

Finance to Accelerate Energy Transition

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LANDBANK

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**LANDBANK Recognitions
for the Environment**



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LANDBANK at a Glance

- 100% government-owned universal bank
- Philippines' 2nd largest bank in terms of total assets in 2020*
- Only bank present in all 81 provinces in the Philippines
- With social mandate to spur countryside development
- With extensive network of:



55

Lending
Centers

411

Domestic
Branches



2,354

ATMs

66 Branch Lites

*Source: Published Statements of Condition (Head Office and Branches) of the Bank as gathered by LBP's Corporate Planning & Strategy Management Department



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Priority Sectors



Mandated Sector

Small farmers including agrarian reform beneficiaries and their associations; Small fishers and their associations



Support for Agriculture and Fisheries

Agribusiness; Aqua-business; Agri-Aqua related projects of Local Government Units and Government-Owned and – Controlled Corporations



Support for Other National Government Priority Programs

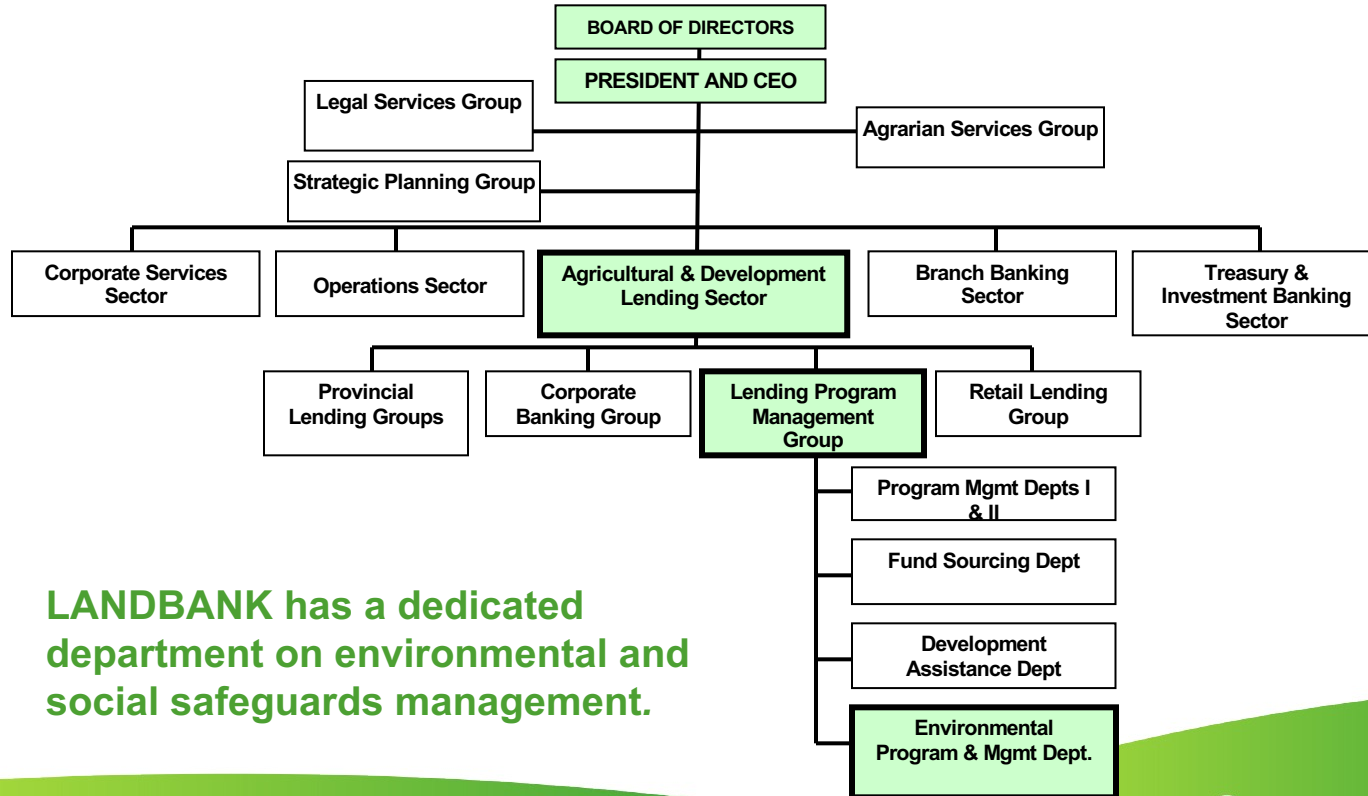
Micro, small and medium enterprises; Environment-related projects; Communications; Transportation; Housing (Socialized, Low Cost and Medium Cost); Education; Health Care; Environment-related projects; Tourism; Utilities



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LANDBANK'S Commitment to the Environment:

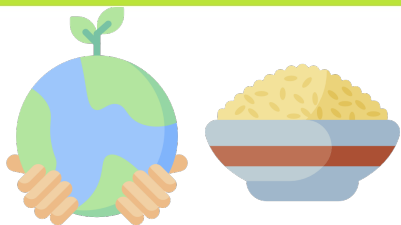
Establishment of the Environmental Program & Management Department



LANDBANK has a dedicated department on environmental and social safeguards management.



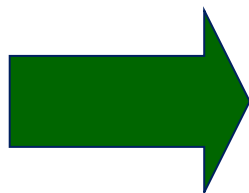
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LANDBANK'S Commitment to the Environment

Environmental & Social Risk Management

**“Enhanced Environmental & Social
Safeguards Policy Relative to Credit
Delivery”
(Executive Order 98, Series of 2020)**



Adherence to the BSP Sustainable
Finance Network (BSP Cir. 1085 s. 2020)

Compliance to institutional adoption of
an Environmental and Social Risk
Management System

Promotion of sustainability principles by
incorporating environmental and social
(E&S) risk assessment and management
in the Bank's lending operation



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Sustainability Bonds

Terms of the Offering



Issuer	Land Bank of the Philippines (“LANDBANK” or the “Bank”)
Issue Type	PHP-denominated Fixed-Rate Bond (“Bonds”)
Use of Proceeds	<ul style="list-style-type: none">• To finance or refinance Green and Social Projects;• To improve the maturity profile of Bank’s liabilities; and,• Diversify resources of funding.
Issued Bonds	PHP 5 billion
Tenor	2 Years



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Sustainability Bonds



Green Projects

Those that contribute to environmental objectives such as climate change mitigation and adaptation, natural resource and biodiversity conservation, and pollution prevention and control



Social Projects

Those that directly aim to help address or mitigate a specific social issue, and seek to achieve positive social outcomes



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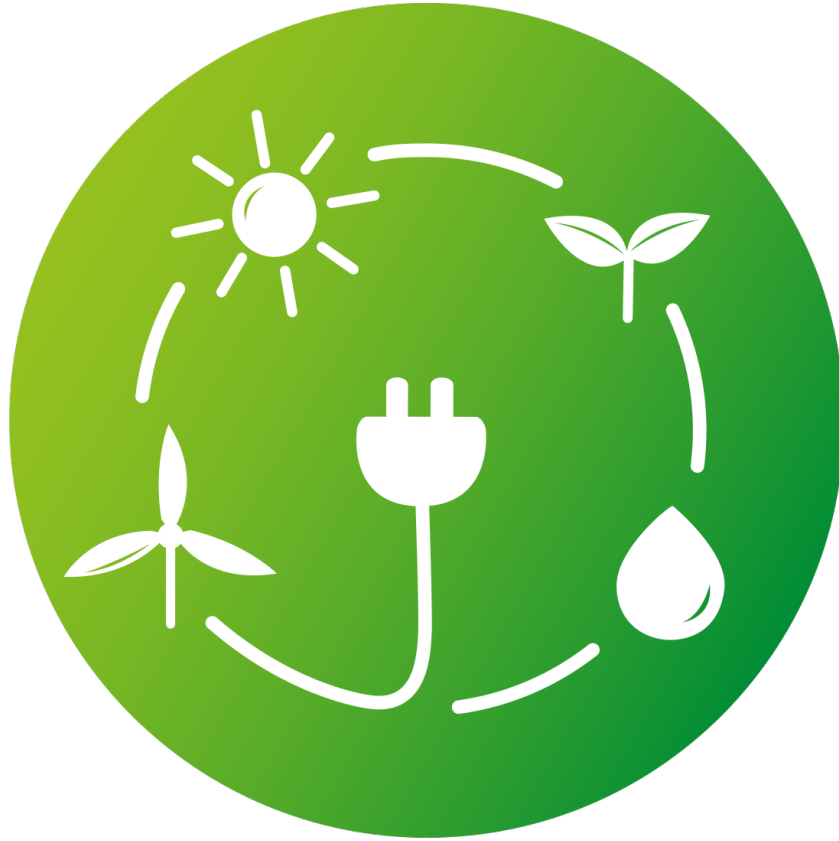
Eligible Green Use-of-Proceeds

LANDBANK intends to allocate an amount equal to the incremental net proceeds of the Sustainable Bonds to finance loans which will provide clear environmental and social sustainability.

- Renewable energy
- Clean transportation
- Sustainable water management
- Pollution prevention and control
- Environmentally sustainable management of living natural resources and land use
- Climate change adaptation
- Terrestrial and aquatic biodiversity conservation
- Eco-efficient and/or circular economy adapted products, production technologies and processes



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LANDBANK has
been implementing
programs dedicated to
**environmental
protection and
management.**



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LANDBANK's Climate S.M.A.R.T. Financing Programs

Projects under the program are classified into three categories:



Mitigation

Adaptation



Resiliency



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Renewable and Efficient Alternative (REAL) Energy Financing Program

- Financing to **Renewable Energy and Energy Efficiency Projects.**
- The program supports the National Government's thrust of promoting RE development, utilization and commercialization, and accelerating investment in the energy sector.



Eligible Projects

For Renewable Energy

Generation of power or electricity from:

1. Biomass
2. Geothermal
3. Solar Power
4. Hydro
5. Ocean
6. Wind

For Energy Efficiency

Adoption of cost-effective options in the use of energy

1. Installation of Rooftop Solar Energy System
2. Installation of efficient lighting system
3. Building retrofitting to make the structure what can be considered a “Green Building”
4. Or any investment or installation of modern and more energy efficiency equipment system



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Basic Terms of Loan Facility

Eligible Loan Purpose

1. Project Preparation, e.g., Feasibility Study, Detailed Engineering Design, Assessment Studies
2. Working Capital
3. Capital Expenditures

Type of Facility/Loan Tenor

1. Short Term Loan – Up to 360 days
2. Term Loan – Up to 15 years

Interest Rate

- Based on prevailing market rate at the time of availment

Loan Amount

- Based on project requirement

Borrower's Equity

- 20% for private entities and 10% for government entities

Collateral/Security

- Object of financing; any or combination of tangible collaterals or acceptable guarantees



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RE Portfolio Profile

Type of RE	No. of Accts	Capacity (MW)
Biomass/Biogas	26	60.720
Geothermal	1	305.000
Solar	19	188.333
Hydro	10	28.020
Ocean	-	-
Wind	1	150.000
Cogeneration	1	10.000
Total	58	742.073
Total Approved Loans	P 20.206 B (US \$420.96M)	





**GREEN
CLIMATE
FUND**



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The infographic illustrates the structure of the Green Climate Fund (GCF) and its flow of funds. It is presented as a funnel shape divided into three main sections, with a diagonal band on the right side.

- Top Section (Dark Teal):** Labeled **Green Climate Fund**.
- Middle Section (Medium Teal):** Labeled **Accredited Entities**. A line connects this section to a box on the left labeled **Investment**.
- Bottom Section (Light Blue):** Labeled **Programmes + Projects**. Below this, a list of **Financial Instruments** is provided: Grants, Loans, Guarantees, and Equity. A line connects this section to a box on the left labeled **Commission**.
- Diagonal Band (Grey):** Labeled **National Designated Authorities**.
- Bottom Right Corner:** A small red line and the text **© Green Climate Fund**.

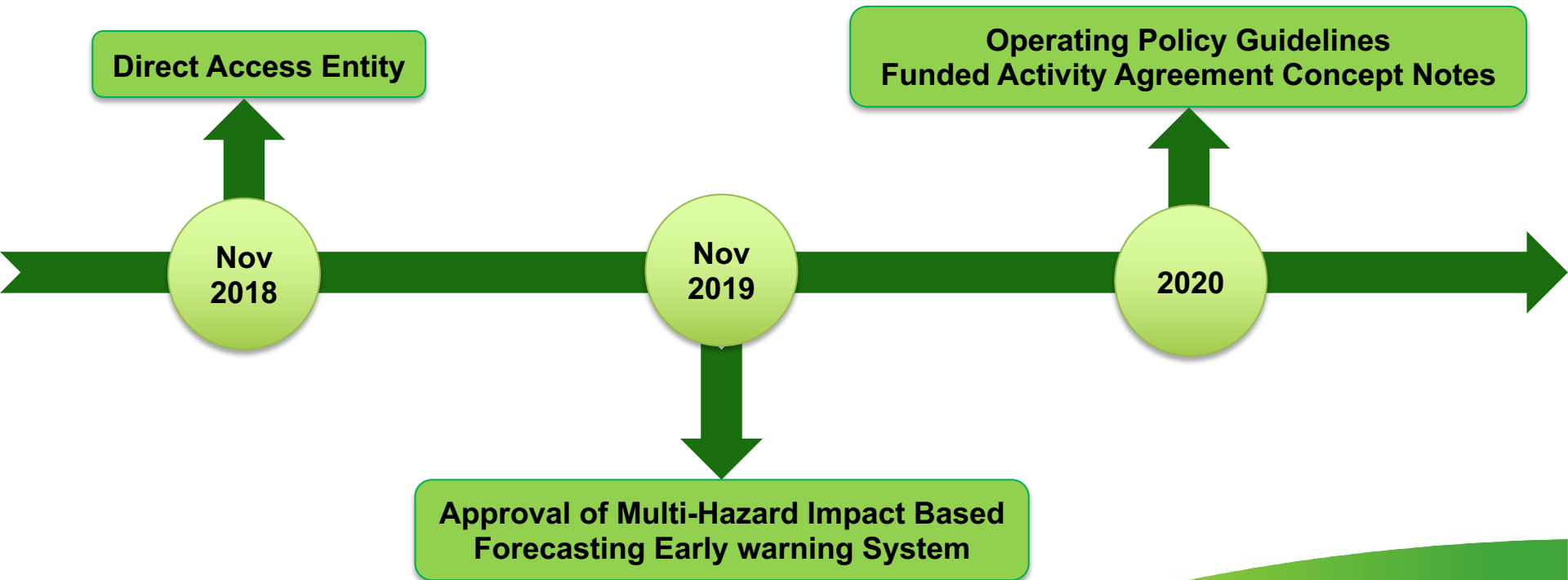
Climate Change Commission is the Philippine NDA



GREEN
CLIMATE
FUND



LANDBANK MILESTONES



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LANDBANK RECOGNITIONS FOR THE ENVIRONMENT



**Association of Development Financing
Institutions in Asia and the Pacific
Development (ADFIAP) Award 2020**
(ADFIAP 43rd Annual Meeting in October 2020)

**Environmental Development Winner
Green Climate Finance**



Karlsruhe Sustainable Finance Award 2020
(Karlsruhe Germany in Sept. 2020)

**Certificate of Merit on Enhanced
Environmental and Social Safeguards**



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