

RURAL BANKS' RESILIENCE AND RELEVANCE:
**RISING ABOVE THE
CHALLENGES**

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President and CEO



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Presentation Outline:

- Global trends
- Challenges for rural banks
- Areas for collaboration



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2001



As of 2001



4 million

Gift cards

Within 8 months



As of 2020



46 million

Gift cards

\$12.6B

45%

Total Revenue



\$11B ↑

Gift cards sale in 2001

120 million



\$3B

Interest-free loan



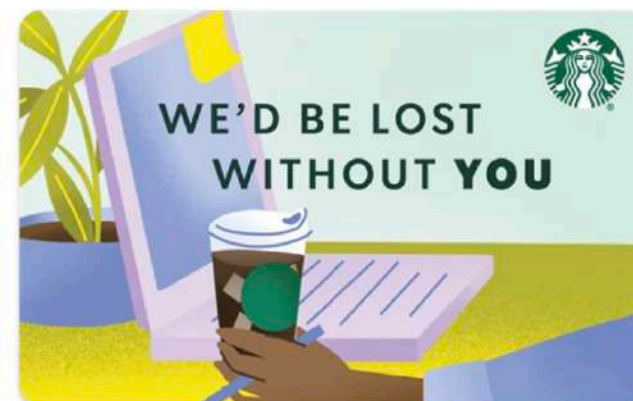
Spend more than
the card value



Do not spend
the full value

\$164.5M

Revenue from never
redeemed gift cards



RESILIENCE
RELEVANCE



- Digital transactions
- Contactless payments
- QR-code
- Mobile wallets
- Digital channels



**DIGITAL
TRANSFORMATION**



“

Prelude to a future that is characterized by instant payments, anytime-anywhere services, individualized products, virtual currencies and perhaps

run by invisible banks.

”



- **Robotics**
- **AI**
- **Machine Learning**
- **Data Analytics**
- **Customer Experience**
- **Cybersecurity**

Adapt.

Reinvent.

Pivot.



Digital Channels

AMOUNT

As of 2021

P2.45T **46%**

Increase

As of 2020

P1.68T

VOLUME

As of 2021

114.2M **19%**

Increase

As of 2020

136.3M



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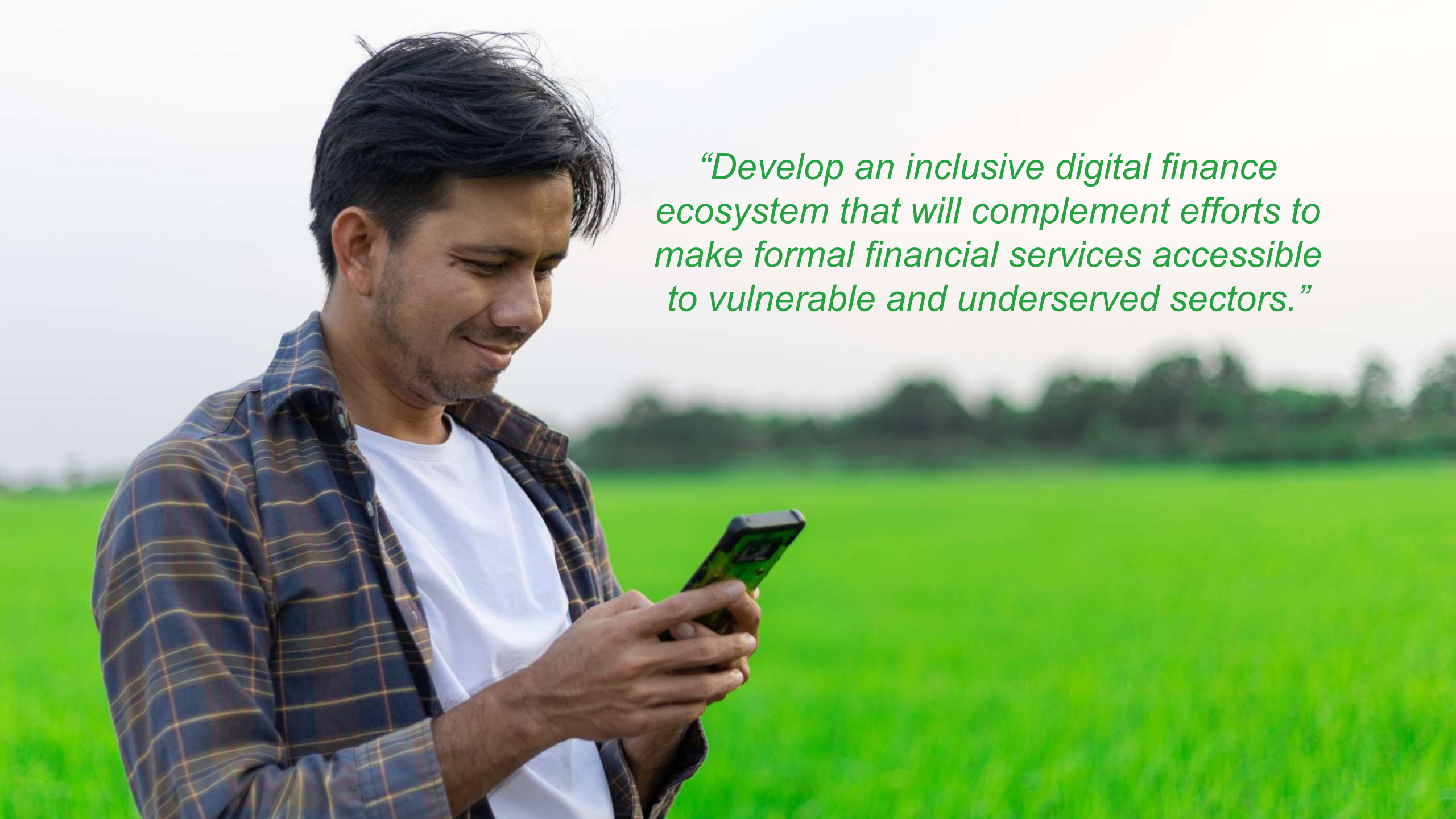
The background features a hand holding a glowing globe, with a network of icons (people, lightbulbs, gears) connected by lines, symbolizing digital technology and global connectivity.

Executive Order 170

Adoption of Digital Payments for Government Disbursements and Collection

“Efficient delivery of government services, expedite transactions, boost revenue and reduce the risk of graft and corruption.”




A man with dark hair, wearing a white t-shirt and a blue and brown plaid shirt, is looking down at a smartphone in his hands. He is standing in a vast, green field under a bright, overcast sky. The background is slightly blurred, showing a line of trees in the distance.

“Develop an inclusive digital finance ecosystem that will complement efforts to make formal financial services accessible to vulnerable and underserved sectors.”

Digital Revolution

- Streamline processes
- Increase productivity
- Cut down expenditures and operational cost





Functional skillset and Competencies on:

- **Data**
- **Technology**
- **Analytic**
- **Security**

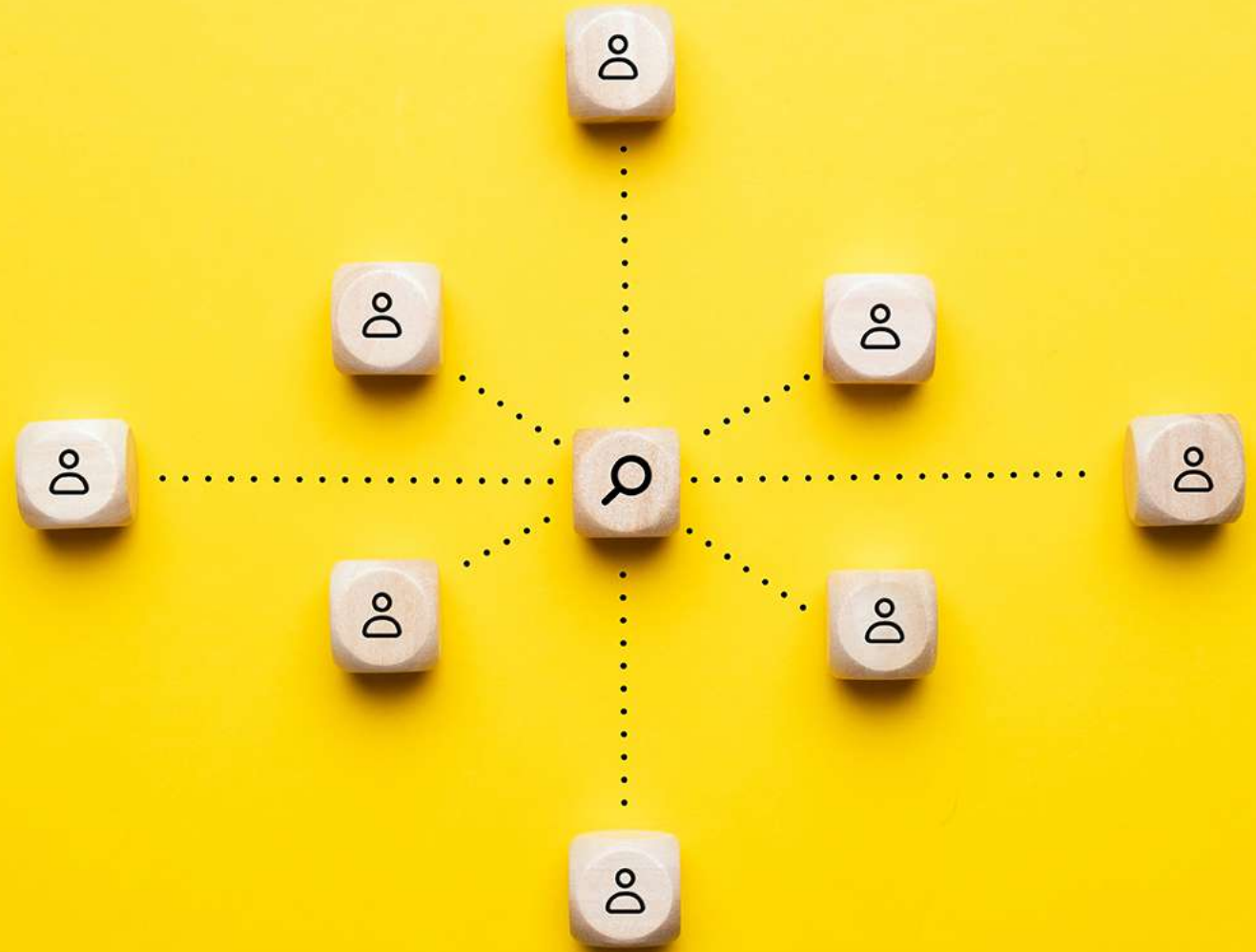
Examine the fundamentals of your core operations vis-à-vis the changing preferences, expectations and demographics of customers.



Workforce in the Philippines

65%

Millennials
& Gen-Z





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Opportunities for partnership



Agent Banking Program





Agent Banking Program

- **Cost-effective**
- **Convenient**
- **Accessible**
- **Secure banking service**





PHILIPPINE
IDENTIFICATION
SYSTEM



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Agent Banking Program

From March 2020



913

Agent Banking Partners

↳ **118** Rural Banks



165

Unbanked municipalities

550

Communities

As of April 2022



5.43 million

Volume of transactions



P9.32B

Total amount of transactions

Agent Banking Program (POS Cash-out)

From 2020 to March 2022



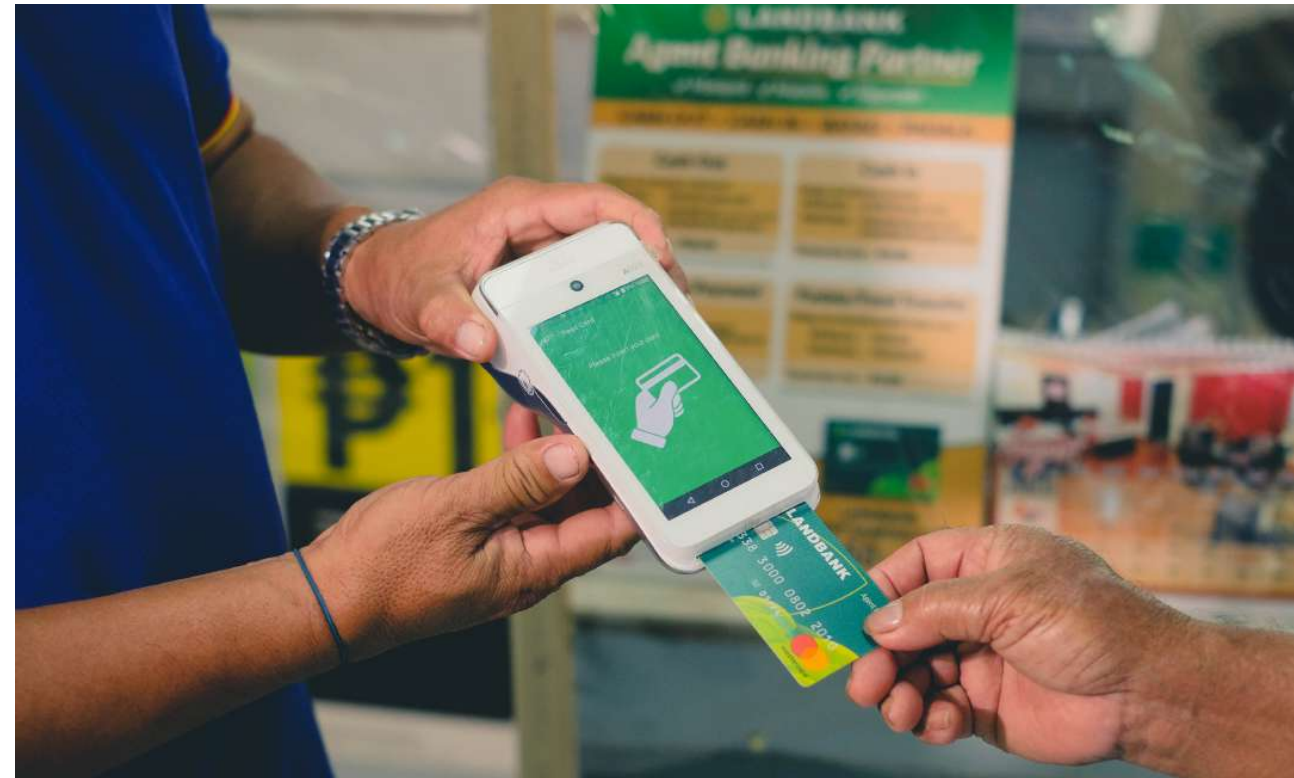
7.08 million

Volume of transactions



P33.6B

Total amount of transactions



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Agent Banking Program

Provincial Government of Zamboanga del Sur

First LGU Agent Banking Partner of LANDBANK



26

Municipalities

15

Unbanked municipalities



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Agent Banking Program



The **Rural Bank of Labason** is the first LANDBANK Agent Banking Partner in the Province of Zamboanga del Norte.



153,000

Transactions



P716M

Total amount of transactions

Agent Banking Program



The **Rural Bank of Manukan** which was onboarded in June 2021.



662

Transactions



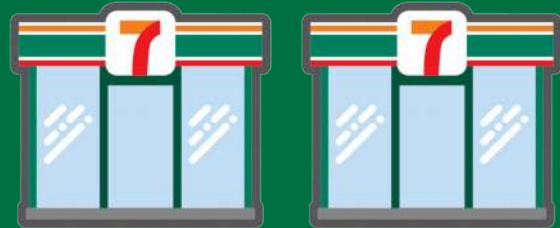
P2.86M

Total amount of transactions

Expanding Reach



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2,700

Stores



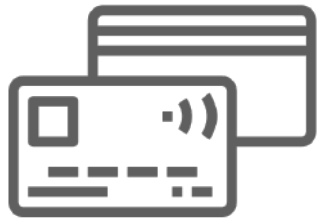
3,000

ATMs





Enjoy **FREE** cash withdrawal and balance inquiry at 7-Eleven ATMs near you.



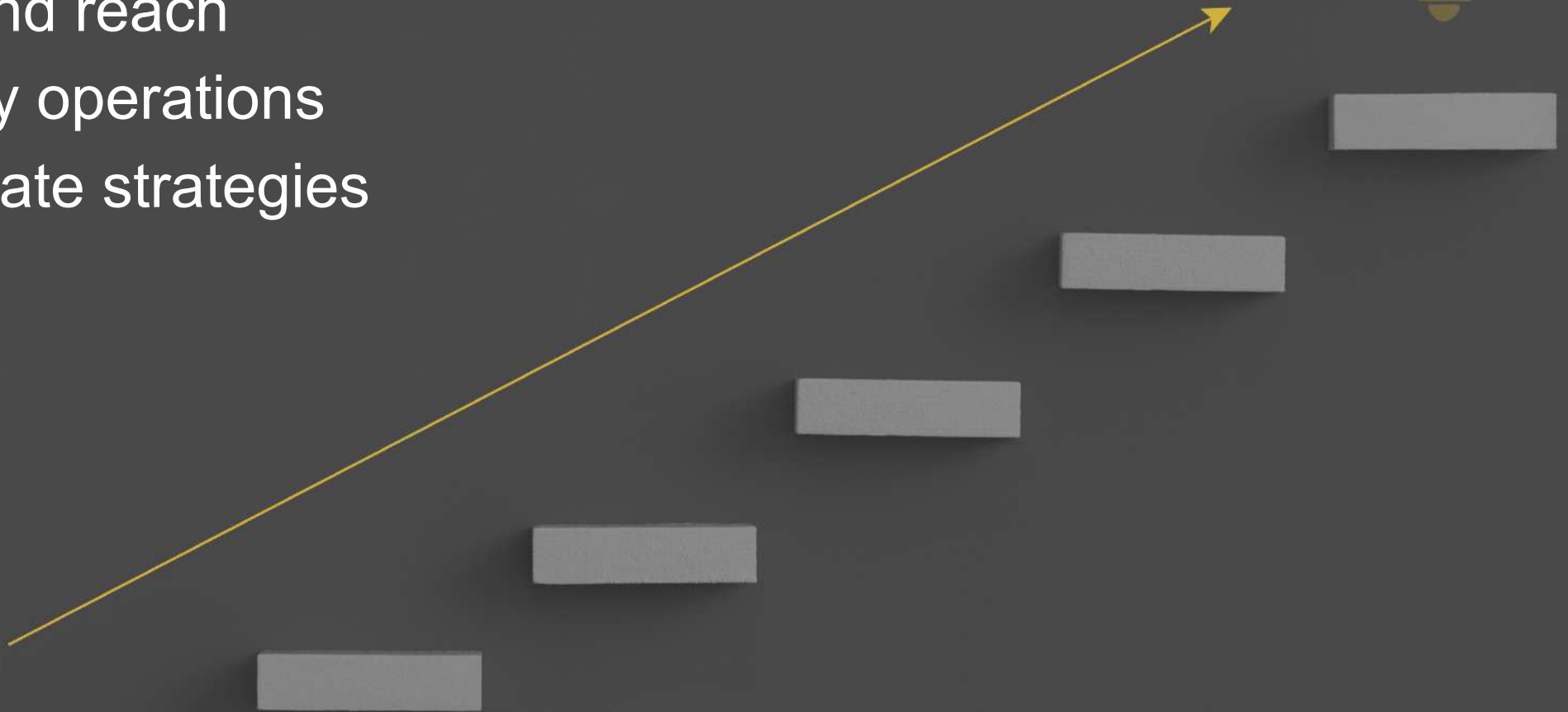
27 million

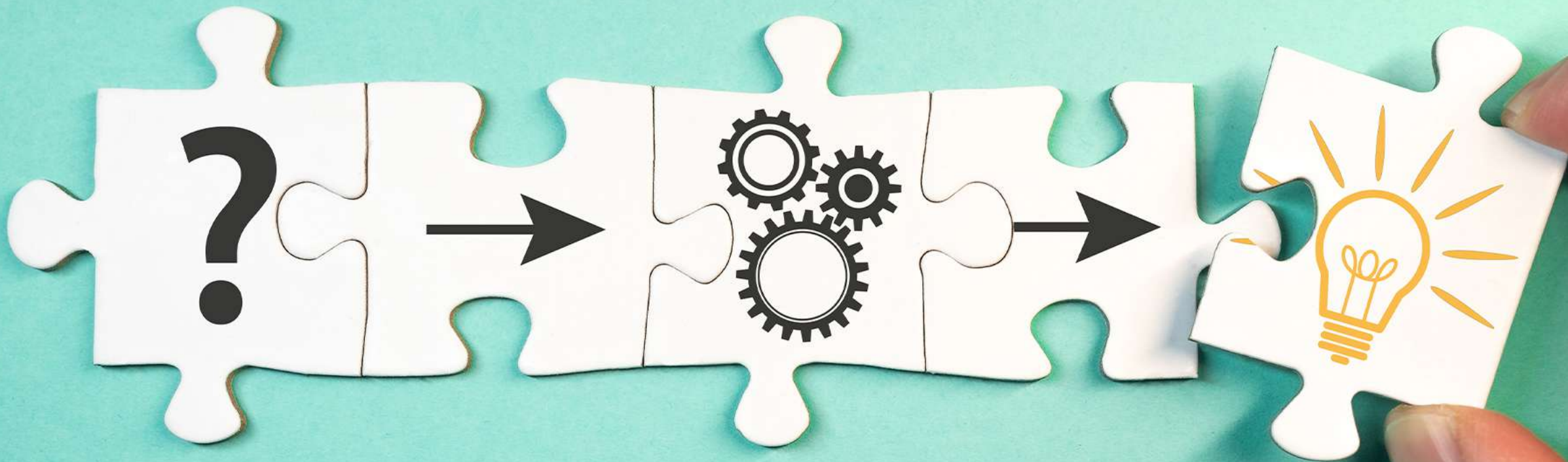
Cardholders nationwide



Challenge for Rural Banks

- Lookout for avenues for growth
- Expand reach
- Fortify operations
- Innovate strategies





ECOSYSTEM APPROACH

- **Transaction Accounts**
- **Payment settlements for LGUs**
- **POS devices**
- **Mobile or cashless payroll solutions**
- **Cashless payment solution**

A man in a dark suit and tie is shown from the chest up, pointing his right index finger towards a glowing white line graph on a screen. The graph shows a smooth, upward-curving line that starts low on the left and rises steeply towards the top right. The background is a dark, blue-tinted office setting. The text "Growth is limitless" is overlaid in white, bold, sans-serif font on the left side of the image.

Growth is limitless

It is resilience in action, that will advance your relevance as a dynamic contributor to countryside development in particular, and in nation-building at large.



Thank you!

Let's stay connected.

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