PRODUCERS SAVINGS BANK CORPORATION
2017 ANNUAL REPORT

ALTAVAS BRANCH
National Highway, Bonifacio St., Poblacion, Altavas, Aklan
March 21, 2017

CUYAPO BRANCH
DM Jose St., District 7, Cuyapo, Nueva Ecija
March 21, 2017

MALOLOS BRANCH
M. Crisostomo St., San Vicente, Malolos City, Bulacan
March 31, 2017

CABATUAN BRANCH
Unit 5, Los Angeles Arcade, Centro, Cabatuan, Isabela
June 08, 2017

MALLIG BRANCH
Centro 2, Mallig, Isabela
June 09, 2017

PALAYAN BRANCH
Brgy. Caimito, Palayan City, Nueva Ecija
August 08, 2017

BANI BRANCH
Quezon Ave., Poblacion, Bani, Pangasinan
August 22, 2017

BOLINAO BRANCH
Don Prudencio St.,Bolinao Pangasinan
November 03, 2017

TORIL BRANCH
Grandma Building, National Highway, Toril, Davao City
November 14, 2017

PANDI BRANCH
G/F Megamart Mall, Bunsuran 1st., Pandi, Bulacan
November 29, 2017

AMADEO BRANCH
A. Mabini St. Poblacion 1, Amadeo, Cavite
December 12, 2017

ANGONO BRANCH
69 M.L. Quezon Avenue, Brgy. San Isidro, Angono, Rizal
December 14, 2017

DINGALAN BRANCH
Community Center, Municipal Compound, Dingalan, Aurora
December 19, 2017

TAGUM BRANCH
Sobrecacy St., Magugpo South, Tagum City, Davao del Norte
December 20, 2017

Gaining a stronger foothold in the countryside

TABLE OF CONTENTS

GAINING A STRONGER FOOTHOLD IN THE COUNTRYSIDE

Our cover shows the fourteen (14) new branches opened in 2017 proving Producers Bank's commitment of making its presence felt throughout the country. Producers Bank continues to gain a stronger foothold in the countryside in terms of branch network and geographical reach. But more importantly, Producers Bank is making a positive impact on the lives of its clientele, most especially the farmers and entrepreneurs by helping them create more wealth for the country.

Corporate Logo

The Producers Bank logo represents the aspiration of the Bank as expressed by the ideals of its four (4) publics (customers, employees, creditors and shareholders) represented by the four (4) sides of the logo. These interlocking publics, if put together, share a common spirit of sacrifice, honesty, and teamwork; thus creating a solid and stable institution represented by the square of the logo. The Bank sees itself becoming the avenue - the yellow path - through which the countryside's green resources are transformed into new golden wealth. It aims to be the primary development financial institution in the Philippine countryside. The Bank, therefore, is the yellow sun rising on the Philippine countryside bringing new hope to Filipinos who seek a better future. Producers Bank is the dawn rising, shedding light to families and towns and bringing hope by being the partner of entrepreneurs and farmers in producing more wealth for the country.

VISION

To be the number one (1) partner bank of entrepreneurs and farmers in producing more wealth for the country

MISSION

- To make our depositors happy with the value and quality of services they get from Producers Bank
- To provide responsive and innovative credit and other services needed by farmers, small and medium-entrepreneurs
- To assure challenging and rewarding jobs and long-term employment for our employees
- To make our stakeholders very proud of our contributions to economic development in the Philippine countryside

TAGLINE

With **PRODUCERS BANK**...*you're way ahead!*

PHILOSOPHY

The main purpose for our existence is to create long-term value to our shareholders by generating for them superior and sustainable returns. We will achieve this by:

- Providing our customers value-added products and better service delivery;
- Adhering to what our laws and regulations require;
- Promoting a corporate culture that subscribes to high moral and ethical standards underpinned by codes of corporate governance and best practices;
- Creating a working environment based on the values of equal opportunity and meritocracy; and
- Improving the quality of life of our employees and in the communities that we serve particularly in areas that are not served by the large financial institutions.

Financial Highlights

	2017	2016
FOR THE YEAR (in Million Pesos)		
Net Interest Income	**727,722,194**	656,457,280
Other Income	**565,797,343**	368,048,143
Operating Expenses	**1,067,263,567**	671,125,606
Provision for Credit Losses	**-**	34,760,286
Net Income	**226,255,970**	311,795,850
AT YEAR-END (in Million Pesos)		
Total Assets	**16,308,925,878**	12,305,093,678
Loans and Receivables (net)	**9,790,885,835**	6,685,051,239
Deposit Liabilities	**9,156,188,466**	7,780,367,704
Capital Funds	**2,083,544,369**	1,836,456,965
PER COMMON SHARE		
Earnings per Share	**2.37**	4.13
Number of Shares Outstanding/Subscribed	**95,451,841**	75,451,841
STOCK DIVIDEND (Dividend Record Date-June 05, 2017)	**200,000,000**	140,000,000
FINANCIAL RATIOS (%)		
Return on Average Assets	**1.72**	2.71
Return on Average Equity	**12.08**	18.47
Net Interest Margin	**9.17**	13.32
Non-Performing Loans Ratio	**2.13**	4.73
Capital Adequacy Ratio	**14.5**	17.04

	2017	2016
BALANCE SHEET KEY RATIOS (%)		
Cash and Due from Banks to Deposits	**18.7**	19.06
Liquid Assets to Deposits	**30.03**	25.84
Loans (gross) to Deposits	**120.92**	106.82
Capital Adequacy Ratio (CAR)	**14.5**	17.04
Total Capital to Total Assets	**11.16**	13.19
INCOME STATEMENT KEY RATIOS (%)		
Earning Asset Yield	**10.83**	10.01
Funding Cost	**1.64**	1.67
Net Interest Margin	**9.17**	8.3
Net Interest Income to Total Operating Income	**70.84**	62.16
Cost to Income Ratio	**67.28**	64.54
Return on Assets	**1.72**	1.76
Return on Equity	**12.08**	11.58
CREDIT QUALITY KEY RATIOS (%)		
NPL Ratio	**2.13**	4.73
NPL Coverage	**73.57**	57.86

CHAIRMAN'S MESSAGE

Gaining A Stronger Foothold
In the Countryside

For Producers Bank, gaining a stronger foothold in the countryside is not only about increasing its branch network or expanding its geographical reach or hitting its bottom lines at the end of the year. It means creating an impact on the lives of its clientele most especially the entrepreneurs and farmers as well as other stakeholders.

Being the number one partner bank of entrepreneurs and farmers in producing more wealth for the country as stated in the Bank's Vision means being there for them every step of the way. Producers Bank's partnership with its clients is more than just accepting deposits or lending money to them.

As a partner, Producers Bank ensures that our depositors are happy with the value and quality of services they get from the Bank. It means providing responsive and innovative credit and others services they need. For our employees, it is not just a paycheck on paydays but providing challenging and rewarding jobs and long term employment. For our stakeholders, it is making them proud of their contributions to economic development in the Philippine countryside.

As Chairman, it is my responsibility to ensure that this partnership continues and remains stronger now and in the future.

To be able to do that, Producers Bank will continue (1) to take care and develop its people - its most valuable resource, (2) to provide our clients the best service and (3) to remain worthy of the trust and confidence of creditors such as Land Bank of the Philippines (LBP) and Development Bank of the Philippines (DBP), among others.

Additionally, I am pleased to share that Producers Bank also contributes to the communities where the branches operate by taking care of the environment through various activities such as tree planting activity, providing free medical assistance through medical missions and bloodletting and helping calamity stricken fellow Filipinos through relief operations and cash donations, among others.

For 2017, the Bank's major accomplishments include the following:

- Acquisition of four (4) banks namely: (i) Rural Bank of Bustos (Bulacan), Inc., Rural Bank of Sto. Domingo (Nueva Ecija), Inc., Rural Bank of Pamplona (Camarines Sur), Inc. and Rural Bank of President Quirino (Sultan Kudarat), Inc.

- Expansion of our branch network to 155 branches including in Mindanao where the Bank now serves Cagayan de Oro City, Davao City and Tagum.

- Increase in total loan portfolio to P2.3 Billion for consumer loans and P6.9 Billion for agri-loans. I am personally happy that Producers Bank has remained to be one of the biggest lenders to farmers and fisherfolks, who have a special place in my heart and to be the only savings bank accredited for agri-agra compliance.

I am very proud of the Bank's accomplishments for 2017. I am hopeful and very positive that with our collective efforts we will be able to achieve the Bank's vision and continue gaining a stronger foothold in the countryside.

Gilda E. Pico

GILDA E. PICO
Chairman

PRESIDENT'S REPORT TO THE STOCKHOLDERS

May 29, 2018

I am very happy to report that Producers Bank had another record-setting performance for the year 2017. The Bank was able to sustain its growth in size and profits for its existing branches in accordance with its five (5) year Business Plan based on the strategy of expanding its branch network and acquiring rural banks. During the year, the Bank was able to expand its branch network by fourteen (14) branches, bringing its total branch network to one hundred fifty five (155) branches nationwide. We were also able to acquire four (4) rural banks with a total of twelve (12) branches, with the intention to merge them with Producers Bank upon the approval by the Bangko Sentral ng Pilipinas. Upon merger, two (2) of the banks acquired earlier (Rural Bank of Bustos and Rural Bank of Sto. Domingo) are expected to contribute to the Bank's assets by close to PhP500 Million, and to the Bank's profitability as they implement Producers Bank's business model.

Summarized below are the major accomplishments of management for the twelve (12) months period ending December 31, 2017.

Branch Network Expansion

Producers Bank opened fourteen (14) new branches during the year bringing the total branch network to one hundred fifty five (155) branches at the end of 2017.

Table I - BRANCH NETWORK EXPANSION IN 2017

Number of Branches as of December 31, 2016		141
Branches Opened in 2017		
1	Altavas, Aklan	March 21, 2017
2	Cuyapo, Nueva Ecija	March 21, 2017
3	Malolos, Bulacan	March 31, 2017
4	Cabatuan, Isabela	June 8, 2017
5	Mallig, Isabela	June 9, 2017
6	Palayan, Nueva Ecija	August 8, 2017
7	Bani, Pangasinan	August 22, 2017
8	Bolinao, Pangasinan	November 3, 2017
9	Toril, Davao City	November 14, 2017
10	Pandi, Bulacan	November 29, 2017
11	Amadeo, Cavite	December 12, 2017
12	Angono, Rizal	December 14, 2017
13	Dingalan, Aurora	December 19, 2017
14	Tagum, Davao Del Norte	December 20, 2017
Number of Branches as of December 31, 2017		155

It is worthwhile to note that all fourteen (14) branches are located outside the National Capital Region. Moreover, two (2) of the above branches are located in unbanked municipalities (Dingalan and Amadeo) while seven (7) branches are located in underserved municipalities (Altavas, Cuyapo, Cabatuan, Mallig, Bani, Bolinao and Pandi).

Acquisitions of Rural Banks

An important component of Producers Bank's growth strategy is the acquisition of rural banks for the purpose of merger. In 2017, four (4) rural banks were acquired by Producers Bank as follows:

Table II - ACQUISITION OF RURAL BANKS

Banks Acquired in 2017			
Name of Bank	**Location**	**Closing Date**	**Branches**
Rural Bank of Bustos (Bulacan), Inc.	Bustos, Bulacan	February 16, 2017	2
Rural Bank of Sto. Domingo (Nueva Ecija), Inc.	Sto. Domingo, Nueva Ecija	June 2, 2017	6
Rural Bank of Pamplona (Camarines Sur), Inc.	Pamplona, Camarines Sur	October 21, 2017	2
Rural Bank of President Quirino (Sultan Kudarat), Inc.	President Quirino, Sultan Kudarat	December 21, 2017	2
		Total No. of Branches	**12**

Relevant information on the above banks are presented below:

RURAL BANK OF BUSTOS (BULACAN), INC.
Producers Bank acquired majority ownership of the Rural Bank of Bustos (Bulacan), Inc. ("RBB")

for the purpose of merger on February 16, 2017. Takeover of management of RBB was immediately done on the following day, February 17, 2017.

RBB has two (2) branches. The Head Office Branch is located at Barangay Bonga Menor, Bustos, Bulacan, and the other branch is found at Alejo Santos St., Barangay Poblacion, Bustos, Bulacan.

RURAL BANK OF STO. DOMINGO (NUEVA ECIJA), INC.

Producers Bank acquired 100% ownership of the Rural Bank of Sto. Domingo (Nueva Ecija), Inc. ("STONE") on June 2, 2017, also for the purpose of merger. On the next working day, June 5, 2017, Producers Bank immediately took over the management of STONE.

STONE has six (6) branches spread over three (3) provinces. The Head Office Branch is located at D. Noriel St., Hulo, Sto. Domingo, Nueva Ecija. Another branch is located in Barangay Baloc of the same town. Two (2) branches are located in Tarlac Province, one branch at Center St., Poblacion, Ramos, Tarlac, and the other branch at Poblacion, Anao, Tarlac. Finally, two (2) branches are in the eastern part of Pangasinan Province, specifically at San Alejandrino, Sta. Maria, Pangasinan, and Quezon St., San Manuel, Pangasinan.

The process for the merger with Producers Bank of RBB and STONE, with Producers Bank as the absorbing bank, was initiated on September 29, 2017 with the submission of the request for the merger to the Bangko Sentral ng Pilipinas. The Plan of Merger was approved by the Monetary Board during its meeting on May 11, 2018. The said Plan of Merger will be filed with the Securities and Exchange Commission in due time after completing all the regulatory requirements.

RURAL BANK OF PAMPLONA (CAMARINES SUR), INC.

Producers Bank acquired 100% ownership of the Rural Bank of Pamplona (Camarines Sur), Inc. ("RBP") on October 27, 2017, again for the purpose of merger. Producers Bank immediately took over the management of RBP on the next working day, October 30, 2017.

RBP has two (2) branches. The Head Office Branch is located at Maharlika Highway, Tambo, Pamplona, Camarines Sur. The second branch is located at San Juan Ave., South Centro, Sipocot, Camarines Sur.

RURAL BANK OF PRESIDENT QUIRINO (SULTAN KUDARAT), INC.

Producers Bank acquired 100% ownership of the Rural Bank of President Quirino (Sultan Kudarat), Inc. ("RBPQ") before the end of the year, or on December 21, 2017, also for the purpose of merger. On December 22, 2017, Producers Bank immediately took over the management of RBPQ.

RBPQ has two (2) branches. The Head Office Branch is located at National Highway, Poblacion, President Quirino, Sultan Kudarat, while the branch is located at SMIT Centrum, National Highway, Barangay Buenaflor, Tacurong City, also in the same province. Sultan Kudarat is in SOCCSKSARGEN or Region 12 located in Central Mindanao.

With the 155 organic branches plus the 12 branches of the acquired rural banks whose operations were functionally merged, Producers Bank effectively had 167 branches in its branch network as of the end of 2017. Inclusive of the unopened branches with licenses, the branch network will reach a total of 186 branches by end of 2018. On top of that, when we merge the acquired banks, we can expect additional branch licenses that will be granted as incentives for the mergers. There will definitely be more branches to be opened in the countryside moving forward.

Table III - PROJECTED BRANCH NETWORK

Location	Existing Branches	Branches of Acquired Banks (To be Merged)	Approved Branch Licenses (Applied for and Incentives from Approved Mergers Not Yet Opened)	Total Branches
Cordillera Admin. Region				
Benguet	2	0	0	2
Sub-Total	**2**	**0**	**0**	**2**
Region 1				
Pangasinan	22	2	0	24
La Union	2	0	0	2
Sub-Total	**24**	**2**	**0**	**26**
Region 2				
Cagayan	2	0	3	5
Isabela	11	0	0	11
Quirino	2	0	0	2
Nueva Vizcaya	5	0	0	5
Sub-Total	**20**	**0**	**3**	**23**
Region 3				
Aurora	3	0	0	3
Nueva Ecija	23	2	0	25
Bulacan	10	2	0	12
Pampanga	2	0	0	2
Tarlac	3	2	0	5
Bataan	2	0	0	2
Zambales	3	0	0	3

Sub-Total	**46**	**6**	**0**	**52**
National Capital Region				
Pasig City	2	0	0	2
Caloocan City	1	0	0	1
Marikina City	1	0	0	1
Valenzuela City	1	0	0	1
Quezon City	0	0	1	1
Makati City	0	0	1	1
Sub-Total	**5**	**0**	**2**	**7**
Region 4-A (CALABARZON)				
Batangas	1	0	0	1
Laguna	1	0	0	1
Quezon	2	0	1	3
Cavite	3	0	0	3
Rizal	8	0	4	12
Sub-Total	**15**	**0**	**5**	**20**
Region 5				
Camarines Sur	8	2	2	12
Albay	3	0	1	4
Sorsogon	1	0	2	3
Sub-Total	**12**	**2**	**5**	**19**
Region 6				
Iloilo	7	0	0	7
Antique	4	0	0	4
Capiz	1	0	0	1
Aklan	2	0	1	3
Negros Occidental	10	0	1	11
Sub-Total	**24**	**0**	**2**	**26**
Region 7				
Negros Oriental	2	0	0	2
Sub-Total	**2**	**0**	**0**	**2**
Region 10				
Misamis Oriental	1	0	0	1
Sub-Total	**1**	**0**	**0**	**1**
Region 11				
Davao City	3	0	0	3
Davao Del Norte	1	0	0	1
Davao Del Sur	0	0	1	1
Davao Occidental	0	0	1	1
Sub-Total	**4**	**0**	**2**	**6**
Region 12 (SOCCSKSARGEN)				
Sultan Kudarat	0	2	0	2
Sub-Total	**0**	**2**	**0**	**2**
TOTAL	**155**	**12**	**19**	**186**

Producers Bank will continue to be active in acquiring rural banks in 2018 and onwards. On February 19, 2018, Producers Bank had acquired 100% ownership of the Bangko Rural ng Pasacao (Camarines Sur), Inc. ("BRP") for the purpose of merger. On February 20, 2018, Producers Bank immediately took over the management of BRP. This is a single-unit bank based in Sta. Rosa Del Sur, Pasacao, Camarines Sur.

On February 21, 2018, Producers Bank acquired another rural bank, Bangko Rural ng Magarao (Camarines Sur), Inc. ("BRM"), again for the purpose of merger. On February 22, 2018, Producers Bank immediately took over the management of BRM. This is also a single-unit bank located at San Pantaleon, Magarao, Camarines Sur.

The latest acquisition was on May 10, 2018 when Producers Bank acquired 100% ownership of the Rural Bank of San Fernando (Camarines Sur), Inc. ("RBSF"), likewise for the purpose of merger. On May 11, 2018, Producers Bank immediately took over the management of RBSF. RBSF has two (2) branches. The Head Office Branch is located at San Fernando, Camarines Sur. The second branch is located at Pasacao, Camarines Sur.

Lending Operations

In addition to the Bank's business of lending to farmers and agri-based SMEs, the Branch Banking Sector was tasked to develop the consumer loans business by focusing on salary loans for DepEd teachers, auto loans and housing loans. This contributed significantly to the growth of the Bank's loan portfolio, with consumer loans growing to PhP2.3 Billion as of the end of 2017, from PhP0.3 Billion the previous year. The agri-loans portfolio continued to grow to PhP6.7 Billion (from PhP6.0 Billion the previous year), while the corporate loans portfolio grew to close to PhP0.4 Billion.

In May 2017, the Bank introduced Mobile Crop Loan (MCL), a digitally-based product which enables farmers to apply for loans through smart phones wherever they are without going physically to a Producers Bank branch. Processing of the loan is performed digitally and only upon its approval will the farmer go to the branch. MCL uses the Lendr platform provided by FINTQ, a PLDT company. MCL represents the entry of Producers Bank into the age of digital banking.

Information Technology

In 2017, Producers Bank adopted the global standard for data center facilities when the servers for the Bank's major systems (Finacle, Narada ATM, Aperta Check Truncation System) were transferred to PLDT's VITRO Data Center in Makati. This is a state-of-the-art facility that assures high availability, security and cost effectiveness of the Bank's information technology resources.

ATM Installations

A total of seventy eight (78) units of ATMs were installed in 2017 bringing the ATM network of

Producers Bank to two hundred eight (208) as of the end of December 2017, which include thirteen (13) off-site ATM installations.

Money Transfer

Producers Bank is a direct agent of Western Union for domestic and international money transfer (sending and receiving) services. The Bank is able to cater to the needs of OFW families, SMEs needing, for example, to pay for their local and foreign purchases, students for their tuition and allowance requirements, household and transient workers sending their earnings to their families, and so on. This service is available in all branches of Producers Bank as well as in the branches of the acquired rural banks. In addition, Producers Bank can appoint establishments as sub-agents provided they meet certain criteria.

Rural Financial Institution

Producers Bank's accreditation as a Rural Financial Institution was renewed by the Bangko Sentral ng Pilipinas on December 20, 2017. The accreditation has been continually renewed since Producers Bank was originally accredited on February 7, 2012. The accreditation means that Producers Bank's loan portfolio is substantially agri-agra related, and as such, Producers Bank can accept deposits from other banks for the purpose of alternative compliance to R.A. No. 10000, the Agri-Agra Reform Credit Act of 2009, otherwise known as the Agri-Agra Law. Among the RFIs whose accreditation were renewed by the BSP, Producers Bank is the only thrift bank, with all others being rural banks.

Financial Performance in 2017

The financial results of the operations of Producers Bank in 2017 is very remarkable as shown in the following table.

Table IV - FINANCIAL PERFORMANCE FOR 2017

	2017	2016	Variance	%
Net Income	226	312	(86)	27.56%
Total Resources	16,308	12,305	4,003	32.53%
Loans and Receivables	9,790	6,685	3,105	46.44%
Liquid Assets (Cash and Other Cash Items, Due from BSP, Due from Other Banks)	3,355	3,253	102	3.13%
Deposit Liabilities	9,156	7,780	1,376	17.68%
Bills Payable	4,685	2,449	2,236	91.30%

The decrease in net income in 2017 compared to the year before was mainly due to the increase in overhead expenses resulting from the opening of fourteen (14) new branches during the year.

Comparison with the Thrift Bank Industry

Compared to the thrift bank industry averages, Producers Bank achieved superior results in majority of the financial ratios in 2017. In the few measures where Producers Bank lagged behind, the variances were not significant. Overall, Producers Bank had a very sound financial standing as of the end of 2017.

Table V - COMPARATIVE RATIOS OF THRIFT BANK INDUSTRY VS. PRODUCERS BANK

Key Ratios		Thrift Bank System (as of Dec. 2017)	Producers Bank (as of Dec. 2017)	Variance Favorable Unfavorable
Balance Sheet Key Ratios				
1	Cash and Due from Banks to Deposits	15.87%	18.70%	2.83%
2	Liquid Assets to Deposits	28.16%	30.03%	1.87%
3	Loans (gross) to Deposits	91.00%	120.92%	29.92%
4	Capital Adequacy Ratio (CAR)	16.71%	14.50%	-2.21%
5	Total Capital to Total Assets	12.62%	11.16%	-1.46%
Income Statement Key Ratios				
6	Earning Asset Yield	7.22%	10.83%	3.61%
7	Funding Cost	1.92%	1.64%	-0.28%
8	Interest Spread	5.30%	9.19%	3.89%
9	Net Interest Margin	5.51%	9.17%	3.66%
10	Net Interest Income to Total Operating Income	80.86%	70.84%	-10.02%
11	Cost to Income Ratio	62.71%	67.28%	4.57%
12	Return on Assets	1.60%	1.72%	0.12%
13	Return on Equity	12.70%	12.08%	-0.62%
Credit Quality Key Ratios				
14	Past Due Ratio	5.14%	3.51%	1.63%
15	NPL Ratio (Gross)	4.70%	2.13%	2.57%
16	NPL Ratio (Net NPL)	2.88%	0.56%	2.32%
17	NPL Coverage	66.58%	73.57%	6.99%

Compliance with BSP Circular No. 969

BSP Circular No. 969 mandated that the positions of Chairman and CEO shall not be held by the same person. In compliance, the Board of Directors of Producers Bank elected Mrs. Gilda E. Pico as Chairman and myself as President and Chief Executive Officer. With the solid banking experience of Mrs. Pico, and with the support of the Bank's hard-working management team, there is no doubt in my mind that the Bank will attain its growth aspirations as planned.

Human Resources

Producers Bank ended the year with a manpower complement of 1,288 personnel. This is an increase of 247 employees, or 23%, over the previous year. The increase is due to the establishment of new branches and the strengthening of support units.

In behalf of management, we would like to thank the Stockholders as well as the Board of Directors for the support given to management, without which we wouldn't have accomplished as much. Our good performance is a product of the uncompromising direction and guidance provided by the Stockholders and the Board of Directors as well as the hardwork and dedication of the Bank's management and staff. We expect that this synergy will propel us to accomplish so much more towards becoming the Number One Partner Bank of Farmers and Entrepreneurs in PRODUCING more wealth for the country!

ANDRES M. CORNEJO
President and Chief Executive Officer

Risk Management System and Policies

ENHANCING PSBC'S RISK MANAGEMENT SYSTEM

Aware of the impact of stronger regulatory environment in an increasingly risk averse industry, the Bank continuously strives to strengthen and improve its risk management processes.

The Bank aims not only to comply with such regulatory requirements but to embed risk management practices in its day-to-day operations in order to achieve its vision of becoming the number one partner bank of farmers as well as small and medium entrepreneurs in producing more wealth for the country.

RISK MANAGEMENT STRUCTURE

The Board of Directors (BOD) exercises oversight on all risk-related functions and activities and has overall responsibility for the Bank's financial risk management, which includes establishment and, approval of risk strategies, policies and limits.

The risk management function of the BOD is effected through the following Board Committees: Corporate Governance Committee (CGC), Risk Oversight Committee (ROC) and Audit and Compliance Committee (ACC).

The ROC serves as the oversight committee in managing the Bank's credit, market and liquidity as well as operational risks. Under the functional supervision of the ROC is the Risk Management Group (RMG), which is independent from risk-taking units of the Bank and responsible for oversight of all major risk areas.

The RMG is headed by a Chief Risk Officer (CRO) and includes three departments handling specific risk functions covering credit risks, market and liquidity risks as well as operational risks (systems, people, technology, legal, information security and other risks).

FINANCIAL RISK EXPOSURE

In order to sustain growth, ensure viability and fund its regular operations, the Bank generates income from various financial instruments.

These financial instruments consist of Due from BSP, Due from Other Banks, Loans and Receivables, Deposit Liabilities, AFS Investments, HTM Investments, Sinking Fund, Accrued Interests, Taxes and Other Payables, Bills Payable, Redeemable Preferred Shares and Unsecured Subordinated Debt. The attendant risks arising from the above instruments are measured, prioritized, managed and mitigated using appropriate risk management tools.

The Bank recognizes the following main risks arising from exposure to the financial instruments held and managed by the Bank in the course of doing business.

(a) Credit Risk and Concentration Limits

Credit Risk is defined as the risk when one party to a financial instrument will fail to discharge its obligation and cause the other party to incur financial loss.

To mitigate Credit Risk, the Bank crafted the Credit Risk Operations Manual to serve as guide for Regional Lending Centers (RLCs) in evaluating the creditworthiness of borrowers. The said manual includes the following credit evaluation techniques, among others:

- Checking the profitability of the borrower's business for the last three (3) years (start-up businesses are not eligible for loans);
- Review of cash flow projections if adequate to meet debt service requirements throughout the term of the loan;
- Conduct of CI/BI on the loan applicant by an independent unit of the Bank to establish credit standing and character;
- Checking other possible sources of income in addition to income from the project to be financed; and
- Checking Average Daily Balance (ADB) of deposits with PSBC and other banks to further verify source and adequacy of funds.

<u>Collaterals.</u> As second-way out, majority of the Bank's loan portfolio is secured by tangible assets by way of registered mortgages on real estate properties. As of year-end, 93.84% of the regular loan portfolio of the Bank is secured by collaterals.

In addition, the Bank employs several other credit enhancers to further mitigate Credit Risk.

<u>Credit Enhancers.</u> Foremost among these credit enhancers is the Guarantee/Surety by the Agricultural Guarantee Fund Pool (AGFP) which is available for covering unsecured loans to small farmers tilling/owning less than five hectares of land who do not have access to formal credit mainly because the land they cultivate are small and not covered by a Transfer Certificate of Title (TCT).

Since 2010, the AGFP Guarantee Program facilitated PSBC's expanded reach to small farmers and as of December 2017, some 261 small farmers have been granted a total of ₱207 Million Crop Production Loans secured by AGFP Guarantee.

Other Credit Enhancers include Assignment of Insurance cover on assets used as collaterals (Fire Insurance, Bundled Non-Life Insurance, Contractor's All Risk Insurance) as well as Assignment of Insurance cover on the borrowers themselves (Life Insurance, Mortgage Redemption Insurance or MRI, among others).

Finally, loan amortizations are covered by Post-dated Checks (PDCs) or Assignment of Deposit Reserve Accounts with automatic debit arrangement. These arrangements serve as effective deterrents to non-payment of loan obligations.

The Bank's maximum Credit Risk exposures with collaterals or credit enhancers as of 31 December 2017 are shown in table below.

	2017	2016
Due from BSP	2,672,191,276	2,541,887,940
Due from other banks	279,653,597	327,776,162
AFS Investments	401,750,120	79,057,320
Investments at amortized cost Held-to-Maturity	635,926,394	440,473,373
Loans and receivables	9,790,885,835	6,685,051,239
Sinking Fund	45,738,601	45,233,025
Other sources-security deposits	10,421,533	4,659,340
	P 13,836,567,356	**P 10,124,138,399**

As expected, the largest Credit Risk exposure of the Bank is Loans and Receivables which stood at ₱9.79B by year-end, growing at the rate of 46%, year on year. This is followed by Due from BSP at ₱2.67B and Investment at Amortized Cost at ₱0.635B. Thus, the growth in Total Credit Risk Exposures came from increases in these two financial assets.

Loan Quality Ratios. All of the above proactive Credit Risk mitigation techniques have successfully resulted to the Bank's achieving a Past Due Ratio (PDR) of only 3.51% as of year-end 2017 against the beginning PDR of 7.51%.

Likewise, Non-Performing Loan (NPL) Ratio was reduced to 2.13% as of December 2017 from a beginning NPL ratio of 3.75%. The year-end net NPL ratio is even better at 0.56% against a beginning net NPL ratio of 2.25%.

Concentration Risk. The Bank is exposed to Concentration Risk whenever a significant number of borrowers have similar characteristics and are similarly affected by changes in economic and other conditions.

To monitor if the Bank is exposed to Concentration Risk, the Bank aggregates individual accounts by industry, by geographical distribution and by relationships (group accounts of interlocking ownership and directorship).

Concentration of Credit Risk by Industry is shown in table below.

	2017		2016	
	Amount	%	Amount	%
Agriculture, Forestry and Fishing	2,439,499,799	25.78%	2,111,737,349	32.09%
Other community, social and personal service activities	2,762,536,393	29.19%	727,886,107	11.06%
Wholesale and Retail Trade, Repair of Motor Vehicles, Motorcycles	1,826,095,528	19.30%	1,572,748,947	23.90%
Real Estate Activities	785,855,397	8.30%	770,905,268	11.72%
Accommodation and Food Service Activities	484,794,543	5.12%	417,535,718	6.35%
Construction	350,402,881	3.70%	301,789,120	4.59%
Education	247,326,130	2.61%	213,012,904	3.24%
Manufacturing	174,449,219	1.84%	150,246,699	2.28%
Private households with employed persons	111,079,627	1.17%	72,025,342	1.09%
Human Health and Social Work Activities	87,089,366	0.92%	75,006,869	1.14%
Transportation and Storage	82,570,437	0.87%	71,114,882	1.08%
Electricity, Gas, Steam and Air-Conditioning Supply	62,114,504	0.66%	53,496,939	0.81%
Financial and Insurance Activities	44,984,073	0.48%	38,743,128	0.59%
Mining and Quarrying	4,050,639	0.04%	3,488,667	0.05%
	P9,462,848,535	**100.00%**	**P6,579,737,938.00**	**100.00%**

As can be seen from the table above, the Bank has no excessive Credit Risk exposure to any one particular industry segment and therefore, the Bank is not exposed to Concentration Risk. The two industry segments where the Bank has the largest Credit Risk exposures are “Other Community, Social and Personal Service Activities” [29.19%] and “Agriculture, Forestry and Fishing” [25.78%].

Credit Quality per Class of Financial Assets. The credit quality of the Bank's financial assets is determined based on the nature of the counterparty and internal rating system. The credit quality of financial assets that are neither past due nor impaired is considered to be of good quality and expected to be collectible without incurring any credit losses.

The Bank classifies financial assets into the following grades:

High Grade – receivables which have high probability of collection (the counterparty has the apparent ability to satisfy its obligation and the security on the receivables is readily enforceable).

Standard Grade – receivables where collections are probable due to reputation and financial ability of the counterparty to pay but have been outstanding for a certain period of time.

Substandard – receivables that can be collected provided the Bank makes persistent effort to collect them.

Table below shows the credit quality of financial assets, net of unearned discounts.

	December 31, 2017			
	Loans and Receivables	Loans and Advances to Banks*	Investment Securities**	Total
Neither past due nor impaired	9,322,010,991	2,951,844,873	1,037,676,514	13,311,532,378
Past due but not impaired	163,860,027	-	-	163,860,027
Impaired	349,012,390	-	-	349,012,390
Gross	9,834,883,408	2,951,844,873	1,037,676,514	13,824,404,795
Less allowance for probable losses	43,997,573	-	-	43,997,573
Net	P9,790,885,835	P2,951,844,873	P1,037,676,514	P13,780,407,222

**Comprised of Due from BSP and Due from other Banks*
***Comprised of Financial assets at FVOCI and investments at amortized cost*

(b) Market Risk

Market risk is the risk of loss of future earnings or future cash flows arising from changes in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity prices and other market changes. The Bank's market risk is manageable within conservative bounds. As of 31 December 2017, the Bank has not engaged in trading financial instruments.

However, in the event the Bank starts a securities portfolio, the Bank's Risk Management Manual has already defined limits for the following:

- Specific type and currency of security;
- Years to maturity; and
- Maximum portfolio amount per currency.

(c) Interest Rate Risk

Interest rate risk is the risk to earning or capital resulting from adverse movements in the interest rates. The economic perspective of interest rate risk focuses on the value of a bank in the current interest rate environment and the sensitivity of that value to changes in interest rates.

The Bank mitigates interest rate risk (risk of loss or the risk of reduction in income due to changes in the interest rate environment) through the Asset and Liability Management Committee (ALCO). The Bank also monitors and measures the interest rate risk using an interest rate gap analysis. The gap analysis measures, for any given period, any mismatch between the amounts of interest-bearing liabilities, which would mature or reprice during the period.

Interest rate risk is also addressed by the Bank by setting prudential limits on short-term loans vis-à-vis medium-term loans (maximum limit of 30% of total outstanding loans receivable). Short-term loans allow the Bank the flexibility to adjust loan pricing quickly should interest rates move up with respect to its sources of funds. Medium-term loans, on the other hand, are generally re-priced periodically. In cases of medium-term loans whose interest rates are fixed, the interest rate generally provides sufficient cushion in terms of spread over sourcing rates.

The Bank also maintains a very large portion of its deposit base in short-term deposits. No interest is paid on demand deposits, and the interest rates on savings and time deposits are set by reference to prevailing market rates being quoted by the commercial banks.

The Bank also makes extensive use of rediscounting funds, the interest rates on which are generally fixed for the entire term, thus assuring that the interest spread of the Bank is maintained at all times.

The Bank closely monitors the movements of interest rates in the market and reviews its assets and liability structure to ensure that exposures to fluctuations in interest rates are kept within acceptable limits.

(d) Foreign Exchange Risk

The Bank manages its exposure to the effects of fluctuations in the foreign currency exchanges by complying with existing regulatory guidelines on the Foreign Currency Denominated Unit (FCDU) and by limiting such exposure within the limits that management believes to be relatively conservative for the size of the Bank.

	31-Dec 2017	31-Dec 2016
	USD	USD
Assets		
Due from other banks	$145,719	$110,846
Due from HO/branches/agencies	40,850	104,634
Investments at amortized cost	540,742	561,659
	$727,311	**$777,139**
Liabilities		
Deposit liabilities	$698,769	698,109
Other liabilities	4,599	61,763
	$703,368	**$759,872**
Net Exposure	**$23,943**	**$17,267**

The net currency risk is the difference between foreign currency assets and foreign currency liabilities.

Interest earned from FCDU amounted to P1,626,728 and P908,253 for the years ended 31 December 2017 and 31 December 2016, respectively.

(e) Liquidity Risk

Liquidity risk is the risk from inability to meet obligations when they become due because of inability to liquidate assets or obtain adequate funding. The Bank ensures that sufficient liquid assets are available to meet short-term funding and regulatory requirements. The Bank mitigates liquidity risk through the ALCO and Treasury Management Department, who ensure that sufficient liquid assets are available to meet short-term funding and regulatory requirements. The amount and the sources of funds (such as secondary liquidity reserves, unused credit lines and rediscounting lines) that are available to the Bank and the circumstances under which the Bank may use those funds are determined on a weekly basis. The Bank requires all branches to maintain liquid assets to total deposits/other liabilities ratio of at least 20%, or 15% liquidity reserves, net of legal reserves.

The Bank's liquidity, cash and reserves position are monitored on a daily basis. The Bank maintains sufficient liquidity reserves in the form of high-yielding placements with BSP, deposits with other banks and investments in government securities. The Bank has also obtained sufficient liquidity lines from other banks and non-banking lending institutions that can relieve financial pressures in the event of an extraordinary demand for liquidity. Further, the Bank actively rediscounts loans with the many entities that have given the Bank more than sufficient rediscounting lines.

The maturity grouping of financial instruments is based on the remaining period from the end of the reporting period to the contractual maturity date. For financial liabilities, when counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Bank can be required to pay.

(f) Anti-Money Laundering Risk

Producers Bank is committed to protect the integrity and confidentiality of bank accounts and to assure the BSP and the Anit-Money Laundering Council ("AMLC") that its branches and units shall not be used as a money laundering site and conduit for the proceeds of an unlawful activity as defined under the Anti-Money Laundering Act ("AMLA").

1. Conduct business in conformity with high ethical standards in order to protect its safety and soundness as well as the integrity of the institution;

2. Know sufficiently our customers at all times and ensure that the financially or socially disadvantaged are not denied access to bank services while at the same time prevent suspicious individuals or entities from opening or maintaining an account or transacting with the Bank by himself or otherwise;

3. Adopt and effectively implement a sound anti-money laundering and terrorist financing risk management system that identifies, assesses, monitors and controls risks associated with money laundering and terrorist financing;

4. Comply fully with AMLA rules and existing laws aimed at combating money laundering and terrorist financing by making sure that officers and employees are aware of their respective responsibilities and carry them out in accordance with superior and principled culture of compliance; and

5. Fully cooperate with the AMLC for the effective implementation and enforcement of the AMLA, as amended, and its Revised Implementing Rules and Regulations, by disclosing all covered and suspicious transactions to them.

(g) Risk Based Capital Adequacy Ratio Covering Combined Credit, Market and Operation Risk

Tier 1 capital and breakdown of its components (including deductions solely from Tier 1)		
Tier 1 (Core plus Hybrid) Capital		
Paid up common stock	954.52	
Additional paid-in capital	418.87	
Retained earnings	229.45	
Undivided profits	200.82	1,803.67
Less:		
Deferred tax asset, net of deferred tax liability 2/	60.71	
Goodwill, net of allowance for losses 3/	74.08	(134.79)
Total Core Tier 1 Capital		**1,668.872**
Tier 2 capital and breakdown of its components		
Tier 2 (Supplementary) Capital		
Paid-up limited redeemable preferred stock with the replacement requirement upon redemption	40.10	
General loan loss provision	74.29	114.39
Less:		
Sinking fund for redemption of limited life redeemable preferred stock with the replacement required upon redemption	45.75	(45.23)
Total Tier 2 Capital		**68.648**
Deductions from Tier 1 and Tier 2 Capital		**-**
Total Qualifying Capital		**1,737.520**

Total Credit Risk Weighted Assets		**10,759.504**
Total Market Risk-Weighted Assets		**-**
Total Operational Risk-Weighted Assets		**1,223.244**
Capital Adequacy Ratio		
Solo		
	Total CAR	**14.500%**
	Tier 1	**13.927%**
Consolidated		
	Total CAR	**12.380%**
	Tier 1	**11.880%**

Corporate Governance

The Board of Directors ensures that the necessary corporate policies and organizational structures are put in place to foster the long-term success of the Bank and secure its sustained competitiveness. It regularly reviews existing policies and structures to ensure compliance with pertinent laws and regulations, and that they are aligned with best practices and good governance principles.

The Board accomplishes its mandate through the different committees that address specific areas of focus.

Audit & Compliance Committee

The Audit & Compliance Committee is composed of at least three (3) members of the Board of Directors, two (2) of whom are independent Directors, including the Chairperson, who must have accounting, auditing, or related financial management expertise or experience.

The Chief Executive Officer, Chief Financial Officer and/or Treasurer, or officers holding equivalent positions, are not to be appointed as members of the Audit & Compliance Committee.

The Audit & Compliance Committee provides oversight over the Bank's financial reporting policies, practices and control. It shall monitor and evaluate the adequacy and effectiveness of the internal control system. It is responsible for the appointment of the Internal Auditor as well as the independent External Auditor who shall both report directly to the Audit & Compliance Committee. In cases of appointment or dismissal of external auditors, it is encouraged that the decision be made only by the independent and non-executive members of the Audit & Compliance Committee.

The Audit & Compliance Committee reviews and approves the audit scope and frequency. It receives key audit reports, and ensures that senior management is taking necessary corrective actions in a timely manner to address the weaknesses, non-compliance with policies, laws and regulations and other issues identified by the Auditors.

The Audit & Compliance Committee has explicit authority to investigate any matter within its terms of reference, full access to and cooperation by management and full discretion to invite any director or executive officer to attend its meetings, and adequate resources to enable it to effectively discharge its functions. The Audit & Compliance Committee ensures that a review of the effectiveness of the Bank's internal controls, including financial, operational and compliance controls, and risk management, is conducted at least annually.

The Audit & Compliance Committee establishes and maintains mechanisms by which officers and staff may, in confidence, raise concerns about possible improprieties or malpractices in matters of financial reporting, internal control, auditing or other issues to persons or entities that have the power to take corrective action. It ensures that arrangements are in place for the independent investigation, appropriate follow-up action, and subsequent resolution of complaints.

Risk Oversight Committee

The Risk Oversight Committee is responsible for the development and oversight of the risk management program for the Bank. The committee is composed of five (5) members of the Board of Directors including two (2) Independent Directors, and a Chairperson who is a non-executive member of the Board. The members of the Risk Oversight Committee possess a range of expertise as well as adequate knowledge of the Bank's risk exposure to be able to develop appropriate strategies for preventing losses and minimizing the impact of losses when they occur. It oversees the system of limits to discretionary authority that the Board delegates to management, ensures that the system remains effective, that the limits are observed and that immediate corrective actions are taken whenever limits are breached. The Bank's Chief Compliance Officer communicates formally and informally to the Risk Oversight Committee any material information relative to the discharge of its function.

The Risk Oversight Committee has access to external expert advice, particularly in relation to proposed strategic transactions, such as mergers and acquisitions.

Meanwhile, as embodied in the Bank's Financial Consumer Manual, the Legal Department shall be concurrently designated as the Consumer Assistance Group of Producers Bank, with the Branch Managers as the concurrent Consumer Assistance Officers at the branch level to handle consumer concerns.

The Consumer Assistance Group shall, as a minimum, perform the following: (a) monitor consumer assistance process; (b) keep track, identify, and analyze the nature of complaints and recommend solutions to avoid recurrence; (c) report to senior management, i.e the President, Branch Banking Group Head and/or Chief Compliance Officer the complaints received on a monthly basis including reasons to avoid recurrence, and the suggestions for process or personnel competency needing improvement; and (d) ensure escalation of any significant complaint to the concerned unit of the Bank (Credit, Branch Banking, Treasury Management, etc.).

Corporate Governance Committee

The Corporate Governance Committee assists the Board of Directors in fulfilling its corporate governance responsibilities. It reviews and evaluates the qualifications of all persons nominated to the Board as well as those nominated to other positions requiring appointment by the Board of Directors. The committee is composed of five (5) members of the Board of Directors, two (2) of whom are independent Directors, including the Chairperson.

The Corporate Governance Committee is responsible for ensuring the Board's effectiveness and due observance of corporate governance principles and guidelines. It oversees the periodic performance evaluation of the Board and its committees and executive management, and also conducts an annual self-evaluation of its performance. It may coordinate with external facilitators in carrying out Board assessment within the frequency approved by the entire Board. The Corporate Governance Committee also decides whether or not a Director is able to and has been adequately carrying out his/her duties as Director based on its own assessment or the assessment of external facilitators, bearing in mind the Director's contribution and performance (e.g., competence, candor, attendance, preparedness and participation). The Corporate Governance Committee is tasked with developing internal guidelines to be adopted that address the competing time commitments that are faced when Directors serve on multiple boards.

The Corporate Governance Committee makes recommendations to the Board regarding the continuing education of Directors, assignment to Board committees, succession plan for the Board members and senior officers, and their remuneration commensurate with corporate and individual performance.

The Corporate Governance Committee decides the manner by which the Board's performance shall be evaluated and may propose an objective performance criteria approved by the Board. Such performance indicators shall address how the Board has enhanced long term shareholders' value.

Directors' Attendance

NAME OF DIRECTOR	NUMBER OF BOARD MEETINGS ATTENDED	%
Andres M. Cornejo	14	100%
Sandra C. Mendoza	14	100%
Andrei D. Cornejo, Jr.	12	86%
Alejandrino J. Ferreria	13	93%
Julio D. Climaco, Jr.*	4	67%
Elrey T. Ramos	7	50%
Francisco Ed. Lim	10	71%
Gilda E. Pico	14	100%
Manuel A. Castañeda III**	7	88%
Adrian Jean Claude D. Cornejo***	9	100%
Edwin V. Fernandez****	2	100%
Total Number of Meetings Held During the Year	14	

** Ex Officio member as of June 05, 2017*
*** Resigned as of July 15, 2017*
**** Elected on June 05, 2017*
***** Elected on November 28, 2017*

Board and Committee Meetings

AUDIT & COMPLIANCE COMMITTEE		
Attendance: 50% for 13 meetings in 2017		
Chairman:	Elrey T. Ramos	9
Members:	Francisco Ed. Lim	10
	Alejandrino J. Ferreria	4
	Edwin V. Fernandez	1
	Gilda E. Pico	9

RISK OVERSIGHT COMMITTEE		
Attendance: 65% for 11 meetings in 2017		
Chairman:	Edwin V. Fernandez	1
Members:	Gilda E. Pico	11
	Andrei D. Cornejo, Jr.	9
	Alejandrino J. Ferreria	8
	Francisco Ed. Lim	10
	Manuel A. Castañeda	4

CORPORATE GOVERNANCE COMMITTEE		
Attendance: 50% for 9 meetings in 2017		
Chairman:	Francisco Ed. Lim	8
Members:	Elrey T. Ramos	5
	Manuel A. Castañeda	2
	Alejandrino J. Ferreria	8
	Andrei D. Cornejo, Jr.	6
	Gilda E. Pico	2
	Edwin V. Fernandez	1

Major Stockholder

Mr. Andres M. Cornejo owns ninety four percent (94%) of the total stockholdings of Producers Bank.

Performance Assessment Program

Performance Assessment shall be regularly administered to perpetuate improvement of individual employee performance to attain excellence and to prepare for the next higher position that offers bigger challenges and opportunities by providing effective supervision, counseling, direction, planning, rebuking and motivation through the identification of the employee's weak and strong points; to develop standards of acceptable levels of performances and to strengthen superior-subordinate relationship. This shall apply to all officers and employees of Producers Bank.

Orientation and Education Program

Orientation and Education Program for the Bank's directors and senior management includes Corporate Governance Certifications for all Directors, in-house mandated trainings as required by BSP which exemplifies their excellence as the pillars of the Bank, Basic Branch Operations Training and Advanced Branch Operations Training (both are compilations of module-based topics and seminars – including, but not limited to, classroom-method and workshop method). For topics which are offered to the public, the Bank has affiliations and membership with Training Providers, for example, but not limited to, BSP, BAIPHIL, Chamber of Thrift Banks, DB Quest Inc. (to name a few).

The Bank, through the Human Resources and Management Department (HRMD), provides employee development programs in answer to their training needs.

The HRMD is permanently responsible in seeing to it that BSP Training requirements are complied with. They are to schedule employees who may attend BSP training programs and shall for the purpose of determining training needs, consult other departments or branch offices from time to time.

HRMD is responsible in arranging/advertising group trainings or seminars that may be conducted by Producers Bank regardless of the subject matter. If the training is highly specialized, the same will be conducted with necessary assistance and consultative services from specialized staff, resource persons or training institutes.

Other areas in personnel training outside the field of money and banking shall likewise be the responsibility of HRMD including but not limited to the selection of speaker/trainer/preparation of course study, selection of trainees (in coordination with the branches and departments), conduct of examination related to such training/seminar and evaluation of the said trainings/seminar programs.

Retirement and Succession Policy

Retirement

Republic Act No. 7641 requires the entitlement by employees to receive retirement benefits at the time of his/her retirement.

Republic Act no. 4917 on the other hand, provides for tax exemptions (subject to certain guidelines) on retirement benefits received by officials and employees of private firms in accordance to a reasonable private benefit plan maintained by the employer.

The aim of Producers Bank Retirement Plan is to assure employees of retirement, death, disability and separation benefits, in the light of management's continuing effort to uphold the well-being of its employees.

- **Features of the Producers Bank Retirement Plan**

Effectivity Date	27 November 2005
Coverage	Regular Full-Time Employees
Covered Service	Measured from Hiring Date
Retirement Benefit	Based on vesting schedule, but the maximum is 1.25 month's Final Salary for every year of continuous service
Normal Retirement	Age 65
Early Retirement	Age 55 with 15 years of continuous service
Late Retirement	Beyond age 65 upon mutual agreement between Company and the Employee
Death or Disability Benefit	One (1) month's final salary for every year of continuous service
Vesting	Minimum of 50% of Retirement Benefit for those with five (5) years of continuous service; thereafter, an increment of 25% for every 5 years of continuous service until 125% of final salary is reached

Succession Policy

The Bank's succession plan aims to identify officers and employees who could potentially fill and perform effectively and efficiently in each position. Hiring and training programs of the Bank ensure that potential successors are readily available.

Remuneration Policy

i. Remuneration Policy and Structure for executive and non-executive directors (disclose the Bank's remuneration policy and the structure of its remuneration package for the Board).

ii. Remuneration Policy for senior management (disclose the process used for determining the remuneration of the president/CEO or officer of equivalent rank, and the four (4) most highly compensated management officers of the Bank).

In its remuneration policy, Producers Bank fully adheres to what Philippine laws and regulations require.

In particular, please refer to the Labor Code of the Philippines (Presidential Decree No. 442), the Wage Rationalization Act (Republic Act No. 6727), the Implementing Rules and Regulations (IRR) to the Wage Rationalization Act, and pertinent Executive Orders and Wage Orders.

Board of Directors

GILDA E. PICO, 71
Chairman
(since September 2017)

Mrs. Pico was the Chief Executive Officer and President of Land Bank of the Philippines from November 2006 to July 2016. She served Land Bank for 35 years and was the Bank President for 10 years. She was the first woman President and Chief Executive Officer of Land Bank and the first Landbanker in career position to be appointed as head of the institution. Mrs. Gilda E. Pico is a Certified Public Accountant. She earned her degree, Bachelor of Commerce major in Accounting at the College of the Holy Spirit, Manila (Magna Cum Laude). She earned her MBA at the University of the East.

SANDRA C. MENDOZA, 43
Vice Chairman
(since September 2017)

Ms. Mendoza is a graduate of the University of Asia and the Pacific where she earned her degree in Bachelor of Science in Information Technology. Prior to her current position, she was the Head of Human Resources and Administration Group. She and her husband are also entrepreneur-restaurateurs operating several very successful restaurants.

ANDRES M. CORNEJO, 69
President and Chief Executive Officer
(since September 2017)

Mr. Cornejo is a highly successful, self-made businessman and entrepreneur from Nueva Ecija. Prior to becoming a full-time entrepreneur and banker, he worked for 16 years with the First Philippine Holdings Corporation (First Holdings) holding the positions of Comptroller, Treasurer and finally Chief Financial Officer. Prior to joining First Holdings, he worked for 9 years with the local accounting firm, Carlos J. Valdez & Company CPAs. He is a graduate of the Philippine School of Business Administration with a Bachelor of Science degree in Accountancy. He has a Masters in Entrepreneurship degree from the Asian Institute of Management. Mr. Cornejo is a Certified Public Accountant. He is the Chairman and President of Cabiao General Hospital, Inc., Chairman of C & D Properties, Inc., and General Manager of C & D Pawnshop.

ANDREI D. CORNEJO, 41
Director
(since May 2015)

Mr. Cornejo is a graduate of Bachelor of Science in Business Administration from the Philippine School of Business Administration. He was President and General Manager of Iloilo City Development Bank prior to its merger with Producers Bank. He is now the Senior Executive Vice President and Chief Operating Officer for Producers Bank.

ATTY. FRANCISCO ED. LIM, 63
Director
(since January 2011)

Atty. Lim was formerly the President and Chief Executive Officer of the Philippine Stock Exchange. He was the longest serving President of the Exchange. He was also formerly President and Chief Executive Officer, Securities Clearing Corporation of the Philippines; former Chairman, Philippine Stock Exchange Foundation, Inc.; and former Chairman, Capital Market Development Center, Inc. He finished his Bachelor of Philosophy (Magna Cum Laude) at the University of Sto. Tomas (UST); his Bachelor of Arts (Cum Laude) also at UST; his Bachelor of Laws (Second Honors) at the Ateneo de Manila University; and his Master of Laws at the University of Pennsylvania, USA. Atty. Lim is a member of the Philippine Bar and New York State Bar. Currently, he is a co-managing partner at ACCRALAW.

ALEJANDRINO J. FERRERIA, Ed. D., 67
Director
(since May 2015)

Dr. Ferreria was the Bank of America Foundation Professor of Business Management at the Asian Institute of Management. From 2002 to 2004, he was the Dean of the Asian Center for Entrepreneurship at the Asian Institute of Management where he was a Guru. He earned his degree of Bachelor of Science in Management from the Ateneo de Manila University, his Masters in Business Administration from the University of the Philippines and his Doctorate in Education Management from the National University. Dr. Ferreria currently sits on several boards: Goodyear Philippines, Pascual Laboratories, Construction Management and Development Foundation, Filipino Car Foundation and Channel Technologies. He is a Partner/ Director at ACE Management Education, Inc., and Chief Executive Officer of Lakpue Drug, Inc.

ADRIAN JEAN CLAUDE D. CORNEJO, 26
Director
(since June 2017)

Mr. Cornejo is a Bachelor of Science in Management graduate of the Ateneo de Manila University in 2012. Mr. Cornejo joined the Bank on 2 May 2012 as Assistant Manager and Management Trainee under the Bank's Management Training Program. He was assigned to different areas of bank operations, to allow him to learn basic skills and principles involved in the management of the Bank. In July 2013, Mr. Cornejo was promoted to Manager and Branch Head of the Bank's Main Branch. Two (2) years after, in July 2015, he was promoted to Senior Manager rank and as Assistant to the Chairman and Chief Executive Officer, and Branch Head of the Main Branch on concurrent capacity. He was appointed Cluster Head for branches in the National Capital Region in November 2015, and eventually as Assistant Vice President and Area Head in January 2017.

EDWIN V. FERNANDEZ, 68
Independent Director
(since November 2017)

Mr. Fernandez finished his Bachelor of Arts in Economics at the University of the Philippines Diliman, Quezon City. He also took his Masters of Business Administration in the same institution. Mr. Fernandez was connected with various industries as advisor for both private and government owned organizations as well as in the academe. He was an Advisor and Management Strategist of Perpetual Succor Hospital and Maternity, Inc. (2002-present); Advisor, Renal Systems, Inc. (2014); Advisor, Land Transportation and Communication (2009); Advisor, Nichols Airport Hotel and Protacio General Hospital (2008-2009); Advisor and Management Strategist, ELRO Commercial and Industrial Corporation (2009); Advisor, National Transmission Corporation (2003-2007); Advisor, E-Myth, Inc (2008); Advisor, St. Jude College (2004).

CECILIO V. LORENZO, 68
Independent Director
(since January 2018)

Mr. Lorenzo finished his Bachelor of Science in Management Engineering at the Ateneo de Manila University. He also took Masters of Business Management at the Asian Institute of Management. Mr. Lorenzo was connected with various private and government owned industries. He was a Consultant and General Manager of Guevent Industrial Development Corporation (2010-2015); President of Fisher Comprehensive Security Services (2009-2010). Mr. Lorenzo held various positions for government entities. He was a Director of Development Bank of the Philippines (2010-2016); Director of DBP Center Corporation (2011-2016); Director and DBP Representative of National Resources Development Corporation (2014-2016); Director and DBP Representative of Philippine Mining Development Corporation; Director and DBP Representative of Metro Rail Transit Corporation (2014-2016) Further, he also served actively as Chairman of DBP IT Governance Board Committee; Vice Chairman of DBP Audit & Compliance Board Committee; Vice Chairman of DBP Risk Oversight Board Committee and Chairman of the Board of DBP Data Center, Inc. At present, he is the Chief Operations Officer and Board Member of Cogitat Technologies, Incorporated.

ATTY. ARSENIO A. ALFILER, JR.,
Corporate Secretary

Atty. Alfiler is presently at Corporate Counsels, Philippines. His previous work experience includes being a Director of Asiatrust Bank, First Vice President of AB Capital and Investment Corporation, First Vice President of AsianBank Corporation. He also had stints with Union Bank of the Philippines and Bancom Development Corporation. Atty. Alfiler obtained his Bachelor of Arts in Public Administration and his Bachelor of Laws from the University of the Philippines.

Executive and Senior Management

GILDA E. PICO
Chairman (71 years old, Filipino)

Land Bank of the Philippines
• Chief Executive Officer and President
Marinor Development Corporation
• Director/Treasurer
Philippine Bank of Communications
• Independent Director
Rural Bank of Bustos, Inc.
• Director
B.S. Commerce major in Accounting, Magna Cum Laude

SANDRA C. MENDOZA
Vice Chairman (43 years old, Filipino)

Producers Savings Bank Corporation
• Head, Human Resource and Administrative Group
• Head, Information Technology and Communications Group
Rural Bank of Lupao, Inc., New Rural Bank of Victorias, Inc.
• Director
Rural Bank of Cainta, Inc.
• Director
B.S. Information Technology

ANDRES M. CORNEJO
President and Chief Executive Officer (69 years old, Filipino)

Rural Bank of San Fabian, Rural Bank of Tayabas, Inc., Tower Development Bank, Rural Bank of Cainta, Inc., New Rural Bank of Victorias, Inc.
• Chairman
First Philippine Holdings Corp.
• Chief Financial Officer
• Vice President-Treasurer
Carlos J. Valdez & Co
• Manager
B.S. Accountancy; Masters in Entrepreneurship;
Certified Public Accountant

ANDREI D. CORNEJO, JR.
Senior Executive Vice President and Chief Operating Officer
Branch Banking Sector Head-VisMin
(41 years old, Filipino)

Producers Savings Bank Corporation
• Director
• Senior Vice President- Head of Visayas and Mindanao Branches
• Vice President and Head, Treasury
Iloilo City Development Bank
• President and General Manager
B.S. Banking and Finance

FILIPINAS M. FERNANDEZ
Executive Vice President and Head, Branch Banking Sector
(54 years old, Filipino)

Producers Savings Bank Corporation
- Senior Vice President and Head, Branch Banking Group
- Senior Vice President and Head, Treasury, Controllership and Administration Group

B.S. Commerce major in Accounting

TERESITA E. CHENG
Senior Vice President and Head, Risk Management Group
Chief Risk Officer
(67 years old, Filipino)

LandBank Insurance Brokerage, Inc.
- Director

LandBank of the Philippines
- Chief Risk Officer (CRO), First Vice President/Head of Risk Management Group
- CRO, Vice President/Head of RMG

Masters in Business Management
Masters of Science in Chemistry

NOMER A. CRISOSTOMO
Senior Vice President and Head, Controllership Group
Chief Compliance Officer
(42 years old, Filipino)

Producers Savings Bank Corporation
- Chief Compliance Officer, Vice President
- Internal Auditor and Chief Compliance Officer
- Assistant Vice President

B.S. Accountancy

CENON M. LADRINGAN
Senior Vice President and Head, Agri Lending Sector
(47 years old, Filipino)

Producers Savings Bank Corporation
- First Vice President and AMG Head
- Vice President and CMG I Head
- Senior Assistant Vice President

B.S. Agricultural Engineering

ELMER C. CAYOG
Vice President and Regional Area Head, Region 5 (46 years old, Filipino)

Producers Savings Bank Corporation
- Senior Assistant Vice President and Area Head
- Assistant Vice President and Area Marketing Head
- Area Marketing Head

B.S. Accountancy

IRENEO U. GACAD, JR.
Vice President and Assistant Corporate Secretary (73 years old, Filipino)

Producers Savings Bank Corporation
- Assistant Corporate Secretary

Rural Bank of Bustos Bulacan, Inc.,
- Director and Corporate Secretary

B.A. Tan Jr. Law Offices
- Associate Attorney

Bachelor of Laws

SENIOR ASSISTANT VICE PRESIDENTS	
Loureanne A. Bautista *Admistrative Services Head* *40, Filipino*	Producers Savings Bank Corporation • Assistant Vice President and Head Treasury Support Department • Assistant Vice President and Head, Rediscounting & Payroll Department Merchants Rural Bank • Head Office Accountant B.S. Accountancy
Amy A. Fernandez *Area Head* *56, Filipino*	Producers Savings Bank Corporation • Assistant Vice President and and Area Marketing Head Rosbank, Inc. • Head Treasury • Senior Manager • Internal Manager B.S. Commerce major in Accounting
Maricel C. Ladignon *Regional Head for Region III* *42, Filipino*	Producers Savings Bank Corporation • Branch Operations Support Department Head, AVP • Senior Manager and Branch Operations Support Department Head • Senior Manager and Area Marketing Head B.S. Accountancy
Fidel M. Reyes *Area Head* *64, Filipino*	Producers Savings Bank Corporation • Assistant Vice President and Area Head Bank of the Philippine Islands • Branch Manager B.S. Commerce major in Accounting
Gina T. Rivera *Information and Communications Technology Group Head* *50, Filipino*	Producers Savings Bank Corporation • Senior Manager and Head, Application Management Department and Concurrent Head, ATM Center • Senior Manager and Bank Information Security Officer • ATM Center Head, Senior Manager MB Philippines • Regional Coordinator B.S. Business Administration major in Accounting Masters in Business Administration
William O. Roberts *Area Head* *63, Filipino*	Producers Savings Bank Corporation • Assistant Vice President and Area Head • Senior Manager and Assistant Area Head • Manager and Branch Marketing Head Metropolitan Bank and Trust Company • Branch Head B.S. Business Administration major in Accounting

ASSISTANT VICE PRESIDENTS	
Revier R. Avestruz *Area Head* *38, Filipino*	Producers Savings Bank Corporation • Assistant Area Head/Cluster Head • Branch Marketing Head • Internal Auditor B.S. Accountancy
Pab Ronald H. Calanoc *Information Security and Technology Risk Management Head* *37, Filipino*	Producers Savings Bank Corporation • Senior Manager, DBA Manager and ICT Support Officer • ICBA Project Team Member • ICTS Department Head B.S. Accountancy
Adrian Jean Claude D. Cornejo *Area Head, NCR* *26, Filipino*	Producers Savings Bank Corporation • Manager & Acting Branch Head • Assistant Manager & Acting Branch Head • Assistant Manager & Management Trainee B.S. Management
Patricio M. Cornejo *Special Project Department Head* *57, Filipino*	Producers Savings Bank Corporation • Senior Manager and Head, Special Projects B.S. Commerce
Peter Joel S. Cornejo *Lending Center Head, Lending Group II* *39, Filipino*	Producers Savings Bank Corporation • Assistant Vice President and AMD Head • Senior Manager and Account Management Department Head • SME Business Development Officer B.S. Commerce major in Banking and Finance
Rodolfo E. Estioko *Strategic Planning Head* *62, Filipino*	Producers Savings Bank Corporation • Corporate Planning Officer Economic Development Foundation • Provincial Coordinator Philippine Mediation Center • Model Courts Manager B.S. Management Engineering
Teodora C. Garcia *Area Head* *44, Filipino*	Producers Savings Bank Corporation • Senior Manager, Assistant Area Head & Branch Head (Rosales) ROSBANK • Branch Head (Urdaneta) B.S. Accountancy
Arlyn D. Labasan *Area Head* *48, Filipino*	Producers Savings Bank Corporation • Senior Manager and Assistant Area Marketing Group Head & concurrent Branch Marketing Head • Manager and Assistant Area Marketing Group Head & concurrent Branch Marketing Head Rizal Commercial Banking Corporation (RCBC) • Senior Personal Banker B.S. Mathematics
Maria Cristina Yasmin S. Mariñas *Area Head* *40, Filipino*	Producers Savings Bank Corporation • Senior Manager and Assistant Area Marketing Group Head & concurrent Branch Marketing Head • Manager and Assistant Area Marketing Group Head & concurrent Branch Marketing Head Rizal Commercial Banking Corporation (RCBC) • Senior Personal Banker B.S. Mathematics

ASSISTANT VICE PRESIDENTS	
Lamberto C. Martin *Non-Agri SME Lending Sector Head and Bulacan Lending Center Head* *57, Filipino*	Producers Savings Bank Corporation • Senior Manager and Head CMD, CMG I • Manager and Head, CMD, CMG I Mary Ann School of Leaning • Principal New Rural Bank of San Leonardo • Branch Manager B.S. Business Administration major in Economic
Ma. Victoria M. Mistica *Chief Compliance Officer* *62, Filipino*	Producers Savings Bank Corporation • Manager & Deputy Compliance Officer Tower Development Bank • Compliance Officer/Internal Auditor New Rural Bank of San Leonardo • Branch Manager Central Bank of the Philippines • Analyst B.S. Commerce major in Accounting Certified Public Accountant Masters in Business Administration
Marigold C. Rivera *Corporate Communications Officer* *39, Filipino*	Producers Savings Bank Corporation •Branch Management Support Department Head •Manager, Training and Development Unit A.B. Philosophy, Cum Laude
Ariel M. Tatlonghari *Lending Center Head, Lending Sector* *51, Filipino*	Producers Savings Bank Corporation • Assistant Vice President and Area Head, CALABARZON • Assistant Vice President and Head, Product Development Support Department People's Credit and Finance Corp • Assistant Vice President Rural Bank of Lupao, Inc. • Vice President and General Manager Department of Trade and Industry • Manager and Trade and Industry Officer B.S. Agriculture
Eduardo A. Trinidad, Jr. *Remittance Group Head* *35, Filipino*	Universal Storefront Services, Corp (USSC) • Agency Head Pasco Certeza Mapping Corp. • Digitizer B.S. Computer Science
Jeel S. Vana *Risk Officer* *38, Filipino* *As of 31 December 2017*	Producers Savings Bank Corporation • Assistant Vice President and Deputy Compliance Officer • Manager and Internal Audit Officer • Manager and Branch Operations Support Officer B.S. Accountancy

Operating Management

The Board of Directors delegates to the President and Chief Executive Officer (CEO) the responsibility of managing the Bank's business operations. Closely supporting and working with the President and CEO at the higher level is the Chairman who directs the overall execution of the strategic plans and policies as established by the Board of Directors. Reporting directly to the President and CEO are the Controllership Group, Information and Communication Technology Group, Treasury Management Group, Acquired Assets Management Group, Strategic Planning Group, Bank Security Department, Human Resources and Administrative Group and Legal Department. Supporting the President and CEO is the Senior Executive Vice President and Chief Operating Officer who is in charge of the day-to-day operations of the operating sectors as follows:

BRANCH BANKING SECTOR

- Deposit Operations Group
- Consumer Lending Group
- Remittance Group
- ATM Group
- Check Clearing Operations Group

LENDING SECTORS

- Agri Lending Sector
- MSME Lending Sector

TREASURY MANAGEMENT GROUP

- Funds Management Department
- Asset and Liability Management Department
- GS Trading Department

On 24 April 2017 Producers Bank launched Mobile Crop Loan, the country's first mobile-based digital agricultural crop loan service offered via Lendr

Producers Bank Offers the First (1st) Mobile Based Digital Agricultural Crop Loan Service in the Country

Producers Bank takes pride in being the first bank to offer a mobile based digital agricultural crop loan service through its Mobile Crop Loan (MCL) launched last May 8, 2017 at Top Star Hotel, Cabanatuan City, Nueva Ecija.

Producers Bank MCL is also the first digital agricultural loan product via Lendr in the ASEAN developed in collaboration with FINTQ, the financial technology arm of PLDT, SMART and Voyager Innovations.

Mr. Andres M. Cornejo, President & CEO of Producers Bank is happy with this new product as it will allow Producers Bank farmer borrowers to have fast and easy access to credit via their mobile devices. MCL via Lendr allows farmer borrowers of Producers Bank to apply online using their mobile devices without the need to go to the Bank's branch office. They will be sent a text message informing them of their loan approval. It is only when their loans are approved that they need to go to the Bank's branch office to submit their requirements and to sign their loan documents.

During the launch, Lito Villanueva, Managing Director of FINTQ discussed extensively how farmer borrowers can apply and avail of the MCL using their mobile devices. Five (5) farmer borrowers who applied for MCL via Lendr during the launch were immediately approved.

Dr. Ramon Yedra of the Agricultural Credit Policy Council (ACPC) and Ms. Irene Adion of the Department of Agriculture -Regional Office III together with Producers Bank officers namely: Gilda E. Pico – Chairman, Sandra C. Mendoza - Vice Chairman, Filipinas M. Fernandez, Executive Vice President for Branch Banking Sector, Cenon M. Ladringan - First Vice President, Peter Joel S. Cornejo - Assistant Vice President for Loans and Rodolfo E. Estioko, Assistant Vice President together with other Bank officers and staff were also present in the said launch.

Producers Bank Remittance Business On The Rise

In 2017, Producers Bank's remittance business generated over P4.7 Million in revenues with growth of 114% as compared to 2016. The Remittance Operations Group delivered another year of solid and consistent business performance with over P602 Million of operating cash flow.

Furthermore, Producers Bank believes that its remittance business is based on trust and places high priority on compliance. Hence, for the year, several compliance and training programs were put into place such as (i) Fraud Awareness, (ii) Anti-Money Laundering, (iii) Front Line Associates (FLA) Awareness.

Remittance Group kick off meeting in Iloilo Area

Remittance Group kick off meeting in Bicol Area

Summer Promo Caravan in Pangasinan

Producers Bank Supports BSP Financial Inclusion Program

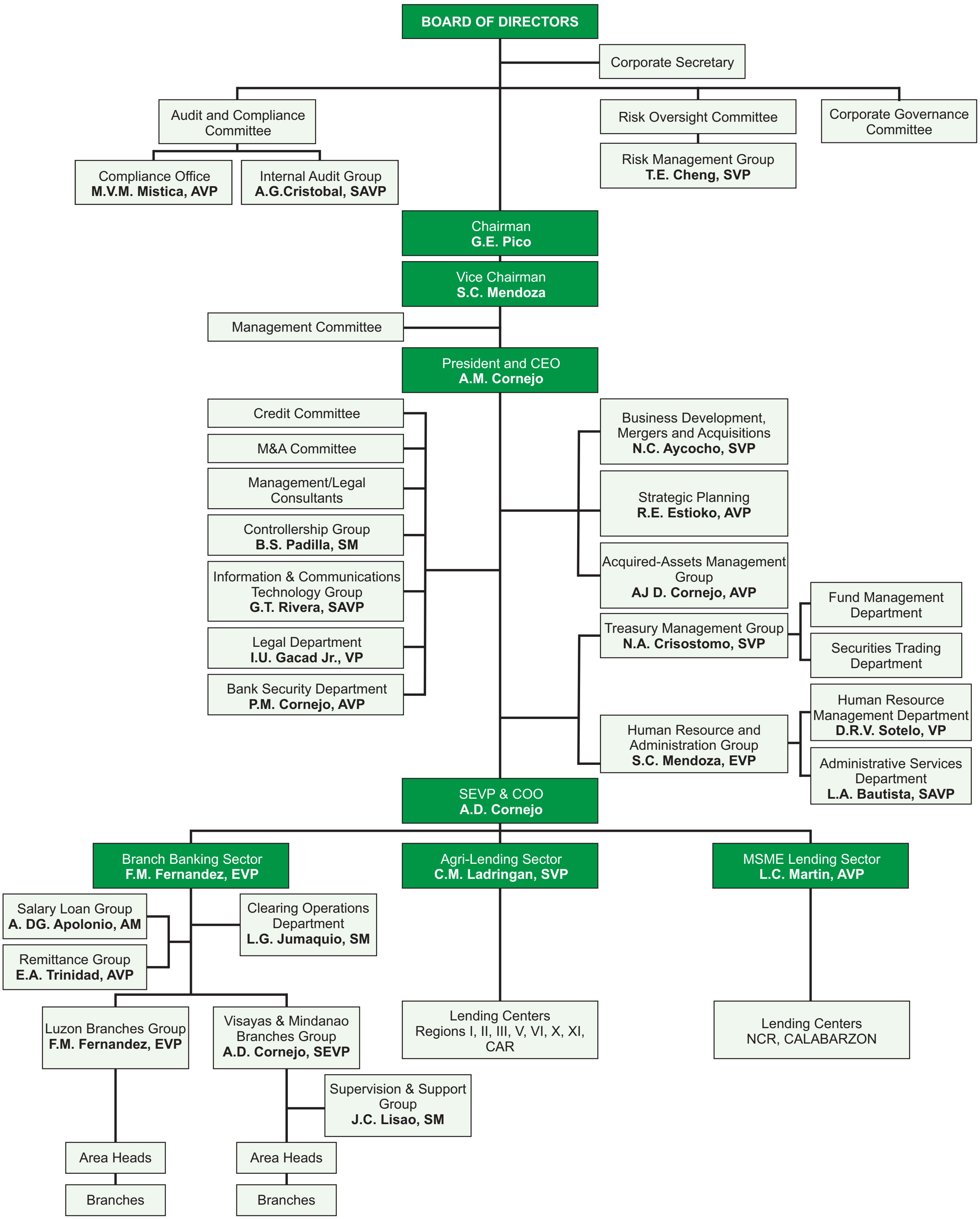
Producers Bank supports the Bangko Sentral ng Pilipinas' (BSP) Financial Inclusion Program as it continues to expand its branch network nationwide including in some unbanked localities like Carranglan in Nueva Ecija, Amadeo in Cavite, Tinambac in Camarines Sur and Umingan and Urbiztondo in Pangasinan.

The successful expansion and operations of Producers Bank in all areas where it opened branches only proves that given access to financial services, banking especially in unbanked localities is good business.

On the other hand, Producers Bank believes that it has a responsibility to make its financial services accessible most especially to the farmers and entrepreneurs if it wants to achieve its vision of becoming the number one (1) partner bank of farmers and entrepreneurs in producing more wealth for the country.

The 154th branch of Producers Bank opens in Dingalan, Aurora Province.

TABLE OF ORGANIZATION



As of 31 May 2018

Related Party Transactions

In the ordinary course of business, the Bank grants loans and has other transactions with certain directors, officers, shareholders and related interests ("DOSRI").

DOSRI LOANS

Under the Bank's Policies and Procedures Manual, the transactions of the Bank with its DOSRI, which are comprised of loans and other transactions, are made substantially on the same terms as with other individuals and businesses of comparable risks. Under the Bank's DOSRI policy manual and current BSP regulations, the amount of individual accommodations to DOSRI, of which 70% must be secured, should not exceed the amount of their respective deposits and book values of their respective investments in the Bank. Such limit does not apply to loans secured by assets considered as non-risk as defined in the regulations and loans granted to officers under the Bank's Employee Fringe Benefit Programs approved by the BSP. In the aggregate, loans to DOSRI should not exceed the Bank's total regulatory capital or 15% of its total loan portfolio, whichever is lower.

Information on loans to DOSRI as of 31 December 2017 and 2016 is as follows:

	2017	2016
Total outstanding DOSRI loans	P85,290,022.24	P88,387,100.00
Percent of DOSRI loans to total loans	0.77%	1.06%
Percent of unsecured DOSRI loans to total DOSRI loans	0%	0%
Percent of past due DOSRI loans to total DOSRI loans	0%	0%
Percent of non-performing DOSRI loans to total DOSRI loans	0%	0%

KEY MANAGEMENT COMPENSATION AND DIRECTOR'S REMUNERATION

Key management personnel are the persons having authority and responsibility for planning, directing and controlling the activities of the Bank, directly or indirectly, including any of its Directors.

Short-term employee benefits pertain to the compensation received by key management personnel. Compensation includes all benefits constituting all forms of consideration paid, payable or provided by the Bank, or on its behalf, in exchange for services rendered to the Bank.

	2017	2016
Key Management Compensation	P35,674,149.00	P33,654,858.00
Directors' Remuneration	1,733,333.00	1,999,999.00

Corporate Social Responsibility

Producers Bank's CSR Program:
More Than Just Profits

The Bank's implementation of its Corporate Social Responsibility (CSR) Program goes beyond compliance and engages in activities that further some social good --- beyond the interest of the Bank and that which is required by law.

More than just the profits or increasing the Bank's bottom line, Producers Bank takes time and effort to create and develop a positive impact through its activities for the environment, its consumers, its employees and the communities where it operates.

Listed below are the Bank's Corporate Social Responsibility Programs:

- **MEDICAL MISSION**

  an activity where free medical consultations and medicines are given.

- **TAKE CARE OF YOUR HEART & BLOOD LETTING PROGRAM**

  an annual free blood pressure check up for employees and customers of the Bank.

- **RELIEF OPERATIONS**

  an activity after a natural calamity wherein relief goods are given to victims.

- **TREE PLANTING ACTIVITY**

  the Bank makes sure that it does its share in helping take care of Mother Nature.

- **HELP BUILD THE CHURCH PROGRAM**

  the Bank donates cash to help build the St. Nicholas of Tolentine Basilica Crypt.

Medical Mission in Cuyapo Branch

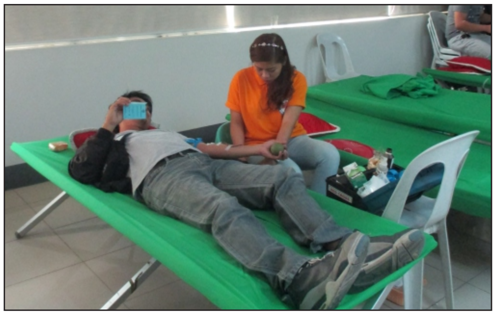
Medical Mission in Aliaga Branch

Medical Mission in Rizal Branch

Free blood pressure in Cabanatuan South Branch

Take Care of your Heart in Ilagan City Branch

Blood Letting in Cabanatuan South Regional Office



Relief operations in Cabanatuan City, Nueva Ecija

Relief Operations

Relief Operations in Bicol

Tree Planting in Bakod Bayan, Nueva Ecija

Tree Planting

Building the Church Program

Help Build the Church

Producers Bank commits to improve the quality of life of our employees and in the communities that we serve particularly in areas that are not served by the large financial institutions.

CONSUMER PROTECTION PRACTICES

CONSUMER PROTECTION OVERSIGHT FUNCTION

The Board of Directors (BOD) of Producers Bank is ultimately responsible for ensuring that consumer protection practices are embedded in the Bank's business operations and that the Bank is adhering to the highest service standards and is embracing a culture of fair and responsible dealings in the conduct of business that will be appropriate to the Bank's corporate structure, operations and risk profile.

(a) Role and Responsibility of the Board of Directors and Senior Management

The Board of Directors and Senior Management are responsible for developing the Bank's consumer protection strategy and establishing an effective oversight over the programs it will develop as well as overseeing their effective implementation. The Senior Management team and Management Committee of the Bank shall be responsible in managing the day-to-day consumer protection activities of the Bank.

(b) Consumer Protection Risk Management System (CPRMS)

The CPRMS is part of the corporate-wide Risk Management System of the Bank. It is a means by which Producers Bank identifies, measures, monitors, and controls consumer protection risks inherent in its operations. These include both risks to the financial consumers and the Bank. The products and services of the Bank remain to be traditional and non-complex and as such, the required Consumer Protection policies can be incorporated in the various product manuals of the Bank to address and prevent the various financial risks that will cause harm or loss to consumers.

1. Board and Senior Management Oversight

   The Board and Senior Management shall annually review the effectiveness of the existing policies on Consumer Protection to evaluate their effectiveness and whether the audit mechanisms are in place to enable adequate oversight. In case any weaknesses in the CPRMS are noted, these should be addressed immediately and corrective actions should be taken in a timely manner.

2. Compliance Program

   The required Consumer Protection Program shall be incorporated in the over-all Compliance System and Program of the Bank to prevent and reduce regulatory violations and protect consumers from financial and associated harm or loss. The Chief Compliance Officer (CCO) shall be responsible in incorporating in the Compliance System and Program for financial consumer protection.

3. Policies and Procedures

   The Bank's policies and procedures governing consumer protection policies and procedures shall be approved by the Audit Committee and the Bank's Board. The policies and procedures shall:

   a. Be consistent with Consumer Protection policies as approved by the Board;
   b. Ensure that consumer protection practices are embedded in the Bank's business operations;
   c. Address compliance with consumer protection laws, rules, and regulations; and
   d. Be reviewed periodically and kept up-to-date to serve as reference for employees in their day-to-day activities

4. Internal Audit Function

   The Internal Audit Group of the Bank shall develop and include the Consumer Protection Audit Program in its audit function/program. It shall conduct the annual review of the Bank's consumer protection practices, ensure adherence to internal policies and procedures and compliance with existing laws, rules and regulations. The results of the audit findings and exceptions that will be noted by the Internal Audit Group will enable the Audit Committee to assess the effectiveness of the implementation and adequacy of the approved policies and standards in meeting the established consumer protection objectives.

5. Training

   All Bank personnel that have customer interface should be given specific and comprehensive training that reinforces and helps in the implementation of written policies and procedures on consumer protection as well as continuing education about Consumer Protection laws, rules and regulations.

CONSUMER ASSISTANCE MANAGEMENT SYSTEM (CAMS)

The Financial Consumer Protection Manual (the

"Policy") of the Bank applies to all officers and employees, including non-permanent employees (those under training and probationary status, and those employees under fixed tenure contracts) that have direct interface with the Bank clients, and clients/consumers of the Bank. The scope of this policy includes the requirements and minimum guidelines on receiving, recording, evaluating, resolving, monitoring, reporting, and giving feedback to all complaints filed by the clients/consumers of Producers Bank. Customer complaints and/or disclosures shall include, but not limited to the following:

1. Dissatisfaction with the products or services availed from the Bank;

2. Non-compliance of the Bank, its officers and employees with the terms and conditions provided to the client;

3. Unlawful acts or orders requiring violation of law, bank policies and procedures, abuse of authority, serious breach of disclosure of information of employees about the clients, questionable relationship with the Bank clients, and specific threats to the Bank clients;

4. Fraudulent activities of employees such as but not limited to:

   a. Any act or omission, including misrepresentation, that knowingly and recklessly misleads, or attempts to mislead the client/s of the Bank to obtain financial or other benefit or to avoid an obligation;
   b. Stealing or attempting to steal from the Bank clients;
   c. Falsification of bank and client records for purposes of defrauding Bank clients;
   d. Conflicts of interest or any intentional, unauthorized disclosure of confidential and proprietary information of Bank clients to outside parties;
   e. Soliciting money, gifts, shares, benefits, or favors from the existing clients and potential clients of the Bank; and
   f. Concealment of defective work by employees which directly results in loss or prejudice to the client/s.

5. Giving false testimonies or promises to the clients;

6. Misconduct or failure by the employees to observe the Bank's rules of conduct or standards of behavior when dealing with clients;

7. Coercive practices, which mean impairing or harming, or threatening to impair or harm, directly or indirectly, the client, including retaliation; and

8. Any other activity which undermines the protection of consumers of the Bank.

PRODUCTS AND SERVICES

• DEPOSIT SERVICES

SAVINGS ACCOUNT
- Regular Savings
- Regular ATM Savings

TIME DEPOSIT
- Premium Time Deposit
- Special Deposit Account (SDA)
- Long Term Certificate of Time Deposit (LTCTD)

CHECKING ACCOUNT

US DOLLAR SAVINGS & TIME DEPOSITS

• LOAN SERVICES

BUSINESS LOAN

CROP PRODUCTION LOAN

LIVESTOCK LOAN

CONSUMER LOAN
- Car/Truck Loan
- Housing Loan
- Teacher's Loan

CORPORATE LOAN

FINANCIAL INCLUSION LOAN

• OTHER SERVICES

WESTERN UNION
- Money Transfer

ATM SERVICES

BANCASSURANCE

Branch Directory

HEAD OFFICE
1706 AIC Burgundy Empire Tower, ADB Avenue corner Sapphire Street, Ortigas Center, Pasig City
(02) 667-3811 / (02) 667-3812 / (02) 570-4137

HEAD OFFICE EXTENSION
17th Floor, One San Miguel Avenue, San Miguel Avenue corner Shaw Boulevard, Ortigas Center, Pasig City
(02) 667- 3022 / (02) 687-6287

DATA CENTER
Unit 205 Pacific Place Condominium, Pearl Drive corner Amethyst Street, Ortigas Center, Pasig City
(02) 638-0599 / (02) 637-6495

BRANCHES

ALAMINOS
Marcos Avenue, Palamis, Alaminos City, Pangasinan
(075) 540-5502

ALIAGA
Gen. Luna St., Poblacion West 3, Aliaga, Nueva Ecija
(044) 951-5099

ALICIA
G/F Danison Commercial Building, Magsaysay Street, Alicia Public Market, Alicia, Isabela
(078) 323-2173

ALTAVAS
National Highway, Bonifacio St., Poblacion, Altavas, Aklan
(036) 269-1418

AMADEO
A. Mabini Street, Poblacion 1, Amadeo, Cavite
(+63) 917-109-5051

ANGONO
69 M.L. Quezon Avenue, Brgy. San Isidro, Angono, Rizal
(02) 522-0799

ANTIPOLO
145 M.L. Quezon Street, Brgy. San Roque, Antipolo City, Rizal
(02) 697-0605 / (02) 697-1917

APARRI
G/F 5-Storey Commercial Building, J.P. Rizal corner Alvarado Streets, Brgy. Maura, Aparri, Cagayan
(078) 888-0152

ARITAO
National Highway, Poblacion, Aritao, Nueva Vizcaya
(+63) 997-532-9900

AURORA
MM Pua Building, San Pedro, San Pablo, Aurora, Isabela
(078) 652-1578

BAAO
National Highway, Producers Bank Building Del Rosario, Baao, Camarines Sur
(054) 455-7049 / (054) 266-3087

BACOLOD
VCY Center, Hilado Ext., Capitol Shopping Center, Bacolod City, Negros Occidental
(034) 433-7518 / (034) 433-4708

BAGABAG
Zapata Bldg., Provincial Road, Brgy. San Geronimo, Bagabag, Nueva Vizcaya
(078) 392-0669

BAGO
G/F Plaza Arcade Building, Araneta Street, Brgy. Poblacion, Bago City, Negros Occidental
(034) 461-1526

BAGUIO
G/F Mount Crest Hotel, Legarda Road corner Urbano Street, Baguio City
(074) 442-5007

BAIS
National Highway corner Aguinaldo Street, Mercado de Bais, Bais City, Negros Oriental
(035) 402-3162

BALANGA
G/F EGS Building Don Manuel Banzon Ave., Balanga City, Bataan
(047) 633-3329

BALER
Quezon Street, Brgy. Suklayin, Baler, Aurora
(+63) 922-833-0126

BAMBANG
ERJ Building Maharlika Highway, Bambang, Nueva Vizcaya
(078) 803-2002

BANI
Quezon Avenue, Poblacion, Bani, Pangasinan
(075) 523-0235

BAROTAC NUEVO
Hortillosa Building, Zamora Street, Barotac Nuevo, Iloilo
(033) 361-2395

BAYAMBANG
NIF Bldg., Rizal Ave., Poblacion Sur, Bayambang, Pangasinan
(075) 632-3681

BAYOMBONG
Ongtao Bldg., Provincial Highway, Bayombong, Nueva Vizcaya
(078) 321-2690

BINALBAGAN
Brgy. Progreso, Municipality of Binalbagan, Negros Occidental
(034) 742-8609

BINALONAN
Bayanmoto Gas Bldg., McKinley Street, Binalonan, Pangasinan
(075) 633-4889

BINANGONAN
JP Rizal corner Baltazar Street, Brgy. Layunan, Binangonan, Rizal
(02) 368-3164 / (02) 289-4050

BOCAUE
McArthur Highway, R.M. Mariz Building, Wakas, Bocaue, Bulacan
(044) 762-5588

BOLINAO
Don Prudencio Street, Bolinao, Pangasinan
(075) 523-1091

BONGABON
National Road, Brgy. Commercial, Bongabon, Nueva Ecija
(044) 958-1243

BUGASONG
Ilauod, Bugasong, Antique
(+63) 916-949-4143

BULAN
C. Gotladera Street, Zone 4, Bulan, Sorsogon
(+63) 908-885-4237

CABANATUAN NORTH
G/F Producers Bank Building, Maharlika Highway, Sangitan East cor. Gen. Tinio, Cabanatuan City, Nueva Ecija
(044) 464-1768

CABANATUAN SOUTH
G/F Producers Bank Center II, Maharlika Highway, Brgy. H. Concepcion, Cabanatuan City, Nueva Ecija
(044) 940-8979

CABARROGUIS
G/F Uy Building, Provincial Road, Cabarroguis, Quirino
(+63) 943-063-1294

CABATUAN
Unit 5, Los Angeles Arcade, Centro, Cabatuan, Isabela
(078) 652-2724

CABIAO
San Juan North, Poblacion, Cabiao, Nueva Ecija
(044) 958-1845

CADIZ
Cabahug Street, Brgy. Zone 4, Cadiz City, Negros Occidental
(034) 466-0076

CAGAYAN DE ORO
281 Recto Avenue, Lapasan Highway, Cagayan De Oro City, Misamis Oriental
(088) 885-0182

CAINTA
A. Bonifacio Avenue corner Marick Drive, Brgy Sto. Domingo, Cainta, Rizal
(02) 655-0776 / (02) 656-3876

CALABANGA
Old Market Site, San Antonio, Calabanga, Camarines Sur
(054) 470-1079 / (054) 881-2622

CALAMBA
National Highway corner Sta. Cecilia Village, Brgy. Parian, Calamba City, Laguna
(049) 834-3770

CALOOCAN
G/F Steve Ko Tang Building, C3 Road corner J. Teodoro Street, 5th Avenue, Brgy. 55, District 2, Caloocan City
(02) 287-0825

CALUMPIT
McArthur Highway, Brgy. Corazon, Calumpit, Bulacan
(044) 815-5173

CAMILING
G/F M and E Building, Quezon Avenue, Camiling, Tarlac
(045) 934-1880

CARMEN
McArthur Highway, Brgy. Carmen West, Rosales, Pangasinan
(075) 564-4326

CAPAS
Provincial Road, Etasi Building, Sto. Domingo II, Capas, Tarlac
(045) 491-6203

CARRANGLAN
Brgy. F.C. Otic, Carranglan, Nueva Ecija
(+63) 925-501-3282

CASTILLEJOS
National Highway, San Juan, Poblacion, Castillejos, Zambales
(047) 602-0151

CAUAYAN
G/F Prince Christopher Commercial Complex Building, Maharlika Highway corner Cortez Street, Cauayan City, Isabela
(078) 652-1833

COGEO
LG/F City Mall of Antipolo, Olalia Road, Brgy. Dela Paz, Antipolo City, Rizal
(02) 682-0646

CORDON
Rosete Building, Magsaysay, Cordon, Isabela
(078) 682-0596

CULASI
Jesus of Nazareth Building, Cadiao Street, Centro Poblacion, Culasi, Antique
(+63) 917-551-3899 /
(+63) 932-315-7247

Branch Directory

CUYAPO
D.M. Jose Street, District 7,
Cuyapo, Nueva Ecija
(044) 951-0974

DAGUPAN
Rizal Street, Dagupan City,
Pangasinan
(075) 522-8180 / (075) 515-7031

DAU
Aguarin Bldg., McArthur Highway,
Dau, Mabalacat, Pampanga
(045) 892-4730

DASMARIÑAS
Annie's Plaza, Emilio Aguinaldo
Highway, San Agustin 1,
Dasmariñas, Cavite
(046) 416-6322

DAVAO-BAJADA
Candelaria Bldg., 547 J.P. Laurel
Avenue, Bajada, Davao City
(082) 295-0599

DAVAO-ECOLAND
Door 101-103 Ground Floor Pink
Walters Bldg., Quimpo Boulevard,
Ecoland, Davao City
(082) 295-7784

DINALUPIHAN
San Juan St., Mabini Extension,
Poblacion, Dinalupihan, Bataan
(047) 237-1452

DINGALAN
Community Center, Municipal
Compound, Dingalan, Aurora
(+63) 922-981-7275

DUMAGUETE
Plaza Doña Milagros Bldg, Perdices,
corner Sta. Rosa & Pinili Streets,
Dumaguete City, Negros Oriental
(035) 420-9233

ESCALANTE
Rotonda, Brgy. Balintawak,
Escalante City, Negros Occidental
(034) 435-0093

GAPAN
E. Jacinto Street, San Vicente,
Gapan City, Nueva Ecija
(044) 486-2282

GOA
G/F Multi-Storey Commercial
Building, J.P. Rizal National
Road corner Panday Street,
Poblacion, Goa, Camarines Sur
(054) 881-9458

GUIGUINTO
G/F Rocka Building, Poblacion,
Guiguinto, Bulacan
(044) 794-1148

GUIMBA
M.C. Leonardo Building, Afan
Salvador corner Sarmiento
Streets, Guimba, Nueva Ecija
(044) 611-1299

HAGONOY
MH Del Pilar Street, San
Sebastian, Hagonoy, Bulacan
(044) 794-3763

HINIGARAN
Tupas Bldg., Rizal St., Brgy. III,
Hinigaran, Negros Occidental
(034) 740-7375

IBA
Bugallon Street corner Taveria,
Zone V, Iba, Zambales
(047) 602-2139

ILAGAN
G/F LSP Building, Osmeña,
Ilagan, Isabela
(078) 624-1161

IMUS
Costa Grande-Our Lady of
Remedies Building, 496 Emilio
Aguinaldo Highway, Palico I,
Imus, Cavite
(046) 450-9710

IRIGA
Lemar's Building, San Roque,
Iriga City, Camarines Sur
(054) 299-7113

JAEN
Parumog Bldg., Brgy. G.E. Antonino,
Poblacion Jaen, Nueva Ecija
(044) 958-2792

JARO
Lilia Wong Building, Castilla
Street, Jaro, Iloilo City
(033) 333-2682

KABANKALAN
G/F HLJ Bldg., Tan Lorenzo St.,
Kabankalan City, Negros Occidental
(034) 471-3032 / (034) 471-3457

KALIBO
The Waldolf-Garcia Bldg., Osmeña
Avenue, Kalibo, Aklan
(036) 500-7835 / (036) 268-1298

LA TRINIDAD
Lubos Building, Km 5, Pico,
La Trinidad, Benguet
(074) 422-2779 / (074) 309-1516

LAUR
Gen. Tinio corner Gen. Natividad
Streets, Brgy. II, Laur, Nueva Ecija
(+63) 917-847-4650
(+63) 933-589-8818

LEGAZPI
G/F 2-Storey Commercial
Building, Peñaranda Street,
Legazpi City, Albay
(052) 480-3886 / (052) 742-2247

LINGAYEN
Avenida Rizal, East Road,
Lingayen, Pangasinan
(075) 632-5380

LIPA
General Luna Street, Sabang,
Lipa City, Batangas
(043) 702-6673

LLANERA
Municipal Compound, Victoria, Llanera, Nueva Ecija
(044) 958-1979

LUCENA
ADAD Building, M.L. Tagarao cor. Allarey Sts., Lucena City, Quezon
(042) 660-1911

LUPAO
Producers Bank Building, National Highway, Poblacion, Lupao, Nueva Ecija
(044) 958-3922

MADDELA
Magsaysay Street, Maddela's Point Building, Poblacion Norte, Maddela, Quirino
(+63) 917-775-6407

MALASIQUI
Ramon Magsaysay Street, Brgy. Poblacion, Malasiqui, Pangasinan
(075) 536-5796

MALITA
Doña Pilar Bldg., Poblacion Highway, Malita, Davao Occidental
(075) 536-5796

MALLIG
Centro 2, Mallig, Isabela
(+63) 917-624-4383

MALOLOS
M. Crisostomo St., San Vicente, Malolos City, Bulacan
(044) 795-0042

MANAOAG
Ground Floor, Veloria-Samera Building, Rizal Street, Poblacion, Manaoag, Pangasinan
(075) 529-1088 / (075) 519-3487

MANGALDAN
G/F Berex Enterprises Building, Mangaldan Commercial Center, Bari, Mangaldan, Pangasinan
(075) 529-3337

MANGATAREM
G/F C&D Bldg., Burgos Street, Mangatarem, Pangasinan
(075) 632-3405

MARIA AURORA
ML Quezon Street, Brgy. 4, Maria Aurora, Aurora
(+63) 933-952-6418

MARIKINA CITY
J. P. Rizal Street, Calumpang, Marikina City
(02) 239-2062

MARILAO
McArthur Highway, Abangan Sur, Marilao, Bulacan
(044) 815-4218

MOLO
KBEN Bldg., MH Del Pilar St., Molo, Iloilo City, Iloilo
(033) 336-3855

MUÑOZ
Pelmoka Building, T. Delos Santos Street, Science City of Muñoz, Nueva Ecija
(044) 456-0523 / (044) 456-0544

NABUA
Nabua Municipal Library Bldg., National Road, Poblacion, Nabua, Camarines Sur
(054) 881-7079 / (054) 228-0690

NAGA-MAGSAYSAY
G/F ADC Building corner Catmon II, Magsaysay Avenue, Naga City, Camarines Sur
(054) 472-5187

NAGA-PANGANIBAN
G/F Producers Bank Building, Panganiban Drive, Brgy. Concepcion Pequeña, Naga City, Camarines Sur
(054) 472-0160

OLONGAPO
G/F Agabao Building, 1070 Rizal Avenue, East Tapinac, Olongapo City, Zambales
(047) 611-0358 / (047) 611-0145

ORTIGAS (OSMA)
LG/F One San Miguel Ave., San Miguel Ave. corner Shaw Boulevard, Ortigas Center, Pasig City
(02) 910-0029 / (02) 687-1386

OTON
J.C. Zulueta St., Poblacion South, Oton, Iloilo
(033) 510-8876

PALAYAN
Brgy. Caimito, Palayan City, Nueva Ecija
(044) 940-9798

PANDI
G/F Megamart Mall, Bunsuran 1st, Pandi, Bulacan
(044) 309-5627

PANTABANGAN
East Poblacion, Pantabangan, Nueva Ecija
(+63) 933-863-1081

PASIG (ADB Ave.)
Unit 109, G/F AIC Burgundy Empire Tower, ADB Avenue corner Sapphire Street, Ortigas Center, Pasig City
(02) 661-8008

PASSI
ICDB Bldg., F. Palmares Sr. St., Poblacion Ilaya, Passi City, Iloilo
(033) 536-9723

PLARIDEL
Sayo Building, Cagayan Valley Road, Banga I, Plaridel, Bulacan
(044) 795-1138

Branch Directory

POLANGUI
KRDC Building, National Road,
Ubaliw, Polangui, Albay
(052) 486-2639

POZORRUBIO
Quezon Bldg., Caballero Street,
Cablong, Pozorrubio, Pangasinan
(075) 636-2967

RAGAY
Poblacion Ilaod, Ragay,
Camarines Sur
(+63) 950-827-4262

RIZAL
Aglipay Street, Poblacion Sur,
Rizal, Nueva Ecija
(044) 958-6500

ROSALES
Rizal Street, Zone II, Rosales,
Pangasinan
(075) 582-7196 / (075) 582-2832

ROSARIO
Carillo Building, Brgy. Subusub,
Rosario, La Union
(072) 687-0446

ROXAS, CAPIZ
Arturo Bldg., Burgos-Ilaya Street,
Roxas City, Capiz
(033) 621-7305

ROXAS, ISABELA
Espejo Building, Osmeña Street,
Bantug, Roxas, Isabela
(078) 642-0371

SAN CARLOS, NEGROS OCCIDENTAL
Gaisano Mall, FC Ledesma Avenue
corner Ledesma Street, San Carlos
City, Negros Occidental
(034) 312-5882 / (034) 729-9328

SAN CARLOS, PANGASINAN
Palaris St., San Carlos City,
Pangasinan
(075) 531-3757

SAN FABIAN
31 Rizal Street, Poblacion,
San Fabian, Pangasinan
(075) 653-0853 / (075) 511-2158

SAN FERNANDO, LA UNION
Producers Bank Building,
Quezon Avenue, Brgy. 1,
City of San Fernando, La Union
(072) 700-2887 / (072) 888-6860

SAN FERNANDO, PAMPANGA
McArthur Highway, Dolores,
City of San Fernando, Pampanga
(045) 963-0709 / (045) 860-1660

SAN ILDEFONSO
Cagayan Valley Road, Poblacion,
San Ildefonso, Bulacan
(044) 762-0625

SAN JOSE, ANTIQUE
Susana 6 Bldg., E. Nietes Street,
Funda Dalipe, San Jose, Antique
(036) 540-8172

SAN JOSE CITY, NUEVA ECIJA
G. Salvador Bldg., Maharlika Road,
San Jose City, Nueva Ecija
(044) 511-1860 / (044) 940-1035

SAN LEONARDO
Poblacion, San Leonardo,
Nueva Ecija
(044) 958-5925

SAN MATEO
G/F EVC Building, Magsaysay
Avenue corner Bonifacio Street,
Public Market, San Mateo, Isabela
(078) 323-0884

SAN MIGUEL
Tecson Street, Poblacion, San
Miguel, Bulacan
(044) 762-0500

SANTIAGO
Maharlika Highway corner Lino
Barrera St., Santiago City, Isabela
(078) 305-0522

SIBALOM
Gonzales Building, Gonzales St.,
Sibalom, Antique
(036) 543-7062

SILAY
Door 2, APSSI Building,
Rizal Street, Brgy. Mambulac,
Silay City, Negros Occidental
(034) 495-0362

SOLANO
G/F Tam-An Bldg., J.P. Rizal St.,
Old Solano Commercial Complex/
District, National Highway,
Solano, Nueva Vizcaya
(078) 329-2089

STA. BARBARA, ILOILO
Teresita Building, Magalona St.,
Sta. Barbara, Iloilo
(033) 333-1273

STA. BARBARA, PANGASINAN
Poblacion Sur, Sta. Barbara,
Pangasinan
(075) 518-4180

STA. ROSA
Producers Bank Bldg., Poblacion,
Sta. Rosa, Nueva Ecija
(044) 940-0170

STO. DOMINGO
Provincial Road, Brgy. Pulong
Buli, Sto. Domingo, Nueva Ecija
(+63) 943-383-6816

SORSOGON
G/F 3-Storey Commercial
Building, Rizal Street, Piot,
Sorsogon City, Sorsogon
(056) 421-5253 / (056) 311-8678

TABACO
G/F De Ramas Bldg., A. A. Berces St., Basud, Tabaco City, Albay
(052) 487-5336

TAGUM
Sobrecacy St., Magugpo South, Tagum City, Davao
(084) 216-8271

TALAVERA
Maharlika Highway, Talavera, Nueva Ecija
(044) 411-1020 / (044) 940-5975

TALUGTUG
Provincial Road, Magsaysay District, Talugtug, Nueva Ecija
(+63) 933-603-5101

TANAY
Unit 2 & 3, RK Building, New Market Road, Brgy. Plaza Aldea, Tanay, Rizal
(02) 534-8591

TARLAC
AL's Building, MacArthur Highway, San Nicolas, Tarlac City, Tarlac
(045) 491-7094

TAYABAS
62 Gen. Luna Street, Angeles Z-2, Tayabas City, Quezon
(042) 793-2324

TAYTAY
Unit 114 Manila East Arcade, Rizal Avenue, Brgy. San Juan, Taytay, Rizal
(02) 658-5903

TAYUG
Quezon Boulevard corner Bonifacio St., Tayug, Pangasinan
(075) 572-2821

TERESA
Magsaysay Avenue, Brgy. San Gabriel, Teresa, Rizal
(02) 470-3599

TINAMBAC
G/F Tinambac Commercial Complex, Tinambac, Camarines Sur
(+63) 932-569-1189

TORIL
Grandma Bldg., National Highway, Toril, Davao City, Davao
(082) 225-5683 / (082) 295-7784

TUGUEGARAO
G/F Twin Luck Building, No. 36 Luna Street, Tuguegarao City, Cagayan
(078) 844-9676

TUMAUINI
Padron Bldg., Brgy. San Pedro, National Highway, Tumauini, Isabela
(078) 323-0809

UMINGAN
G/F Sibayan E-Square, National Highway corner Zamora Street, Poblacion West, Umingan, Pangasinan
(075) 576-2678 / (075) 576-2679

URBIZTONDO
Rizal St., Urbiztondo, Pangasinan
(075) 636-1507

URDANETA
Alexander Street, Urdaneta City, Pangasinan
(075) 568-7207

VALENZUELA CITY
38 M.H. Del Pilar Street, Brgy. Palasan, Valenzuela City
(02) 282-5094

VALERIA
Dolores O. Tan Bldg., Valeria St., Iloilo City, Iloilo
(033) 337-2145

VICTORIAS
Osmeña Avenue, Victorias City, Negros Occidental
(034) 717-7121 / (034) 399-2778

VILLASIS
McArthur Highway, Poblacion Zone II, Villasis, Pangasinan
(075) 564-2077

ZARAGOZA
San Isidro, Zaragoza, Nueva Ecija
(+63) 933-863-4090

ACQUIRED BANKS

RURAL BANK OF BUSTOS, INC.
Bonga Menor
Bonga Menor, Bustos, Bulacan
(044) 761-8210

Poblacion-Bustos
Community Center Poblacion, Bustos, Bulacan
(044) 309-2319

RURAL BANK OF STO. DOMINGO, INC.
Anao
Poblacion, Anao, Tarlac
(+63) 917-557-2175

Baloc
Maharlika Highway, Baloc, Sto. Domingo, Nueva Ecija
(+63) 917-566-1324

Ramos
Poblacion Center, Ramos, Tarlac
(045) 491-1265

San Manuel
Guiset Sur, San Manuel, Pangasinan
(075) 565-2549

Sta. Maria
Poblacion East, Sta. Maria, Pangasinan
(075) 574-2791

Branch Directory

Sto. Domingo
D. Noriel Street, Hulo,
Sto. Domingo, Nueva Ecija
(+63) 917-566-1323

RURAL BANK OF PAMPLONA INC.
Pamplona
Maharlika Highway, Tambo,
Pamplona, Camarines Sur
(+63) 956-806-9603

Sipocot
San Juan Avenue, South Centro,
Sipocot, Camarines Sur
(+63) 927-584-0255

RURAL BANK OF PRESIDENT QUIRINO, INC.
President Quirino
Ramos Bldg., National Highway,
Poblacion, President Quirino,
Sultan Kudarat
(064) 543-9049

Tacurong
G/F SMIT Building, National
Highway, Barangay Buenaflor,
Tacurong City, Sultan Kudarat
(064) 477-0148

BANGKO RURAL NG MAGARAO, INC.
San Pantaleon, Magarao,
Camarines Sur
(054) 881-0973

BANGKO RURAL NG PASACAO, INC.
Sta. Rosa Del Sur, Pasacao,
Camarines Sur
(054) 513-9378 / (054) 513-9113

RURAL BANK OF SAN FERNANDO, INC.
Pasacao
San Cirilo, Pasacao,
Camarines Sur
(054) 513-9253

San Fernando
Bonifacio, San Fernando,
Camarines Sur
(054) 471-4012

Official website
www.producersbank.com.ph

www.producersbank.com.ph