



**LBP (LANDBANK OF THE PHIL.)  
INSURANCE BROKERAGE, INC.  
(LIBI)**

(A LANDBANK SUBSIDIARY)

# Annual Report



## 2021

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Regulated by the Insurance Commission

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To provide accessible, competitively-priced, and responsive insurance services to all LBP borrowers and clients. To efficiently facilitate processing of insurance requirements of LBP.



To be recognized as one of the most trusted and respected brokerage firm that provides unparalleled services with highest level of integrity by the end of 2022.

# MESSAGE FROM THE CHAIRMAN, PRESIDENT & CEO



LandBank Insurance Coverage, Inc. (LIBI) has achieved its goal of reorganization and of maintaining the International Organization for Standardization (ISO) certification—our topmost priority when I assumed the position on July 16, 2021—in spite of the ongoing pandemic.

LIBI passed the ISO Recertification last December 27, 2021 on Quality Management System in accordance with the requirements on ISO 9001:2015. We continue to perform the Plan-Do-Check-Act system to provide quality customer service that exceeds our clients' expectations. As such, the undergoing reorganization of LIBI compliments the ISO Recertification as we respond to the growing needs of the organization. We contracted with an experienced consultant on November 2, 2021 to conduct the reorganization which we aim to finish in April 2022.

Aside from the reorganization and ISO recertification, LIBI also developed and accomplished programs as response to the COVID-19 Pandemic. We have the COVID-19 Response and Health Protocol Policy, door-to-door shuttle service for the employees, work from home (WFH) arrangement and internet service improvements. We also launched our new website <https://www.lbp-insurance.com/> and upgraded our Integrated Insurance Brokerage System (IIBS) to version 4, digitizing our insurance transactions and providing more transparency to our stakeholders. In addition to these programs, we developed and launched the Morning Announcement Information and Education (MAINE) geared towards improving communication lines between and amongst the management and staff.

I am proud to note that through this difficult year, we emerged financially stronger. We increased our net income after tax (NIAT) by 29.55%, a whopping P42 million increase from last year's NIAT. LIBI also remitted to the National Government a cash dividend of P74 million, an increase of 19.24% from last year. We attribute our accomplishment to our Board of Directors who has provided us clear policies and directions.

As we move forward, I ask everyone to live by LIBI's unconditional core values—Excellence, Teamwork, Dedication, Commitment, Competence, and Mutual Respect. All these accomplishments are through concerted efforts of everyone but let us not lose sight that these blessings are through the Great Architect of the Universe. God bless us all.

# FINANCIAL HIGHLIGHTS

<b>(Based on Annual Audit Report)</b>	<b>2021</b>	<b>2020</b>	<b>INCREASE (DECREASE)</b>	<b>%</b>
Total Revenues	305,433,588	243,851,671	61,581,917	25.25
Total Expenses	66,222,827	58,165,816	8,057,011	13.85
Net Income Before Tax	239,210,761	185,685,855	53,524,906	28.82
Income Tax Expenses	51,060,502	40,453,382	10,607,120	26.22
<b>Net Income After Tax</b>	<b>188,150,259</b>	<b>145,232,473</b>	<b>42,917,786</b>	<b>29.55</b>

<b>Total Assets</b>	<b>1,753,367,349</b>	<b>1,586,741,097</b>	<b>166,626,252</b>	<b>10.50</b>
<b>Total Liabilities</b>	<b>441,322,659</b>	<b>387,996,958</b>	<b>53,325,701</b>	<b>13.74</b>
<b>Total Equity</b>	<b>1,312,044,690</b>	<b>1,198,744,139</b>	<b>113,300,551</b>	<b>9.45</b>
<b>Return on Average Assets</b>	<b>11.27%</b>	<b>9.66%</b>	<b>1.61%</b>	<b>16.67</b>
<b>Return on Average Equity</b>	<b>15.00%</b>	<b>12.56%</b>	<b>2.44%</b>	<b>19.43</b>

# UNAUDITED FINANCIAL STATEMENTS

## STATEMENTS OF FINANCIAL POSITION

	Note	2021	2020
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	300,171,912	532,385,053
Receivables, net	5	87,051,386	79,495,488
Inventories	6	229,044	105,798
Other Current Assets	7	14,712,241	7,736,085
<b>Total Current Assets</b>		<b>402,164,583</b>	<b>619,722,424</b>
<b>Non-Current Assets</b>			
Receivables, net	5	43,746,592	43,160,840
Financial Assets	8	1,271,443,131	885,163,298
Investment property	9	998,316	998,316
Property and Equipment, net	10	24,823,591	27,082,469
Intangible asset	11	5,042,977	4,968,482
Deferred Tax Assets	25	4,190,505	4,078,608
Other Non-Current Assets	7	957,654	1,566,660
<b>Total Non-Current Assets</b>		<b>1,351,202,766</b>	<b>967,018,673</b>
<b>TOTAL ASSETS</b>		<b>1,753,367,349</b>	<b>1,586,741,097</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current Liabilities</b>			
Financial Liabilities	12	167,848,497	124,810,319
Inter-Agency Payables	13	16,058,304	4,187,423
Trust liabilities	14	154,573,020	166,740,146
Provisions	15	2,470,167	2,438,403
Other payables	16	17,774,551	6,444,742
<b>Total Current Liabilities</b>		<b>358,724,539</b>	<b>304,621,033</b>
<b>Non-Current Liabilities</b>			
Financial Liabilities	12	47,218,752	61,608,851
Trust Liabilities	14	25,872,694	12,898,662
Provisions	15	9,417,237	8,868,412
Other payables	16	89,437	
<b>Total Non-Current Liabilities</b>		<b>82,598,120</b>	<b>83,375,925</b>
<b>TOTAL LIABILITIES</b>		<b>441,322,659</b>	<b>387,996,958</b>
<b>Equity</b>			
Share capital		300,000,000	300,000,000
Retained earnings		1,012,044,690	898,744,139
<b>Total Equity</b>		<b>1,312,044,690</b>	<b>1,198,744,139</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,753,367,349</b>	<b>1,586,741,097</b>

# UNAUDITED FINANCIAL STATEMENTS

## STATEMENTS OF COMPREHENSIVE INCOME

	Note	2021	2020
<b>Income</b>			
Service and Business Income	19	304,861,199	242,987,182
Other Non-Operating Income	24	572,389	864,489
<b>Total Income</b>		<b>305,433,588</b>	<b>243,851,671</b>
<b>Expenses</b>			
Personnel Services	20	(35,237,316)	(34,027,615)
Maintenance and Other Operating Expenses	21	(23,858,973)	(17,159,602)
Financial Expenses	22	(126,189)	(224,781)
Non-Cash Expenses	23	(7,000,349)	(6,753,818)
<b>Total Expenses</b>		<b>(66,222,827)</b>	<b>(58,165,816)</b>
<b>Net Income Before Tax</b>		<b>239,210,761</b>	<b>185,685,855</b>
Income Tax Expense	25	(51,060,502)	(40,453,382)
<b>Net Income for the year</b>		<b>188,150,259</b>	<b>145,232,473</b>
<b>Total Comprehensive Income</b>		<b>188,150,259</b>	<b>145,232,473</b>

# UNAUDITED FINANCIAL STATEMENTS

## STATEMENTS OF CHANGES IN EQUITY

**LBP INSURANCE BROKERAGE, INC.**  
(A wholly-owned subsidiary of Land Bank of the Philippines)  
**STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2021 and 2020**  
(In Philippine Peso)

	Share Capital (Note 17)	Retained Earnings		TOTAL
		Appropriated	Unappropriated (Note 18)	
<b>BALANCE AT JANUARY 1, 2020</b>	<b>300,000,000</b>	<b>405,850,000</b>	<b>407,564,488</b>	<b>1,113,414,488</b>
<b>CHANGES IN EQUITY FOR 2020</b>				
Add/(Deduct):				
Declaration of Cash Dividend			(62,767,419)	(62,767,419)
Other Adjustments			2,864,597	2,864,597
Net Income for the year			145,232,473	145,232,473
<b>BALANCE AT DECEMBER 31, 2020</b>	<b>300,000,000</b>	<b>405,850,000</b>	<b>492,894,139</b>	<b>1,198,744,139</b>
<b>CHANGES IN EQUITY FOR 2021</b>				
Add/(Deduct):				
Declaration of Cash Dividend			(74,842,249)	(74,842,249)
Payment of Deficiency Tax for 2018			(1,552,154)	(1,552,154)
Appropriations		290,957,008	(290,957,008)	
Reversal of Appropriations		(174,600,000)	(174,600,000)	
Other Adjustments			1,544,695	1,544,695
Net Income for the year			188,150,259	188,150,259
<b>BALANCE AT DECEMBER 31, 2021</b>	<b>300,000,000</b>	<b>522,207,008</b>	<b>140,637,682</b>	<b>1,312,044,690</b>

# UNAUDITED FINANCIAL STATEMENTS

## STATEMENTS OF CASH FLOWS

	Note	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash Inflows</b>			
Receipt of Advance Payment of Premium		1,213,962,507	947,042,250
Collection of Income/Revenue		30,253,632	10,287,961
Collection of Receivables		96,262,596	160,180,557
<b>Total Cash Inflows</b>		<b>1,340,478,735</b>	<b>1,117,510,768</b>
<b>Cash Outflows</b>			
Payment of Premiums to Insurance Companies		(1,446,064,329)	(507,196,536)
Payment of Expenses		(62,297,145)	(43,743,216)
Purchase of Inventories		(437,014)	(338,073)
Prepayments		(5,087,786)	(1,451,086)
Payments of Accounts Payable		(6,045,196)	(5,196,435)
Remittance of Personnel Benefit and Mandatory		(1,362,529)	(822,585)
Payment of Income Taxes		(45,178,349)	(42,849,861)
<b>Total Cash Outflows</b>		<b>(1,566,472,348)</b>	<b>(601,597,792)</b>
<b>Net Cash Provided by Operating Activities</b>		<b>(225,993,613)</b>	<b>515,912,976</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Cash Inflows</b>			
Proceeds of Matured Investments		10,078,000,000	5,289,178,000
Receipt of Interest Earned from Investments		37,886,595	41,583,789
<b>Total Cash Inflows</b>		<b>10,115,886,595</b>	<b>5,330,761,789</b>
<b>Cash Outflows</b>			
Purchase of Property, Plant, Equipment	10	(2,205,585)	(8,162,162)
Purchase of Intangible Assets	11	(103,200)	(128,571)
Placement of Investments		(10,044,955,089)	(5,486,947,431)
<b>Total Cash Outflows</b>		<b>(10,047,263,874)</b>	<b>(5,495,238,164)</b>
<b>Net Cash Used in Investing Activities</b>		<b>68,622,721</b>	<b>(164,476,375)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Cash Outflows</b>			
Payment of Cash Dividends	18	(74,842,249)	(62,767,419)
<b>Cash Used in Financing Activities</b>		<b>(74,842,249)</b>	<b>(62,767,419)</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>(232,213,141)</b>	<b>288,669,182</b>
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>		<b>532,385,053</b>	<b>243,715,871</b>
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	4	<b>300,171,912</b>	<b>532,385,053</b>

# OPERATIONAL HIGHLIGHTS



# OPERATIONAL HIGHLIGHTS

2021 has been the rebound period since the pandemic began in March 2020. From the deep contraction of numerous work establishments that resulted in mass work recession in the past year, LandBank Insurance Brokerage, Inc. (LIBI) managed to rise above the challenge to provide continuous service to its clientele with efficiency and fervor without sacrificing the safety of its employees and staff.

LIBI reverted to reporting on-site for 80% of its workforce while the remaining 20% are in work from home setups in 2021. We are providing shuttle services to and from the office for employees assigned to work on site and we supplied needed equipment for those working at home. With the digitization of insurance processes through the Integrated Insurance Brokerage System (IIBS) system upgrade to version 4, we were able to hasten the insurance processes. The transition, in spite of some technical problems, helped the Marketing Unit ensure that all transactions will be done online so that we can make sure that applicants, claimants, and our staff are not exposed to the virus.

We produced a net premium of about P 1,255.14 million, 25% higher than the target Php 1,001.97 million. Our net commission of about Php265.79 million also exceeded our target by Php57.17 million compared to the target of Php208.63 million.

This year's performance was not without adversity, but with the help of LIBI's management, we were able to exceed our targets for the year. These challenging times fueled the dedication and commitment of the Marketing Unit to innovate. Notwithstanding the limitations brought about by this pandemic, LIBI will always extend its helping hand and continue to serve the LandBank's clientele. LIBI will keep on raising its revenue as it raises the bar of excellence on customer satisfaction.

# INSTITUTIONAL VIABILITY AND VITALITY

## I. LIBI CORPORATE GOVERNANCE STRUCTURE

### A. LIBI BOARD COMPOSITION

LBP (Land Bank of the Phil.) Insurance Brokerage, Inc. (LIBI) was organized as a wholly-owned subsidiary of the Land Bank of the Philippines on October 22, 1981. LIBI was primarily established to service the bank's insurance requirements, its subsidiaries, its clients/borrowers, and other government offices. It was created to engage in the business of general insurance brokerage management and consultancy services on insurance-related activities for its clients. LIBI is governed by a Board of Directors with eleven (11) seats. The LIBI Board is currently chaired by Atty. Alvin G. Dans. He is the Acting President & CEO of LIBI as well.

There are no members of the LIBI Board of Directors who hold more than five (5) positions/directorships in other GOCCs and/or PLCs.

As of 31 December 2021, the Board is composed of the following:

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**ALVIN G. DANS**  
CHAIRMAN

MEMBERS:  
**RICKY T. BACOLOD**  
**EUSEBIO A. CORTEZ**  
**PAMELA B. FELIZARTA**  
**CHERRY MAY T. FREDERICK**  
**ALBERTO R. MORALES**  
**BENJAMIN G. SALANATIN**  
**JENNIFER A. TANTAN**  
**REYNAULD R. VILLAFUERTE**

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## B. RESPONSIBILITIES, DUTIES AND FUNCTIONS OF THE BOARD

### 1. GENERAL RESPONSIBILITY

It is the Board's responsibility to foster the long-term success of the Corporation and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interests of its stockholders and other stakeholders.

The Board formulates the Corporation's vision, mission, strategic objectives, policies and procedures that shall guide its activities, including the means to effectively monitor Management's performance.

## 2. DUTIES AND FUNCTIONS

To ensure a high standard of best practice, the Board conducts itself with honesty and integrity in the performance of the following duties and functions:

- a. Appoint competent, professional, honest and highly-motivated management officers by the Fit and Proper Rule. Adopt an effective succession planning program for Management with the approval of the GCG.
- b. Provide sound strategic policies and guidelines on major capital expenditures. Establish programs that can sustain the Corporation's long-term viability and strength. Periodically evaluate and monitor the implementation of such policies and strategies, including the business plans, operating budgets and Management's overall performance.
- c. Ensure that the Corporation complies with all applicable laws, regulations and best business practices.
- d. Establish and maintain an investor relations program that will keep the stockholders informed of important developments in the Corporation. If feasible, the Corporation's CEO shall exercise oversight responsibility over this program.
- e. Identify the stakeholders who are directly affected by the operations of the Corporation, and formulate a clear policy on the delivery of accurate, timely, and effective information to its stakeholders.
- f. Adopt a system of internal checks and balances.
- g. Identify key risk areas and performance indicators and monitor these factors with due diligence to enable the Corporation to anticipate and prepare for possible threats to its operational and financial viability.
- h. Formulate and implement policies and procedures that shall ensure the integrity and transparency of related party transactions between and among the Corporation and its parent company, joint ventures, subsidiaries, officers, and directors, including their spouses, children and dependent siblings and parents and of interlocking director relationship by members of the Board.
- i. Constitute an Audit Committee and such other committees it deems necessary to assist the Board in the performance of its duties and responsibilities.
- j. Establish and maintain an alternative dispute resolution system in the Corporation that can amicably settle conflicts or differences between the Corporation and its stockholders and the Corporation and third parties, including the regulatory authorities.
- k. Properly discharge Board functions by meeting regularly. The meetings should be duly recorded through the minutes of the meeting. Independent views during Board meetings shall be given due consideration.
- l. Keep Board authority within the powers of the institution as prescribed in the Articles of Incorporation and by-laws, and in accordance with existing laws, rules and regulation; and
- m. Appoint a Compliance Officer who shall have the rank of at least officer level. In the absence of such an appointment, the Corporate Secretary shall act as Compliance Officer.

## C. BOARD IN ACTION

R.A. No. 10149 mandates the Governance Commission for Government Owned or Controlled Corporations (GCG) to actively exercise the State's ownership rights through the institutionalization of a Performance Evaluation System (PES).

The GCG issued Memorandum Circular No. 2013-02 to provide the framework for setting the organizational targets of a GOCC. The achievement of such targets shall serve as basis for the following:

- i. determining the grant of Performance-Based Bonus (PBB) and Performance-Based Incentives (PBI).
- ii. determining whether Appointive Directors are eligible for reappointment as a component of the Performance Evaluation for Directors (PED); and
- iii. ascertain whether such GOCC should be reorganized, merged, streamlined, abolished, or privatized.

## 2021 PERFORMANCE SCORECARD

	Component		Agreed		LIBI Submission		GCG Validation		Rating
	Objective/Measure	Rating Scale	Target	Weight	Actual	Rating	Actual		
Financial	<b>SO 1</b>	<b>Ensure Sustainable Financial Growth</b>							
	SM 1	Net Income After Tax (NIAT)	0% if Lower than ₱95M; 5% if ₱95M to ₱100M; ₱101M to ₱105M = 20%; ₱106M to ₱110.32M = 25%; Above ₱110.32 M = 30% (for revision based on the revised target)	₱144.29 Million (revised)	20%	₱188.15 Million	No validation result yet		
	SM 2	Improve Return on Equity (ROE)	(Actual / Target) x Weight	8.37%	10%	14.99%	No validation result yet		
	<b>Sub-total</b>				<b>30%</b>		<b>30%</b>		
Customers / Stakeholders	<b>SO 2</b>	<b>Improve Service Delivery</b>							
	SM 3	Percentage of Satisfied Customers	(Actual / Target) x Weight 0% = if less than 80%	90% of respondents gave LIBI at least Satisfactory rating (upper two boxes of 5-point rating scale)	5%	Pending CSAT Study	No validation result yet		
	<b>SO 3</b>	<b>Provide Wider Market Reach for Microinsurance Products for Agricultural and Fisheries Development</b>							
	SM 4	Number of Clients covered by Micro-insurance	(Actual / Target) x Weight	200 Farmers and Fishers under the ACEF Program covered by Micro-insurance	5%	327 farmers	No validation result yet		
				500 Farmers and Fishers outside the ACEF Program covered by Micro-insurance	5%	738 farmers	No validation result yet		
<b>SO 4</b>	<b>Provide Wider Market Reach for Financial Viability</b>								
SM 5	Increase Premium Volume	(Actual / Target) x Weight	₱1,001.97 million (revised)	30%	₱1,255.14 Million	No validation result yet			
<b>Sub-total</b>				<b>40%</b>		<b>40%</b>			

## 2021 PERFORMANCE SCORECARD (Cont.)

	Component		Agreed		LIBI Submission		GCG Validation		Rating
	Objective/Measure	Rating Scale	Target	Weight	Actual	Rating	Actual		
Internal Process	<b>SO 5 Improve Efficiency and Quality of Insurance Process</b>								
	SM 6	Percentage of Notification of Coverage Issued within the Applicable Processing Time	(Actual / Target) x Weight	100% of Notification of Coverage Issued within the Applicable Time	5%	On-going consolidation of Turnaround-time	No validation result yet		
	<b>SO 6 Enhance existing processes comparable with the industry</b>								
	SM 7	Improve Processes to Quality Management System	All or Nothing	Recertification of ISO 9001:2015 Certification	10%	ISO Certificate has been extended until June 27, 2022. Also, LIBI passed the 2021 Recertification Audit, awaiting the release of its ISO recertification valid for the next 3 years.	No validation result yet		
	<b>Sub-total</b>				<b>15%</b>		<b>15%</b>		
	<b>SO 7 Develop strategic skills &amp; competence of officers and staff</b>								
SM 8	Improve Competency Level of the Organization	All or Nothing	Improvement on the Competency Level of the Organization based on the 2020 year-end assessment	5%	There's an increase in organizational competency level based on 2020 Competency Assessment Report.	No validation result yet			
Learning and Growth	<b>SO 8 Enhance IT infrastructure</b>								
	SM 9	Implementation of IT Projects	(Actual / Target) x Weight	100% Implementation of the ISSP as submitted to the DICT	5%	Completed the following IT Projects as reflected in the ISSP: 1. Website Enhancement for Public Disclosures 2. Virtualization and cloud computing software (VMWare) 3. Conference Call Meeting Application 4. Additional Workstation/PCs/Laptop	No validation result yet		
					<b>15%</b>		<b>15%</b>		
<b>Total</b>				<b>100%</b>		<b>100%</b>			

## D. BOARD PERFORMANCE AND ATTENDANCE

The Board of Directors in its first meeting for 2021 set the calendar of Board meeting to every 4th week of the month, except for the month of December. There were no instances that the President/CEO failed to attend Board of Directors meeting.

Below is the current Board composition and Committee membership:

<b>BOARD COMPOSITION (as of December 31, 2021)</b>	
Alvin G. Dans	Chairman
Ricky T. Bacolod	Member
Eusebio A. Cortez	Member
Pamela B. Felizarta	Member
Cherry May T. Frederick	Member
Alberto A. Morales	Member
Benjamin G. Salanatin	Member
Jennifer A. Tantan	Member
Reynauld R. Villafuerte	Member

<b>COMMITTEE MEMBERSHIP (as of December 31, 2021)</b>					
<b>Executive Committee</b>	<b>Position</b>	<b>Audit &amp; Risk Management Committee</b>	<b>Position</b>	<b>Corporate Governance Committee</b>	<b>Position</b>
Alvin G. Dans	Chairman	Jennifer A. Tantan	Chairperson	Alvin G. Dans	Chairman
Pamela B. Felizarta	Vice Chairperson	Ricky T. Bacolod	Member	Cherry May T. Frederick	Vice Chairperson
Eusebio A. Cortez	Member	Eusebio A. Cortez	Member	Ricky T. Bacolod	Member
Cherry May T. Frederick	Member	Alberto A. Morales	Member	Pamela B. Felizarta	Member
Jennifer A. Tantan	Member	Benjamin G. Salanatin	Member	Alberto A. Morales	Member
Reynauld R. Villafuerte	Member	-	-	Benjamin G. Salanatin	Member
-	-	-	-	Reynauld R. Villafuerte	Member

## MATERIALS SUBMISSION OF BOARD OF DIRECTORS' MEETING

The delivery of Board materials is three (3) working days before the scheduled Board of Directors' meetings.

## VISION AND MISSION

The 2021 Performance Scorecard (PES) which includes LIBI's Vision, Mission, and Strategies was reviewed and approved by the Board of Directors on October 28, 2021, Regular Board meeting before the submission to Governance Commission for GOCCs (GCG).

BOARD OF DIRECTORS' MEETINGS AND ATTENDANCE								
Name of Board Member	Total	Actual	%	Date of Regular Board Meetings				
				01/28/21	02/26/21	03/31/21	04/29/21	05/27/21
Dans, Alvin G.	12	12	100	P	P	P	P	P
Felizarta, Pamela B.	12	12	100	P	P	P	P	P
Bacolod, Ricky T.	12	12	100	P	P	P	P	P
Cortez, Eusebio A.	12	12	100	P	P	P	P	P
De Leon, Tomas T. Jr.*	4	4	100	P	P	P	P	N/A
Frederick, Cherry May T.	12	12	100	P	P	P	P	P
Morales, Alberto R.	12	12	100	P	P	P	P	P
Salanatin, Benjamin G.	12	12	100	P	P	P	P	P
Tantan, Jennifer A.	12	12	100	P	P	P	P	P
Villafuerte, Reynauld R.	12	12	100	P	P	P	P	P

BOARD OF DIRECTORS' MEETINGS AND ATTENDANCE (CONT.)							
Name of Board Member	Date of Regular Board Meetings						
	06/24/21	07/29/21	08/26/21	09/30/21	10/28/21	11/25/21	12/16/21
Dans, Alvin G.	P	P	P	P	P	P	P
Felizarta, Pamela B.	P	P	P	P	P	P	P
Bacolod, Ricky T.	P	P	P	P	P	P	P
Cortez, Eusebio A.	P	P	P	P	P	P	P
De Leon, Tomas T. Jr.*	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Frederick, Cherry May T.	P	P	P	P	P	P	P
Morales, Alberto R.	P	P	P	P	P	P	P
Salanatin, Benjamin G.	P	P	P	P	P	P	P
Tantan, Jennifer A.	P	P	P	P	P	P	P
Villafuerte, Reynauld R.	P	P	P	P	P	P	P

There were no instances that the President/CEO failed to attend Board of Directors meeting.

LEGENDS:

P – Present

NA – Not Applicable

A – Absent

OB – Official Business

\* – Retired in May 2021

## **E. TRAINING AND CONTINUING EDUCATION BY THE BOARD**

LIBI encourages the members of the Board of Directors to attend continuous professional education programs. The members of the Board of Directors, on their own initiative or upon the recommendation of the company, may request their participation in certain professional programs, training, and seminars.

In 2021, all members of the Board of Directors of LIBI have attended the Anti-Money Laundering (AML) Training conducted by the AMLCS Executive Director on 18 October 2021 in compliance with BSP Circular No. 706, series of 2011, which requires the attendance of Bank Directors, officers, and employees to an annual updating/refresher program on Anti-Money Laundering.

## F. THE BOARD COMMITTEES

### A. Executive Committee

The LIBI Executive Committee (ExCom) is composed of the Chairman who is the Chairman of the Board and five (5) Committee members.

The ExCom, by the authority granted by the Board, or during the absence of the Board, act by a vote of a least two-thirds (2/3) of its members on such specific matters within the competence of the Board as may from time to time be delegated to the ExCom following LIBI's Articles of Incorporation and By-Laws, except for the following:

- Approval of any action for which shareholders' approval is also required;
- Filling of vacancies on the Board or in the Executive Committee;
- Amendment or repeal of By-Laws or the adoption of new By-Laws;
- Amendment or repeal of any resolution of the Board which by its express terms cannot be amended or subject to repeal;
- Distribution of cash dividends; and
- Exercise of powers delegated by the Board exclusively to other committees.

The LIBI Executive Committee is chaired by Director Alvin G. Dans, with Director Pamela B. Felizarta as Vice-Chairperson, and Director Eusebio A. Cortez, Director Cherry May T. Frederick, Director Jennifer A. Tantan and Director Reynauld R. Villafuerte as members.

Executive Committee Meetings and Attendance															
Name of ExeCom Member	Total	Actual	%	Date of Regular Executive Committee Meetings											
				01/20/21	02/17/21	03/25/21	04/21/21	05/20/21	06/16/21	07/21/21	08/18/21	09/22/21	10/19/21	11/17/21	12/29/21
Dans, Alvin G.	11	12	92	P	P	P	P	P	P	P	P	A	P	P	P
Felizarta, Pamela B.	12	12	100	P	P	P	P	P	P	P	P	P	P	P	P
Cortez, Eusebio A.*	7	7	100	NA	NA	NA	NA	NA	P	P	P	P	P	P	P
De Leon, Tomas T. Jr.*	4	4	100	P	P	P	P	NA							
Frederick, Cherry May T.	12	12	100	P	P	P	P	P	P	P	P	P	P	P	P
Tantan, Jennifer A.	12	12	100	P	P	P	P	P	P	P	P	P	P	P	P
Villafuerte, Reynauld R.	12	12	100	P	P	P	P	P	P	P	P	P	P	P	P

#### LEGENDS:

P – Present

NA – Not Applicable

A – Absent

OB – Official Business

\* – Designated to be a member of the ExeCom starting June 2021

\*\* – Retired in May 2021

## B. Audit & Risk Management Committee

The Audit & Risk Management (ARM) Committee is composed of at least five (5) members of the Board, who shall preferably have accounting and finance background, one (1) of whom shall be an independent director and another with audit experience. The Chair of the Audit Committee is an independent director.

### **Duties and Responsibilities of ARM Committee:**

- Assist the Board in the performance of its oversight responsibility for the financial reporting process, a system of internal control, audit process, and monitoring or compliance with applicable laws, rules and regulations;
- Perform oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risks of the Corporation. The Committee shall receive regularly from the Management of information on risk exposures and risk management activities;
- Perform oversight functions over the Corporation's internal and external auditors. It should ensure that the internal and external auditors act independently from each other and that both auditors are given unrestricted access to all records, properties, and personnel to enable them to perform their respective audit functions;
- Review the annual internal audit plan to ensure its conformity with the objectives of the Corporation;
- Prior to the commencement of the audit, discuss with the external auditor the nature, scope, and expenses of the audit;
- Organize an internal audit department, and approve the appointment and removal of an independent internal auditor;
- Monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system, including financial reporting control and information technology security;
- Review the reports submitted by the internal and external auditors;
- Review the quarterly, half-year, and annual financial statements before submission to the Board, with particular focus on the following matters:
  - ◇ Any change/s in accounting policies and practices
  - ◇ Major judgmental areas
  - ◇ Significant adjustments resulting from the audit
  - ◇ Going concern assumptions
  - ◇ Compliance with accounting standards
  - ◇ Compliance with tax, legal and regulatory requirements
- Coordinate, monitor and facilitate compliance with laws, rules, and regulations;
- Evaluate and determine the non-audit work of the external auditor, and review periodically the non-audit fees paid to the external auditor in relation to their significance to the total annual income of the external auditor and to the Corporation's overall consultancy expenses. The committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence. The non-audit work shall be disclosed in the Corporation's Annual Report;
- Establish and identify the reporting line of the Internal Auditor to enable them to properly fulfill their duties and responsibilities. They shall functionally report directly to the Audit Committee. The Audit Committee shall ensure that in the performance of the work of the Internal Auditor; they shall be free from interference by outside parties.
- Perform oversight risk management functions specifically in the areas of managing credit, market, liquidity, operational, legal, reputational, and other risks of LIBI, and crisis management, which shall include receiving from Senior Management periodic information on risk exposures and risk management activities;

## Duties and Responsibilities of ARM Committee (Cont.):

- Develop the Risk Management Policy of LIBI, ensuring compliance with the same and ensure that the risk management process and compliance are embedded throughout the operations of LIBI, especially at the Board and Management level; and
- Provide quarterly reporting and update the Board on key risk management issues as well as ad hoc reporting and evaluation on investment proposals.

For the year 2021, the ARM Committee has reviewed and assessed the adequacy of the Corporation's internal controls, risk management systems, and regulatory compliance which were found to be adequate and acceptable.

The LIBI ARM Committee is chaired by Director Jennifer A. Tantan with the following four (4) members: Director Ricky T. Bacolod, Director Eusebio A. Cortez, Director Alberto A. Morales, and Director Benjamin G. Salanatin.

Audit & Risk Management Committee Meetings and Attendance															
Name of ARMC Member	Total	Actual	%	Date of Regular ARM Committee Meetings											
				01/15/21	02/10/21	03/15/21	04/14/21	05/20/21	06/17/21	07/23/21	08/13/21	09/15/21	10/13/21	11/10/21	12/14/21
Tantan, Jennifer A.	12	12	100	P	P	P	P	P	P	P	P	P	P	P	P
Bacolod, Ricky T.	12	12	100	P	P	P	P	P	P	P	P	P	P	P	P
Cortez, Eusebio A.	12	12	100	P	P	P	P	P	P	P	P	P	P	P	P
Morales, Alberto	12	12	100	P	P	P	P	P	P	P	P	P	P	P	P
Salanatin, Benjamin G.	12	12	100	P	P	P	P	P	P	P	P	P	P	P	P

### LEGENDS:

- P – Present
- NA – Not Applicable
- A – Absent
- OB – Official Business

Upon the request of The LBP Insurance Brokerage Inc. (LIBI) and the approval of the GCG and the LIBI Board of Directors, the Company has already created a separate internal audit function as stated on the Corporate Scorecard Report A in the year 2020.

The Audit Committee has reviewed and assessed the adequacy of the Corporation's internal controls, risk management systems and regulatory compliances.

## AUDIT & RISK MANAGEMENT COMMITTEE

Activities from January 1 – December 31, 2021

The ARM Committee deliberated, reviewed, evaluated and monitored the progress and/or endorsed to the Board the following:

Date of Meetings	Deliberations / Discussions / Approval & Other Actions Taken
<b>January 15, 2021</b>	<ul style="list-style-type: none"> <li>• Notation of Claims Reports as of December 31, 2020</li> <li>• Discussion of LBP-Audit Services Team (AST) Findings/Observations</li> <li>• Discussion on the Re-documentation of Non-Payment of Extra Remuneration and the Outstanding GSIS Claims</li> </ul>
<b>February 10, 2021</b>	<ul style="list-style-type: none"> <li>• Discussion on the Definition of Internal Auditing and Respective Responsibilities of Board, Audit Committee, Management and Internal Auditor</li> <li>• Approval of 2021 Audit Plan of the Newly Hired Internal Auditor</li> <li>• Notation of Claims Reports as of January 31, 2020</li> <li>• Discussion on the Computation of Experience Refund (ER)</li> </ul>
<b>March 15, 2021</b>	<ul style="list-style-type: none"> <li>• Approval of the Result of Internal Audit of Insurance Claims</li> <li>• Discussion on the Initial Result of Review of Experience Refund Computation</li> <li>• Discussion on the Re-documentation of GSIS Outstanding Claims</li> <li>• Notation of Claims Reports as of February 28, 2021</li> </ul>
<b>April 14, 2021</b>	<ul style="list-style-type: none"> <li>• Approval of Updated/Revised 2021 Audit Plan</li> <li>• Notation of the Status of Audit Findings on Insurance Claims</li> </ul>
<b>May 20, 2021</b>	<ul style="list-style-type: none"> <li>• Discussion and Approval of the Result of Audit Review of IBS Upgrade from Client-Server (v.3.3) to Web Version 4 (v.4.0)</li> </ul>
<b>June 17, 2021</b>	<ul style="list-style-type: none"> <li>• Discussion and Approval of the Audit Findings on Remittance Process</li> <li>• Discussion of the Status of Audit Findings on Insurance Claims</li> </ul>
<b>July 23, 2021</b>	<ul style="list-style-type: none"> <li>• Discussion of the Status of Audit Findings on Insurance Claims</li> <li>• Discussion of the Status of Audit Findings on Remittance Process</li> <li>• Discussion of the Result of Audit of Processing of Insurance Coverage, Renewal and Endorsement</li> </ul>
<b>August 13, 2021</b>	<ul style="list-style-type: none"> <li>• Discussion of the Status of Audit Findings of Remittance</li> <li>• Discussion of the Status of Audit Findings on Processing of Insurance Coverage, Renewal and Endorsement</li> <li>• Discussion of the Status of Audit of IBS System Upgrade</li> </ul>
<b>September 15, 2021</b>	<ul style="list-style-type: none"> <li>• Discussion of the Status of Audit Findings on Processing of Insurance Coverage, Renewal and Endorsement</li> <li>• Discussion of the Status of IBS Upgrade</li> </ul>
<b>October 13, 2020</b>	<ul style="list-style-type: none"> <li>• Approval of the Audit Report of Regular Audit of Insurance Coverage, Renewal and Endorsement</li> <li>• Discussion of the Status of IBS Upgrade</li> </ul>
<b>November 10, 2021</b>	<ul style="list-style-type: none"> <li>• Notation of Claims Reports as of September 30, 2021</li> <li>• Discussion of the Status of IBS Upgrade</li> </ul>
<b>December 14, 2021</b>	<ul style="list-style-type: none"> <li>• Notation of Claims Reports as of October 31, 2021</li> <li>• Discussion of Customers' Deposit Report</li> <li>• Discussion of the Status of IBS Upgrade</li> </ul>

### C. Corporate Governance and Remuneration Committee

The Corporate Governance and Remuneration Committee (CGCom) shall assist the Board of Directors in fulfilling its corporate governance responsibilities. The Committee shall be composed of at least three (3) members of Board, and chaired by the Chairman of the Board.

#### Duties and Responsibilities of Corporate Governance Committee:

- Oversee the periodic performance evaluation of the Board and its committees and Management;
- Conduct an annual self-evaluation of the performance of each member;
- Decide whether or not a Director can adequately carry out his/her duties, bearing in mind the director's contribution and performance (e.g., competence, candor, attendance, preparedness and participation). Internal guidelines shall be adopted to address the competing time commitments in case when directors serve on multiple boards;
- Recommend the continuing education of Directors, the assignment of the directors to Board Committees, the succession plan for the Executive Officers, and the remuneration consistent with corporate and individual performance; and
- Recommend the manner by which the Board's performance may be evaluated and propose an objective performance criteria. Such performance indicators shall address how the Board can enhance long-term shareholder value.

The LIBI Corporate Governance and Remuneration Committee is chaired by Director Alvin G. Dans, with Director Cherry May T. Frederick as Vice-Chairperson, and Director Ricky T. Bacolod, Director Pamela B. Felizarta, Director Alberto A. Morales, Director Benjamin G. Salanatin, and Director Reynauld R. Villafuerte, as members.

Corporate Governance Committee Meetings and Attendance												
Name of CGCom Member	Total	Actual	%	Date of CGCom Meetings								
				04/08/21	04/15/21	05/06/21	07/14/21	08/24/21	09/29/21	10/25/21	11/25/21	12/14/21
Dans, Alvin G.	9	9	100	P	P	P	P	P	P	P	P	P
Frederick, Cherry May T.	9	9	100	P	P	P	P	P	P	P	P	P
Bacolod, Ricky T.	9	9	100	P	P	P	P	P	P	P	P	P
Cortez, Eusebio A.*	3	3	100	P	P	P	NA	NA	NA	NA	NA	NA
Felizarta, Pamela B.**	5	5	100	NA	NA	NA	NA	P	P	P	P	P
Morales, Alberto	9	9	100	P	P	P	P	P	P	P	P	P
Salanatin, Benjamin G.	9	9	100	P	P	P	P	P	P	P	P	P
Villafuerte, Reynauld R.**	5	5	100	NA	NA	NA	NA	P	P	P	P	P

#### LEGENDS:

P – Present

NA – Not Applicable

A – Absent

OB – Official Business

\* – Designated to be a member of the ExeCom starting June 2021

\*\* – Designated to be a member of the CGCom starting August 2021

## CORPORATE GOVERNANCE COMMITTEE

Activities from January 1 – December 31, 2021

The Corporate Governance Committee deliberated, reviewed, evaluated and monitored the progress and/or endorsed to the Board the following:

Date of Meetings	Deliberations / Discussions / Approval & Other Actions Taken
April 8, 2021	<ul style="list-style-type: none"> <li>◆ Discussion of the Proposed Reorganizational Plan of LIBI</li> <li>◆ Discussion of Proposed Procedures for Promotion</li> <li>◆ Discussion of Administrative Discipline Guidelines and Policies of LIBI</li> </ul>
May 6, 2021	<ul style="list-style-type: none"> <li>◆ Further Deliberations on Reorganizational Plan of LIBI</li> </ul>
July 14, 2021	<ul style="list-style-type: none"> <li>◆ Approval of Performance Evaluation Scorecard (PES) CY 2021</li> <li>◆ Further Deliberations on Reorganizational Plan of LIBI</li> </ul>
August 24, 2021	<ul style="list-style-type: none"> <li>◆ Approval of 2nd Quarter Monitoring Report – Performance Scorecard for CY 2021</li> <li>◆ Discussion of the Status of LIBI’s Website Development</li> <li>◆ Further Deliberations on Reorganizational Plan of LIBI</li> </ul>
September 29, 2021	<ul style="list-style-type: none"> <li>◆ Approval of 2020 Corporate Governance Scorecard</li> <li>◆ Approval of Additional Provisions on Code of Ethics/Conduct of LIBI</li> <li>◆ Approval of 2020 Annual Report of LIBI</li> <li>◆ Approval to Launch LIBI’s New Website</li> </ul>
October 25, 2021	<ul style="list-style-type: none"> <li>◆ Approval of Revised GAD Plans and Budget 2021 and 2022</li> <li>◆ Approval of 3Q Quarterly Accomplishment Submission to LBP-OP</li> <li>◆ Approval of Basic Business Information for the month of September 2021</li> <li>◆ Approval of 3Q Performance Scorecard Submission to GCG CY 2021</li> <li>◆ Approval of the Proposed Amendments on AML Manual</li> </ul>
November 25, 2021	<ul style="list-style-type: none"> <li>◆ Approval of Basic Business Information for the month of October 2021</li> <li>◆ Approval on Amendments on Quality Policy</li> <li>◆ Approval on Amendments on Change Management Sustainability Policy</li> <li>◆ Approval of 2022 Performance Scorecard Targets</li> </ul>

## G. EVALUATION OF THE BOARD'S PERFORMANCE

The Governance Commission for GOCCs (GCG) developed a measurement to assess the performance of the Board of Directors. The internet-based Performance Evaluation for Directors (iPED) System was created to increase the level of confidentiality and security in the information being given by the directors. Each director accomplishes the Director Performance Review (DPR) Forms online and submits it directly to the GCG through the iPED System annually. The DPR, one of the components of the Performance Evaluation for Directors in the GOCC Sector, appraises the performance of individual members of the GOCC Governing Board. The results of the iPED shall be annually evaluated and deliberated upon by the Board in a duly constituted meeting. This was implemented in 2015 which covered the performance evaluation for directors since 2014. Assessment is being done through the website link <http://iped.gcg.gov.ph/>.

The LIBI follows the GCG Memorandum Circular No. 2014-03 (3rd Issue): Performance Evaluation for Directors (PED) issued on October 26, 2015.

Link: [https://gcg.gov.ph/site/public\\_files/gcg1455098110.pdf](https://gcg.gov.ph/site/public_files/gcg1455098110.pdf)



### Performance Evaluation for Directors (iPED) System

#### Welcome to iPED!

The iPED is developed by the Governance Commission for GOCCs (GCG) to effectively implement the Performance Evaluation for Directors in the GOCC Sector (PED). This tool is designed to facilitate a more stable, confidential, secure, and reliable database system that will house the performance reviews of all the members of the Governing Boards of various Government-Owned or -Controlled Corporations (GOCCs) under the jurisdiction of GCG. Pursuant to GCG MC No. 2014-03 (3<sup>rd</sup> Issue), all *Ex Officio*, their duly designated Alternates, and Appointive Directors are required to encode their self and peer ratings, comments, and assessments in the iPED.

#### COVERAGE:

The iPED shall cover all Members of the GOCC Governing Board - *Ex Officio*, their designated Alternates, and Appointive Directors. Provided, however, that in the case of the Appointive Director, he or she has served no less than three (3) months as such in the GOCC Governing within one (1) calendar year.

#### NOTE:

The iPED shall only be accessed by the intended user and shall not be shared to anyone. All information provided herein shall be treated with strict and utmost confidentiality.

#### Log In

Email

Password

Submit

[Forgot password?](#)

For iPED demo accounts, please log in to <http://ipeddemo.gcg.gov.ph>

Aside from the GCG's internet-Based Performance Evaluation for Directors (iPED), the LIBI Board of Directors also conducts its own Board of Directors' and Board-level Committee Assessment/Appraisal. The process was approved by the Board of Directors in March 2022. The LIBI Board conducted its own Board-level assessment/appraisal in March 2022 covering the CY 2021.



# LIBI WORKFORCE



# MANAGEMENT AND HUMAN RESOURCES

By the end of 2021, LIBI had fifty-nine (59) employees; fifty-eight (58) of which are regular employees and one (1) direct contractual.

## LIBI EMPLOYEE FORCE 2015 – 2021

	2015	2016	2017	2018	2019	2020	2021
<b>Officers</b>	1	3	3	5	5	5	5
<b>Insurance</b>	35	37	41	47	48	51	54
<b>Forex</b>	4	4	0	0	0	0	0
<b>TOTAL</b>	40	44	44	52	53	56	59

Implementing a Code of Ethics or Conduct involves communicating the policies and guidelines to all LIBI staff by providing any necessary preparation to ensure they understand the Code. The Code should be practiced and promoted by the Administrative Unit. LIBI monitors compliance with the Code by securing a Code of Conduct Compliance Commitment Certificate for all directors, officers, and employees of LIBI.

COURSE/SEMINAR TITLE	NO. OF
290th Basic Non-Life Insurance Course	2
Essential of Business Writing in the Corporate World	2
Annual AML/CTPF Training/ Refresher	49

LIBI employees and Board of Directors have received, read and understood the Code of Conduct by accomplishing the Code of Conduct Compliance Commitment Certificate.



# MANAGEMENT AND HUMAN RESOURCES

## COMPLIANCE TO GOOD GOVERNANCE CONDITION

The Board, Management, and Employees of LIBI are fully compliant with Good Corporate Governance Conditions which include SALN submission and compliance to requirements of the Citizens' Charter, Transparency Seal, and Quality Management System.

LIBI continues to promote the betterment of its officers and employees by sending them to various training and development programs covering best practices in the insurance industry, technical insurance courses, negotiations with clients, management development, compliance, leadership, and governance. The Corporation also provides benefits and incentives under Joint Resolution No. 4 and as allowed by the regulators and conducts regular fellowship activities to continue to nurture positive relationships among its Directors, officers, and employees.

LIBI's ongoing scheduled professional education and training programs that will enhance the knowledge and awareness of important subjects related to our business and mandate were rescheduled due to the COVID-19 pandemic.

LIBI is compliant with the Code of Corporate Governance. There is no violation cited by any of the LIBI employees.

LIBI has adopted the Code of Ethics enunciated under RA 6713 or the "Code of Conduct and Ethical Standards for Public Officials and Employees", and its Code of Conduct and Ethical Standards which covers all LIBI employees including its Directors and Officers. The Personnel Manual of LIBI, under VI. Administrative Discipline, explicitly provides for the specific breaches and the corresponding penalties.

LIBI is fully compliant with the provisions of the Code of Corporate Governance. There were no non-compliances with Good Governance Conditions. LIBI is not on the "List of Non-Compliant GOCCs Covered by RA 10149 on Good Governance Conditions, Procurement Requirements, and Common STO and GASS Indicators for FY 2021 PBB."



# MANAGEMENT AND HUMAN RESOURCES

## LIBI Healthcare Services

At the height of the COVID-19 Pandemic, the organization adopted and implemented all the issuances, standard protocols, and regulations by DOH, IATF, and the National Government to assess, monitor, contain, control, and prevent the spread of the virus within LIBI's premises. Regular disinfection of the office premises is conducted. The administrative maintenance and service staff are provided with PPEs and other protection measures. For the further safety of its employees, LIBI was able to provide shuttle services for those scheduled under the Skeletal Workforce. The management was able to issue the following office orders; (a) Resume to Work on April 5, 2021, under Skeletal Workforce and WFH Arrangement, and (b) Additional Guidelines on Return-to-work for confirmed COVID-19 Employees.

## Monthly Pest Control and Office Disinfection

LIBI maintains a safe environment for LIBI staff and visitors through the conduct of monthly Pest Control and disinfection activities that minimize the spread of disease, especially COVID-19 and germs. Often the location and age of an office building will have an impact on the likelihood of a pest problem. Specific areas of an office can face a more significant threat.

## Insurance Coverages

Insurance is as important as security in the workplace. LIBI takes all the precautionary steps to protect its critical assets, data, and employees. LIBI renewed its insurance policies annually. Endorsements and additional coverage are necessary to make sure that all insurable assets of LIBI are protected. These steps will lead to a transfer of its risk to the insurance provider. Below are the insurance coverages that LIBI had:

Insurance Type	Coverage (₱)	Particulars
Errors & Omission	12,000,000.00	1st Layer: Php4,000,000.00 2nd Layer: Php4,000,000.00 3rd Layer: Php4,000,000.00 Deductible: Php5,000.00 each and every loss
Personal Accident	24,500,000.00	
Comprehensive General Liability	2,937,500.00	
Motor	3,094,190.00	
Fire	3,977,291.99	1) Various Office Furniture & Fixtures: Php237,735.17 2) Building Improvements: Php3,739,556.82
Electronic Equipment Insurance (EEI)	947,047.29	Various Electronic Equipment (see attached schedule) - Php947,047.29
Bond	1,000,000.00	Surety Bond for Key Personnel
Floater (All Risk)	2,400,000.00	



# FINANCIAL HIGHLIGHTS

## HIGHLIGHTS OF ACTIVITIES & INITIATIVES –

1. For CY2021, LIBI realized a Net Income After Tax (NIAT) of 188,150,259, an increase of ₱42,917,786 or 29.55% compared to the year 2020 NIAT of ₱145,232,473. The CY2021 NIAT surpassed the CY2021 target of ₱144,292,767 by 30.39% or ₱43,857,492. Return on Equity (ROE) for CY2021 was 15%, while Return on Asset (ROA) was 11.27%. Both ratios were higher by 19.43% and 16.67%, respectively, compared to the PY2020 ROE of 12.56% and ROA of 9.66%. Total Income .... 2021 Target of ₱267,041,713
2. Net premium volume produced during the year reached ₱1,255,142,571 representing an increase of 30.14 percent or P290,710,254 compared to last year's ₱964,432,317 net premium volume. This was primarily due to the increase in LBP Livelihood Loan Branches Borrowers. The premium volume produced surpassed the year 2021 target of ₱1,029,491,337 by 21.92% or ₱225,651,234.
3. The net commission in CY2021 of ₱240,050,117 was 17.44% or ₱35,645,582 higher than the net commission of ₱204,404,535 in PY2020. Likewise, the 2021 net commission for CY2021 is higher by 17.47% or ₱ 35,697,645 compared to the net commission target for the year of ₱204,352,472. This was brought about by the 30.14% increase in net premium volume.
4. Total investments at amortized cost as of December 31, 2021, is ₱1,271,443,131 which is 72.51 percent of the LIBI's total assets of P1,753,397,349. Liquid assets of ₱300,171,912 are 0.837 times the current liabilities of ₱358,754,539.
5. Interest income derived from investments and savings deposits this year of ₱34,968,752 was lower by 9.37 percent or equivalent to ₱1,200,580 compared to last year's interest income of ₱38,968,752.
6. Total income for CY2021 of ₱305,433,588 was higher by ₱61,581,917 or 25.25% compared to the target for the year ₱243,851,671.
7. The total expenses for CY2021 of ₱66,222,826 were higher by 13.85% or ₱8,057,010.04 compared with the total expenses of CY2020 of ₱58,165,816.43. However, 2021 total expenses had a favorable variance of 23.07% or ₱19,855,879 compared to the budget for the year of ₱86,078,705 due to the savings resulting from the reduction in personnel services expenses due to deferment of the hiring of additional manpower because of the plan for LIBI's reorganization. Savings in maintenance and operating expenses (traveling expenses, communication expenses, utilities, training, office supplies); and depreciation expense for office renovation and furniture and fixtures with the postponement of the renovation of the office as a precautionary measure to the Covid-19 pandemic.
8. For CY2021, LIBI remitted to the National Government a cash dividend of ₱74,842,249. This is ₱12,074,830 or 19.24% higher compared to the cash dividend of ₱62,767,419 million paid in PY2020.

LIBI maintained its close coordination with LBP Account Officers with the help and support of LIBI's Board of Directors and LBP's President and CEO, resulting in the acquisition of several big accounts (e.g., Biotech) that were not previously endorsed to LIBI for insurance coverage. Likewise, LIBI was able to re-engineer its insurance processes, enabling the company to provide an insurance quotation within the day (pre-bided arrangement), consistent with LIBI's new Citizen's Charter. This led to a significant increase in premiums for renewal businesses, which amplifies the fact that its customer satisfaction has greatly improved. CY 2021 is considered a banner year in the history of LIBI.



# **CORPORATE SOCIAL RESPONSIBILITY**





# **CORPORATE SOCIAL** *responsibility*

## **A. COMMUNITY AND ENVIRONMENT**

LIBI is an active partner of Manila Bay S.U.N.S.E.T. Partnership Program Inc., which promotes and implements sustainable and supplementary efforts to improve the environmental quality of Manila Bay. This activity develops environmental awareness as well as reinforces commitment to corporate social responsibility. LIBI has committed to making annual contributions to help facilitate the implementation of projects and programs by the Manila Bay S.U.N.S.E.T. Partnership Program Inc. and encourages its employees to actively participate in the clean-up programs. However, due to the sudden surge of the COVID-19 pandemic, this clean-up drive was temporarily suspended.

## **B. DONATION TO CHOSEN CHILDREN VILLAGE FOUNDATION, INC.**

### **CHOSEN CHILDREN VILLAGE FOUNDATION, INC.**

Founded by Maria Angeles "Lita" Peypoch Fullerton in 1988, Chosen Children Village offers a unique concept in the care of disabled children. Her dream was to provide a home environment with a family setting for abandoned children with physical and mental disabilities.

The Chosen Children Village concept came about after the Las Piñas facility of Chosen Children Inc. was unable to cope with the volume of children needing a home and a family. Located in the cool, clean air of Silang, the 4-hectare parcel of land now houses 11 cottages, a chapel, a school, an administration clinic, and physical therapy centers. The central focus is a spacious, multi-purpose play area where the children fill the air with laughter and squeals of delight.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR) OF LIBI**

The Corporate Social Responsibility (CSR) of LIBI supports legitimate activities and programs of NGOs that safeguard and improve the state of the environment for future generations.



# **CORPORATE SOCIAL** *responsibility*

## **C. CUSTOMER'S HEALTH & SAFETY**

LIBI should aim to ensure a safe and healthy working environment for all its stakeholders, especially their clients and visitors. LIBI should comply with all relevant local legislation or regulations, and best practice guidelines recommended by national health and safety authorities. The staff should be informed regarding the policies and practices of LIBI to maintain a healthy, safe and enjoyable environment.

LIBI continued and intensified what it had initiated in CY2016 regarding improving its efficiency and quality of insurance process through shortening the turn-around time of every transaction with the end view of continuous quality improvement in our operations and delivery of service.

LIBI implemented and followed the IATF For the Management of Infectious Disease, DOH, and all issuances from the regulators with relevance to both organizational and Customer Health and Safety that include also the latest IATF Omnibus Guidelines For Corona Virus Disease 2019 (Covid-19).

The SyCipLaw Center Building Administration issued guidelines on the standard protocols for accepting walk-in clients and visitors which are strictly followed by LIBI.

In compliance with the Gender And Development Program LIBI provides Lactation Area for the clients and visitors which is regularly sanitized and well maintained.

## **D. FINANCIAL ASSISTANCE**

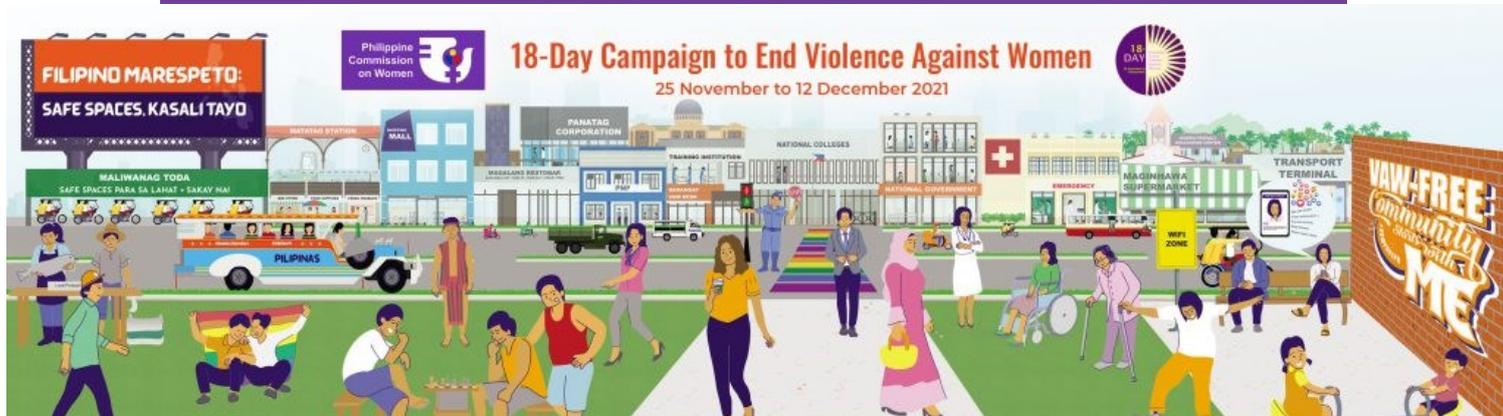
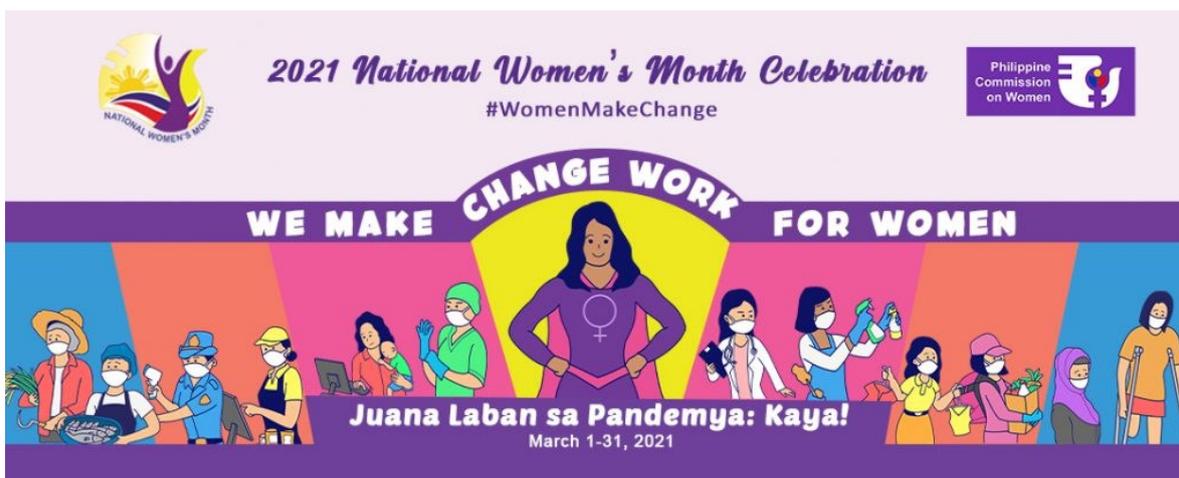
LIBI extended help in financial assistance to its personnel under the financial assistance program. The program continues to provide the beneficiaries one-time financial assistance to workers affected by the coronavirus disease 2019 (COVID-19) pandemic.

## **E. ANNUAL CUSTOMER SATISFACTION SURVEY**

As part of the initiative for continual improvement, LIBI conducts its Customer Satisfaction Survey annually.



## GENDER AND DEVELOPMENT (GAD) CORNER



## LIBI LEADS THE OBSERVANCE OF THE 18-DAY CAMPAIGN TO END VIOLENCE AGAINST WOMEN

**NOVEMBER 25-26, 2021**

In celebration of the 2021 18-Day Campaign to End Violence Against Women (VAWC), one of the support activities led by the Philippine Commission on Women (PCW). LIBI GAD committee would like to invite all interested employees, except Unit Heads and Executive Officers to participate in the Spoken Poetry Contest with the theme: "Filipino Marespeto; Safe Spaces, Kasali Tayo", to be held on December 3, 2021 at 10:00 AM.



AUDITED

# FINANCIAL STATEMENTS

## **UNAUDITED FINANCIAL STATEMENT FOR 2021**

**COA Receipt Date: March 03, 2022**

# THE LIBI BOARD OF DIRECTORS

## As of December 31, 2021



**ALVIN G. DANS**  
Chairman

Atty. Alvin Gregorio Dans was appointed as a member of LBP Insurance Brokerage, Inc. (LIBI) Board of Directors on May 15, 2020.

Atty. Dans obtained his Bachelor of Laws Degree from Siliman University and Masters in National Security Administration postgraduate studies from National Defense College of the Philippines. He passed the Bar examinations of the Philippines in 1976.

Prior to joining Home Guaranty Corporation, he held management roles in various capacities both in the government and private sectors.

Atty. Dans currently sits as the Chairman of the Board of Directors. Likewise, he is the incumbent Chairman of the Executive Committee (ExeCom) and Corporate Governance and Remuneration Committee (CGCom) of LIBI.

Birthdate:	October 31, 1951
Age:	71 years old
Date of Appointment::	May 15, 2020
Educational Attainment:	
College:	Bachelor of Arts in Economics Lyceum of the Philippines, 1972
Graduate Studies:	Bachelor of Laws Siliman University, 1976 Master in National Security Administration National Defense College of the Philippines (NDCP), 1991
Professional and Civil Service Eligibilities	BAR Passer
Directorship:	No other directorship

# THE LIBI BOARD OF DIRECTORS As of December 31, 2021



## REYNAULD R. VILLAFUERTE Director



Birthdate:	April 18, 1952
Age:	70 years old
Date of Appointment:	November 7, 2012
Educational Attainment:	
College:	Bachelor of Science in Communication Ateneo de Zamboanga, 1973 Bachelor of Laws Zamboanga A.E. College, 1975
Graduate Studies:	Bachelor of Laws/Master in Business Administration Adamson University/University of Sto. Tomas, 1977 - 1980
Professional and Civil Service Eligibilities	BAR Passer IBP License No. 30819, 1981
Directorship:	LBP Realty and Development Corporation (LBRDC)

Atty. Reynauld Ruiz Villafuerte was appointed as a member of LBP Insurance Brokerage, Inc. (LIBI) Board of Directors on November 7, 2012. He has been the Corporate Secretary and Legal Counsel of the Corporation from 1993-2012.

Atty. Villafuerte held the position of Senior Vice President, Corporate Secretary, and General Counsel/Head of the Legal Services Group of the Land Bank of the Philippines (LBP) when he retired on August 1, 2016.

Atty. Villafuerte is a graduate of the Ateneo de Zamboanga. He has a graduate study in Master of Science in Commerce course at the University of

Santo Tomas (UST). He also finished a special course in Bank Management at the Asian Institute of Management (AIM). He attended a seminar on securities regulation at the University of San Francisco, USA.

Atty. Villafuerte is at present the General Manager of LIBI. He is also a member of the Board of Directors of the LBP Realty and Development Corporation (LBRDC). On two occasions, he was appointed as OIC-President of the LBRDC.

# THE LIBI BOARD OF DIRECTORS

## As of December 31, 2021



### PAMELA B. FELIZARTA

#### Director



Atty. Pamela B. Felizarta was appointed as a member of LBP Insurance Brokerage, Inc. (LIBI) Board of Directors on April 6, 2017.

Atty. Felizarta served as the Deputy Secretary-General of Housing and Urban Development Coordinating Council (now Dept. of Human Settlement and Urban Development) from 2004 to 2010 and Vice-President (VP) for Legal/ADM of National Home Mortgage Finance Corporation from 2001 to 2004.

Atty. Felizarta also worked for Abenson Inc./ Waltermart as Labor Relations Officer/Corporate Counsel from 1999-2001 and Legal Assistant in Soo Gutierrez Leogardo Lee Law Offices from 1995-1999.

At present, Atty. Felizarta is the Head of the Joint Strategic Operations and In-charge of Regulatory Government Compliance/Lawyer of Smart Communications, Inc.

Atty. Felizarta is currently the Vice-Chairperson of the Executive Committee (ExeCom) and a member of the Corporate Governance and Remuneration Committee (CGCom) of LIBI.

Birthdate:	June 25, 1968
Age:	54 years old
Date of Appointment:	April 6, 2017
Educational Attainment:	
College:	Bachelor of Science in Commerce Major in Economics St. Scholastica's College, 1989
Graduate Studies:	Bachelor of Laws/Juris Ateneo de Manila University, 1997
Professional and Civil Service Eligibilities	BAR Passer, 1999 Career Service Eligibility Exam-Professional, 2004 Career Executive Officer Rank VI, 2007
Directorship:	No other directorship

# THE LIBI BOARD OF DIRECTORS

## As of December 31, 2021



**JENNIFER A. TANTAN**  
**Director**

Mrs. Jennifer Almazan Tantan was appointed as a member of LBP Insurance Brokerage, Inc. (LIBI) Board of Directors on January 22, 2015. She was the Assistant Treasurer of LIBI from 1998-2000, Treasurer from 2001-2005, and Chairperson of the Investment Committee from February 1, 2005, to November 4, 2014.

Director Tantan was a Senior Vice-President (SVP) of the Land Bank of the Philippines (LBP) heading the North National Capital Region Branches Group (NCRBG) when she retired on April 1, 2016.

Currently, Director Tantan is the Chairperson of the Audit and Risk Management Committee and Committee of One-Investment Committee of LIBI.

Birthdate:	January 11, 1955
Age:	67 years old
Date of Appointment::	January 22, 2015
Educational Attainment:	
College:	Bachelor of Science in Accountancy University of Sto. Tomas (UST), 1975
Graduate Studies:	Master of Business Administration (25 units) Ateneo Graduate School Master of Business Administration College of the Holy Spirit of Manila, 2014 Leadership Development Program (6 units) Ateneo Graduate School Diploma in Business Development Concordia Internal College (Canada), 2013
Professional and Civil Service Eligibilities	Certified Public Accountant (CPA) Career Executive Service Officer (CESO) Career Service Eligibility Exam (CSEE) Passer Civil Service Eligibility
Directorship:	No other directorship

# THE LIBI BOARD OF DIRECTORS

## As of December 31, 2021



### **EUSEBIO A. CORTEZ** Director

Mr. Eusebio A. Cortez was appointed as a member of LBP Insurance Brokerage, Inc. (LIBI) Board of Directors on August 16, 2017. He presently holds the position of Manager from GNG Finders Housing Services.

Director Cortez has been with the Mabini Bakery Supply as Manager from 2011-2013. Likewise, he was the Owner of Ramos Dental Clinic from 1992-2000. He also worked with Prudential Bank as Savings/Current Bookkeeper from 1982-1984, Teller/Customer Service Associate of American Express Bank from 1985-1990, and Teller of Merchants National Bank from 1990-1991.



Director Cortez is currently a member of the Audit and Risk Management (ARM) Committee and Executive Committee (ExeCom) of LIBI.

Birthdate:	August 14, 1959
Age:	63 years old
Date of Appointment:	August 16, 2017
Educational Attainment:	
College:	Bachelor of Science in Accountancy Holy Angel University, 1980
Directorship:	No other directorship

# THE LIBI BOARD OF DIRECTORS

## As of December 31, 2021



**BENJAMIN G. SALANATIN**  
Director

Atty. Benjamin G. Salanatin was appointed as a member of LBP Insurance Brokerage, Inc. (LIBI) Board of Directors on February 20, 2018.

Atty. Salanatin practiced his profession as Attorney V in the Agrarian Legal Office in Landbank of the Philippines (LBP) from 1990-2009. He also worked as Managing Partner with Abayon Silva Salanatin and Associates from 2009-2015.

Atty. Salanatin is currently the Project Manager with RG Salanatin Construction, Inc.

Atty. Salanatin is currently a member of the Audit and Risk Management (ARM) Committee and Corporate Governance and Remuneration Committee (CGCom) of LIBI.

Birthdate:	November 5, 1948
Age:	74 years old
Date of Appointment::	February 20, 2018
Educational Attainment:	
College / Graduate Studies:	Bachelor of Laws University of the East (UE), 1974
Professional and Civil Service Eligibilities:	BAR Passer Bar/Board Eligibility (RA1080)
Directorship:	No other directorship

# THE LIBI BOARD OF DIRECTORS

## As of December 31, 2021



### ALBERTO R. MORALES

#### Director

Birthdate:	December 10, 1951
Age:	71 years old
Date of Appointment::	June 10, 2020
Educational Attainment:	
College:	Bachelor of Science In Industrial Engineering University of the Philippines, 1974
Graduate Studies:	Masters in Business Administration University of the Philippines, 1980
Professional and Civil Service Eligibilities	Diplomate in Project Management University of the Philippines, 1978 Diplomate in Systems Engineering Asian Institute of Technology (Bangkok), 1978 CSC First Grade Professional
Directorship:	No other directorship

Mr. Alberto R. Morales was appointed as a member of LBP Insurance Brokerage, Inc. (LIBI) Board of Directors on June 10, 2020.

Director Morales spent the earlier part of his career in the Development Academy of the Phil., and at the Farm Systems Development Corporation. Afterward, he worked as a Staff Director in the Ministry of Human Settlements.

Director Morales also worked as a Management Specialist in the Office of Sen. Alvarez. He also became a Consultant in the Ninoy Aquino International Airport and the Dept. of Agrarian Reform.

In the private sector, he became CEO/President of Dial Properties, Inc. Also, he became part-owner and Board member of Asialink Comp Corp. He was also the Corporate Secretary of the corporation.

Prior to his appointment as a member of the Board of LIBI, he was also appointed as a member of the HGC Board of Directors.

Director Morales is currently a member of the Audit and Risk Management (ARM) Committee and Corporate Governance and Remuneration Committee (CGCom) of LIBI.

# THE LIBI BOARD OF DIRECTORS

## As of December 31, 2021



### CHERRY MAY T. FREDERICK

#### Director



Birthdate:	May 28, 1978
Age:	44 years old
Date of Appointment:	June 10, 2020
Educational Attainment:	
College:	Bachelor of Secondary Education Major in Physical Education Holy Cross of Davao, 2000
Graduate Studies:	Master of Education Major in Physical Education University of Mindanao, 2012 Practical Nursing Kennedy Global School of Business Inc. , 2014
Professional and Civil Service Eligibilities	LET Passer: License No. 668832
Directorship:	No other directorship

Ms. Cherry May T. Frederick was appointed as a member of LBP Insurance Brokerage, Inc. (LIBI) Board of Directors on June 10, 2020. Prior to this appointment, she has been a Director at Palmetto Place Davao where she also served as Chief Financial Officer and Treasurer.

Director Frederick is an educator by profession. She is also an entrepreneur in a business consulting firm. She is a gifted business leader with a keen appreciation for the finer things in life.

Director Frederick is also engaged in charitable works. She has worked closely with the fishermen and farmers of *Bahandi sa*

*Kaumahan og Kadagatan* in Mindanao. She has a number of philanthropic activities with World Outreach Ministries as an educator. She also aids many with special needs.

Director Frederick earned her Bachelor's degree in Secondary Education from Holy Cross of Davao College, Master's in Education from the University of Mindanao, and Nursing from the Kennedy Global School. She is currently enrolled in Management Essentials at Harvard Business School online.

Director Frederick embodies the values of looking out for the most vulnerable, providing food and critical supplies at no cost, and inspiring people to trust in the Lord as they go through difficult circumstances. She is a force to be reckoned with, has a lot on her plate but manages to tackle every challenge with calculated strategy and grace.

Director Frederick is currently the Vice-Chairperson of the Corporate Governance and Remuneration Committee (CGCom) and a member of the Executive Committee (ExeCom) of LIBI.

# THE LIBI BOARD OF DIRECTORS

## As of December 31, 2021



### **RICKY T. BACOLOD** Director

Mr. Ricky Taruc Bacolod was appointed as a member of LBP Insurance Brokerage, Inc. (LIBI) Board of Directors on July 15, 2020.

Director Bacolod is the Founding Chairman of Federalist Council Party Inc. He is also the Chairman of Europe Asia Pacific Crypto Digital Market Trade Corp.

Director Bacolod is currently a member of the Audit and Risk Management (ARM) Committee and Corporate Governance and Remuneration Committee (CGCom) of LIBI.

Birthdate:	May 2, 1972
Age:	50 years old
Date of Appointment:	July 15, 2020
Educational Attainment:	
College:	Bachelor in Public Administration Universidad De Manila, 2001
Graduate Studies:	Juris Doctor Law Student (4th Year) Universidad De Manila, 2001
Professional and Civil Service Eligibilities	Introduction to Social Corporate Responsibilities World Bank Institute, 2004 Introduction to Sustainable Development in Asia and the Pacific Financial Global Capital Flows and the Global Financial Cycle Financial Inclusion, Financial Literacy and Financial Education in Asia ADB Institute, 2020
Directorship:	No other directorship



**LBP (LANDBANK OF THE PHIL.)  
INSURANCE BROKERAGE, INC.  
(LIBI)  
(A LANDBANK Subsidiary)**

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