LBP Board-Level Committees as of December 31, 2024.</p>	
<b>Recommendation 3.3</b>				
1	The Board establishes a Corporate Governance Committee tasked to assist the Board in the performance of its corporate governance responsibilities, including the functions that were formerly assigned to a Nomination and Remuneration Committee.	Compliant	<p>Please see pages 56-58, item D (<i>Corporate Governance Committee</i>) of the LBP MCG posted under the Transparency Seal of the Bank’s website:</p> <p><a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p>	
2	The Corporate Governance Committee is composed of at least three (3) members, majority of whom, including the Chairperson, should be independent directors.	Compliant	<p>The following is the composition of the Corporate Governance Committee (CGCom) for CY 2024:</p> <p>Chairperson : Dir. Virginia N. Orogo  Vice Chairperson : Dir. Nancy D. Irlanda  Member/s : Dir. David D. Erro</p> <p>All are independent directors.</p> <p>Please see <b>Annex A</b> titled “Relevant Qualifications and Experiences Including Directorship and Officership in Other Companies”, particularly:</p> <p>Dir. David D. Erro – pages 9  Dir. Virginia N. Orogo - pages 10-12  Dir. Nancy D. Irlanda – page 13-15</p>	

Recommendation 3.4				
1	The Board establishes a separate Board Risk Oversight Committee (BROC) that should be responsible for the oversight of a company's Enterprise Risk Management system to ensure its functionality and effectiveness.	Compliant	<p>Please see pages 41-51, item B (<i>Risk Oversight Committee</i>) of the LBP MCG posted under the Transparency Seal of the Bank's website:</p> <p><a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p>	
2	The BROC is composed of at least three (3) members, the majority of whom should be independent directors, including the Chairperson.	Compliant	<p>The following is the composition of the Risk Oversight Committee (ROC) for CY 2024:</p> <p>Chairperson : Dir. Nancy D. Irlanda  Vice Chairperson : DOF Sec. Ralph G. Recto  Member/s : Sec. Francisco P. Tiu Laurel, Jr.  Dir. Virginia N. Orogo  Dir. David D. Erro</p> <p>Three (3) members are independent directors, including the chairperson.</p> <p>Please see <b>Annex A</b> titled "Relevant Qualifications and Experiences Including Directorship and Officership in Other Companies", particularly:</p> <p>DOF Sec. Ralph G. Recto – page 1  Sec. Francisco P. Tiu Laurel, Jr. – page 5  Dir. David D. Erro – page 9  Dir. Virginia N. Orogo – pages 10-12  Dir. Nancy D. Irlanda – pages 13-15</p>	
3	At least one member of the BROC has relevant thorough knowledge and experience on risk and risk management.	Compliant	<p>All three (3) members of the Risk Committee undergo continuing education relevant to the functions of said Committee. The seminars/trainings continuously attended by the members are, in fact, not just relevant to risk management but also to regulatory and banking issues. For example, hereunder the trainings/seminars attended by Dir. Nancy Irlanda, member of the Risk Committee:</p> <ol style="list-style-type: none"> <li>1) Risks and Resilience in the World of AI</li> <li>2) Webinar on the Overview of Environmental and Social Risk Management (ESRM) System</li> <li>3) Deploying a Data-First Strategy: Separating Fact versus Fiction</li> </ol> <p>Please see attached document marked as <b>Annex A</b> titled "Relevant Qualifications and Experiences Including Directorship and Officership in Other Companies"</p>	

Recommendation 3.5				
1	All established committees have a Committee Charter stating in plain terms their respective purposes, memberships, structures, operations, reporting process, resources and other relevant information.	Compliant	<p>Please see pages 35-62, Chapter 3 (Board Level Committees) of the LBP MCG posted under the Transparency Seal of the Bank's website:</p> <p><a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p>	
2	The Committee Charters provide standards for evaluating the performance of a committee and its members.	Complaint	<p>It contains the composition, responsibilities/duties, meeting procedures and functional supervision of the following Board-Level Committees:</p> <ul style="list-style-type: none"> <li>A. Audit and Compliance Committee (pages 35-41)</li> <li>B. Risk Oversight Committee (pages 41-51)</li> <li>C. Trust Committee (pages 51-56)</li> <li>D. Corporate Governance Committee (pages 56-58)</li> <li>E. Related Party Transactions Committee (pages 59-62)</li> </ul>	
Principle 4. FOSTERING COMMITMENT				
To show full commitment to the company, the directors should devote the time and attention necessary to properly and effectively perform their duties and responsibilities, including sufficient time to be familiar with the corporation's business.				
Recommendation 4.1				
1	The Directors attend and actively participate in all meetings of the Board, Committees and shareholders/members in person or through tele-/videoconferencing conducted in accordance with the rules and regulations of the Commission.	Compliant	<p>Please see <b>Annex C</b> titled <i>"Director's Attendance at Board and Board-Level Committee Meetings (CY 2024)"</i>.</p> <p>A write-up on Board Meetings and Attendance is likewise posted under the Transparency Seal of the Bank's website:</p> <p><a href="https://www.landbank.com/public/upload/files/3a-Board-Meetings-and-Attendance-2024-write-up.pdf">https://www.landbank.com/public/upload/files/3a-Board-Meetings-and-Attendance-2024-write-up.pdf</a></p>	
2	The Directors review meeting materials for all Board and Committee meetings.	Compliant	<p>Further, page 34, item H (<i>Meetings of the Board of Directors</i>) of the LBP MCG states that: <i>"The meetings of the board of directors may be conducted through modern technologies such as, but not limited to, teleconferencing and video conferencing as long as the director who is taking part in said meetings can actively participate in the deliberations on matters taken up therein: Provided, That every member of the board shall participate in at least fifty percent (50%) and shall physically attend at least twenty-five percent (25%) of all board meetings every year: Provided, further, That the absence of a director in more than fifty percent (50%) of all regular and special meetings of the board of directors during his/her incumbency is ground for disqualification in the succeeding election: Provided furthermore, That the twenty-five percent (25%) physical attendance requirement is lifted during periods of national emergencies, public health emergencies, and major disasters, among others, that affect mobility, activity, and access to the Bank."</i></p> <p>To ensure that the Directors are able to review the meeting materials for deliberation, materials for the Board meeting are sent to the members of the Board at least three (3) business days before the Board meeting. Materials for Board-Level Committees are also given ahead of time.</p>	

			<p>For reference, please see LBP MCG posted under the Transparency Seal of the Bank's website:</p> <p><a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p>	
3	The Directors ask the necessary questions or seek clarifications and explanations during the Board and Committee meetings.	Compliant	<p>The Directors are expected to attend and actively participate in board and committee meetings, request and review meeting materials, ask questions, and request explanations as evidenced by the minutes of meetings and list of duties/obligations of the directors.</p> <p>Please see page 24, item 3, par. (c) and (d) (<i>Specific duties and responsibilities of a director</i>) of the LBP MCG posted under the Transparency Seal of the Bank's website:</p> <p><a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p> <p>Moreover, since the 2<sup>nd</sup> quarter of 2020, members of the board are requested to submit an individual Board Action Sheet, which contains the director's queries, comments, requests for clarification and initial vote, before every Board meeting. This is sent to presenters for their replies. This is a pre-meeting requirement that serves to make the actual board meeting brief but comprehensive.</p>	
<b>Recommendation 4.2</b>				
1	Non-executive directors concurrently serve in not more than ten (10) public companies and/or registered issuers. If concurrently sitting in at least three (3) publicly listed companies, the maximum concurrent directorships shall be five (5) public companies and/or registered issuers.	Compliant	<p>The Bank has the following existing policy:</p> <ol style="list-style-type: none"> <li>1. Executive Order No. 055, Series of 2023: Guidelines on the Bank's Interlocking Directorships and/or Officerships</li> </ol> <p>Further, see pages 71-75, Chapter 5 of the LBP MCG titled "<i>Interlocking Directorship and/or Officership</i>" (<i>lifted from BSP Circular No. 1129, series of 2021 re: Amendments to Corporate Governance Guidelines for BSP-Supervised Financial Institutions</i>)</p> <p>Also, please see <b>Annex A</b> titled "<i>Relevant Qualifications and Experiences Including Directorship and Officership in Other Companies</i>"</p> <p>The following are non-executive directors:</p> <ol style="list-style-type: none"> <li>a. Ralph G. Recto (pages 1-2)</li> <li>b. Francisco P. Tiu Laurel Jr. (page 5)</li> <li>c. Conrado M. Estrella III (page 6)</li> <li>d. Bienvenido E. Laguesma (page 7-8)</li> <li>e. Atty. David D. Erro (page 9)</li> <li>f. Virginia N. Orogo (pages 10-12)</li> <li>g. Nancy D. Irlanda (pages 13-15)</li> </ol>	

Recommendation 4.3				
1	The Directors notify the company's board before accepting a directorship in another company.	Compliant	<p>The Bank has an existing policy on interlocking directorship:</p> <ol style="list-style-type: none"> <li>Executive Order No. 055, Series of 2023: Guidelines on the Bank's Interlocking Directorships and/or Officerships</li> </ol> <p>Further, page 74, Chapter 5 of the LBP MCG states that the board of directors or the appropriate authority designated in the Bank shall approve the interlocking positions held by its directors and officers. Said provision is lifted from Sec. 132 of the BSP MORB.</p> <p><i>Note: The MORB is an authoritative codification of regulations governing banks (Landbank included) which are all under the supervision of the BSP. It methodically and logically organizes the BSP rules and policy issuances that implement the broader provisions of RA 8791, also known as the General Banking Law of 2000, as well as other pertinent banking laws. Per force, Landbank is bound by MORB provisions which are technically and automatically adopted as the Bank's own internal rules/policies.</i></p>	
Principle 5. REINFORCING BOARD INDEPENDENCE				
The Board should endeavor to exercise an objective and independent judgment on all corporate affairs.				
Recommendation 5.1				
1	The Board is composed of a majority of non-executive directors who possess the necessary qualifications.	Compliant	<p>The majority of non-executive directors possesses the necessary qualifications as shown in <b>Annex A</b> titled <i>"Relevant Qualifications and Experiences Including Directorship and Officership in Other Companies"</i></p> <p>The following are non-executive directors:</p> <ol style="list-style-type: none"> <li>Ralph G. Recto (pages 1-2)</li> <li>Francisco P. Tiu Laurel Jr. (page 5)</li> <li>Conrado M. Estrella III (page 6)</li> <li>Bienvenido E. Laguesma (page 7-8)</li> <li>David D. Erro (page 9)</li> <li>Virginia N. Orogo (pages 10-12)</li> <li>Nancy D. Irlanda (pages 13-15)</li> </ol>	
Recommendation 5.2				
1	The Board has at least two (2) independent directors or such number as to constitute one-third (1/3) of the board, whichever is higher.	Complaint	<p>3 out of the 8 members (37.5%) of the LBP Board are Independent Directors, namely:</p> <ol style="list-style-type: none"> <li>Dir. Nancy D. Irlanda</li> <li>Dir. Virginia N. Orogo</li> <li>Dir. David D. Erro</li> </ol>	

Recommendation 5.3				
1	The independent directors possess all the qualifications and none of the disqualifications to hold the position.	Compliant	The independent directors are required to submit to BSP a Certification under oath that he/she possesses all the qualifications and none of the disqualifications to become a director, pursuant to Sec. 132 of the MORB and BSP Circular Nos. 1076 s. 2020 and 1129 s. 2021.	
Recommendation 5.4				
1	The company perpetually bars an independent director from serving in such capacity after the term limit of nine (9) years.	Compliant	<p>An independent director of the Bank may only serve as such for a maximum cumulative term of nine (9) years. After which, the independent director shall be perpetually barred from serving as independent director in the same Bank, but may continue to serve as regular director. The nine (9) year maximum cumulative term for independent directors shall be reckoned from 2012. This was likewise clearly expressed on page 33, last paragraph of item G (<i>Independent Directors</i>) in the LBP MCG posted under the Transparency Seal of the Bank's website:</p> <p><a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p>	
2	In the instance that the company retains an independent director in the same capacity after nine (9) years, the Board provides meritorious justification and seeks shareholders'/members' approval during the annual regular meeting.	Not Applicable	<p>No Independent Director in LBP has served for more than nine (9) years.</p> <p>This was likewise clearly expressed on page 7, last paragraph of item A (<i>Composition of the Board of Directors</i>) of the LBP MCG, which states that:</p> <p><i>"An independent director may only serve as such for a maximum cumulative term of nine (9) years."</i></p> <p>For reference, please see LBP MCG posted under the Transparency Seal of the Bank's website:</p> <p><a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p>	
Recommendation 5.5				
1	The positions of Chairperson of the Board and Chief Executive Officer (or its equivalent) are held by separate individuals.	Compliant	The Chairman of the Board is Sec. Ralph G. Recto, Secretary of the Department of Finance, while the President and CEO is Lynette V. Ortiz, who is also the Vice-Chairperson.	
2	The Chairperson of the Board and Chief Executive Officer (or its equivalent) have clearly defined responsibilities.	Compliant	<p>Please see pages 26-27, item E, par. (13) (<i>Specific Duties and Responsibilities of the Chairperson of the BODs</i>) and pages 62-64, item A (<i>Duties and Powers of the President and CEO</i>) of the LBP MCG posted under the Transparency Seal of the Bank's website:</p> <p><a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a></p>	

Recommendation 5.6				
1	The Board designates a lead director among the independent directors if the Chairperson of the Board is not an independent director.	Not Applicable	The LBP President and CEO acts as Vice-Chairperson and Presiding Officer in the absence of the Chairman of the Board.	
Recommendation 5.7				
1	The Directors/Trustees with material interest in a transaction affecting the corporation fully disclose his/her adverse interest, abstain from taking part in the deliberations for the same, and recuse from voting on the approval of transaction.	Compliant	<p>Abstention or recusal from the deliberations on matters posing conflict of interest situations has been exercised by certain LBP Directors for few agenda items in CY 2024 board meetings. Reasons for which were duly disclosed in the Board. These were properly minuted/recorded.</p> <p>Moreover, LBP directors are well informed about policies of the Bank which are in place such as DOSRI Rules and RPT Guidelines.</p>	
Recommendation 5.8				
1	The non-executive directors (NEDs) have separate periodic meetings with the external auditor and heads of the internal audit, compliance, and risk functions, without any executive directors present.	Compliant	For CY 2024, the non-executive Directors and the Heads of Internal Audit Group, Risk Management Group, Compliance Management Group and the Resident COA Representative were able to meet separately on 11 September 2024, without the presence of the President and CEO. Said meeting was presided by Dir. Nancy D. Irlanda.	
2	The meetings are chaired by the lead independent director, if applicable.	Not Applicable	(Details of the meetings cannot be divulged due to confidentiality/subject to LBP EO 78, s. of 2022 re: Revised Guidelines on Management of Information Assets)	
Principle 6. ASSESSING BOARD PERFORMANCE				
The best measure of the Board's effectiveness is through an assessment process. The Board should regularly carry out evaluations to appraise its performance as a body, and assess whether it possesses the right mix of backgrounds and competencies.				
Recommendation 6.1				
1	The Board conducts an annual self-assessment of its performance as a whole.	Compliant	Please see attached document marked as <b>Annex D</b> titled "Performance Assessment Program for the Board of Directors and Board-level Committees" and "Evaluation: Board of Directors"	
2	The Chairperson conducts an annual self-assessment of his performance.	Compliant	Please see attached document marked as <b>Annex E</b> titled "Evaluation: Individual Directors"	
3	The individual members conduct a self-assessment of their performance.	Compliant		
4	Each committee conducts a self-assessment of its performance.	Compliant	<p>Please see attached document marked as <b>Annex F</b> containing the performance evaluation of the following Committees:</p> <ul style="list-style-type: none"> <li>a. Audit and Compliance Committee</li> <li>b. Corporate Governance Committee</li> <li>c. Risk Oversight Committee</li> <li>d. Related Party Transactions Committee</li> <li>e. Trust Committee</li> </ul>	

Recommendation 6.2				
1	The Board has in place a system that provides, at the minimum, criteria and process to determine the performance of the Board, individual directors/trustees and committees.	Compliant	Please see attached document marked as <b>Annex G</b>  and	
2	The system allows for a feedback mechanism from the shareholders/members.	Compliant	Feedback mechanism from the shareholders/members is captured in the PRS Evaluation for the Board of Directors. (See <b>Annex D</b> , particularly questions nos. 5 and 6 under Item II, Board Structure Checklist)	
Principle 7. STRENGTHENING BOARD ETHICS				
The Board directors are duty-bound to apply high ethical standards, taking into account the interests of all stakeholders.				
Recommendation 7.1				
1	The Board adopts a Code of Business Conduct and Ethics, which provide standards for professional and ethical behavior, as well as articulate acceptable and unacceptable conduct and practices in internal and external dealings of board members.	Compliant	Please see link posted under the LBP website: <a href="https://www.landbank.com/public/upload/files/Items-13a-13b-13c -Code-of-Conduct-Booklet rev-2024.pdf">https://www.landbank.com/public/upload/files/Items-13a-13b-13c -Code-of-Conduct-Booklet rev-2024.pdf</a>	
2	The Code is properly disseminated to the members of Board.			
3	The Code is disclosed and made available to the public through the company website.		The Bank disseminates the copies of the Code of Conduct to the Board every January of each year for their information. Each director shall sign and submit a Code of Conduct Compliance Certification to the Bank’s Office of the Corporate Secretary within thirty (30) calendar days from receipt of the Code, and thereafter, within the month of January of each year.	
Recommendation 7.2				
1	The Board ensures the proper and efficient implementation and monitoring of compliance with the Code of Business Conduct and Ethics.	Compliant	All members of the Board sign the Code of Conduct Compliance Certificate on an annual basis to remind them of their commitment to Good Governance.	
DISCLOSURE AND TRANSPARENCY				
Principle 8. ENHANCING COMPANY DISCLOSURE POLICIES AND PROCEDURES				
The Board should establish corporate disclosure policies and procedures that are practical and in accordance with generally accepted best practices and regulatory expectations.				
Recommendation 8.1				
1	The Board establishes corporate disclosure policies and procedures to ensure a comprehensive, accurate, reliable and timely report to shareholders/members and other stakeholders that gives a fair and complete picture of a company’s financial condition, results and business operations.	Compliant	Please see link posted under the Bank’s website:  <a href="https://www.LANDBANK.com/disclosures">https://www.LANDBANK.com/disclosures</a> <a href="https://www.LANDBANK.com/transparency-seal">https://www.LANDBANK.com/transparency-seal</a>	
Recommendation 8.2				
1	The company has a policy requiring all directors to disclose/report to the company any dealings in the company’s shares within five (5) business days.	Not Applicable	The Bank is wholly-owned by the National Government.	

2	The company has a policy requiring all officers to disclose/report to the company any dealings in the company’s shares within five (5) business days.	Not Applicable		
Recommendation 8.3				
1	The company’s corporate governance policies, programs and procedures are contained in its Manual on Corporate Governance (MCG).	Compliant	Please see LBP MCG posted under the Transparency Seal of the Bank’s website:  <a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a>	
2	The company’s MCG is submitted to the SEC.	Compliant	Please see <b>Annex H</b> (acknowledgement receipt of the submission of the LBP Manual on Corporate Governance via e-mail from SEC-ICTD).	
3	The company’s MCG is posted on the company website.	Compliant		
Recommendation 8.4				
1	The company’s corporate governance policies and practices and all relevant information are disclosed in its Annual Corporate Governance Report (ACGR).	Compliant	The LANDBANK ACGR is posted in the Bank’s website: <a href="https://www.landbank.com/acgr-compliance">https://www.landbank.com/acgr-compliance</a>	
2	The company’s ACGR is submitted to the SEC.		Please see <b>Annex I</b> (acknowledgement receipt of the submission of the CY 2023 ACGR).	
3	The company’s ACGR is posted on the company website.			
Principle 9. STRENGTHENING EXTERNAL AUDITOR’S INDEPENDENCE AND IMPROVING AUDIT QUALITY				
The company should establish standards for the appropriate selection of an external auditor, and exercise effective oversight of the same to strengthen the external auditor’s independence and enhance audit quality.				
Recommendation 9.1				
1	The Audit Committee has a robust process for approving and recommending the appointment, reappointment, removal, and fees of external auditors.	Not Applicable	The Commission on Audit (COA) is the External Auditor of LBP as well as other government agencies. As such, the Audit and Compliance Committee of LBP no longer performs the approval and recommendation on the appointment, reappointment, removal, and fees of the external auditor.  Under Section 2 (1) of the 1987 Constitution, the Commission on Audit shall have the power, authority, and duty to examine, audit, and settle all accounts pertaining to the revenue and receipts of, and expenditures or uses of funds and property, owned or held in trust by, or pertaining to, the Government, or any of its subdivisions, agencies, or instrumentalities, including government-owned or controlled corporations with original charters, and on a post-audit basis: (a) constitutional bodies, commissions and offices that have been granted fiscal autonomy under this Constitution; (b) autonomous state colleges and universities; (c) other government-owned or controlled corporations and their subsidiaries; and (d) such non-governmental entities receiving subsidy or equity, directly or indirectly, from or through the Government, which are required by law or the granting institution to submit to such audit as a condition of subsidy or equity.	
2	The appointment, reappointment, removal, and fees of the external auditor is recommended by the Audit Committee, approved by the Board and the shareholders/members.			
3	For the removal of external auditor, the reasons for such removal or change are disclosed to the SEC, the shareholders/members, and the public through the company website and required disclosures.			

Recommendation 9.2				
1	The Audit Committee Charter includes the Audit Committee’s responsibility on:  i. assessing the integrity and independence of external auditors; ii. exercising effective oversight to review and monitor the external auditor’s independence and objectivity; and iii. exercising effective oversight to review and monitor the effectiveness of the audit process, taking into consideration relevant Philippine professional and regulatory requirements.	Not Applicable  Not Applicable  Compliant	For items i. and ii:  The Commission on Audit (COA) is the External Auditor of LBP as well as other government agencies. As such, the Audit and Compliance Committee of LBP no longer performs the appointment/removal of the external auditor.  For item iii:  Please see pages 35-41, item A (Audit and Compliance Committee) of the LBP MCG posted under the Transparency Seal of the Bank’s website: <a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a>	
2	The Audit Committee Charter contains the Committee’s responsibility on reviewing and monitoring the external auditor’s suitability and effectiveness on an annual basis.	Compliant		
Recommendation 9.3				
1	The company discloses the nature of non-audit services performed by its external auditor in the Annual Report to manage potential conflict of interest cases.	Not Applicable	As confirmed with the COA Supervising Auditor, COA does not provide non-audit services for LBP.	
2	The Audit Committee stays alert for any potential conflict of interest situations, given the guidelines or policies on non-audit services, which could be viewed as impairing the external auditor’s objectivity.	Not Applicable		
Principle 10. INCREASING FOCUS ON NON-FINANCIAL AND SUSTAINABILITY REPORTING				
The Board should ensure that the company discloses material and reportable non-financial and sustainability issues.				
Recommendation 10.1				
1	The Board has a clear and focused strategy on the disclosure of non-financial information.	Compliant	Please see link under the Bank’s website:  <a href="https://www.landbank.com/public/upload/files/2023-01-24%202023%20Performance%20Scorecard.pdf">https://www.landbank.com/public/upload/files/2023-01-24%202023%20Performance%20Scorecard.pdf</a>	
2	The company discloses to all shareholders/members and other stakeholders the company’s strategic and operational objectives with emphasis on the management of environmental, economic, social and governance (EESG) issues of its business which underpin sustainability.	Compliant	Please see link under the Bank’s Transparency Seal:  <a href="https://www.landbank.com/public/upload/files/SFF-2023_REVISED_16Feb2024_v2.pdf">https://www.landbank.com/public/upload/files/SFF-2023_REVISED_16Feb2024_v2.pdf</a>	
Principle 11. PROMOTING A COMPREHENSIVE AND COST-EFFICIENT ACCESS TO RELEVANT INFORMATION				
The company should maintain a comprehensive and cost-efficient communication channel for disseminating relevant information. This channel is crucial for an informed decision-making by investors, stakeholders and other interested users.				

Recommendation 11.1				
1	The company has a website to ensure a comprehensive, cost-efficient, transparent and timely manner of disseminating relevant information to the public.	Compliant	<a href="https://www.landbank.com/">https://www.landbank.com/</a> and <a href="https://www.landbank.com/transparency-seal">https://www.landbank.com/transparency-seal</a>	
INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORKS				
Principle 12. STRENGTHENING INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS				
To ensure the integrity, transparency and proper governance in the conduct of its affairs, the company should have a strong and effective internal control system and enterprise risk management system.				
Recommendation 12.1				
1	The company has an adequate and effective internal control system in the conduct of its business.	Compliant	<p>LBP has a robust culture when it comes to awareness on internal control measures and procedures. It has established policies and procedures in the conduct of its business. These are documented thru Executive Orders, Manual of Operations, various issuances, and advisories which are made available throughout the organization. The Bank also has its own Code of Conduct for its employees and Board of Directors to provide guidance in conducting themselves in a manner that will merit and inspire public trust and confidence consistent with the Bank's core values and principles.</p> <p>Internal audit as a strategic function, aids in ensuring good governance, and sound risk management and strong internal control in LBP. The internal audit function, thru the Internal Audit Group (IAG), functionally reports to the Audit and Compliance Committee, a Board level committee, which shall assist the Board of Directors in fulfilling its oversight responsibilities specifically for internal audit and internal control</p> <ul style="list-style-type: none"> <li>a) To oversee Senior Management in establishing and maintaining an adequate, effective and efficient internal control framework;</li> <li>b) To 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; and</li> <li>c) To oversee the internal audit function</li> </ul> <p>IAG, in compliance with Audit Standard 1300, has its own Quality Assurance and Improvement Program designed to enable an evaluation of the internal audit activity's conformance with the Definition of Internal Auditing and the International Standards for the Professional Practice of Internal Auditing and an evaluation of whether internal auditors apply the Code of Ethics. This program also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement. This includes both internal and external assessments.</p>	

2	The company has an adequate and effective enterprise risk management framework in the conduct of its business.	Compliant	Please see <b>Annex B</b> providing the various information related to LANDBANK's risk management framework.	
<b>Recommendation 12.2</b>				
1	The company has in place an independent internal audit function that provides an independent and objective assurance, and consulting services designed to add value and improve the company's operations.	Compliant	LBP has its own internal audit function thru the Internal Audit Group (IAG). The IAG plays a key role in assisting the Board in the discharge of its corporate governance responsibilities by performing an independent and objective evaluation/assessment of management controls and operations performance, including technology risk management process and IT controls; and determining of the degree of compliance with laws, regulations, managerial policies, accountability measures, ethical standards and contractual obligations. It involves the 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 auditors also add value to LANDBANK's operation by evaluating the risk management, compliance and governance processes of the Bank.	
<b>CULTIVATING A SYNERGIC RELATIONSHIP WITH SHAREHOLDERS/MEMBERS</b>				
<b>Principle 13. PROMOTING SHAREHOLDER/MEMBER RIGHTS</b>				
The company should treat all shareholders/members fairly and equitably, and also recognize, protect and facilitate the exercise of their rights.				
<b>Recommendation 13.1</b>				
1	The Board ensures that basic shareholder/member rights are disclosed in the Manual on Corporate Governance.	Compliant	Please see pages 15 (item 2), 19 (item v) and 24 (item c) under the "Powers/Responsibilities and Duties of Directors", of the LBP MCG posted under the Transparency Seal of the Bank's website:  <a href="https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf">https://www.landbank.com/public/upload/files/2024-05-30-Corporate%20Governance%20Manual%20as%20of%20February%202024.pdf</a>	
<b>Recommendation 13.2</b>				
1	The Board encourages active shareholder participation by sending the Notice of Annual and Special Shareholders'/Members' Meeting with sufficient and relevant information at least twenty-one (21) days before the meeting.	Not Applicable	LBP is wholly owned by the National Government. The members of the Board already represent the National Government since its members are appointed by the President of the Republic.	
<b>Recommendation 13.3</b>				
1	The Board encourages active shareholder/member participation by making the result of the votes taken during the most recent Annual or Special Shareholders'/Members' Meeting publicly available the next working day.	Not Applicable	The Bank does not hold an Annual/Special Stockholders' Meeting. It is wholly-owned by the National Government.	
2	The minutes of the Annual and Special Shareholders'/Members' Meetings were made available on the company website within five (5) business days from the date of the meeting.	Not Applicable	The Bank does not hold an Annual/Special Stockholders' Meeting. It is wholly-owned by the National Government.	

Recommendation 13.4				
1	The Board makes available, at the option of a shareholder/member, an alternative dispute mechanism to resolve intra-corporate disputes in an amicable and effective manner.	Not Applicable	The Bank is a government financial institution wholly owned by the National Government.	
Recommendation 13.5				
1	The Board establishes an Investor Relations Office (IRO) or Customer Relations Office (CRO) or its equivalent to ensure constant engagement with its shareholders/members.	Compliant	<p>The Bank has a Corporate Information Officer to ensure that the concerns of customers are addressed.</p> <p>VP Sandra May C. Daraman Corporate Information Officer Tel. No. 8405-7382 <a href="mailto:SCDARAMAN@landbank.com">SCDARAMAN@landbank.com</a></p> <p>The Bank also has a Customer Care Department (CuCD) responsible for addressing customer concerns and resolving complaints.</p> <p>VP Samuel E. Acuña Head, CuCD Tel. No. 8405-7699 <a href="mailto:SEACUNA@landbank.com">SEACUNA@landbank.com</a></p>	
2	The IRO or CRO or its equivalent is present at every shareholders'/members' meeting.	Not Applicable	LBP does not have shareholder's meeting. The Bank only conducts its regular Board meeting (twice a month) and special meeting (as the need arises) wherein the presence of its Corporate Information Officer is not required.	
DUTIES TO STAKEHOLDERS				
Principle 14. RESPECTING RIGHTS OF STAKEHOLDERS AND EFFECTIVE REDRESS FOR VIOLATION OF STAKEHOLDER'S RIGHTS				
The rights of stakeholders established by law, by contractual relations and through voluntary commitments must be respected. Where stakeholders' rights and/or interests are at stake, stakeholders should have the opportunity to obtain prompt effective redress for the violation of their rights.				
Recommendation 14.1				
1	The Board identifies the company's various stakeholders and promotes cooperation between them and the company in creating wealth, growth and sustainability.	Compliant	Please see GCG-approved Performance Scorecard link under the Transparency Seal of the Bank's website: <a href="https://www.landbank.com/public/upload/files/GCG-approved-2024-LANDBANK-Performance-Scorecard.pdf">https://www.landbank.com/public/upload/files/GCG-approved-2024-LANDBANK-Performance-Scorecard.pdf</a>	
Recommendation 14.2				
1	The Board establishes clear policies and programs to provide a mechanism on the fair treatment, protection and enforcement of the rights of stakeholders.	Compliant	<p>1. The fair treatment, protection and enforcement of the rights of stakeholders are within the Bank's Citizens Charter. The Citizen's Charter is regularly updated and made available in the Bank's official website: <a href="https://www.LANDBANK.com/citizens-charter">https://www.LANDBANK.com/citizens-charter</a></p> <p>2. LBP has established the following policies and programs:</p> <ul style="list-style-type: none"> <li>a. Manual on Financial Consumer Protection</li> <li>b. Policy on Ease of Doing Business (EoDB)</li> <li>c. People's Freedom of Information Manual</li> </ul>	

			<p>d. Guidelines on LANDBANK's Customer Assistance Management</p> <p>e. Guidelines on the Implementation of Satisfaction Measurement Instrument for LANDBANK Experience Survey (SMILES)</p> <p>2. LBP Customer Care Department (CuCD) hotline (8405-7000) is operational 24/7. This is in line with the Bank's continuing efforts to comply with the Bangko Sentral ng Pilipinas (BSP) Circular No. 1160, Series of 2021, which institutionalizes the Financial Consumer Protection Framework and requires all BSP-supervised institutions to maintain an effective consumer assistance management system. Please see link under the Bank's website:  <a href="https://www.landbank.com/customer-care-center">https://www.landbank.com/customer-care-center</a></p> <p>3. The Customer Care Department (CuCD) under the Corporate Affairs Group (CAG), oversees and manages the LANDBANK Consumer Assistance Management System (CAMS). Through the CAMS, the Bank aims to further enhance and strengthen its thrust in providing excellent customer service through the proper handling of inquiries, concerns, requests, or complaints as well as the continuous improvement in service delivery. To efficiently implement CAMS, CuCD:</p> <p>a. Receives, acknowledges, documents, and provides feedback to customer inquiries and complaints received from various internal and external channels, such as LBP Customer Care hotline and email, BSP Consumer Affairs, 8888 Citizens' Complaint Hotline, etc.</p> <p>b. Consolidates all complaints reports received from all customer touch points which include CuCD, Branches, Lending Centers, social media, and other customer-facing units of the Bank.</p> <p>c. Provides analysis of the complaints data with resolutions and recommendations for presentation to the Bank's Management Committee.</p>	
<b>Principle 15. ENCOURAGING EMPLOYEES' PARTICIPATION</b>				
A mechanism for employee participation should be developed to create a symbiotic working environment consistent with the realization of the company's objectives and good corporate governance goals.				
<b>Recommendation 15.1</b>				
1	The Board establishes policies, programs and procedures that encourage employees to actively participate in the realization of the company's goals and in its governance.	Compliant	<p><b>Executive Order No. 083, series of 2015: Guidelines on Awards and Incentives for Service Excellence (PRAISE)</b></p> <p>The Guidelines on Awards and Incentives for Service Excellence (PRAISE) is a modified reward system to encourage LBP personnel, individually or in groups to increase their level of engagement in achieving the Bank's objectives by contributing valuable suggestions, innovative ideas, inventions, discoveries and superior performance of duties or major accomplishments that help the Bank fulfill its mandate.</p> <p>Currently, LBP is implementing the following awards under PRAISE:</p>	

			<p>LBP Awards for Individual Excellence:</p> <ul style="list-style-type: none"> <li>• Perfect Attendance Award</li> <li>• Professional Award</li> <li>• Loyalty Award</li> </ul> <p>LBP Awards for Group Excellence</p> <ul style="list-style-type: none"> <li>• Branch Banking Awards</li> <li>• NDLS Awards of Excellence for Lending Units</li> <li>• OS Awards of Excellence for Accounting Units</li> <li>• Audit Achiever's Award</li> <li>• Award for Institutional Achievement</li> <li>• Search for Pusong Bayaning LANDBANKER</li> </ul> <p><b>EO No. 113, series of 2020: Guidelines on the Grant of Performance Based Bonus</b></p> <p>The Guidelines on the Grant of Performance Based Bonus aim to cover the criteria/mechanics on the application of PBB and the grant/distribution of PBB to eligible employees following the rules and regulations of GCG's memorandum circulars regarding PBB.</p>	
<b>Recommendation 15.2</b>				
1	The Board sets the tone and makes a stand against corrupt practices by adopting an anti-corruption policy and program in its Code of Business Conduct and Ethics.	Compliant	<p>LBP has the following existing guidelines:</p> <ul style="list-style-type: none"> <li>• LBP EO No. 031, dated March 15, 2016, LANDBANK Anti-Bribery and Anti-Graft and Corruption Policy</li> <li>• Code of Conduct (COC) for LANDBANK Employees.</li> </ul> <p>In line with the principle that a public office is a public trust, the LBP, being a government financial institution, Page 22 of 24 advocates zero tolerance for corruption by repressing certain acts which constitute bribery, graft and corrupt practices, or any act which may lead thereto, committed by its officers and employees.</p> <p>LBP has since instituted a strong culture of corporate governance, where commitment to service entails carrying out its responsibilities with the highest regard of accountability, transparency and fairness.</p> <p>Also, the Bank has institutionalized and has implemented the Code of Conduct for LANDBANK Employees which provides them guidance in conducting themselves in a manner that will merit and inspire public trust and confidence, consistent with the Bank's commitment to uphold the highest standards of ethics and excellence.</p> <p>The Bank also ensures the implementation of the following laws, rules, and regulations on ant-bribery, graft and corruption:</p> <ul style="list-style-type: none"> <li>• Republic Act No. 3019, Anti-Graft and Corrupt Practices Act</li> </ul>	

			<ul style="list-style-type: none"> <li>• Republic Act No. 6713, <i>An Act Establishing a Code of Conduct and Ethical Standards for Public Officials and Employees, to Uphold the Time-Honored Principle of Public Office Being a Public Trust, Granting Incentives and Rewards for Exemplary Service, Enumerating Prohibited Acts and Transactions and Providing Penalties for Violations Thereof and for Other Purposes</i></li> <li>• Republic Act No. 9485, <i>An Act to Improve Efficiency in the Delivery of Government service to the Public by Reducing Bureaucratic Red Tape Preventing Graft and Corruption, and Providing Penalties Therefor</i></li> <li>• Title VII, Book 2 of the <i>Revised Penal Code</i></li> <li>• Sec. 46, Chapter 7, Book V of Executive Order No. 292, <i>Administrative Code of 1987</i></li> <li>• CSC Resolution No. 060538, dated April 4, 2006, <i>Rules on Administrative Offense of Dishonesty</i></li> <li>• CSC Resolution No. 1701077, promulgated on July 3, 2017, <i>2017 Rules on Administrative Cases in the Civil Service (2017 RACCS)</i></li> <li>• Others</li> </ul>	
2	The Board disseminates the policy and program to employees across the organization through trainings to embed them in the company's culture.	Compliant	<p>LBP continues to uphold the highest standards of ethics and foster a strong corporate governance. In 2024, the Bank provided the following corporate governance-related Learning and Development (L&amp;D) programs to its employees:</p> <ol style="list-style-type: none"> <li>1. <b>LANDBANK in Perspective</b> (conducted every other month) – Forming part and parcel of this Onboarding Program for New Hires is a module on the Code of Conduct (COC) for LANDBANK Employees.  The COC serves as a guide for Landbankers in conducting themselves in a manner that will uphold public trust and confidence consistent with the Bank's core values and principles. Other topics discussed in the COC are the anti-corruption policies and programs that mitigate corrupt practices.</li> <li>2. <b>R.A. 3019: Anti-Graft and Corrupt Practices Act</b> - an online supplemental module conducted by the Ombudsman-National Integrity Center (NIC) for the Leadership Development Program (LDP) participants</li> <li>3. <b>Integrity, Transparency and Accountability in Public Service (ITAPS)</b> – a NIC program that aims to instill a deeper understanding of the role of public servants and the accountability attached to the positions in the government; provided for the Officers Development Program (ODP) participants</li> <li>4. <b>Corporate Governance Orientation Program for Government-Owned and Controlled Corporations</b> – a training program for newly appointed Directors and Senior Management which provides an in-depth discussion on corporate governance, the GCG Regulatory Framework, and relevant laws for GOCCs</li> </ol>	

			<p>Through the various programs, such as the ones mentioned, offered to its employees, LBP ensures adherence to the following Corporate Governance related laws, rules and regulations.</p> <ul style="list-style-type: none"> <li>• Republic Act No. 6713 (Act Establishing A Code Of Conduct And Ethical Standards For Public Officials And Employees in the Philippines)</li> <li>• Republic Act No. 11032 (An Act Promoting Ease of Doing Business and Efficient Government Services)</li> <li>• Republic Act No. 3109 (Anti-Graft and Corruption Practices Act)</li> <li>• LBP Executive Order No. 031, series of 2016 (LANDBANK Anti-Bribery and Anti-Graft and Corruption Policy)</li> <li>• LBP Executive Order No. 101, s. 2020 Revised Rules on Administrative Disciplinary Cases)</li> <li>• Code of Corporate Governance for GOCCs, Sec. 29 of GCG Memo Circular No. 2012-07 (No Gift Policy)</li> </ul>	
<b>Recommendation 15.3</b>				
1	The Board establishes a suitable framework for whistleblowing that allows employees to freely communicate their concerns about illegal or unethical practices, without fear of retaliation.	Compliant	<p>LBP has the following existing guidelines:</p> <ol style="list-style-type: none"> <li>1. LBP EO No. 088, s. 2024, Revised Guidelines on Internal Whistleblowing and Reporting.</li> <li>2. LBP EO No. 064, s. 2012, Guidelines on the Implementation of the Ethics Hotline</li> </ol> <p>The Bank's internal guidelines on Whistleblowing and Reporting enables any concerned employee or individual to report and provide information, anonymously if he/she wishes, and even testify on matters involving the actions or omissions of LANDBANK Board of Directors and employees, that are illegal, unethical, violate good governance principles, are against public policy and morals, promote unsound and unhealthy business practices, and are grossly disadvantageous to the Bank and/or the Government.</p>	
2	The Board establishes a suitable framework for whistleblowing that allows employees to have direct access to an independent member of the Board or a unit created to handle whistleblowing concerns.	Compliant	<p>The Bank's Whistleblowing guidelines include a provision on "Protected Disclosure" wherein whistleblowers shall be entitled to assistance as well as protection from retaliatory actions, such as but not limited to discriminatory action, reprimand, punitive transfer, undue poor performance reviews, ostracism, public humiliation, etc. In cases involving grave threats to life and/or safety of the whistleblower, appropriate or necessary action may be taken by the Bank Management for the protection and support of the whistleblower.</p> <p>Any concerned individual who shall report and provide information on any reportable condition may use any of the following reporting channels:</p> <ul style="list-style-type: none"> <li>• GCG's whistleblowing web portal</li> <li>• Face to face meetings with GCG officers/employees, LANDBANK General Counsel, Heads of the Human Resource Management Group and Employee Relations Department</li> <li>• Telephone (GCG &amp; LANDBANK)</li> </ul>	

			<ul style="list-style-type: none"> <li>• Ethics Hotline</li> <li>• Email, Mail and Fax</li> </ul> <p>The Ethics hotline, which is handled by Employees Relation Department, is an added medium for whistleblowers to report instances of graft and corruption. Other reporting channels are also available for concerned individuals/employees to report or provide information such as online-based platforms, email, mail, fax and other similar media. While there were received reports/complaints, none of which was within the scope of or pertinent to the Bank's whistleblowing policy.</p>	
3	The Board supervises and ensures the enforcement of the whistleblowing framework.	Compliant	<p>The Bank's Employee Relations Department (ERD) submits to the President and CEO an annual report on all complaints received through the Bank's Ethics Hotline, including those received through other means.</p> <p>The ERD also submits to the Accountability Assessment Committee an annual Whistleblowing report.</p> <p>As a government financial institution built upon the trust of all its stakeholders, LANDBANK ensures that ethical behavior is applied within its operations and supply chain following established mechanisms, internal and regulatory, in the reporting and monitoring of unethical or unlawful acts in the workplace.</p>	
<b>Principle 16. ENCOURAGING SUSTAINABILITY AND SOCIAL RESPONSIBILITY</b>				
The company should be socially responsible in all its dealings with the communities in which it operates. It should ensure that its interactions serve its environment and stakeholders in a positive and progressive manner that is fully supportive of its comprehensive and balanced development.				
<b>Recommendation 16.1</b>				
1	The company recognizes and places importance on the interdependence between business and society, and promotes a mutually beneficial relationship that allows the company to grow its business, while contributing to the advancement of the society where it operates.	Compliant	<ol style="list-style-type: none"> <li>1. The Bank has established the LBP Sustainable Finance Framework (LSFF) outlining its sustainability goals that promote sustainable development, aligned with the Bangko Sentral ng Pilipinas' (BSP) Sustainable Finance Framework, the Philippine Development Plan, the Philippine Sustainable Finance Roadmap (Guiding Principles) and the UN Sustainable Development Goals. Please see link on the Bank's website under the Transparency Seal:  <a href="https://www.landbank.com/public/upload/files/SFF-2023%20REVISED%2016Feb2024%20v2.pdf">https://www.landbank.com/public/upload/files/SFF-2023 REVISED 16Feb2024 v2.pdf</a></li> <li>2. LBP 's Corporate Social Responsibility (CSR) embodies its commitment to the institution's social mandate with programs and activities that contribute to a better, safer and more progressive society, redounding to an improved quality of life for people of the present and future generations. Please see CSR Programs landing page under the Bank's website:  <a href="https://www.landbank.com/csr-programs/csr-statement">https://www.landbank.com/csr-programs/csr-statement</a></li> </ol>	

We, as required by the Securities and Exchange Commission (SEC) under its Memorandum Circular (MC) No. 13, Series of 2021, have accordingly signed this Annual Corporate Governance Report (ACGR) on JUN 26 2025.



**RALPH G. RECTO**  
Chairperson of the LBP Board of Directors  
Secretary, Department of Finance



**MA. LYNETTE V. ORTIZ**  
Acting President and CEO/Vice Chairperson



**DIR. DAVID D. ERRO**  
Member, Agrarian Reform Beneficiaries  
Representative



**DIR. VIRGINIA N. OROGO**  
Acting Member, Agrarian Reform  
Beneficiaries Representative



**ATTY. CESAR S. CABAÑES**  
Chief Compliance Officer  
First Vice President,  
Compliance Management Group



**ATTY. MYRA-LYN S. PENALOSA**  
Corporate Secretary  
Vice President

SUBSCRIBED AND SWORN to before me this JUN 26 2025 day of 2025,  
affiants exhibited to me their respective Government issued IDs bearing their photo:

Name	Type of Government ID	To Expire on
RALPH G. RECTO Chairperson	[REDACTED]	[REDACTED]
MA. LYNETTE V. ORTIZ Acting President & CEO/Vice Chairperson	[REDACTED]	[REDACTED]
DAVID D. ERRO Member	[REDACTED]	[REDACTED]
VIRGINIA N. OROGO Acting Member	[REDACTED]	[REDACTED]
ATTY. CESAR S. CABAÑES FVP/Chief Compliance Officer	[REDACTED]	[REDACTED]
ATTY. MYRA-LYN S. PEÑALOSA VP/Corporate Secretary	[REDACTED]	[REDACTED]

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Series of 2025



2025

*[Signature]*  
**ATTY. IRISH RUTH LALUAN VILLANUEVA**  
Commission No. 2024-072 until 31 December 2025  
Notary Public for and in the City of Manila  
LandBank Plaza, 1598 M.H. Del Pilar cor. Dr. J. Quintos Sts.,  
Brgy. 699, District V, Malate, Manila  
Roll No. 83142, 06/06/22; IBP OR No. 494334, 02/01/25  
MCLE Compliance No. VIII-0003463, 07/09/23 until 14/04/28  
PTR No. MLA2094140, City of Manila 07/01/25



## RELEVANT QUALIFICATIONS AND EXPERIENCES INCLUDING DIRECTORSHIP AND OFFICERSHIP IN OTHER COMPANIES

### Ralph G. Recto

Ex-Officio Chairman

Secretary, Department of Finance

**Age:** 61

**Nationality:** Filipino

#### **Educational Background:**

Post-Graduate : Strategic Business Economics Program Certificate Course/Master in Business Economics (Candidate)  
*University of Asia and the Pacific, 1993*  
 Master in Public Administration (Earned 36 Units)  
*University of the Philippines, Diliman, 1991*

College : Bachelor of Science in Commerce, Major in Business Management  
*De La Salle University, 1989*

#### **Training in Banking and Other Related Fields:**

Nature/Title	Conducted at	Year taken
Philippine Economic Briefing	London, United Kingdom	2024
World Bank-International Monetary Fund Spring and Annual Meetings	Washington, USA	2024
4 <sup>th</sup> Philippines-Singapore Business and Investment Summit	Singapore	2024
Philippine Economic Briefing	Tokyo, Japan	2024
ASEAN-Australia Special Summit	Melbourne, Australia	2024
Leadership for the 21 <sup>st</sup> Century: Chaos, Conflict and Courage Executive Program	John F. Kennedy School of Government, Harvard University	1997

Present Position – Government	Position	Date Assumed
Department of Finance	Secretary	2024
Land Bank of the Philippines	Ex-Officio Chairman	2024
Monetary Board	Member	2024

Past Position – Government	Position	From	To
House of Representatives	Congressman	2022	2024
Senate of the Philippines	Senator	2010	2022
National Economic Development Authority	Secretary and Director	2008	2009
Senate of the Philippines	Senator	2001	2007
House of Representatives	Congressman	1992	2001

Past Position – Other Private Institutions	Position	From	To
Union Bank of the Philippines	Independent Director	2007	2008
Taking Care of Business Corporation	President	2007	2009
Taking Care of Business Corporation	Vice President	2002	2006
Taking Care of Business Corporation	President	1994	2002

**Lynette V. Ortiz**

Vice Chairperson

President and Chief Executive Officer

**Age:** 61**Nationality:** Filipino**Educational Background:**

Post Graduate : MBA Finance & Investments,  
*City University of New York, Baruch College, 1989*

College : BA Economics,  
*University of the Philippines, Diliman, 1984*

**Training in Banking and Other Related Fields:**

Nature/Title	Conducted by	Year taken
Digital Leadership Programme	National University of Singapore/Land Bank of the Philippines	2024
Targeted Financial Sanction	Anti-Money Laundering Council	2024
Anti-Money Laundering/Counter-Terrorism Financing	Anti-Money Laundering Council	2024
Sustainability and Sustainable Finance	Land Bank of the Philippines	2024
Corporate Governance Orientation Program for GOCCs	Institute of Corporate Directors	2024
LEAP: Information Security Management	Land Bank of the Philippines	2024
Updates on Anti-Money Laundering Act	Anti-Money Laundering Council	2023
Basic Course on Corporate Governance	Bankers Institute of the Philippines	2023
Make It Real Leadership	Standard Chartered Bank	2018
Leadership Course – Insead Singapore	Standard Chartered Bank	2014
Leadership Across Boundaries, Oxford UK	Standard Chartered Bank	2012

Present Position – Government	Position	Date Assumed
Land Bank of the Philippines	President and CEO	2023
Overseas Filipino Bank	Chairperson	2023
Philippine Crop Insurance Corporation	Member	2023
National Food Authority	Member	2023
DTI Center for International Trade Expositions and Missions (CITEM)	Member	2023 (until October 2024)
Maharlika Investment Corporation	Member	2023

Past Position – Other Private Institutions	Position	From	To
Standard Chartered Bank Philippines	CEO and Head of Client Coverage	2016	2023
Standard Chartered Bank Philippines	Country Head Corporate & Institutional Banking	2016	2016
Standard Chartered Bank Singapore	Managing Director, Regional Head of Capital Markets, ASEAN	2015	2016
Standard Chartered Bank Philippines	Managing Director, Head of Financial Markets/Head of Capital Markets	2011	2015
Citicorp Capital Philippines, Inc.	President/Director	2009	2011
The Hongkong & Shanghai Banking Corporation Limited, Philippines	Senior Vice President and Head of Debt Capital Markets, Global Capital Markets	2006	2009
BDO Capital & Investment Corporation/BDO Private Bank	First Vice President, Debt Capital Markets and Corporate Finance	2002	2006
Banco Santander Philippines	Vice President, Country Risk Management Group Head	1996	2002
Bank of the Philippine Islands	Vice President, Risk Management Division Head, Treasury	1995	1996
Citibank, N.A. Manila, Citibank Global Asset Management	Assistant Vice President, Product Development/Credit & Portfolio Administration Unit Head	1994	1995
Citibank, N.A. New York, Latin America Consumer Bank	Assistant Vice President, Treasury Risk Manager, Group Information Officer	1990	1993
Citicorp Information Services, Quotron, New York	Assistant Manager	1989	1990
Baruch College/Columbia University	Graduate Research Assistant	1987	1988
Cates Consulting Analyst, New York	Junior Analyst	1986	1987
Citibank, N.A. Manila	Account Officer, Consumer Services Group	1984	1985

**Francisco P. Tiu Laurel Jr.**

Ex-Officio Member

Secretary, Department of Agriculture

**Age:** 57**Nationality:** Filipino**Educational Background:**

College : Computer Science (Undergraduate),  
*Stamford, Singapore, 1988*

Present Position – Government	Position	Date Assumed
Department of Agriculture	Secretary	2023
Land Bank of the Philippines	Ex-Officio Director	2023

Past Position – Other Private Institutions	Position	From	To
Newport Fishing Corporation	Consultant	2020	2023
Sandiwa 85 Cold Storage Corp.	President	2019	2023
Caraga A1 Hydro Power Corp.	Chairman / President	2018	2023
Caraga A2 Hydro Power Corp.	Chairman / President	2018	2023
Agusan Power Corporation	Chairman / President	2018	2023
Philippine Hybrid Energy Systems Inc.	President	2018	2023
Bacoor Seafront Dev't. Corp.	President	2017	2023
Tarawa Shipyard Company Limited	Director	2017	2023
Dupinga Mini Hydro Corporation	Chairman / President	2016	2023
Bukidnon Hydro Energy Corp.	Chairman / President	2016	2023
Lingod Hydropower Corporation	Chairman / President	2016	2023
5F Cold Storage Corporation	President	2016	2023
FPG Limited Subic Corporation	President	2016	2023
Bacoor RF Land	Vice President	2015	2023
Myed Nikkel Resources Corp.	President	2014	2023
Markham Resources Corporation	President	2014	2023
Akian Food Processing Corp.	Director	2012	2023
Cencon Packaging Limited	Director	2010	2023
Frabelle Corporation	Director	2010	2023
Westpac Meat Processing Corp.	Chairman	2009	2023
Majestic Seafoods Corporation	Vice Chairman	2009	2023
Frabelle Shipyard Corporation	President	2009	2023
Signal Marine Shipyard Corp.	Chairman	2007	2023
Frabelle Market Corporation	Chairman	1997	2023
Diamond Export Corporation	Chairman	1995	2023
Frabelle Properties Corporation	Director	1994	2023
Frabelle PNG Ltd.	Director	1990	2023
Frabelle Cold Storage Corp.	President	1990	2023
Frabelle Fishing Corporation	President	1985	2023

**Conrado M. Estrella III**

Ex-Officio Member

Secretary, Department of Agrarian Reform

**Age:** 64**Nationality:** Filipino**Educational Background:**

College : Bachelor of Arts, History – Political Science  
*De La Salle University, 1984*

**Training in Banking and Other Related Fields:**

Nature/Title	Conducted by	Year taken
Targeted Financial Sanction	Anti-Money Laundering Council	2024
AMLC Registration and Reporting Guidelines	Anti-Money Laundering Council	2024
Anti-Money Laundering/ Counter-Terrorism Financing	Anti-Money Laundering Council	2024

Present Position – Government	Position	Date Assumed
Department of Agrarian Reform	Secretary	2022
Land Bank of the Philippines	Ex-Officio Director	2022

Past Position – Government	Position	From	To
House of Representatives	Congressman	2013	2022
House of Representatives	Congressman	2001	2010
National Electrification Administration	Administrator	1998	2000
Manila Economic and Cultural Office	Director	1995	1998
House of Representatives	Congressman	1987	1995
Provincial Board Member, Pangasinan	Chairman	1980	1985

Past Position – Other Private Institutions	Position	From	To
Magiliw Corporation	Corporate Secretary	1984	1987
Rural Bank of Rosales	Treasurer	1984	1987

**Bienvenido E. Laguesma**

Ex-Officio Member

Secretary, Department of Labor and Employment

**Age:** 74**Nationality:** Filipino**Educational Background:***Passed the CY 1975 Bar Examination and became a Lawyer on March 30, 1976*

Post-Graduate : Public Sector Administration

*Royal Institute of Public Administration London, 1985*

Career Executive Service

*Development Academy of the Philippines*

Bachelor of Laws

*Ateneo De Manila College of Law, 1975*

College : Bachelor of Arts, Political Science

*Lyceum of the Philippines, 1971***Training in Banking and Other Related Fields:**

Nature/Title	Conducted by	Year taken
Environmental Social Governance	Institute of Corporate Directors	2022
AML and Cyber Security Seminar	PBCOM	2021
High Level Webinar on AML/Counter-Terrorist Financing	BAIPHIL	2021
Enhancing Audit Committee Effectiveness and Sustainability Reporting	COSCO Capital, Inc.	2019
Corporate Governance	SGV and Co.	2018
Annual Corporate Governance Enhance on "Cyber Security in the 21 <sup>st</sup> Century"	PHILEX Mining Corp.	2016
AML Seminar	BAIPHIL	2015
Corporate Governance for Philippine Banks	BAIPHIL	2005

Present Position – Government	Position	Date Assumed
Department of Labor and Employment	Secretary	2022
Land Bank of the Philippines	Ex-officio Director	2022
Social Security System	Ex-officio Director	2022
Employees Compensation Commission	Chairman	2022
Governing Board Occupational Safety and Health Center	Chairperson	2022
National Wages and Productivity Commission	Chairperson	2022
Technical Education and Skills Development Authority	Chairperson	2022
PAGIBIG Fund Board of Trustees	Member	2022
Overseas Workers Welfare Administration Board of Trustees	Member	2022
Civil Aviation Authority of the Philippines Board of Directors	Principal Board Member	2022
PhilHealth Board	Member	2022

Past Position – Government	Position	From	To
Social Security Commission	Commissioner	2011	2016
Department of Labor and Employment	Secretary	1998	2001
Department of Labor and Employment	Undersecretary	1990	1996
Office of the President	Presidential Assistant	1996	1998
NCMB	Administrator	1987	1989
Department of Labor and Employment	Regional Director	1982	1986
Department of Labor and Employment	Assistant Regional Director	1981	1982
NLRC	Executive Labor Arbiter RAB III	1979	1980
NLRC	Labor Arbiter	1979	1979
Department of Labor and Employment	Med-Arbiter	1976	1979

**Atty. David D. Erro**

Representative, Agrarian Reform Beneficiaries

*Assumed Position on February 27, 2023***Age:** 57**Nationality:** Filipino**Educational Background:***Passed the CY 2002 Bar Examination and became a Lawyer on March 4, 2003*

Post Graduate : Bachelor of Laws,  
*Far Eastern University, 2000*  
 Bachelor of Laws,  
*San Beda College of Law, 1992*

College : A.B. Political Science,  
*University of the Philippines, Manila, 1991*

**Training in Banking and Other Related Fields:**

Nature/Title	Conducted by	Year taken
Targeted Financial Sanction	Anti-Money Laundering Council	2024
AMLC Registration and Reporting Guidelines	Anti-Money Laundering Council	2024
Anti-Money Laundering/ Counter-Terrorism Financing	Anti-Money Laundering Council	2024
AML/CTPF Course For BOD and Senior Management	Anti-Money Laundering Council	2024
Sustainability and Sustainable Finance	Land Bank of the Philippines	2024
Basic Credit Management	Land Bank of the Philippines	2024
Corporate Governance Orientation Program (CGOP)	Institute of Corporate Directors, Inc.	2023
CGOP for Government-Owned and Controlled Corporations (GOCCs)	Institute of Corporate Directors, Inc.	2023
2023 Joint Learning Session of the Audit and Compliance Committee and Risk Oversight Committee	Land Bank of the Philippines	2023
MCLE Program for the 8th Compliance Period	OGCC-PAGCLAW	2023

Present Position – Government	Position	Date Assumed
Land Bank of the Philippines	Member, Board of Directors/Agrarian Reform Beneficiaries Representative	2023

Past Position – Government	Position	From	To
Land Bank of the Philippines	Acting Member, Board of Directors/Agrarian Reform Beneficiaries Representative	2023	2023
Department of Agrarian Reform	Undersecretary	2016	2022

Past Position – Private Institution	Position	From	To
Erro Pahilga Law Office	Founding Partner	2002	2016

**Virginia N. Orogo**

Representative, Agrarian Reform Beneficiaries

*Assumed Position on February 27, 2023***Age:** 68**Nationality:** Filipino**Educational Background:**

Post Graduate : Diploma in Social Work,  
*University of the Philippines, 1986*

College : BS Social Work,  
*La Concordia College, 1984*

**Training in Banking and Other Related Fields:**

Nature/Title	Conducted by	Year taken
Targeted Financial Sanction	Anti-Money Laundering Council	2024
AMLC Registration and Reporting Guidelines	Anti-Money Laundering Council	2024
Anti-Money Laundering/ Counter-Terrorism Financing	Anti-Money Laundering Council	2024
AML/CTPF Course For BOD and Senior Management	Anti-Money Laundering Council	2024
Sustainability and Sustainable Finance	Land Bank of the Philippines	2024
Basic Credit Management	Land Bank of the Philippines	2024
Updates on Anti-Money Laundering Act	Anti-Money Laundering Council	2023
2023 Joint Learning Session of the Audit and Compliance Committee and Risk Oversight Committee	Land Bank of the Philippines	2023
Corporate Governance Orientation Program (CGOP)	Institute of Corporate Directors, Inc.	2023
CGOP for Government-Owned and Controlled Corporations (GOCCs)	Institute of Corporate Directors, Inc.	2023
Computerized Title Distribution Under the Support to Parcelization of Lands for Individual Titling (SPLIT)	World Bank/LRA	2022
Orientation Training on Project SPLIT	Foreign Assisted And Special Project – Project SPLIT By World Bank	2022
Harmonized Gender and Development Guidelines (HDDG)	Philippine Commission on Women	2021
Orientation Cum Training Workshop on Preparation and Generation of Emancipation Patent (EP) Certificate of Landownership and Award (CLOA) Titles	DAR SPLIT Project / BARMM	2021
Compliance Check and Data Protection Standards	Yisrael Solutions and Training Center, Inc.	2021
Pantawid Pamilyang Filipino (4Ps) Orientation Seminar	Department of Social Welfare and Development (DSWD)	2018
World Bank Philippine Poverty Assessment	DSWD – World Bank	2018
Modified Conditional Cash Transfer Program Technical Monitoring Training Conference	DSWD	2018

Sustainable Livelihood Seminar	DSWD	2018
Global Ageing and Human Rights of Older Persons ASEAN Conference on Ageing	DSWD	2018
Head of the Philippine Delegation to the UN Convention on the Rights of Persons With Disability (UNCRPD) Revalida the Paper on: National Council on Disability Affairs and the 1992 Magna Carta for Persons with Disability	DSWD	2018
Development Education for Community Organizers in the Philippines, Guest Speaker to the Development Education Seminar in Japan	Japanese Foreign Ministry	2001
Community Organizing and the People Power Movement, National Convention of Rural People of South Africa	People's Movement of South Africa	1998
Basic Occupational Safety and Health Course	Basic Occupational Safety and Health Course	2000
Conference on Ecotourism	PRRM	1999
Tourism Projects in Rural Areas "Tourism as A Tool to Development"	NEDA/Israel Development Cooperation	1998
Development Management Course	Asian Institute of Management	1997
Social Entrepreneurship and Enterprise Development (SEED)	Asian Institute of Management	1996
Developmental Marketing & Alternative Trading for Non-Governmental Organizations	Netherlands Organization for International Development Cooperation (NOVIB) Development Academy of the Philippines (DAP)	1996
Basic NGO Management	PRRM /Asian Institute of Management, Philippines	1990
Seminar-Workshop for Community-Based Health Services	PRRM /UP College of Medicine	1987
Regional Seminar on Recent Experiences and Future Possibilities of NGO Management	Asian NGO Coalition for Agrarian Reform And Rural Development	1986
Basic Management of Community Credit Project Seminar	Philippine Business for Social Progress (PBSP)	1985
Basic Technical Assistance Training	Philippine Business for Social Progress (PBSP)	1985
Seminar-Workshop on Nutrition and Health Communication	Communication Foundation for Asia & Nutrition Foundation of the Philippines	1980

Present Position – Government	Position	Date Assumed
Land Bank of the Philippines	Member, Board of Directors/Agrarian Reform Beneficiaries Representative	2023

Past Position – Government	Position	From	To
Department of Agrarian Reform	Undersecretary	2019	2022
Department of Social Welfare and Development	Acting Secretary	2016	2018

Department of Social Welfare and Development	Undersecretary	2016	2018
Inter-Country Adoption Board Inc.	Alternate Chair to the Board	2016	2018
Inter-Agency Council Against Trafficking	Vice-Chair to the Board	2016	2018
Palayan City Water District	Consultant	2008	2009

Past Position – Private Institution	Position	From	To
Akarui Technical School Foundation	Managing Directress	2010	2016
Achievers Professional Cyber School	Managing Directress	2009	2010
Institute for Governance and Development, Inc.	Founder/Executive Director	2005	2013
Canadian Council for Refugees	Facilitator	2003	2004
Solano Habitat for Humanity, California USA	Grant Writer	2002	2003
Philippine American Friendship Committee of New Jersey USA	Volunteer Facilitator	2002	2003
ABS-CBN Foundation Inc.	Consultant/Grant Writer	1998	2000
Philippine Rural Reconstruction Movement, Inc. (PRRM) Eco Development Tourism Program	Program Manager	1996	1998
PRRM	Administrative and Finance Manager	1995	1996
PRRM Program Fund Management	Special Assistant to the President	1991	1995
Sustainable Rural Development	Branch Manager PRRM Nueva Vizcaya	1991	1995
Sustainable Rural Development	Branch Manager PRRM Bataan	1991	1998
College of Social Work and Development, Inc. – University of the Philippines UNDP Nutrition Program and Development	Researcher/Evaluator	1987	1988
Philippine Rural Reconstruction Movement, Inc. (PRRM)	Ecodevelopment Program Officer	1986	2001
Caritas Manila	Trainer/Consultant	1986	1987
Sta. Maria Dela Strada Parish Church	Livelihood Officer	1985	1986
National Council for Social Development (Formerly Council for Social Welfare Agencies of the Philippines)	Program Officer	1985	1986
Philippine Agency for Community & Family, Inc. (Maryknoll Sisters)	Community Organizer Cum Social Worker	1979	1984

**Nancy D. Irlanda**

Representative, Private Sector

**Age:** 55**Nationality:** Filipino**Educational Background:**

College : BS Economics,  
*University of the Philippines, Diliman, 1991*  
*Dean's Medal and Best Thesis*  
*(co-author, published in the 1991 Philippine Review of*  
*Economics and Business)*

**Training in Banking and Other Related Fields:**

Nature/Title	Conducted by	Year taken
Deploying a Data-First Strategy: Separating Fact versus Fiction	Institute of Corporate Directors, Inc.	2024
Joint Learning Session of the Audit and Compliance Committee and Risk Oversight Committee	Land Bank of the Philippines	2024
Asset and Liability Management	Bankers Institute of the Philippines	2024
Anti-Money Laundering Act Compliance in the Age of the Digital World	Anti-Money Laundering Council	2024
Risks and Resilience in the World Of AI	Institute of Corporate Directors, Inc.	2024
The Very Basics of Treasury in Banking	Bankers Institute of the Philippines	2024
AML/CTPF Course For BOD and Senior Management	Anti-Money Laundering Council	2024
Sustainability and Sustainable Finance	Land Bank of the Philippines	2024
Basic Credit Management	Land Bank of the Philippines	2024
Updates on Anti-Money Laundering Act	Anti-Money Laundering Council	2023
Joint Learning Session of the Audit and Compliance Committee and Risk Oversight Committee	Land Bank of the Philippines	2023
Technology Governance for Directors	Institute of Corporate Directors, Inc.	2023
Future-Proof your Business/An AUDCOM x CEO x CAE Forum	The Institute of Internal Auditors Philippines/ Institute of Corporate Directors	2023
Webinar on the Overview of Environmental and Social Risk Management System (ESRM) System	Land Bank of the Philippines	2022
Anti-Money Laundering/Countering the Financing of Terrorism	Anti-Money Laundering Council	2022
Governing with Analytics: Building a Predictive Enterprise	Institute of Corporate Directors	2021
Trade Finance Overview	Land Bank of the Philippines	2021
Updating on Anti-Money Laundering Act Webinar	Anti-Money Laundering Council	2021
LBP Head Office Procurement Procedures	Land Bank of the Philippines	2021
Building Better Bankers: Fostering a Stronger KYE Program	Association of Bank Compliance, Officers, Inc. (ABCOMP)	2021

Anti-Money Laundering Act – Updates on Amendments	AMLC Secretariat	2020
The Basic Policy Process Five-Day Certificate Program (Awarded Best Group Paper)	Development Academy of the Philippines (DAP)	2020
The Future of Finance: The Blockchain and Digital Assets	Disini Law	2020
The Business of Influencer Marketing	Disini Law	2020
Reimagining Business (Three-Part Series)	Internet and Mobile Marketing Association of the Philippines	2020
Data Governance: Privacy and Security	Disini Law	2020
Electronic Evidence and the New Rules on Evidence	Disini Law	2020
Revised Corporation Code	Ateneo Law Alumni Association, Inc.	2020
Digital Transformation Necessary in the New Normal	Institute of Corporate Directors	2020
Building Business Resilience in the Corporate Strategy	Institute of Corporate Directors	2020
Finance Business Restructuring During and After a Crisis	Institute of Corporate Directors	2020
Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) Training Workshop	Anti-Money Laundering Council Secretariat	2019
Overview on Reports and Processes of Internal Audit Group	Land Bank of the Philippines	2019
Philippine Banks: Strategic Direction and Regulatory Agenda, Capital Planning and Risk Management	Land Bank of the Philippines featuring Christian G. Lauron, Partner, SGV	2019
Disaster Resiliency	Land Bank of the Philippines featuring Dr. Teofredo T. Esguerra, Disaster and Crisis Specialist	2019
Overview on Reports and Processes of Compliance Management Group	Land Bank of the Philippines	2019
Treasury Products and Operations	Land Bank of the Philippines	2019
Harnessing the Full Potential of Cooperatives	Land Bank of the Philippines featuring Lecira V. Juarez, Managing Director, APRACA- CENTRAB	2019
Global Sustainable Finance Conference Karlsruhe, Germany	European Organisation for Sustainable Development (EOSD)	2019
Philippine OpenGov Leadership Forum - Building a Digital Native Philippines	OpenGov	2019
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 for Government-Owned and Controlled Corporations (GOCC's)	Institute of Corporate Directors	2018
BSP Philippine Economic Briefing	Bangko Sentral ng Pilipinas	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)	Bangko Sentral ng Pilipinas	2007
MAP International CEO Conference (Moderator)	Management Association of the Philippines	2006
SEIPI CEO Forum (Moderator)	Semiconductor and Electronics Industries in the Philippines, Inc.	2003
BSP CEO Forum (Moderator)	Bangko Sentral ng Pilipinas	2002
10th APEC Summit Los Cabos, Mexico	Asia-Pacific Economic Cooperation	2002
The Professional Citibanker Development Program	Citibank	1993
Service Excellence I/II	Citibank	1993
Citiselling Workshop	Citibank	1993

Present Position-Government	Position	Date Assumed
Land Bank of the Philippines	Member, Board of Directors/ Private Sector Representative	2023

Past Position-Government	Position	Date Assumed
Land Bank of the Philippines	Member, Board of Directors/ Private Sector Representative	2018

Past Position-Other Private Institutions	Position	From	To
Petron Corporation	Consultant	2017	2020
ABS CBN News Channel (ANC)	News Anchor	2015	2017
Solar News Channel (currently CNN Philippines)	News Anchor	2011	2014
ABS CBN Broadcasting Corporation/ANC	News Anchor/Executive Producer	1996	2010
Fisher Broadcasting Corporation KOMO TV-4 (Seattle, Washington)	TV Associate Producer for Special Projects	1995	1996
Citibank	Customer Relationship Manager	1993	1994
Irlanda Industries, Inc.	Special Assistant to the President	1991	1993

**Recommendation 2.10**

- 1. The Board ensures that the company has in place a sound Enterprise Risk Management (ERM) framework to effectively identify, monitor, assess and manage key business risks.**

LANDBANK's ERM process is articulated under the LANDBANK Volume 1 – Risk Governance Framework Manual. The Bank's ERM framework is articulated in the following chapters of Volume 1:

- Chapter 2: Risk Management Framework
- Chapter 3: Risk Management Structure
- Chapter 4: Integrated Risk Management Strategies

- 2. The risk management framework guides the Board in identifying units/business lines and enterprise-level risk exposures, as well as the effectiveness of risk management strategies.**

Chapter 2 of Volume 1: Risk Management Framework provides the Bank's Risk Governance Framework which covers the responsibilities of BOD and Senior Management, including the three (3) levels of Risk Management: Strategic, Portfolio and Transactional level, all having different responsibilities in identifying, mitigating/controlling (setting RM Strategies) as well as monitoring and reporting risks. The Bank's Risk Governance Framework is also articulated in the Annual Report including its enterprise or group-wide RM implementation and oversight which includes all LBP Subsidiaries.

**In the information showing the Board's oversight responsibility on the establishment of a sound enterprise risk management framework and how the Board was guided by the framework:**

- The Board delegates the oversight responsibility on the establishment of a sound enterprise risk management framework to the Risk Oversight Committee or ROC, a Board-level committee. As embodied in the board-approved ROC Charter, the ROC shall be primarily responsible for:
  - a. Fulfilling statutory, fiduciary and regulatory responsibilities.
  - b. Advising the Board of Directors, of the overall current and future risk appetite, oversee senior management's adherence to the risk appetite statement.
  - c. Ensuring the alignment of risk management objectives with overall business strategies and performance goals.
  - d. Reporting the state of the risk culture of the Bank by developing and overseeing the risk management programs of the Bank which include the following:
    - 1) Oversee the Bank's risk management framework.
      - The Committee shall oversee the enterprise risk management framework and ensure periodic review of the effectiveness of the risk management systems and recovery plans;
      - Ensure that corrective actions are promptly implemented to address risk management concerns.
    - 2) Oversee adherence to risk appetite.
      - The Committee shall ensure that the current and emerging risk exposures are consistent with the Bank's strategic direction and overall risk appetite;
      - It shall assess the overall status of adherence to the risk appetite based on the quality of compliance with the limit structure, policies and procedures relating to risk management and control, and performance of management among others.

- 3) Oversee the risk management function and approval of proposals regarding the Bank's enterprise wide policies, procedures and adoption of best practices relative to asset and liability management, credit, market, interest rate, liquidity and business operations risks, among others, ensuring that:
  - Risk Management systems are in place;
  - Limits/tolerance levels are observed;
  - System of limits remain effective; and
  - Immediate corrective actions are taken whenever limits are breached or whenever necessary.
- 4) Ensuring compliance to written policies and procedures relating to the management of risks throughout the Bank.  
This shall include:
  - Comprehensive risk management approach;
  - Detailed structure of limits, guidelines and other parameters used to govern risk-taking units;
  - Clear delineation of lines of responsibilities for managing risk;
  - Adequate system for measuring risk; and
  - Effective internal controls and a comprehensive risk reporting process.
- 5) Responsible for the appointment/selection, remuneration, and dismissal of the Chief Risk Officer (CRO). It shall also ensure that the risk management function has adequate resources and effectively oversee the risk taking activities of the Bank; and
- 6) Oversee the continuing education program to enhance its members' understanding of relevant regulatory and banking industry issues.

**Proof of effectiveness of risk management strategies:**

- The Risk Management Framework serves as a structured approach to identify, assess, and manage risks across various levels of the Bank. It provides guidance to the Board through the ROC in understanding the risk landscape, including risks associated with specific business units or lines of business, as well as risks that affect the entire enterprise. By utilizing this framework, the ROC can gain insights into the organization's risk profile and evaluate the effectiveness of existing risk management strategies. This allows for informed decision-making and the implementation of measures to mitigate risks and enhance resilience.
- Moreover, the Bank annually conducts its internal capital adequacy assessment process which evaluates its materials exposures arising from its core businesses and operating environment to determine its capital requirements in accordance with regulatory policies. This Bank's capital assessment exercise ensures that the Bank would have enough capital to cover losses arising from possible adverse scenarios that could affect its financial viability and is documented under the Internal Capital Adequacy Assessment Process which is submitted annually to the Bangko Sentral ng Pilipinas. Historically, the Bank has not breached the minimum capital requirement set by the regulators despite its continuing business expansion by providing financial intervention to farmers and fisherfolks in the countryside.
- The Bank's continuous business operations are also assured in case of various calamities or catastrophes and other adverse scenarios that may affect its operations as it implements a Business Continuity Management (BCM) system. The Bank's BCM is an advanced planning and preparation to maintain business functions or quick resumption of operations after a disaster occurs. As part of the BCM, every Business

Unit of the Bank have their own Business Continuity Plan which identifies possible adverse events or disaster that may occur in their respective areas of operation and lists the mitigating activities that they will implement in case such disasters occur to reduce the adverse impact of these scenarios to their respective operations.

- The Bank also has its internal Crisis Management Plan which documents potential crisis scenarios and the corresponding action plans and procedures to deal with these crises. As an example, during the aftermath of super typhoon “Yolanda” that devastated the Visayas region, LANDBANK was the first bank to rush to the area to provide mobile ATM cash machines to serve the banking needs of the affected residents/survivors.

### **Recommendation 12.1**

#### **The company has an adequate and effective enterprise risk management framework in the conduct of its business.**

The Bank adopted the Committee of Sponsoring Organizations for the Treadway Commission (COSO)<sup>1</sup> international ERM framework.

1. Documents containing information on the Bank’s RM processes and procedures:
  - Risk Management Manual
  - Various risk management policies and guidelines on:
    - information security and technology risks
    - credit risks
    - operational risks (people, process, event, legal and IT risks)
    - treasury risks (market, liquidity, interest rate in the banking book, counterparty credit)
    - other risks
  - Operations Manual of the following departments/units under the Risk Management Group which implements/performs the Bank’s risk management function which presents in detail how the risk management activities:
    - Credit Risk Management Department
    - Operational Risk Management Department
    - Market and Liquidity Risk Management Department
    - Information Security and Technology Risk Management Department
2. Current risks
  - Global risks (trade tensions, contagion, etc)
  - Cyber security threats
  - Macroeconomic risks (inflation, fiscal deficit, etc.)
  - Money-laundering risk
3. Frequency of review of the ERM framework:
  - Continuously/as the need arises

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<sup>1</sup> COSO, the Committee of Sponsoring Organizations of the Treadway Commission, is a collaboration of five professional bodies dedicated to providing guidance on enterprise risk management, internal control, and fraud deterrence. Established in 1985, COSO’s frameworks, including the renowned Internal Control Integrated Framework, are widely adopted internationally, aiming to enhance organizational performance and governance.

## DIRECTOR'S ATTENDANCE TO BOARD AND BOARD-LEVEL COMMITTEE MEETINGS (CY 2024)

Name of Directors		Board Meeting (24 Meetings)		Corporate Governance Committee (7 Meetings)		Audit and Compliance Committee (12 Meetings)		Risk Oversight Committee (15 Meetings)		Trust Committee (4 Meetings)		Related Party Transactions Committee (6 Meetings)	
		Attended	%	Attended	%	Attended	%	Attended	%	Attended	%	Attended	%
1	Ralph G. Recto <sup>/1</sup>	23 out of 23	100.00	N/A	-	N/A	-	9 out of 10 <sup>/3</sup>	90.00	4	100.00	N/A	-
2	Sec. Benjamin E. Diokno <sup>/2</sup>	1 out of 1	100.00	N/A	-	N/A	-	1 out of 1	100.00	N/A	-	N/A	-
3	Conrado M. Estrella III	22	91.67	N/A	-	4 out of 11 <sup>/4</sup>	36.36	N/A	-	N/A	-	N/A	-
4	Bienvenido E. Laguesma	18	75.00	N/A	-	N/A	-	N/A	-	2	50.00	N/A	-
5	Francisco P. Tiu Laurel Jr.	15	62.50	N/A	-	N/A	-	6 out of 9 <sup>/5</sup>	66.67	N/A	-	N/A	-
6	Lynette V. Ortiz	24	100.00	N/A	-	N/A	-	N/A	-	2 out of 3 <sup>/6</sup>	66.67	N/A	-
7	Nancy D. Irlanda	24	100.00	7	100.00	N/A	-	15	100.00	4	100.00	6	100.00
8	Virginia N. Orogo	24	100.00	7	100.00	12	100.00	15	100.00	N/A	-	6	100.00
9	David D. Erro	24	100.00	7	100.00	11	91.67	13 out of 14 <sup>/7</sup>	92.86	N/A	-	6	100.00
Total Number of Meetings Held During the Year : 68													

<sup>/1</sup> Assumed the position effective January 12, 2024<sup>/2</sup> Term ended on January 11, 2024<sup>/3</sup> On Official Business (OB) on July 10, Aug. 7, Sept. 4, and Nov. 13, 2024<sup>/4</sup> DAR Secretary Conrado M. Estrella III was designated as member of the Audit Com on January 24, 2024<sup>/5</sup> On Official Business (OB) on April 12, Aug. 7, Sept. 4, Oct. 30, Nov. 13, and Dec. 11, 2024<sup>/6</sup> On Official Business (OB) on March 20, 2024<sup>/7</sup> Dir. David D. Erro was designated as member of the RiskCom on January 24, 2024

**Recommendation 6.1****Performance Assessment Program for the Board of Directors and Board-level Committees**

Performance evaluation of the Bank's Board of Directors is central to corporate governance. Self-assessment performance rating sheets as initially developed by the Institute of Corporate Directors (ICD) and continuously improved by the Corporate Governance Committee are disseminated yearly to evaluate the performance of the Board of Directors as a whole, Board-level Committees and individual members thereof. The results of the performance assessments are evaluated and deliberated upon annually by the Corporate Governance Committee in a duly constituted meeting.

The Bank encourages the continuous education of the Directors. One of the results of the performance evaluation is the identification of the direction of the policy for the continuing education of the Directors, in order to address certain areas of concern in the performance of the Directors, if any.

For CY 2024, the results of the Performance Rating System of the Board and Board-level committees were discussed and noted by the Corporate Governance Committee in a meeting held on February 10, 2025 (CGCom Resolution Nos. 25-014 to 25-019).

Attached are the templates of self-assessments conducted for the whole Board, the individual members and the Board-level Committees.

# Performance Rating System

Evaluation:

## Board of Directors

developed by:



for the exclusive use of:



This rating instrument is divided into four categories with corresponding weights.

### I. Board Functions and Responsibilities (30%)

The Board is a collegial body, conferred by law with original powers to decide on behalf of the Bank. It should act in the long-term interest of the Bank with fairness, accountability and transparency in an ethically and socially responsible manner. Broadly defined, the main functions of the Board are in the areas of: Strategy, Policy, Monitoring and Accountability.

### II. Board Structure (10%)

In order to carry out its functions, the Board should consider its composition, the need for qualified independent directors, the arrangements for recruiting such directors, their induction, training and tenure.

### III. Board Process (30%)

The Board should articulate a policy on its agenda of work and the process to get that work done. It is important to establish and record protocols especially on all the potentially controversial and difficult aspects of the ways in which the directors will work together in order to enhance teamwork and harmony.

### IV. Board Performance (30%)

The Board should have mechanisms that gauge the directors' abilities, willingness and commitment to contribute.

The final scores:	80% - 84.99%	acceptable
	85% - 94.99%	ideal
	95% -100.00%	superior

## Evaluation: Board of Directors

Evaluating the Board of Directors' performance is an important tool that allows you to go over the Board and its members' responsibilities and manage expectations. This exercise will allow you to identify strengths and areas for improvement, helping you to set goals for a more effective performance.

In making an assessment of the Board, please provide your answer on the rightmost column, on a scale of 1 to 5.

**1 – No, I strongly disagree. This is not a practice.**

**2 – No, but this is practiced once in a while / there are efforts to do so.**

**3 – Undecided. Mechanisms are in place but are not executed satisfactorily or consistently.**

**4 – Yes, I agree, but there is some room for improvement.**

**5 – Yes, I strongly agree.**

If you have additional comments or wish to qualify your answers, a space is provided at the end of this assessment form.

### I. BOARD FUNCTIONS AND RESPONSIBILITIES (30%)

CHECKLIST	RATING				
	1	2	3	4	5
1. Has the Board formulated a corporate strategy for the Bank?					
2. Has the Board specified core values for the Bank?					
3. Has the Board formulated/reviewed the Mission Statement as a permanent reference to guide the Bank in strategy execution?					
4. Has the Board put forward/reviewed a Vision Statement, which articulates what the Bank sees itself becoming in the foreseeable future (3 to 5 years or any other realistic time frame)?					
5. Has the Board indicated its short list of strategic priorities the Bank must pursue?					
6. Has the Board ensured proper balance in its list of strategic priorities which also need to be interconnected with each other?					
7. Has the Board asked for clear targets including the set timelines of specific initiatives and action programs in support to the Bank's strategic priorities?					
8. Has the Board asked for clear measures by which to track progress in the Bank's pursuit of its strategic priorities?					
9. Does the Board set aside time for a strategic review so as to assess performance and possible progress in strategy execution?					
10. Is the Board proactive in formulating policies to direct management towards effective strategy execution?					
11. Has the Board formulated policies on corporate incentives, rewards and recognition?					
12. Is the annual performance rating system connected with strategy execution?					
13. Is the accountability system set up to secure the alignment of all groups, departments, and support units with the execution of the annual plans and corporate strategy?					
14. Is the Code of Ethics being observed?					
15. Is social responsibility embedded in the Bank's corporate culture?					
16. Is a culture of governance and responsibility being made to take root in the Bank through the annual performance rating system that ties individual contribution to strategy execution?					
17. Is the culture of governance and responsibility continuously being strengthened in the Bank?					
18. Does the Board undertake an annual performance evaluation of the President and CEO?					

## II. BOARD STRUCTURE (10%)

CHECKLIST	RATING				
	1	2	3	4	5
1. Does the Board have independent directors?					
2. Do members of the Board contribute proactively, positively and meaningfully to Board deliberations in the process of arriving at Board decisions?					
3. Have Board Committees (Audit Committee, Risk Management Committee, Corporate Governance Committee and Trust Committee) been set up, and are they functioning properly, at least by meeting regularly, following the written charters specified for their duties?					
4. Are members of the Board Committees independent in their actuations and contributions as they discharge their Committee duties?					
5. Is the Board effectively living up to its duties towards the shareholders of the Bank, the Philippine government?					
6. Is the Board properly organized to ensure that its duties towards other stakeholders are professionally and effectively discharged?					
7. Are qualified professionals appointed to key offices to assist the Board? (Corporate Secretary, Compliance Management, Risk Management and Internal Audit)					
8. Rate the diversity of the Board in terms of their educational attainment, work experience & disciplines, skills and expertise. 1 – insufficient 2 – needs improvement 3 – acceptable 4 – good 5 – excellent diversity					
9. Does the Board have the right mix of experience and background?					

## III. BOARD PROCESS (30%)

CHECKLIST	RATING				
	1	2	3	4	5
1. Does the Chair engage the participation of all members of the Board, particularly in getting them to contribute to strategy formulation and oversight of strategy execution?					
2. Does the Chair ensure for the President and CEO enough discretion so that management takes on the responsibility for executing strategy?					
3. Does the President and CEO keep the Board fully informed of progress and problems arising from strategy execution?					
4. Does the Board give the President and CEO sufficient direction but enough authority and responsibility to lead and manage the organization successfully?					
5. Does the President and CEO cascade the demands of corporate strategy down to the groups, departments, and support units which are required to formulate their own support strategies fully supportive of the priorities in the corporate strategy?					
6. Does the President and CEO require all heads of groups, departments and support units which are required to specify measures, targets and initiatives (by which they contribute to the achievement of corporate strategic priorities) through scorecards that are reported regularly, at least on a quarterly basis?					
7. Does the President and CEO measure performance mainly on the basis of those specific measures, targets and initiatives through scorecards that are reported regularly, at least on a quarterly basis?					
8. Are members of the Board given enough opportunity to engage in open dialogue so they would be part of the Board decision-making process?					
9. Does the Board conduct regular meetings twice a month?					
10. During meetings, is enough time being allocated to help the Board fulfill its core functions properly?					
11. Does the Corporate Secretary have attendance records of Board meetings?					
12. Do Board Committees meet regularly and their minutes of meeting regularly submitted and confirmed by the Board?					
13. Are the minutes of the meeting duly taken and show details about the deliberation, particularly positions of directors on key issues?					
14. Has the Board formally adopted a Board Protocol, which clearly spells out, among others, the functions of the Board, what is expected of them, and the duties and responsibilities of each individual director?					
15. Does the Board assess whether those functions are properly performed during performance review?					
16. Do directors have a right and a duty to bring to the attention of the Board any serious issues or material matters which are of concern to them?					
17. Does the Board have clear delegation of authority to senior management and regularly review management effectiveness?					
18. Does the Board have a clear communication process with senior management?					

CHECKLIST	RATING				
	1	2	3	4	5
19. Does the Board require the Bank subsidiaries to submit, at least quarterly, their accomplishments, targets, and annual plans and programs?					
20. Are the directors able to observe the delineation between Board and management responsibilities, separating themselves from management and operational issues, but exercising diligent oversight over them?					
21. Does the Board have a document which defines and enumerates “conflicts of interests”?					
22. In case of conflicts, does the Board follow a systematic disclosure procedure to resolve such conflicts?					
23. Does the Board ensure the disclosure of facts and material information before arriving at a decision?					
24. Does the Board have a Code of Corporate Governance?					
25. Does the Board comply with the DOSRI rules?					
26. Does the Board control the agenda for its meetings? Before every Board meeting, does the Chair meet the President and CEO to settle the agenda?					
27. Do the Chair and the President and CEO set forth an annual calendar to ensure that all key issues are reviewed and studied by the Board?					
28. Does the Board schedule strategy review sessions annually?					
29. Does the Corporate Secretary facilitate the proper and effective functioning of the Board and ensure that Board procedures are followed?					

## IV. BOARD PERFORMANCE (30%)

CHECKLIST	RATING				
	1	2	3	4	5
1. Does the Board have a policy on its conduct of the annual performance rating system?					
2. Does the Chair ensure the implementation of the annual performance rating system?					
3. Is this annual performance rating instrument effective and comprehensive?					
4. Does the annual performance rating system ensure independence of evaluation?					
5. Does the annual performance rating system identify what is required of a director, as a basis for evaluation?					
6. Does the Board provide realistic opportunities for directors to acquire the necessary skills and knowledge complementing what they already have?					
7. Has the Board established the method and frequency of monitoring the performance of each individual director, the Board Committees and the Board as a whole?					
8. Does the Board evaluate the performance of each Committee?					
9. Does the Board seek an external facilitator in accomplishing the annual performance rating system?					
10. Is the evaluation of each Committee aligned with the corporate strategy?					
11. Does the Board have a mechanism to enable all Board members to contribute or support the President and CEO and top management?					
12. Does the Board regularly enhance the annual performance rating system as a positive tool to strengthen the Board?					

Comments, Observations, &amp; Suggestions:

[illegible]

*Signature of Director*

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*Date Accomplished*

## **Performance Rating System**

**Evaluation:**

### **Individual Directors**

developed by:



for the exclusive use of:



This rating instrument includes questions on the following:

- I. Competence and Independence (25%)
- II. Commitment to Corporate Governance (25%)
- III. Transparency (20%)
- IV. Audit & Risk Oversight (20%)
- V. Committee Activity (10%)

The final scores:	80% - 84.99%	acceptable
	85% - 94.99%	ideal
	95% - 100.00%	superior

## Evaluation: Self-Evaluation of Individual Directors

Evaluating your performance as a director is a crucial tool that allows you to review your responsibilities, and identify your strengths and areas for improvement, and helps you to set goals for a more effective performance.

In completing the self-assessment, write your answer on the rightmost column, on a scale of 1 to 5.

**1 – No, I strongly disagree. I do not practice this.**

**2 – No, but I try to do so.**

**3 – Undecided. Only occasionally.**

**4 – Yes, I agree, but there is some room for improvement.**

**5 – Yes, I strongly agree.**

If you have additional comments or wish to qualify your answers, a space is provided at the end of this assessment form.

CHECKLIST	RATING				
	1	2	3	4	5
<b>Competence and Independence</b>					
1. Do I actively participate in Board meetings?					
2. Do I think and act independently in all my decisions as a member of the Board of Directors?					
3. Do I speak up on critical matters requiring objective opinion even if my views differ from the norm?					
4. Do I listen and respond tactfully to the opinions of others that are not aligned with my own (without compromising my independent position)?					
5. Do I know the role of the Board in strategy formulation, analysis and implementation, and the distinction from that of management?					
6. Do I actively participate in strategy formulation?					
7. Do I regularly review management's strategic annual plans and provide oversight to top management?					
8. Am I aware about the issues and processes involved in formulating, implementing and controlling the Bank's corporate and business strategies?					
9. Can I identify the challenges and areas where Board's effectiveness can be improved?					
10. Do I take an active part in championing reform (when needed)?					
11. I concurrently hold (inclusive of LandBank) corporate directorships in: 10 or more institutions - mark box # 1 8 to 9 institutions - mark box # 2 6 to 7 institutions - mark box # 3 4 to 5 institutions - mark box # 4 1 to 3 institutions - mark box # 5					
12. Do I seek additional knowledge and skills training relevant to my directorship?					

<b>Commitment to Corporate Governance</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
13. Do I contribute in defining and communicating the Bank's corporate vision, mission and core values?					
14. Do I devote sufficient time to familiarize myself with the Bank's operations?					
15. Do I have a working knowledge of the statutory and regulatory requirements affecting Bank operations?					
16. Do I scrutinize and analyze key agenda items for Board meetings ahead of time?					
17. Do I conscientiously attend every Board meeting?					
18. Am I always punctual for Board meetings?					
19. Do I effectively engage in the discussions on issues brought to the Board?					
20. Am I aware of my duties and responsibilities and observe it at all times?					
21. Does my behavior conform to the precepts prescribed by the Code of Ethics?					
22. Does the Bank have a Code of Ethics that a director signs into upon appointment as a director?					
23. Do I strictly adhere to the Code of Corporate Governance?					

<b>Transparency</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
24. Do I ensure disclosure of facts and material information from management before arriving at a decision?					
25. Do I require the Bank's management to disclose required information to the stakeholders and the general public?					
26. Do I conduct a thorough and conscientious evaluation of issues, ask questions and seek clarification when necessary before arriving at a decision?					
27. Do I ensure that matters taken up in the Board are not subordinated by my personal interest?					
28. Do I fully reveal conflicts of interest?					
29. When potential or actual conflicts of interest are found, do I abstain from participating or voting?					

<b>Audit &amp; Risk Oversight</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
30. Do I have a sound background and knowledge of the Bank's accounting, financial terminologies and concepts?					
31. Do I ensure that external and internal audit findings are properly discussed and acted upon?					
32. Do I ensure that risk limits are strictly complied and deviations are properly addressed or justified?					
33. Do I ensure that persons responsible for deviations are managed and appraised?					
34. Do I fully evaluate and identify risk factors for loan proposals presented to the Board for approval/confirmation?					
35. Do I ensure that all the policies and procedures of the Bank are strictly followed / implemented by management?					

<b>Committee Activity</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
36. Do I understand the process of Committee work, particularly its relations with the executive management?					

Institute of Corporate Directors ©

## **Performance Rating System**

**Evaluation:**

### **Audit and Compliance Committee**

developed by:



for the exclusive use of:



This rating instrument includes questions on the Audit and Compliance Committee's:

- I. Composition
- II. Processes
- III. Communications and Information
- IV. Oversight of the Financial Reporting Process, Including Internal Controls
- V. Other Duties

The final scores:	80% - 84.99%	acceptable
	85% - 94.99%	ideal
	95% -100.00%	superior

## Evaluation: Audit and Compliance Committee

Audit and Compliance Committees are required mainly to help ensure that the Board lives up to one of its core functions of installing a financial control and reporting system.

Evaluating your Committee's performance is a significant measure that allows you to go over the Committee's and its members' responsibilities and manage expectations. This exercise will allow you to identify strengths and areas for improvement, helping you to set goals for a more effective performance.

In making an assessment of the Audit and Compliance Committee, please provide your answer on the rightmost column, on a scale of 1 to 5.

**1 – No, I strongly disagree. This is not a practice.**

**2 – No, but this is practiced once in a while / there are efforts to do so.**

**3 – Undecided. Mechanisms are in place but are not executed satisfactorily or consistently.**

**4 – Yes, I agree, but there is some room for improvement.**

**5 – Yes, I strongly agree.**

If you have additional comments or wish to qualify your answers, a space is provided at the end of this assessment form.

CHECKLIST		RATING				
Composition		1	2	3	4	5
1. The Audit and Compliance Committee's membership has an appropriately high level of financial skills.						
2. The Audit and Compliance Committee's membership is sufficiently independent of management.						
3. The Audit and Compliance Committee ensures compliance with corporate governance regulations and guidelines.						
4. The Audit and Compliance Committee has developed a continuing education program to enhance its members' understanding of relevant auditing, accounting, regulatory, and banking industry issues.						
5. New Audit and Compliance Committee members are provided with an orientation program to educate them on the Bank and their responsibilities.						

Processes		1	2	3	4	5
6. The Audit and Compliance Committee sets the direction for the Committee through a clear and specific charter approved by the full Board, understood by all Committee members, and used to guide Committee activities.						
7. The Audit and Compliance Committee reviews its charter annually to determine whether its responsibilities are adequately described.						
8. The Audit and Compliance Committee ensures that expectations are clearly discussed with, and understood by management, auditors, and other advisors.						
9. The Audit and Compliance Committee produces meaningful, timely, clear and focused reports to the Board.						
10. The Audit and Compliance Committee meetings are held at least monthly.						
11. The Audit and Compliance Committee reviews the results of the Bank's internal audit activities.						
12. The Audit and Compliance Committee ensures and evaluates the objectivity of the internal audit function.						
13. The Audit and Compliance Committee receives and reviews the results of the BSP Report of Examination and the COA Annual Audit Report.						

<b>Processes (con't.)</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
14. The Audit and Compliance Committee ensures the full operationalization of a proper and adequate control system.					
15. Such a system secures reliability of “reporting, safeguarding of assets, compliance with rules and regulations, effectiveness and efficiency of operations”.					
16. The Audit and Compliance Committee obtains from the internal and external auditors the key control issues and findings.					
17. The Audit and Compliance Committee makes periodic assessments on whether progress is being made to adequately address these issues and findings.					
18. The Audit and Compliance Committee meets with the Compliance Officer to review programs designed to raise the culture of ethics and compliance within the Bank.					
19. The Audit and Compliance Committee ensures an enforcement mechanism, which decisively sanctions non-compliance and unethical behavior.					
20. The Audit and Compliance Committee has a process that ensures all members of the Committee understand all major aspects of the operations of units that contribute a substantial percentage to the Bank’s earnings.					
21. The Audit and Compliance Committee thoroughly reviews the findings of “special action committees” that management may have created for cases on operational lapses and losses.					
22. The Audit and Compliance Committee ensures that the appropriate actions and refinements of operational controls have been undertaken.					
23. The Audit and Compliance Committee meets with the internal auditor regularly, with and without management present.					
24. The Audit and Compliance Committee ensures internal controls are effective and reports on these to the Board.					
25. The Audit and Compliance Committee has access to outside professional advice (accounting, legal, information technology, etc.), if necessary.					
26. Discussions at Committee meetings are open, respectful and air opposing views effectively.					
27. The Committee uses an annual calendar to plan meetings, address issues and align with planning and reporting cycles.					

<b>Communications and Information</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
28. The level of openness between members of the Audit and Compliance Committee and other Board members is high.					
29. The level of openness between the Audit and Compliance Committee and management is high.					
30. Committee members are made aware of communications received from governmental or regulatory agencies relating to areas of alleged violations or areas of non-compliance.					

<b>Oversight of the Financial Reporting Process, Including Internal Controls</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
31. The Audit and Compliance Committee oversees management's procedures for enforcing the Bank's Code of Conduct.					
32. The Audit and Compliance Committee considers the transparency of disclosures.					
33. The Audit and Compliance Committee ensures the Bank's compliance with International Accounting Standards. (IAS)					
34. The Audit and Compliance Committee receives sufficient information to evaluate the Bank's system of internal controls (e.g. financial reporting and disclosure controls, operation controls, and compliance controls).					
35. The Audit and Compliance Committee evaluates the internal control testing conducted by internal auditors to assess the process of reasonably detecting internal control issues or fraud.					
36. If management's assessment of internal controls resulted in the identification of significant deficiencies or material weaknesses, plans to address these issues are reviewed by the Audit and Compliance Committee.					
37. The Audit and Compliance Committee makes inquiries on the depth of experience and sufficiency of the Internal Audit Group's officers and staff.					
38. The Audit and Compliance Committee reviews the recommendation letters written by the auditors to ensure that all significant matters raised are addressed.					
39. The Audit and Compliance Committee evaluates management's action plans as applicable (i.e. to address internal control deficiencies and related corrective actions).					
40. The Audit and Compliance Committee takes action to ensure resolutions when there are instances of repeat comments from auditors and others about internal controls.					
41. Is an internationally recognized accounting and auditing system in place, consistent with the International Accounting Standards (IAS) and the International Standards on Auditing (ISA)?					

<b>Other Duties</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
42. The Audit and Compliance Committee participates in the development of a calendar and agenda to ensure that responsibilities are met.					
43. Committee members have the option to influence meeting agenda in order to address emerging issues.					
44. The Audit and Compliance Committee encourages input on the meeting agenda from management, the internal auditor, and the Board of Directors.					
45. The Audit and Compliance Committee has private executive sessions with management and internal audit.					
46. The written materials provided to the Audit and Compliance Committee members are appropriately balanced (i.e. relevant and concise).					
47. If a whistleblower hotline exists, the Audit and Compliance Committee reviews the log of incoming calls.					

[illegible]

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## **Performance Rating System**

**Evaluation:**

### **Corporate Governance Committee**

developed by:



for the exclusive use of:



This rating instrument includes questions on the Corporate Governance Committee's:

- I. Composition (20%)
- II. Processes (20%)
- III. Organization and Procedures (20%)
- IV. Continuing Education Program (20%)
- V. Remuneration Program (0%)
- VI. Corporate Governance Program (20%)

The final scores:	80% - 84.99%	acceptable
	85% - 94.99%	ideal
	95% -100.00%	superior

## Evaluation: Corporate Governance Committee

Modern corporate governance – based on international best practices, domestic laws, the BSP Manual of Regulations for Banks, and regulatory requirements – requires the Board of Directors to take its duties of managing and overseeing the affairs of the Bank with due care and diligence. The role of the Board is original, not delegated. Among the many important duties that the Board must take on, the following need careful and diligent attention, involvement, control and oversight:

Evaluating the Corporate Governance Committee's performance is an important tool that allows you to go over the Committee's and its members' responsibilities and manage expectations. This exercise will allow you to identify strengths and areas for improvement, helping you to set goals for a more effective performance.

In making an assessment of the Corporate Governance Committee, please provide your answer on the rightmost column, on a scale of 1 to 5.

**1 – No, I strongly disagree. This is not a practice.**

**2 – No, but this is practiced once in a while / there are efforts to do so.**

**3 – Undecided. Mechanisms are in place but are not executed satisfactorily or consistently.**

**4 – Yes, I agree, but there is some room for improvement.**

**5 – Yes, I strongly agree.**

If you have additional comments or wish to qualify your answers, a space is provided at the end of this assessment form.

CHECKLIST	RATING				
Composition	1	2	3	4	5
1. The Corporate Governance Committee is composed of at least five members.					
2. The Corporate Governance Committee's membership has an appropriately high level of skills and experience.					
3. The Corporate Governance Committee's membership has an adequate knowledge of the Bank's corporate and operational structure and its functions.					
4. The Corporate Governance Committee members have no close blood relationship (up to third degree of affinity and consanguinity) with anyone in senior management of the Bank.					
5. The Corporate Governance Committee members have no close and heavy financial, as well as, business relationships with the Bank.					
6. The Corporate Governance Committee members, except for the Bank's President and CEO, are not currently, nor have they been (in the last three years) employed by the Bank or its subsidiaries.					

Processes	1	2	3	4	5
7. The Committee has access to outside professional advice (accounting, legal, information technology, etc.), if necessary.					
8. The Corporate Governance Committee meetings are held at least every quarter.					
9. Discussions at Committee meetings are open, respectful and air opposing views effectively.					
10. The Committee's minutes are clear, useful, and confirmed regularly by the Board.					
11. The Corporate Governance Committee receives the right information it needs to fulfill its responsibilities in a timely manner.					

Processes (con't.)	1	2	3	4	5
12. There is effective, open communication between Committee members.					
13. There is effective, open communication between the Committee and management.					
14. The Corporate Governance Committee carries out its duties diligently and effectively.					
15. The Corporate Governance Committee sets the direction for the Committee through a clear and specific charter approved by the full Board, understood by all Committee members, and used to guide Committee activities.					
16. The Corporate Governance Committee reviews its charter annually to determine whether its responsibilities are adequately described and recommends amendments whenever necessary.					
17. The Corporate Governance Committee uses an annual calendar to plan meetings, address issues and align with planning and reporting cycles.					
18. The Corporate Governance Committee produces meaningful, timely, and focused reports to the Board.					

Organization and Procedures	1	2	3	4	5
19. The Corporate Governance Committee has a process of evaluating potential conflicts of interest by a director.					
20. Is there a clear definition of conflicts of interest to guide the directors and management?					
21. The Corporate Governance Committee recommends Committee assignments.					
22. The Corporate Governance Committee manages the process whereby the full Board annually assesses its performance.					
23. The Corporate Governance Committee reports the annual results of performance rating system to the Board.					

Continuing Education Program	1	2	3	4	5
24. New Committee members are provided with an orientation program to educate them on the Bank and their responsibilities.					
25. The Corporate Governance Committee has developed a continuing education program to enhance the Board members' understanding of regulatory and banking industry issues and international best practices.					

Remuneration Program	1	2	3	4	5
26. The Corporate Governance Committee recommends reasonable remuneration to be paid to the Board of Directors, officers and staff.					

Corporate Governance Program	1	2	3	4	5
27. The Corporate Governance Committee specifies annually the elements of the Board's corporate governance improvement program.					
28. The Corporate Governance Committee keeps abreast of the developments in corporate governance and effectively assesses its impact on the operations of the Bank.					
29. The Corporate Governance Committee ensures compliance with corporate governance regulations and guidelines.					
30. The Corporate Governance Committee oversees the Bank's whistleblower process.					
31. Does the Bank's Annual Report specifically discuss its risk management system and corporate governance practices?					

Comments, Observations, &amp; Suggestions:

[illegible]

*Signature of Director*

*Date Accomplished*

## **Performance Rating System**

**Evaluation:**

### **Risk Oversight Committee**

developed by:



for the exclusive use of:



This rating instrument includes questions on the Risk Committee's:

- I. Composition
- II. Processes
- III. Tasks

The final scores:	80% - 84.99%	acceptable
	85% - 94.99%	ideal
	95% -100.00%	superior

## Evaluation: Risk Oversight Committee

In today's interconnected world, banks face increasingly graver risks. It is vital that the Risk Management Committee (RMC) understands the specific risks the Bank faces, establishes a process by which they are kept aware of the probabilities, and oversees mechanisms for addressing risks and mitigating their impact.

Evaluating the Risk Management Committee's performance is an important tool that allows you to go over the Committee's and its members' responsibilities and manage expectations. This exercise will allow you to identify strengths and areas for improvement, helping you to set goals for a more effective performance.

In making an assessment of the RMC, please provide your answer on the rightmost column, on a scale of 1 to 5.

**1 – No, I strongly disagree. This is not a practice.**

**2 – No, but this is practiced once in a while / there are efforts to do so.**

**3 – Undecided. Mechanisms are in place but are not executed satisfactorily or consistently.**

**4 – Yes, I agree, but there is some room for improvement.**

**5 – Yes, I strongly agree.**

If you have additional comments or wish to qualify your answers, a space is provided at the end of this assessment form.

CHECKLIST		RATING				
Composition		1	2	3	4	5
1. Each Committee member is knowledgeable of every specific risk the Bank is exposed to.						
2. Is at least one of the Committee a member of the Audit Committee?						
3. Is at least one of the Committee a risk expert?						
4. The Risk Management Committee members have no close blood relationship with anyone in senior management of the Bank.						
5. The Risk Management Committee members have no close and heavy financial, as well as, business relationship with the Bank.						
6. The Risk Management Committee members are not currently, nor have they been (in the last three years) employed by the Bank or its subsidiaries.						
7. The Risk Management Committee's membership has an appropriately high level of skills and experience.						
8. The Risk Management Committee has developed a continuing education program to enhance its members' understanding of relevant regulatory and banking industry issues.						
9. Risk Management Committee members are provided with an orientation program to educate them on the Bank and their responsibilities.						

Processes	1	2	3	4	5
10. The Risk Management Committee sets the direction for the Committee through a clear and specific charter approved by the full Board, understood by all Committee members, and used to guide Committee activities.					
11. The Risk Management Committee reviews its charter annually to determine whether its responsibilities are adequately described, and amends policies if necessary in order to adapt to future risks the Bank may be exposed to.					
12. The Risk Management Committee produces meaningful, timely, and focused reports to the Board.					
13. The Risk Management Committee meetings are held every month.					
14. The Risk Management Committee recognizes the hierarchy of risks and has a separate policy on each risk.					
15. The Risk Management Committee assesses risks in a proactive manner.					
16. The Risk Management Committee has the necessary mechanisms to identify potential risk.					
17. The Risk Management Committee has the authority to require implementation of its recommendations.					
18. The Risk Management Committee members are “risk-minded” in reviewing business strategies, plans, financial reports, operations, and compliance.					
19. The Risk Management Committee continuously evaluates risks and amends policies to mitigate the occurrence of certain risks.					
20. The Risk Management Committee has access to outside professional advice (accounting, legal, information technology, etc.), if necessary.					
21. Discussions at Committee meetings are open, respectful and air opposing views effectively.					
22. The Risk Management Committee uses an annual calendar to plan meetings, address issues and align with planning and reporting cycles.					
23. The Risk Management Committee’s minutes are clear, useful, and reported to the Board.					
24. The Risk Management Committee receives the right information it needs to fulfill its responsibilities in a timely manner.					
25. There is effective and open communication between Committee members.					
26. There is effective and open communication between the Committee and management.					
27. The Risk Management Committee carries out its duties diligently and effectively.					

Tasks	1	2	3	4	5
28. The Risk Management Committee fulfills its statutory, fiduciary and regulatory responsibilities.					
29. The Risk Management Committee has a process of monitoring the actual risks and the control deficiencies in the Bank.					
30. The Risk Management Committee helps the Board define the risk appetite of the Bank.					
31. The Risk Management Committee exercises oversight of management's responsibilities and reviews the risk profile of the Bank to ensure that risk is not higher than the risk appetite determined by the Board.					
32. The Risk Management Committee ensures the alignment of risk management objectives with overall business strategies and performance goals.					
33. The Risk Management Committee monitors the effectiveness of risk management functions throughout the Bank, regularly evaluating the design and operating effectiveness of such controls.					
34. The Risk Management Committee ensures that infrastructure, resources and systems are in place for risk management and are adequate to maintain a satisfactory level of risk management discipline.					
35. The Risk Management Committee monitors and evaluates the independence of risk management functions throughout the Bank.					
36. The Risk Management Committee reviews the strategies, policies, frameworks, models and procedures that lead to the identification, measurement, reporting and mitigation of material risks.					
37. The Risk Management Committee reviews issues raised by internal audit that impact on the risk management framework.					
38. The Risk Management Committee ensures that the risk awareness culture is pervasive throughout the Bank.					
39. The Risk Management Committee ensures compliance with corporate governance regulations and guidelines.					

This image shows a single sheet of white paper with horizontal blue ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

## **Performance Rating System**

**Evaluation:**

### **Related Party Transactions Committee**



This rating instrument includes questions on the Related Party Transactions Committee's:

- I. Composition
- II. Processes
- III. Tasks

The final scores:	80% - 84.99%	Acceptable
	85% - 94.99%	Ideal
	95% -100.00%	Superior



## Evaluation: Related Party Transactions Committee (RPT Com)

The Bangko Sentral ng Pilipinas expects banks, including their non-bank financial subsidiaries and affiliates, to exercise appropriate oversight and implement effective control systems for managing related party exposures. The Related Party Transactions Committee ensures Bank Transactions with related parties are handled in a sound and prudent manner, with integrity, and in compliance with the applicable laws and regulations to protect the interest of depositors, creditors and stakeholders.

Evaluating the Related Party Transactions Committee's performance is an important tool that allows you to go over the Committee's and its members' responsibilities and manage expectations. This exercise will allow you to identify strengths and areas for improvement, helping you to set goals for a more effective performance.

In making an assessment of the Related Party Transactions Committee, please provide your answer on the rightmost column, on a scale of 1 to 5.

- 1 – No, I strongly disagree. This is not a practice.**
- 2 – No, but this is practiced once in a while / there are efforts to do so.**
- 3 – Undecided. Mechanisms are in place but are not executed satisfactorily or consistently.**
- 4 – Yes, I agree, but there is some room for improvement.**
- 5 – Yes, I strongly agree.**

If you have additional comments or wish to qualify your answers, a space is provided at the end of this assessment form.

CHECKLIST	RATING				
	1	2	3	4	5
<b>COMPOSITION</b>					
1. The Related Party Transactions Committee is composed of at least three members.					
2. The Related Party Transactions Committee's membership has an appropriately high level of skills and experience.					
3. The Related Party Transactions Committee's membership has an adequate knowledge of the Bank's corporate and operational structure and its functions.					
4. The Related Party Transactions Committee members have no close blood relationship (up to third degree of affinity and consanguinity) with anyone in senior management of the Bank.					
5. The Related Party Transactions Committee members have no close and heavy financial, as well as, business relationship with the Bank.					
6. The Related Party Transactions Committee ensures compliance with corporate governance regulations and guidelines.					



COMPOSITION (con't.)	1	2	3	4	5
7. If the Related Party Transactions Committee member is a DOSRI (Director, Owner, Shareholder or Related Interest) in regard to the account to be taken up for vetting, the DOSRI member discloses the relationship and inhibits himself from the discussion of the account by stepping out of the room.					
8. The Related Party Transactions Committee is assisted by the Chief Compliance Officer, Head of the Risk Management Group and Internal Audit Group as resource persons.					

PROCESSES	1	2	3	4	5
9. The Related Party Transactions Committee sets the direction through a clear and specific charter approved by the full Board, understood by all Committee members, and used to guide Committee activities.					
10. The Committee's minutes are clear, useful, and confirmed regularly by the Board.					
11. The Related Party Transactions Committee meetings are held at least every quarter or as often as it is considered necessary and appropriate.					
12. The Related Party Transactions Committee receives the right information it needs to fulfill its responsibilities in a timely manner.					
13. Discussions at Committee meetings are open, respectful and air opposing views effectively.					
14. There is effective, open communication between Committee members.					
15. There is effective, open communication between the Committee and management.					
16. The Related Party Transactions Committee has access to outside professional advice (Accounting, Legal, Information Technology, etc.), if necessary.					
17. The Related Party Transactions Committee produces meaningful, timely, clear and focused reports to the Board.					
18. The Related Party Transactions Committee may request any Bank director, officers or employees, or other persons whose advice and/or expertise are sought by the former, during its regular or special meetings to render a report or to clarify relevant issues and matters.					



PROCESSES (con't.)	1	2	3	4	5
19. The Related Party Transactions Committee uses an annual calendar to plan meetings, address issues and align with planning and reporting cycles.					
20. The Related Party Transactions Committee is assisted by a Secretariat to give administrative support to its activities.					

CHECKLIST	RATING				
TASKS	1	2	3	4	5
21. The Related Party Transactions Committee carries out its duties diligently and effectively.					
22. The Related Party Transactions Committee has authority to require implementation of its recommendations.					
23. The Related Party Transactions Committee continuously evaluates on an ongoing basis existing relations between among businesses and counterparties to ensure that all RPs are continuously identified, RPTs are monitored, and subsequent changes in relationships with counterparties (i.e., from non-related to related vice versa) are captured.					
24. The Related Party Transactions Committee evaluates 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.					
25. The Related Party Transactions Committee Minutes, Resolutions and Actions taken on matters arising from the Minutes are clear, useful, reported to and noted by the LBP Board of Directors.					
26. The Related Party Transactions Committee prepares and submits timely and relevant reports to the Board.					

Comments, Observations, & Suggestions:

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*Signature of Director*

*Date Accomplished*

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## Performance Rating System

**Evaluation:**

**Trust Committee**

Developed by:



for the exclusive use of:



This rating instrument includes questions on the Trust Committee's:

- I. **FULFILLMENT OF MANDATE**
- II. **COMPOSITION AND QUALIFICATIONS**
- III. **OVERSIGHT RESPONSIBILITIES**
- IV. **PERFORMANCE OF THE MEMBERS**

The final scores:	80% - 84.99%	Acceptable
	85% - 94.99%	Ideal
	95% - 100.00%	Superior

## Evaluation: Trust Committee

Evaluating the Trust Committee's performance is an important tool that allows you to go over your Committee's and its members' responsibilities and manage expectations. This exercise will allow you to identify strengths and areas for improvement, helping you to set goals for a more effective performance.

In making an assessment of the Trust Committee, please provide your answer on the rightmost column, on a scale of 1 to 5.

*1 – No, I strongly disagree. This is not a practice.*

*2 – No, but this is practiced once in a while / there are efforts to do so.*

*3 – Undecided. Mechanisms are in place but are not executed satisfactorily or consistently.*

*4 – Yes, I agree, but there is some room for improvement.*

*5 – Yes, I strongly agree.*

If you have additional comments or wish to qualify your answers, a space is provided at the end of this assessment form.

CHECKLIST	RATING				
I. FULFILLMENT OF MANDATE	1	2	3	4	5
<ul style="list-style-type: none"> <li>The Trust Committee acts with the highest ethical standards as required under BSP Circular 766, observes the cardinal principles of fidelity and prudence, and implements appropriate degree of independence between the bank and the Trust Banking Group.</li> </ul>					
II. COMPOSITION AND QUALIFICATIONS	1	2	3	4	5
<ul style="list-style-type: none"> <li>At least 5 Qualified Members</li> <li>With Continuous Training</li> </ul>					
III. OVERSIGHT RESPONSIBILITIES	1	2	3	4	5
<ul style="list-style-type: none"> <li>The Trust Committee oversees the management and growth of trust business;</li> <li>Ensures compliance with laws, rules and regulations, including internal policies and procedures;</li> <li>Implements stringent controls;</li> <li>Implements appropriate risk management framework, compliance and internal control;</li> <li>Ensures adoption of appropriate organizational structure and staffing complement;</li> <li>Ensures that accounts are regularly reviewed;</li> <li>Monitors the implementation of strategic plans.</li> </ul>					
IV. PERFORMANCE OF THE MEMBERS	1	2	3	4	5

**B. Evaluation for the Individual Trust Committee Members**

CATEGORY		RATING				
		1	2	3	4	5
I	COMPETENCE AND INDEPENDENCE					
II	COMMITMENT TO CORPORATE GOVERNANCE					
III	TRANSPARENCY					
IV	AUDIT & RISK OVERSIGHT					
V	COMMITTEE ACTIVITY					

**Comments, Observations, & Suggestions:**

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*Signature of Trust Committee Member:* \_\_\_\_\_*Date Accomplished:* \_\_\_\_\_

**GUIDELINES ON THE CONDUCT AND PRESENTATION OF THE PERFORMANCE  
RATING SYSTEM (PRS) OF THE LBP BOARD OF DIRECTORS  
AND BOARD-LEVEL COMMITTEES**

**1. Timeline**

The PRS is an annual, self-rating system distributed internally by the Bank to the Members of the Board of Directors. The PRS Sheet shall be distributed by the first week of December to the members of the Board of Directors and members of the Board-level Committees. It shall be completed by December 30.

**2. Computation of Results**Formula:

- Average score per item = the sum of all the rates divided by the total number of directors
- Average score per director = the sum of all the rates per category divided by the total number of items
- Average score per category = the sum of all the average scores per director divided by the total number of directors multiplied by the percentage weight for each category

Percentage weight presentation:

- Board Rating

This rating instrument is divided into four categories with corresponding weights.

- I. Board Functions and Responsibilities (30%)
- II. Board Structure (10%)
- III. Board Process (30%)
- IV. Board Performance (30%)

The final scores:	80% - 84.99%	Acceptable
	85% - 94.99%	Ideal
	95% -100.00%	Superior

- Individual Rating of Board Members

This rating instrument is divided into five categories with corresponding weights.

- I. Competence and Independence (25%)
- II. Commitment to Corporate Governance (25%)
- III. Transparency (20%)
- IV. Audit & Risk Oversight (20%)
- V. Committee Activity (10%)

The final scores:	80% - 84.99%	Acceptable
	85% - 94.99%	Ideal
	95% -100.00%	Superior

### **3. For other Board-level Committees**

The same formula shall be followed by the board-level committees and in accordance with their respective percentage weight distribution.

### **4. Narrative description of final scores**

There shall be a discussion of the breakdown of the average rating, item number, area and the total score for each category.

### **5. Actions to be taken if final score falls below 80%**

The respective Secretariat shall cite recommendations or actions to be taken for each category in order to improve the low rating, such as, but not limited to, attendance of seminars and conferences.

### **6. Guidelines on the reporting of the results**

The PRS Results are for Confirmation in the Corporate Governance Committee Meeting and Board Meeting. The average ratings of 4 and below shall be reported, together with the recommendations. If all the average ratings are above 4, the three lowest average ratings shall be reported.

### **7. Minimum number of attendance of Director required to fill up the PRS**

The Director must attend at least one quarter of the year or six board meetings to fill up the PRS.

**Fw: Re: LANDBANK's MANUAL ON CORPORATE GOVERNANCE**

FREY-HIPOLITO@MAIL.LANDBANK.COM &lt;FREY-HIPOLITO@MAIL.LANDBANK.COM&gt;

Thu 5/30/2024 3:46 PM

To: IRIS B. MONTECLARO <IMONTECLARO@LANDBANK.COM>; IREGALA@MAIL.landbank.com <IREGALA@MAIL.landbank.com>; AHERMOSO@MAIL.LANDBANK.COM <AHERMOSO@MAIL.LANDBANK.COM>

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From: "ICTD Submission" <[ictdsubmission+canned.response@sec.gov.ph](mailto:ictdsubmission+canned.response@sec.gov.ph)>  
Date: 05/30/2024 11:26AM  
Subject: Re: LANDBANK's MANUAL ON CORPORATE GOVERNANCE

Thank you for reaching out to [ictdsubmission@sec.gov.ph](mailto:ictdsubmission@sec.gov.ph)!

Your submission is subject for Verification and Review of the Quality of the Attached Document only for Secondary Reports. The Official Copy of the submitted document/report with Barcode Page (Confirmation Receipt) will be made available after 7 working days via order through the SEC Express at <https://secexpress.ph/>. For further clarifications, please call (02) 8737-8888.

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COMPANIES -----

Please be informed of the reports that shall be filed only through [ictdsubmission@sec.gov.ph](mailto:ictdsubmission@sec.gov.ph).

Pursuant to SEC MC Circular No. 3 s 2021, scanned copies of the printed reports with wet signature and proper notarization shall be filed in PORTABLE DOCUMENT FORMAT (pdf) through email at [ictdsubmission@sec.gov.ph](mailto:ictdsubmission@sec.gov.ph) such as the following SECONDARY REPORTS:

1. 17-A 6. ICA-QR 11. IHAR 16. 39-AR 21. Monthly Reports
2. 17-C 7. 23-A 12. AMLA-CF 17. 36-AR 22. Quarterly Reports
3. 17-L 8. 23-B 13. NPM 18. PNFS 23. Letters
4. 17-Q 9. GIS-G 14. NPAM 19. MCG 24. OPC (Alternate Nominee)

5. ICASR 10. 52-AR 15.BP-FCLC 20.S10/SEC-NTCE-EXEMPT

Further, effective 01 July 2023, the following reports shall be submitted through <https://efast.sec.gov.ph/user/login>.

1. FORM MC 18 7. Completion Report
2. FORM 1 - MC 19 8. Certificate-SEC Form MCG- 2009
3. FORM 2- MC 19 9. Certificate-SEC Form MCG- 2002, 2020 ETC.
4. ACGR 10. Certification of Attendance in Corporate Governance
5. I-ACGR 11. Secretary's Certificate Meeting of Board Directors

(Appointment)

6. MRPT

Please be informed that the submission of the abovementioned eleven (11) reports through the [ictdsubmission@sec.gov.ph](mailto:ictdsubmission@sec.gov.ph) shall no longer be accepted. For further information, please access this link Notice for guidance on the filing of reports:

Likewise, the following reports shall be filed through the Electronic Filing and Submission Tool (eFAST) at <https://efast.sec.gov.ph/user/login> :

1. AFS 7. IHFS 13. SSF
2. GIS 8. LCFS 14. AFS with Affidavit of No Operation
3. BDFS 9. LCIF 15. AFS with NSPO Form 1,2, and 3
4. FCFS 10. OPC\_AO 16. AFS with NSPO Form 1,2,3 and 4,5,6
5. FCIF 11. PHFS 17. FS - Parent
6. GFFS 12. SFFS 18. FS - Consolidated

For the submission and processing of compliance in the filing of Memorandum Circular No. 28 Series of 2020, please visit this link - <https://apps010.sec.gov.ph/>

For your information and guidance.

Thank you.

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