

 <p>LANDBANK RESOURCES and DEVELOPMENT CORPORATION 24th Floor, LANDBANK Plaza 1598 MH del Pilar Cor. Dr. Quintos St., Malate Manila</p>	<p>LANDBANK – Resources and Development Corporation</p>	<p>CLASS D</p>	
	<p>Risk Management Manual</p>	<p>Revision 01</p>	<p>Effectivity March 28, 2023</p>


LANDBANK Resources and Development Corporation (LBRDC)

December 2022

 LANDBANK RESOURCES and DEVELOPMENT CORPORATION 24 th Floor, LANDBANK Plaza 1598 MH del Pilar Cor. Dr. Quintos St., Malate Manila	LANDBANK – Resources and Development Corporation		CLASS D	
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INTRODUCTION

It is essential for every business to manage its risks to ensure continuity and profitability. LANDBANK Resources and Development Corporation (LBRDC), from its humble beginning as an investment diversification vehicle for landowners whose properties have been covered by the agrarian reform program, has expanded its horizon to property management and maintenance services, brokering and manpower services, construction management, appraisal services, and to date, as developer/operator of the only Special Economic Zone in Metro Manila.

As LBRDC consistently moved forward in attaining its goal of becoming a first-class and dynamic component of LANDBANK, it has also recognized that embedding Risk Management policies in its corporate governance will help the company to be more efficient and effective in achieving its goal.

Thus, to guide its Board of Directors, Managers, Division Chiefs, and Employees, the Board, thru its Compliance and Risk Management Committee, has adopted the applicable provisions of the Risk Management Program of its parent company, LANDBANK, in this manual.

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A. PURPOSE

- A.1 To aid the Board of Directors, Managers, Division Chiefs, and employees in effectively mitigating or managing business risks.
- A.2 To foster Risk Management (RM) awareness.
- A.3 To align and continuously update the RM Manual with the latest regulatory issuances and adopt the current RM practices of its parent corporation, LANDBANK.
- A.4 To identify the various business risks that may affect the operations and performance of LBRDC.

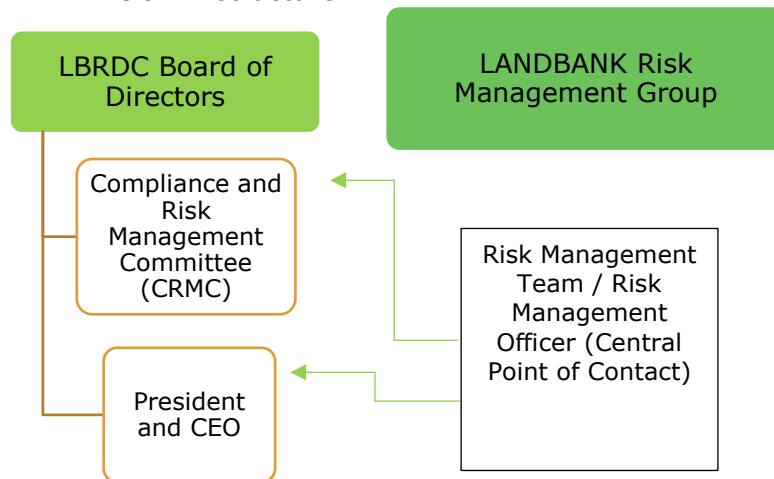
B. RISK MANAGEMENT (RM) POLICY


The RM framework adopted its parent company, LANDBANK, existing RM policies, and structures under this manual.

1. RM Structure

LBRDC’s RM oversight structure mirrored that of its parent company, LANDBANK.

Fig. 1 LBRDC’s RM structure



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Considering the existing manpower set-up of LBRDC, the company has identified one independent Risk Management Central Point of Contact to perform its RM function.

2. Key Players

The following are the key players involved in implementing the RM policies of LBRDC viz-a-vis their functions.¹

KEY PLAYERS	Functions
LBRDC Board of Directors	<p>1. Provides overall RM oversight to the LBRDC on the implementation of its RM Framework, which includes the regular review and enhancement of the following:</p> <ul style="list-style-type: none"> a) Sustainability principles b) Risk policies, procedures, and practices c) Risk appetite (risk limits/tolerances) and changes therein. d) Portfolio objectives e) Environment and Social risk (E&S) objectives covering short, medium, and long-term horizons f) Overall RM strategies g) RM Control Framework h) Mapping of risks, including new/emerging risks such as E&S risk

¹ LANDBANK Risk Management Program for LANDBANK Subsidiaries & Foundation (LBRDCs)

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KEY PLAYERS	Functions
	<ul style="list-style-type: none"> i) Business Continuity Management policies and guidelines j) Oversee the LBRDC’s risk exposures, issues related to internal activities and events that may impact the LBRDC’s portfolio and reputation k) Instill a culture supportive of risk management l) Designate Risk Officer/RM Central Point of Contact (CPC) to ensure proper communication and coordination of RM activities with LANDBANK m) Ensure that the LBRDC has an established COMPRISK which convenes regularly or that RM Related matters are being reported to a BOD-level that will assume the RM oversight duties of the COMPRISK
<p>Compliance and Risk Management Committee</p>	<ul style="list-style-type: none"> a) Oversee the LBRDC Risk Management Framework and ensure regular review and enhancement of the effectiveness and prompt implementation of RM Strategies/Action Plans, policies/procedures, and practices, including its alignment with LANDBANK’s RM Framework;

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KEY PLAYERS	Functions
	b) Review and provide inputs in the LBRDC Risk Management manual, including future amendments and endorse the same to the BOD for approval; c) Provides notation/approval of the following: <ul style="list-style-type: none"> • Sustainability principles • Risk policies, procedures, and practices • Risk Appetite (risk limits/tolerances) and changes therein • Portfolio objectives • E&S objectives covering short, medium, and long-term horizons • Overall RM strategies • RM Control Framework • Mapping of risks, including new/emerging risks such as E&S risk • Business Continuity Management policies and guidelines
President and CEO	a) Acts as the comprehensive risk executive and assumes overall accountability and ownership of risks, including overseeing the following to ensure management actions are consistent with BOD-approved policies: <ul style="list-style-type: none"> • Sustainability standards and practices • Effective implementation of RM policies and control systems • Risk Priorities

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KEY PLAYERS	Functions
	<ul style="list-style-type: none"> • Risk Appetite implementation and changes • Consistency of operations and performance to achieve portfolio objectives • Management of risk exposures, risk priorities, and new and emerging risks, such as E&S risk • Available resources to manage risks and related conflicts • Effective risk management information mechanism • Business Continuity Management policies and guidelines <p>b) Implements board-approved strategic objectives through the establishment of RM policies and guidelines and monitoring and reporting of its implementation;</p> <p>c) Oversees the establishment and implementation of the RM process: identification, measurement/evaluation, control, monitoring, and reporting of risks, including new/emerging risks such as E&S risk, Physical risk, and Transition Risk as relevant to each LBRDC;</p> <p>d) Validates RM strategies at the Department level or immediate risk designates affected by or in charge of implementing the proposed strategies;</p> <p>e) Apprise the BOD and/or relevant management committee regularly on risk exposures and potential</p>

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KEY PLAYERS	Functions
	<p>issues through complete, accurate, timely risk reports following the principles of Accuracy, Comprehensiveness, and Clarity and usefulness of the report components;</p> <p>f) Supports the BOD in instilling organizational culture supportive of risk management.</p> <p>g) Identify the qualified personnel to be designated as the Risk Officer RM / CPC and endorsed through COMPRISK for BOD’s approval;</p> <p>h) Ensures that the RM function/activities form part of the performance measures of the LBRDC Department or concerned personnel.</p>
Department Heads (Risk Champion)	<p>a) Provides sponsorship on the approved RM Strategies and Action Plans and coordinates these with the Department, officers/employees under supervision to ensure their full and proper implementation;</p> <p>b) Develop RM policies/programs to mitigate risks inherent in their specific business operations, which includes Business Continuity Management policies and guidelines;</p>

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KEY PLAYERS	Functions
	<p>c) Oversees the risk-taking activities of the Department under the supervision and evaluates if these are consistent with the strategic direction of the LBRDC and commensurate with the complexity and nature of its business operations;</p> <p>d) Reviews and approves the following for presentation by the RM Department/RM Officer to the COMPRISK / equivalent Committee for approval/notation:</p> <ul style="list-style-type: none"> • New and emerging risks, such as E&S Risks; • Proposed internal RM policies and procedures, RM Strategies/Action Plans; • Risk Reports covering the status of RM Strategies/Action Plans, issues/concerns, a summary of RM Tools, risk impact, catch-up plan for RM deliverables for completion, Enterprise Risk Management (ERM) activities • Business Continuity Plan; • Duly accomplished RM Tools; • Occurrence of risk events, policy & procedural breaches <p>e) Appoints the Risk Designates, one (1) or two (2) employees under the Department, and provide performance ratings pertaining to the achievement of RM-related work targets.</p>

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KEY PLAYERS	Functions
<p>RM Team (Unit) / RM Central Point of Contact (CPC)</p>	<p>a) Coordinates and communicates RM-related matters with LANDBANK Operational Risk Management Department (ORMD) with coordinates the ERM activities specified in the Risk Management Programs for LBP Subsidiaries and Foundation (LSFs);</p> <p>b) Submits to ORMD the copies of duly signed risk reports and COMPRISK’s actions taken with Board Resolution for notation of the LANDBANK ROC;</p> <p>c) Coordinates with LBRDC officers and employees on the following:</p> <ul style="list-style-type: none"> • Business Continuity Management policies and guidelines and Business Continuity Plan implementation; • Attendance of key officers of LBRDC during the conduct of RM walkthroughs, i.e., briefings sessions on DPA and RM tools; • Submission of the required documents relative to the updating of the Major Risk Assessment Document (MRAD) for LBRDC’s Risk under the LANDBANK Internal Capital Adequacy Assessment Process (ICAAP) document; • Submission of RMPS requirements, including RM Tools, risk reports, COMPRISK Directives, and other RM documents required by ORMD.

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KEY PLAYERS	Functions
<p>Authorized Risk Takers – ARTs (Officer or Staff under the Department – Risk Designate)</p>	<p>a) Implements day-to-day processes/procedures to meet business objectives;</p> <p>b) Actively participates in focused group discussions (FGD) and provides inputs to identify the risk drivers, RM Strategies, and Action Plans for the LBRDCs Priority Risks, including new/emerging risks such as E&S risk, to be presented to Senior Management and COMPRISK for notation/approval;</p> <p>c) Provides inputs in preparing regular risk reports covering the status of RM Strategies/Action Plans, issues/concerns, a summary of RM Tools, risk impact, catch-up plan for RM deliverables for completion, ERM activities, and Business Continuity Plan and its implementation;</p> <p>d) Prepares and submits the required data/information and documents relative to the annual updating of the Major Risk Assessment Document (MRAD) for LBRDC Risk as part of the LANDBANK ICAAP document;</p> <p>e) Assumes the functions of the RM Focal person in case a Risk</p>

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KEY PLAYERS	Functions
	Department or an incumbent RM focal person is absent.

All RMPS key players shall continuously acquire/update RM-related competencies/specializations, skills, and knowledge needed to perform their respective roles and responsibilities.²

3. Compliance and Risk Management Committee Charter

The Compliance and Risk Management Committee is also created under the GCG Memorandum Circular No. 2012-07.³

3.1 Role and Authority


The COMPRISK is an independent Committee and shall report directly and hold on to the authority of the Board of Directors.

The COMPRISK is an independent, Board-level committee mandated to perform the following tasks:

- 1) Oversee the LBRDC Risk Management Framework and ensure regular review and enhancement of the effectiveness and prompt implementation of RM Strategies/Action Plans, policies/procedures, and practices, including its alignment with LANDBANK’s RM Framework;
- 2) Review and provide inputs in the LBRDC Risk Management manual, including future amendments and endorse the same to the BOD for approval;
- 3) Provides notation/approval of the following:
 - Sustainability principles
 - Risk policies, procedures, and practices

² *ibid*

³ Code of Corporate Governance for GOCC

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- Risk Appetite (risk limits/tolerances) and changes therein
- Portfolio objectives
- E&S objectives covering short, medium, and long-term horizons
- Overall RM strategies
- RM Control Framework
- Mapping of risks, including new/emerging risks such as E&S risk
- Business Continuity Management policies and guidelines

4) Oversee the compliance and risk management function. The committee shall be responsible for the recommendation of the Compliance and Risk Management Officer. Also, it shall ensure that the compliance and risk management unit/team has adequate resources to effectively performs its mandated duties.

3.2 Composition

The Compliance and Risk Management Committee (COMPRISK) shall consist of at least three (3) members, with at least one member having a background in finance and investments.⁴


3.3 Schedule and Procedure of Meetings

3.3.1 The Committee meets at least once every two months or as often as necessary and appropriate.

3.3.2 The COMPRISK Chairperson or the majority of its members may call a special meeting when necessary.

3.3.3 A majority of members will constitute a quorum. The Chairperson presides during the committee meetings.

⁴ 16.2.5, GCG Memo Circular No. 2012-07

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3.3.4 A notice of meeting confirming the date, time, and venue is forwarded to each member at least five (5) working days before its meeting date.

3.3.5 A designated Secretariat under the Internal Audit Unit serves as the Secretariat of COMPRISK and keeps written minutes of its discussions.

3.3.6 The participation of the COMPRISK members may likewise be in person or through modern technologies (virtual attendance) as deemed necessary under certain situations, 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. The Committee may request any director, officer, or employee of the LBRDC, or other persons whose advice and counsel are sought by the latter, to attend a meeting to provide information as it deems necessary.

C. LBRDC Risk Management Framework

LBRDC, as one of LANDBANK’s subsidiaries, is covered under its RM framework, which is composed of the following elements:

1. Active and appropriate Board and Senior Management Oversight;
2. Adequate RM policies, processes, and infrastructure;
3. Appropriate Risk Identification, Risk Measurement and Evaluation, Risk Control, and Risk Monitoring;
4. Comprehensive Internal Risk Controls and Independent Audit;
5. Active participation and communication/escalation of risks by the Authorized Risk Takers/Departments


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Fig. 2 LBRDC’s framework




D. Levels of Risk Management

LBRDC’s RM is performed at three different levels:

1) Strategic Level – Risk Policy Formulation and approval

Strategic Level involves the Compliance and Risk Management Committee (COMPRISK), Management Level Committee, and Senior Management.

- The COMPRISK is responsible for overseeing the LBRDC’s risk management framework, policies, and strategies as aligned with LANDBANK.
- Senior management, on the other hand, identifies, assesses, and prioritizes enterprise-wide risks, establishes the risk appetite, and integrates risk information into its decision-making process to arrive at sound risk management strategies.


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- Both the COMPRISK and senior management are responsible for creating a risk culture that promotes a deep sense of risk awareness among the officers and staff of LBRDC.

2) Portfolio Level – Analysis, Control, and Policy Review

Portfolio-level risk management involves the Departments Heads and various business and support units of the LBRDC, Risk Management Team, or RM Officer/ CPC

- Each department/unit is responsible for analyzing and controlling risks. They monitor the occurrence of policy breaches and procedural infractions, and deviations and ensure that risk measures are properly applied by the business and support units. Should controls fail to address risks, the Department/unit heads should review attendant policies and propose workable adjustments when necessary.
- The Department/unit Heads collate and consolidate all risk reports from its various risk-taking sub-units and prepare the necessary analysis. The consolidated risk reports should then be submitted to the higher Management Level and the Risk Management Team or CPC for reporting to the COMPRISK.
- These Management reports should provide snapshots of the overall risk positions of the LBRDC BOD and Senior Management to evaluate performance from a risk perspective and to initiate the necessary adjustments in the LBRDC’s overall business strategy.
- The LBRDC Risk Management Team or RM Officer/CPC monitors and implements the LBRDC’s overall risk management framework and provides necessary inputs in formulating risk management policies. It also analyzes risks from LBRDC organization-wide, considering the risk appetite, tolerances, limits, and other relevant risk policies. Policy modifications and enhancements are initiated or recommended whenever necessary.

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- the Department/unit Heads, with the assistance of RM CPC, shall perform the portfolio-level RM deliverables

3) Transactional Level – Risk Policy Implementation

The Transactional Level comprises LBRDC Business and Support Units that are directly responsible for the processes and the risks.

- The transactional level involves specifics of day-to-day risk-taking activities performed by the risk owners or the Authorized Risk Takers (ARTs). All transactions of ARTs should conform to LBRDC and LANDBANK’s policies and procedures and should be within specified limits and approving authorities.
- Identification and recognition of risks and the occurrence of risk events are documented by the ARTs and reported to the Department/unit head.
- Risks are measured and quantified regarding their impact on the unit’s operations and targeted revenues.
- The ARTs should escalate situations requiring actions by the next higher officer in a proper and timely manner. Risk mitigation strategies should be applied whenever possible to address or resolve the risk event(s).
- Reports on risk events, policy breaches and procedural infractions, and corresponding risk mitigation strategies should be elevated to the Department Heads. Regularly, risk reports should be prepared and submitted by the risk-taking units to the Department Heads for reporting to the COMPRISK committee.


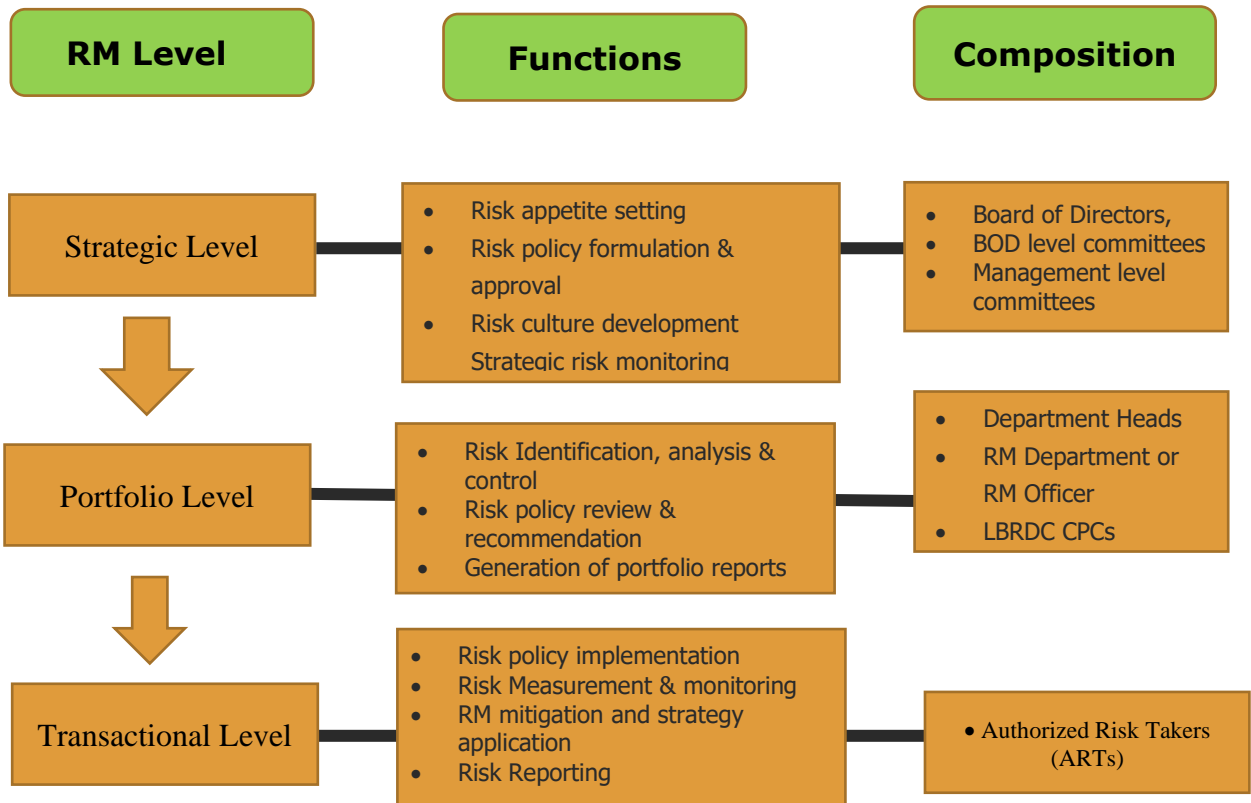
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Figure 3. Levels of LBRDC’s Risk Management



E. The Enterprise Risk Management (ERM) Approach

For consistency in approach and process with its parent company, LBRDC utilizes the integrated approach in RM, otherwise known as Enterprise Risk Management (ERM).


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Figure 4 The ERM approach




1. RISK IDENTIFICATION

- Assessment of LBRDC’s business risk.

LBRDC defined the risks which are associated with its operations. The Board of Directors approved the LBRDC’s Risk Universe and Risk Dictionary. Any new/emerging risks identified under the ERM process will be integrated into the LBRDC’s Risk Universe and Risk Dictionary, such as E&S Risk, Physical Risk, and Transition Risk, among others.

- Risk Identification and Assessment Risk Identification is the process of defining, compiling, and classifying existing and emerging risks involved in LBRDC’s specific business processes. The risks may consist of events and sources of functional and operational problems that could impair the profitability and value of the LBRDC and/or risks that could prevent LBRDC from achieving its strategic and operational objectives. To arrive at the LBRDC’s risk profile, general methodologies are used as follows:
 - Risk Self-Assessment (RSA) at the enterprise level is the process of assessing the LBRDC’s risks, threats, and vulnerabilities in its purest

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forms, i.e., without considering controls. It is a top-down approach that will involve the LBRDC BOD, Compliance and Risk Management Committee, and the Risk Officer/RM CPC in an iterative process of examining risks the LBRDC is faced with, considering all external and internal factors.

2. RISK MEASUREMENT and EVALUATION

Risk Measurement - Measuring business risk and understanding its inter-relationship/s.

Risk Measurement is the process used to quantitatively and qualitatively determine the consequences of possible outcomes or events over a given time horizon under alternative scenarios. It evaluates the impact of risks by quantifying the price of failure in terms of financials, reputation, or other variables and by determining value-creation opportunities. Risk measurement is the responsibility of the ARTs.


3. RISK CONTROL – DEVELOPMENT OF RISK MANAGEMENT STRATEGY

Risk control is the implementation of measures to reduce or maintain risks within the company's risk appetite. It involves the following:

- development/improvement of policies, systems, procedures, and physical changes to address risks; and
- Implementation of the said policies, systems, and procedures.

Risk Control is the main responsibility of the ARTs, pertains to ongoing controls embedded in business processes as far as possible, and should be performed by all employees within the framework of their tasks. If controls are inadequate to address identified risks, LBRDC shall draw up specific actions or responses to manage risks.

4. RISK MONITORING AND REPORTING

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Risk Monitoring is tracking and evaluating the performance and status of RM activities. The implementation of RM Strategies and Action Plans is monitored continuously to ensure that Strategies and Action Plans are adequate in addressing risks and capability gaps and to determine if there is a need to develop additional RM strategies to resolve residual risks.

5. CONTINUOUSLY IMPROVE THE RM PROCESS

ERM is a continuing process; as one cycle is completed, process improvement opportunities may surface. The general direction is to conduct the RSA to revisit the risk universe and examine the relevance of risks in the current situation. Then the LBP Subsidiary may proceed with the subsequent ERM process steps as discussed above.

F. LBRDC’S RISK UNIVERSE

LBRDC’s Risk Universe⁵ is a roster of risks that could affect the company’s function on any level. It covers eight (8) major risks with identified sub-risks, to wit:

1. Credit
2. Compliance
3. Interest Rate
4. Liquidity
5. Operational
6. Market
7. Reputation
8. Strategic

Also, new and emerging risks are included. These are the evolving types of risks and are not among the “traditional” risks inherent in the

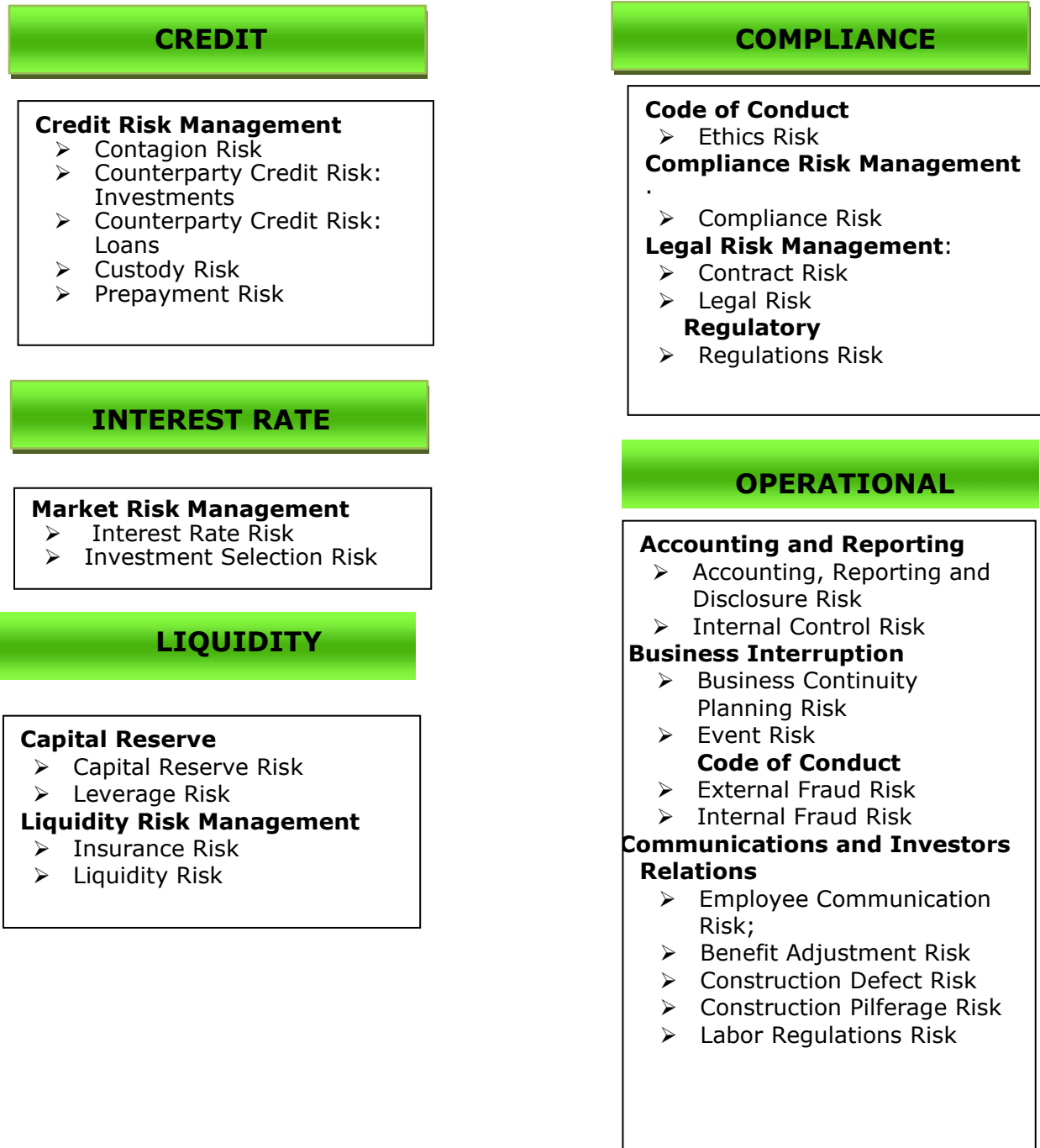
⁵ Bd. Res. No. 19-08-10

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operations of LBRDC, such as environmental and social risks, transition risks, physical risks, and cyber risks, among others.

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Figure 5 LBRDC Risk Universe



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MARKET

Market Risk Management
 ➤ Market Risk

REPUTATION

Communication & Investor Relations
 ➤ Crisis Communications Risk
 ➤ Customer Suitability/Protection Risk
 ➤ Reputation Risk

STRATEGIC

- Board Performance Risk
- Communication Management Risk
- Tone at the Top Risk
- Measuring and Monitoring of Major Initiatives Risk
- Planning and Execution Risk
- Technology Identification Risk
- Vision and Direction Risk
- Competition Risk
- Socio-Political Risk
- Forecasting Risk
- Organizational Structure Risk
- Outsourcing Arrangements Risk
- Strategic Planning Risk
- Strategic Risk

Attached as Annex 1 is a copy of the latest Risk Dictionary with updated risk definitions.

OPERATIONAL

- Construction Logistics Risk
- Manpower Integrity Risk
- Public Bidding Risk
- Receivables Collection Risk
- Site Protection Risk

Information Technology

- Confidentiality Risk
- Cyber Security Risk
- Data Privacy Risk
- Information Security Risk
- IT Availability/Continuity Risk
- IT Integrity Risk
- IT Management Risk
- Technology Implementation Risk

People

- Adequacy of Manpower Complement Risk
- Culture Risk
- Disciplinary Actions Risk
- Performance Management Risk
- Recruitment and Selection Risk
- Remuneration and Compensation Risk
- Separation from Service Risk
- Succession Planning Risk
- Training and Development Risk

Sales and Marketing

- Client Relationship Management Risk
- Sales (Business Growth) Risk

Service Delivery

- Process Risk
- Service Delivery & Support Risk


Service Development

- Service Creation Risk
- Service Pricing Risk

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G. RMPS LIST OF DOCUMENTS AND RISK REPORTS submitted to LBP-ORMD

Document / Activity	Description	Frequency of Submission	Deadline
OPERATIONAL RM TOOLS			
1) Risk Event Monitoring (REM) Report	<p>REM Report is a Risk Management tool used in reporting the operational risk events categorized per Basel II Risk Events such as:</p> <ol style="list-style-type: none"> 1. Internal Fraud 2. External Fraud 3. Employment, Practices, and Workplace Safety 4. Clients, Products, and Business Practice 5. Damage to Physical Assets 6. Business Disruption and Systems Failure 7. Execution, Delivery, and Process Management 8. Other External Events (Other external events that cannot be classified under Basel II Category, such as Environmental & Social Risk, and Violation of Data Privacy Act (DPA) RA10173 <p>This report also includes the number of quarterly fines/penalties incurred due to non-compliance with regulatory requirements, laws, and regulations classified under Execution, Delivery, and Process Management.</p>	Quarterly	Within five (5) days from the date of occurrence or discovery of the risk event
2) Risk and Control Self-Assessment (RCSA)	The RCSA is a self-assessment tool used to identify and measure potential operational risks and analyze and assess controls annually to address the identified	Annually	Every October

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	risks. This tool aggregates the estimated inherent and residual loss to determine areas with significant risk exposures. It aims to apprise the Committee of the core business processes and overall risk profile of LBRDCs.		
3) Business Impact Analysis (BIA)	The BIA is a self-assessment tool used to identify and measure (quantitatively and qualitatively) the business impact or loss of business processes in the event of a disruption. It aims to assess the potential impact of disruptions to business functions and to identify the most critical function and critical systems of the Bank. It also sets timeframes within which critical business functions and critical systems must be recovered/resumed following a disruption and identifies the minimum level of resources required to ensure continuity of operations consistent with the criticality of functions.	Annually	1 ST Quarter
4) Business Continuity Risk Assessment (BCRA)	BCRA is an ORM tool that identifies and assesses potential threats and vulnerabilities that could severely interrupt the company's business activities and the corresponding likelihood and magnitude of impact on business functions and processes. Note: Since the BCRA shall be accomplished per building or site basis, LBRDC head office is not required to submit it as it is included in the assessment by the	Annually	1st Quarter

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	<p>Facilities Management Department.</p> <p>However, the LBRDC Economic zone is required to submit the same.</p>		
5) Business Continuity Management Guidelines/Policy & Business Continuity Plan (BCP)	BCP is a documented plan detailing the orderly and expeditious process of recovery, resumption, and restoration of business functions during disruptions.	Annually	2nd Quarter
6) Risk Assessment Register & Risk Treatment Register (RAR&RTR) (Collection, validation, and reporting c/o ISTRMD)	RAR&RTR is a qualitative and quantitative self-assessment tool used in identifying, quantifying, and estimating the magnitude of risks associated with information security assets of the Bank and its subsidiaries. The goal is to determine an acceptable risk level and select appropriate controls for information security assets.	Annually	3rd Quarter
ICAAP & RECOVERY PLAN			
7) Information requirements under the Major Risk Assessment Document (MRAD)	<p>LBRDCs provide inputs to LBP ORMD for the updating of the MRAD under LANDBANK’s Internal Capital Adequacy Assessment Process (ICAAP) and Recovery Plan that covers the following:</p> <ul style="list-style-type: none"> • Definition of Subsidiaries Risk • Risk Management Methodology • Summary of Quantified Risk 	Annually	January to March
RM POLICIES			
8) Risk Management Manual	A manual that covers the latest regulatory issuances and current RM practices of the LBRDC, including procedures to facilitate the RM Framework	Event-driven	Event-driven

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	implementation, clarifies the rules and responsibilities of all key players in managing risks. It also firms up the RM policies and principles of the LBRDC and serves as the bases for the continual enhancement of the RM practices.		
OTHER RISK REPORTS / DOCUMENTS UNDER THE RMPS			
9) RMPS (Executive Information Deck) as part of ERM implementation	Executive Information Deck or related documents, i.e., Basic Business Information, Manual of Operations, among others.	Annually	Event-driven
10) Service Level Agreement	Outlines the obligations between the Parties regarding the rendering of reciprocal services to promote operational efficiency, leverage customer relationships, and increase productivity. This is also in compliance with but not limited to, the following regulatory requirements.	Event-driven	Event-driven
ENTERPRISE RISK MANAGEMENT TOOLS			
11) Risk Universe	A roster of risks that the LBRDC considers as relevant in its operations considering the size, complexity, and extent of its operations	Event-driven	Event-driven
12) Risk Prioritization based on Risk Assessment of impact and effectiveness of controls	A tool that will facilitate risk assessment based on the following: a) criteria in assessing the impact of risk, b) assessment of the effectiveness of current controls, and b) assessment of impact if the risk will occur.	Event-driven	Event-driven
13) Risk prioritization	Risks are assessed based on impact and risk management effectiveness.	Event-driven	Event-driven

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14) COMPRISK Minutes of the meeting or Actions Taken	Duly approved Actions taken from LBRDC are to be reported to LANDBANK Risk Oversight Committee for notation	Event-driven	One week upon approval or confirmation of the Risk Oversight Committee

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GLOSSARY OF TERMS AND DEFINITIONS (Adopted from LBP-RMPS)

Risk Champions

Key officers from the LBRDC who has overall accountability and ownership for the assigned risks and oversees the implementation of its Risk Management Strategies

Risk Designates

LBRDC employees, appointed by the Risk Champions to assist them in developing and implementing RM Strategies and Action Plans, generating risk reports, and escalating RM-related issues and concerns to the Compliance and Risk Management Committee

LBRDC Risk Dictionary

The Risk Dictionary is a compilation of all the definitions of risks under the Risk Universe. It provides the purpose and description for each risk representing the institution’s overall risk profile.

Risk events

A single specific occurrence that adversely affects the Bank and/or its LBP Subsidiaries, resulting in financial and non-financial losses.

Risk Universe

This lists all the risks identified during the Risk Prioritization process that could affect LBRDC. It covers all potential risks and events identified as applicable to an entity, regardless of probability or impact.⁶

⁶ LBP Strategic RM Manual, 2011

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References:

Risk Management Programs for LBP Subsidiaries and Foundation (RMPS)

LBP – Vol. 1 Risk Governance Framework Manual

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COMPLIANCE AND RISK MANAGEMENT COMMITTEE

Dir. ANTONIO RAMON A. LIM
Chairman

Dir. MANUEL C. PICZON
Member

Dir. RICARDO C. JULIANO
Member

Secretariat:

Atty. Yasmin P. Rasuman
Compliance and Risk Management Officer

Mr. Jan Carlo L. Libiran
Asst. Manager, AGSD

Mr. Louis Anthony E. Mabeza
Compliance Coordinator

Ms. Jennelyn S. Algado
Board Secretary