



# Katipunan Bank

Since 1979

Proudly a Rural Bank

## Management's Report to Stockholders 2017





“Katipunan Bank  
Katabang sa Kalampusan”



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# Our Vision

To be one of the country's Top Ten Rural Banks in terms of resources by 2020. We shall achieve this through a strong capital base, quality expansion, continuous systems and product innovation and a highly motivated workforce committed to service excellence.

## Our Mission

- A God-fearing and socially responsible business environment, an avenue for happy and united stakeholders;
- A proud partner in countryside development by providing innovative financial products and value-added services responsive to the needs of the farmers, fisher folks, micro, small and medium entrepreneurs, OFWs, pensioners and employed individuals across Visayas and Mindanao;
- Responsibly manage our resources and achieve sustainable growth through careful selection and diligent monitoring of clients and employees;
- Maximize the use of superior technology-driven services for greater banking convenience of our clients;
- A culture of continuous learning and holistic development ensuring the growth of employees who embrace a life of integrity, loyalty and excellence.

## Our Objectives

- To ensure the financial sustainability of Katipunan Bank by increasing our total resources to over Php 3 Billion in 2020.
- To maintain a well-balanced portfolio mix that is compliant with every regulatory requirement and invest in high-yielding financial instruments.
- To provide value-added services that respond to business demands such as ATM, POS, SMS, transaction kiosks and internet and mobile banking.
- To ensure the delivery of commitments through the employment of highly dedicated personnel who can fulfill our operational, social, and environmental responsibilities.
- To promote work-life balance for a highly motivated workforce.

## Core Values

- Integrity
- Innovation
- Initiative
- Service Excellence
- Responsible Stewardship
- Concern for Social Justice and the Environment
- Loyalty

# 2017

## A MESSAGE FROM THE PRESIDENT AND CHAIRMAN OF THE BOARD



I am grateful to God that all our efforts yield positive results. The year 2017 was a blissful year for Katipunan Bank Inc. I am also proud that sooner we will be operating a new consolidated entity as KATIPUNAN BANKING CORPORATION “A Rural Bank” as our consolidation with the Rural Bank of Siocon (Zamboanga del Norte) was approved by Bangko Sentral ng Pilipinas last December 5, 2017 and after which the necessary registration with the Securities and Exchange Commission will be made to finally start the operation of the new bank.

With the support of our stockholders, employees, clientele and valued partners, I am confident that we can achieve more in the coming years. It is also my humble desire that the bank will be helping the community in terms of credit services to be readily available especially in the far-flung areas and as well as job creation.

Thank you for your trust and confidence.

Mabuhay Katipunan Bank!

  
**HIGINIO T. ALANO**  
President & Chairman of the Board

# 2017

## A MESSAGE FROM THE EXECUTIVE VICE PRESIDENT

Rural Banking Industry with class is defined by certain core characteristics: Integrity, Loyalty, Innovation, Initiative, Responsible Stewardship and Concern for Social Justice and Environment, to name a few. These words fittingly defined Katipunan Bank, a distinguished institution of which I am privileged of serving as Executive Vice President.

After commemorating 38 years in the public service, the institution remains steadfast in its commitment to deliver Service Excellence along with the entire management and staff.

Katipunan Bank has long contributed to the economy in many vital ways. The products and services that have been continually expanding to Visayas and Mindanao Regions most specifically to the rural areas reflected in our financial reports manifested a holistic and continuous patronage from the consuming public.

The second half of the year indeed is essential to captivate the perseverance to soar challenges when one of the leading loan products has temporarily stopped but however did not hinder to greater heights of success

During my five years at the helm of KB Leadership, I have come to know and respect the Bank as an organization catalyzed by a strong foundation of business culture and continuous innovation. Each day, the KB staff anticipates and tackles constituents' need with integrity and purpose whether by supervising the financial stability and interacting with the public through engaging various activities that promotes the industry.

This year's annual management report contains many examples of how KB has made a difference. On behalf of the entire management, I thank the Katipunan Bank's Board of Directors and executives for their active participation in the leadership and all the employees for carrying forth the Bank's outstanding legacy and enduring commitment to serving the public.



**JONILYN L. NAPIGKIT**  
Executive Vice President

# THE BOARD OF DIRECTORS



**HIGINO T. ALANO**  
CHAIRMAN OF THE BOARD



**BIENVENIDA T. ALANO**  
MEMBER



**EMMA CONCEPCION Z. BASTASA**  
MEMBER



**JOSEFINA M. AGUILAR, CPA**  
MEMBER



**DR. MAGDALENA G. EGUIA**  
MEMBER



**ROGELIO P. YAO, CPA, MBA**  
MEMBER, INDEPENDENT DIRECTOR



**DENNIS A. MONONG**  
MEMBER, INDEPENDENT DIRECTOR

# 2017

## FINANCIAL HIGHLIGHTS

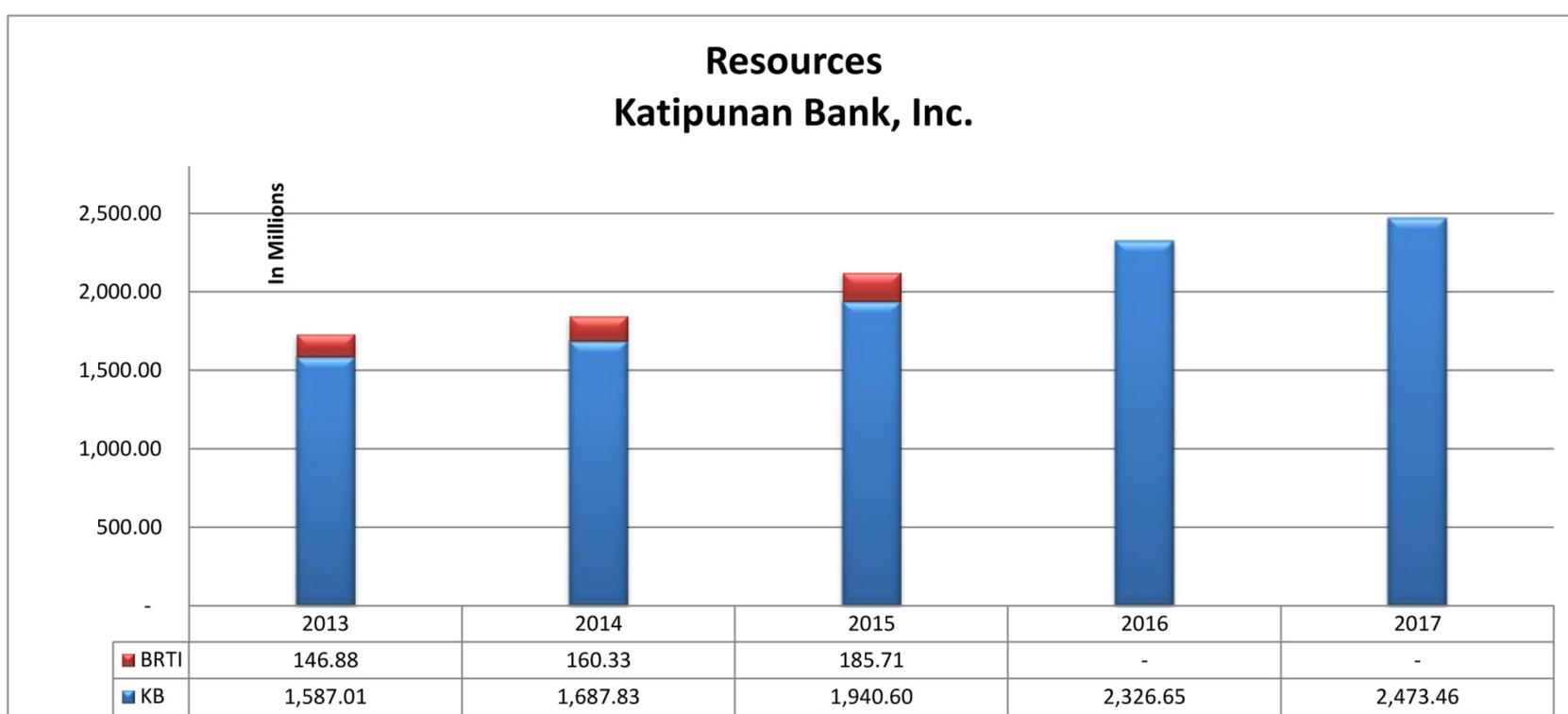
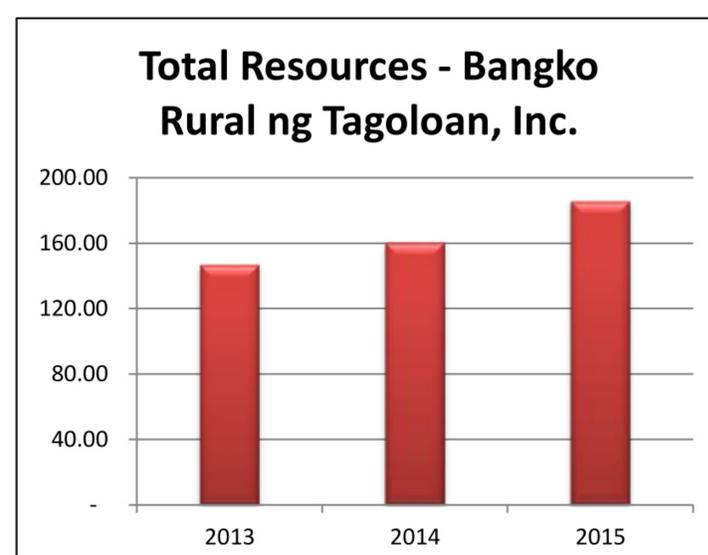
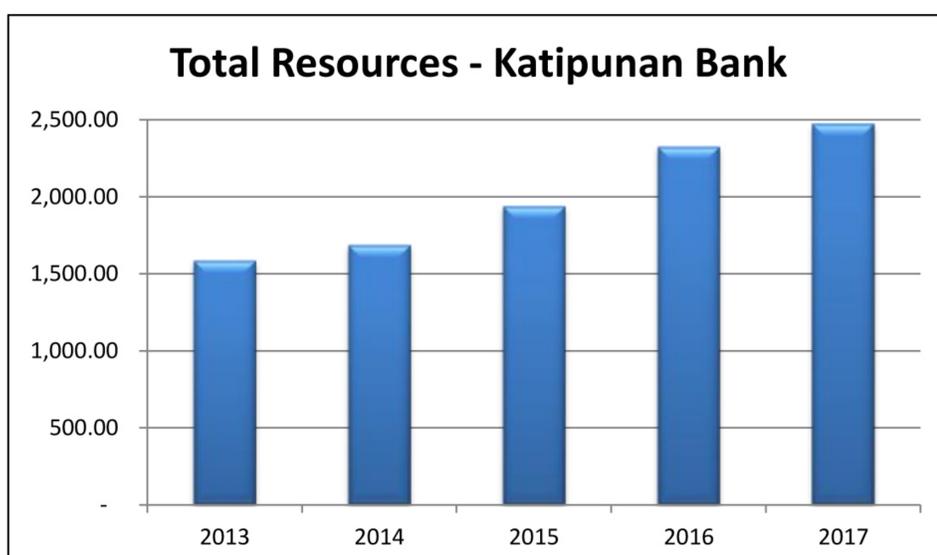
# 2017 FINANCIAL HIGHLIGHTS

## KATIPUNAN BANK FINANCIAL DISCUSSION

figures in millions of pesos

### ASSETS

Resources per Company	2013	2014	2015	2016	2017
KB	1,587.01	1,687.83	1,940.60	2,326.65	2,473.46
BRTI	146.88	160.33	185.71	-	-
<b>Total Resources</b>	<b>1,733.89</b>	<b>1,848.15</b>	<b>2,126.32</b>	<b>2,326.65</b>	<b>2,473.46</b>
<i>increase for the year</i>	<i>242.91</i>	<i>114.27</i>	<i>278.16</i>	<i>200.33</i>	<i>146.81</i>



Total Resources for the Year 2017 amounted to Php 2.473 Billion, an increase of Php 146.81 Million for the Year. This was mainly due to an increase in our Gross Loans Portfolio (P 106 M), with major contributions from our Microfinance Loans. Increased funds from client deposits and credit financing institutions also contributed to the increase. We completed construction of our Talisay Branch building during the year.

We have grown nearly 1 Billion over a five year period (Php 982.48 M from 2012 to 2017).

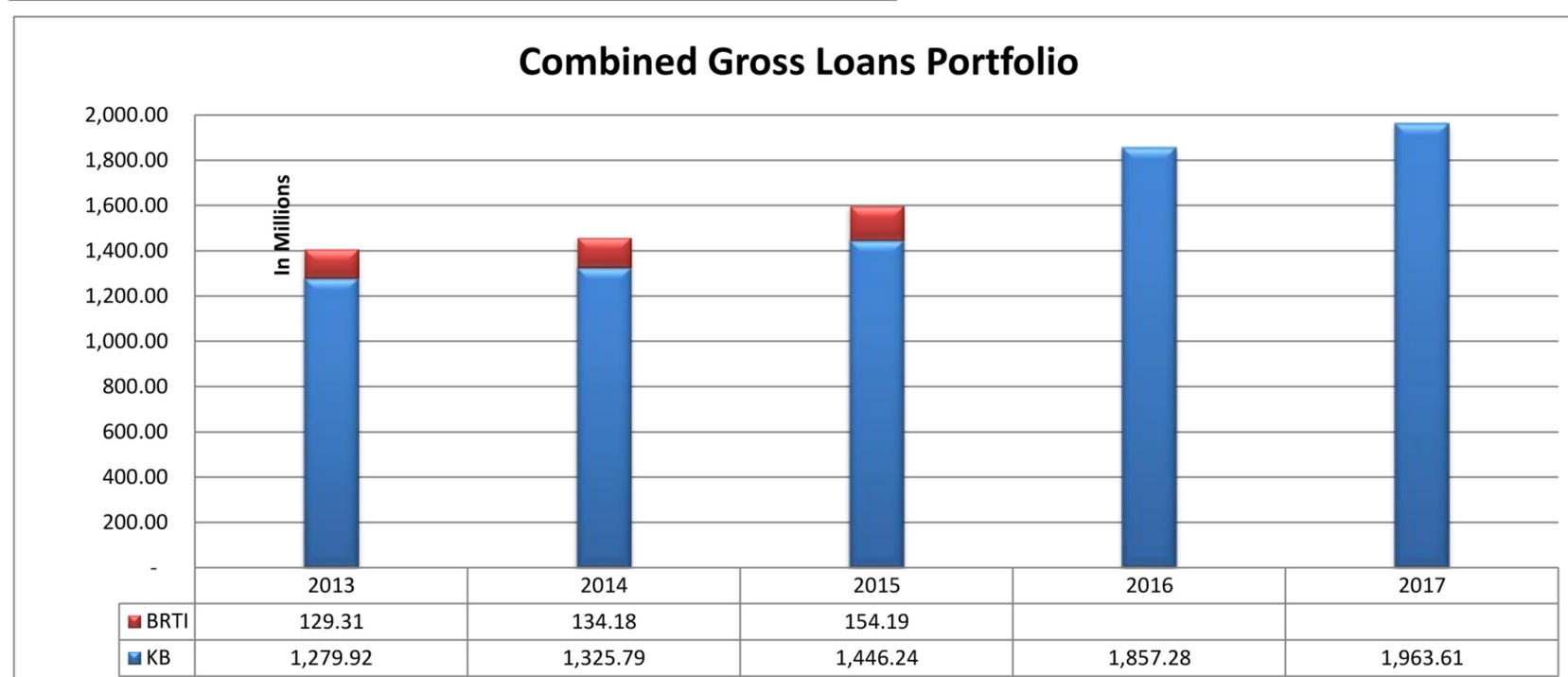
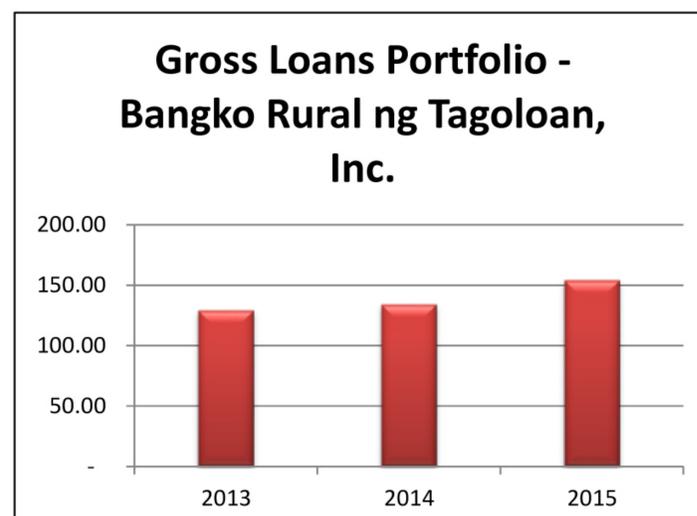
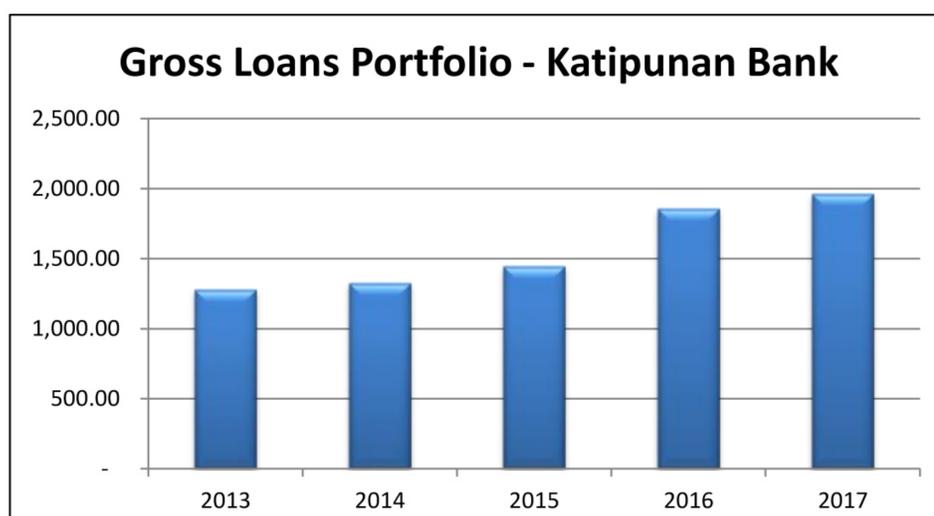
# 2017 FINANCIAL HIGHLIGHTS

## KATIPUNAN BANK FINANCIAL DISCUSSION

figures in millions of pesos

### ASSETS

Loans and Receivables	2013	2014	2015	2016	2017
KB	1,279.92	1,325.79	1,446.24	1,857.28	1,963.61
BRTI	129.31	134.18	154.19	-	-
<b>Gross Loans Portfolio</b>	<b>1,409.23</b>	<b>1,459.97</b>	<b>1,600.44</b>	<b>1,857.28</b>	<b>1,963.61</b>
<i>increase for the year</i>	<i>252.33</i>	<i>50.75</i>	<i>140.47</i>	<i>256.84</i>	<i>106.33</i>



Loan Portfolio increased by Php 106.33 Million this year resulting in a balance of Php 1.963 Billion. Of our loan products, the top loan products to increase this year are our Microfinance Loans with an increase of Php 164 Million. However, our FAST loans (Dep-Ed teachers) decreased by P 72 Million, a decrease of almost 10% from its 2016 balance.

Total funds released to our loan clients amounted to Php 2.71 Billion for this year.

# 2017 FINANCIAL HIGHLIGHTS

## KATIPUNAN BANK FINANCIAL DISCUSSION

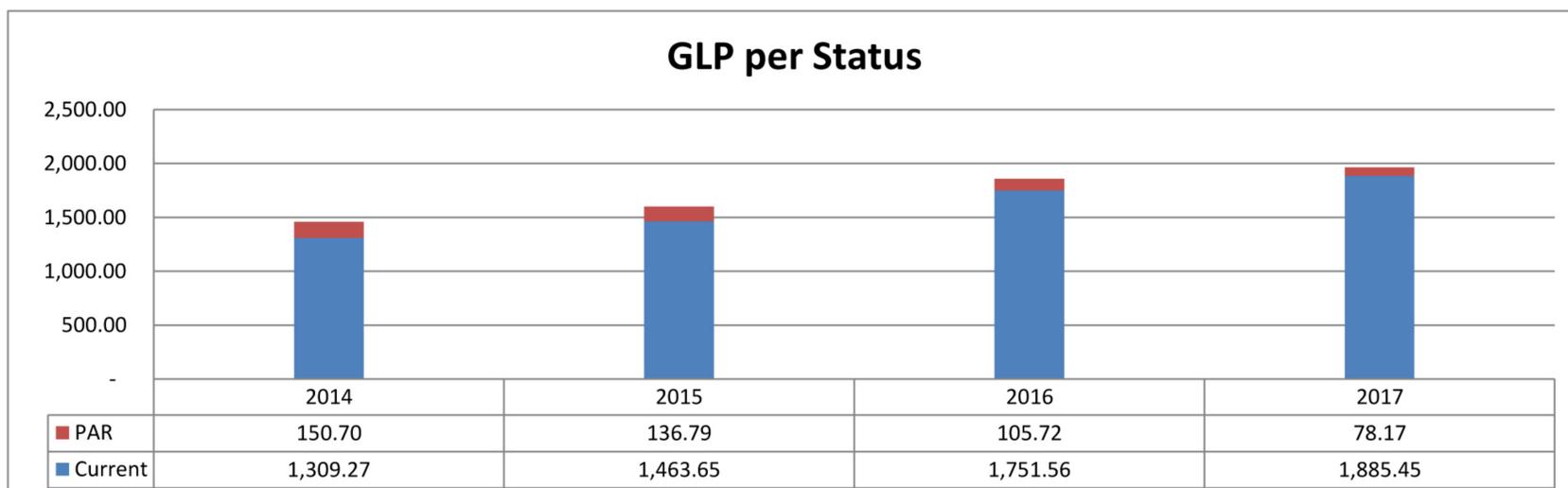
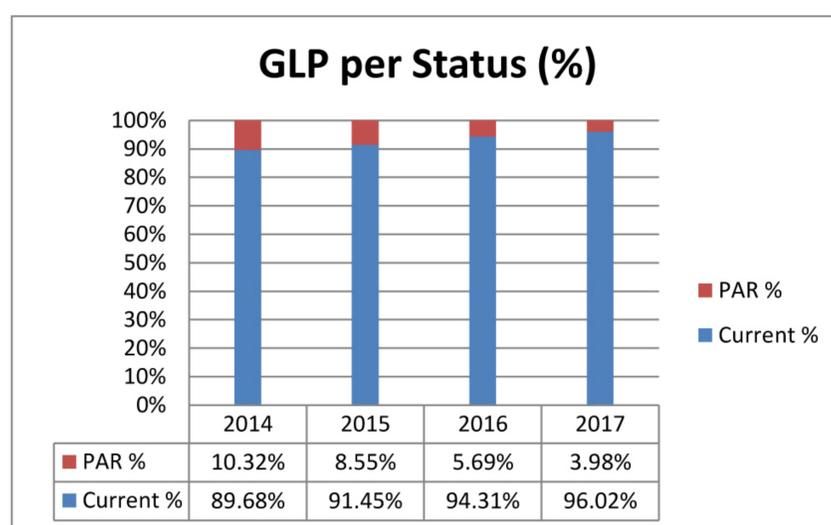
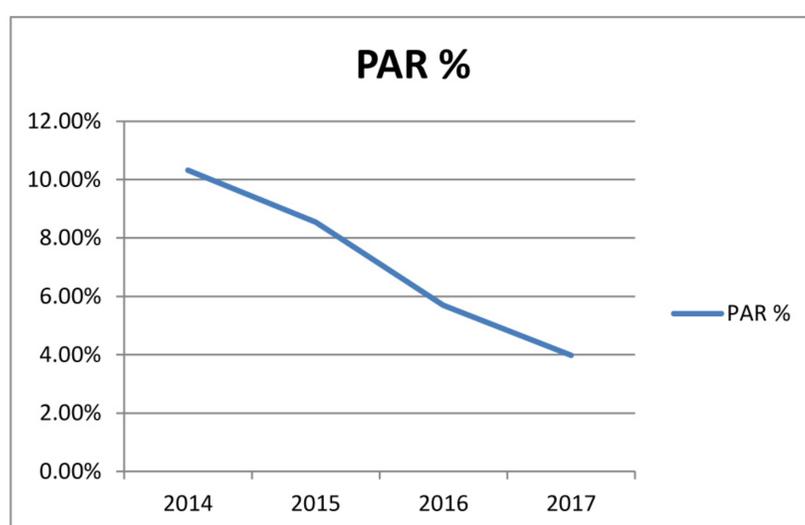
figures in millions of pesos

### ASSETS

#### Loans and Receivables per Status

	2014	2015	2016	2017
Current	1,309.27	1,463.65	1,751.56	1,885.45
PAR	150.70	136.79	105.72	78.17
<b>Gross Loans Portfolio</b>	<b>1,459.97</b>	<b>1,600.44</b>	<b>1,857.28</b>	<b>1,963.61</b>
Current %	89.68%	91.45%	94.31%	96.02%
PAR %	10.32%	8.55%	5.69%	3.98%

We recorded a substantial **decrease of 26.07% or P 27.56 M in our Portfolio-at-Risk**, from P 105.72 M in 2016 to P 78.17 M in 2017. Our PAR ratio significantly decreased to 3.98% of GLP in 2017 from last year's 5.69% and 2014's 10.32%.

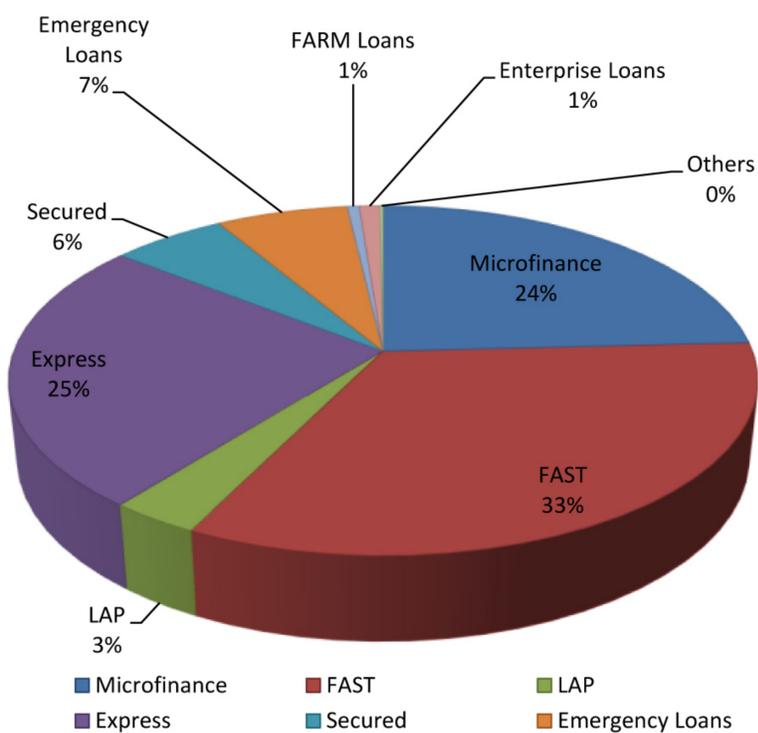


# 2017 FINANCIAL HIGHLIGHTS

## KATIPUNAN BANK FINANCIAL DISCUSSION ASSETS

figures in millions of pesos

### Gross Loans Portfolio by Product



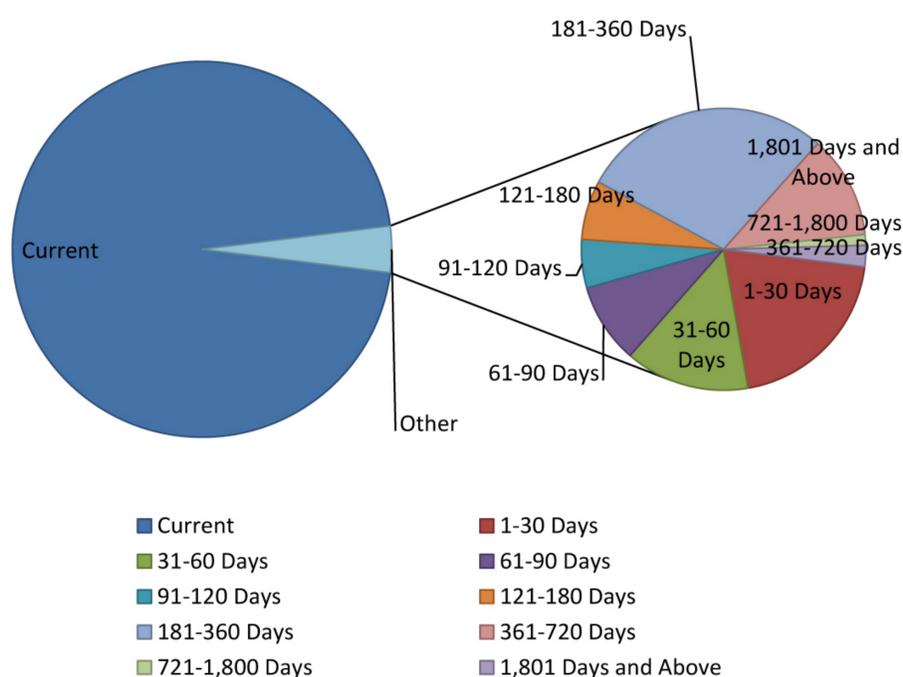
### COMPOSITION OF GROSS LOANS PORTFOLIO (in millions)

Microfinance	475.09	24.19%
FAST	649.73	33.09%
LAP	65.64	3.34%
Express	491.78	25.04%
Secured	114.46	5.83%
Emergency Loans	131.41	6.69%
FARM Loans	11.88	0.61%
Enterprise Loans	20.60	1.05%
Others	3.04	0.15%
<b>TOTAL</b>	<b>1,963.61</b>	<b>100.00%</b>

Of all loan products, Microfinance Loans increased both in amount and in proportion to total GLP. Microfinance loans increase by P 164 M for the year. At the end of 2016, Micro loans made up 16.74% of GLP. This year, it has increased substantially and now makes up 24.19% of GLP.

FAST Loans showed the greatest decrease in the amount of P 72 M for the year 2017. This is mainly due to the non-renewal of MOA with the Department of Education.

### Gross Loans Portfolio Aging



### AGING OF GROSS LOANS PORTFOLIO (in millions)

Current	1,885.45
Portfolio-at-Risk:	
1-30 Days	15.83
31-60 Days	11.08
61-90 Days	7.16
91-120 Days	4.34
121-180 Days	5.32
181-360 Days	22.34
361-720 Days	9.24
721-1,800 Days	0.96
1,801 Days and Above	1.91
<b>TOTAL</b>	<b>1,963.61</b>

**PAR Rate 3.98%**

Over the last 4 years (2014-2017), Portfolio-at-Risk has been steadily decreasing. PAR for 2014 was at P 150.7 M or 10.52% of GLP. At the end of 2017, PAR is already at 78.17 M or 3.98% of GLP, a decrease of P 72.5 M.

Portfolio-at-Risk loans are loans outstanding have incurred delinquency in payment of schedule loan amortization.

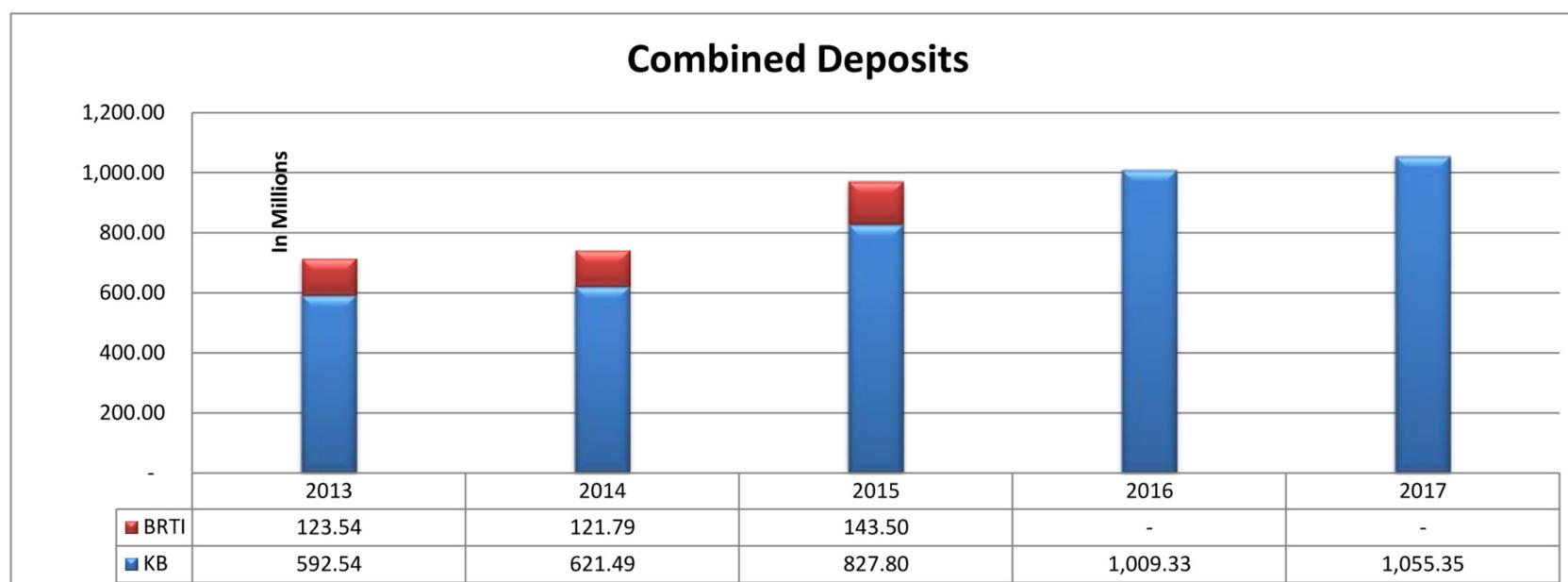
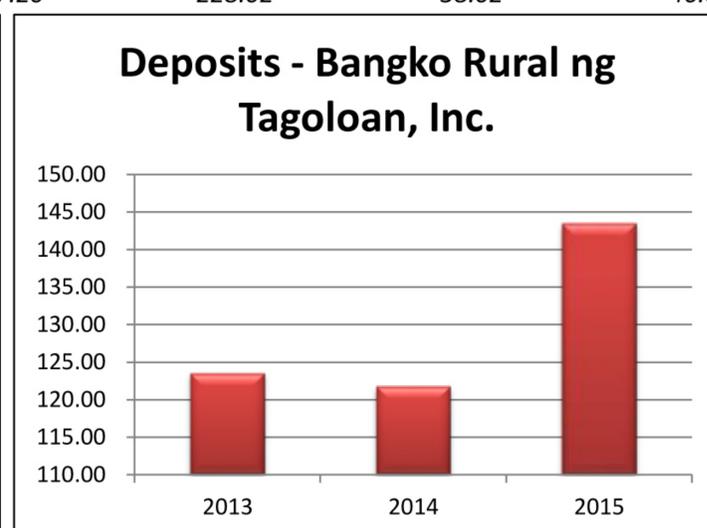
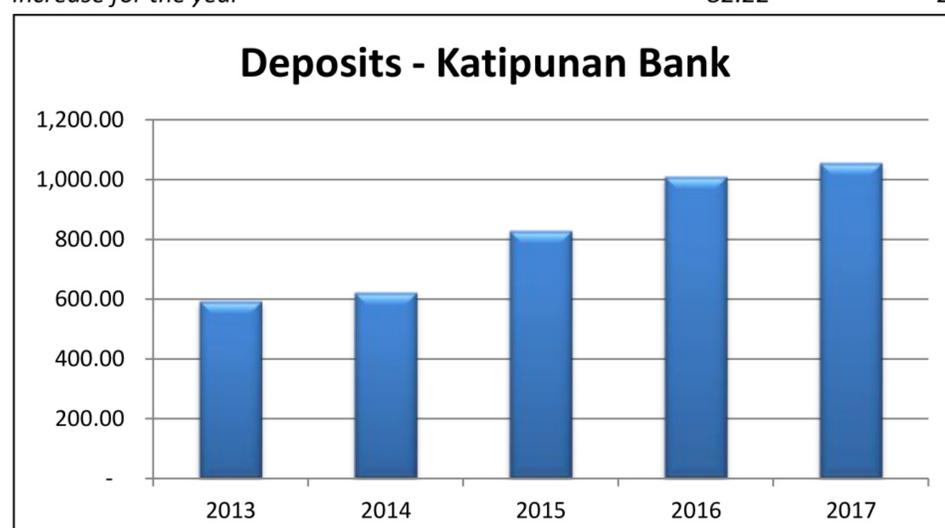
# 2017 FINANCIAL HIGHLIGHTS

## KATIPUNAN BANK FINANCIAL DISCUSSION

figures in millions of pesos

### ASSETS

Deposit Liabilities	2013	2014	2015	2016	2017
KB	592.54	621.49	827.80	1,009.33	1,055.35
BRTI	123.54	121.79	143.50	-	-
<b>Deposit Liabilities</b>	<b>716.09</b>	<b>743.29</b>	<b>971.31</b>	<b>1,009.33</b>	<b>1,055.35</b>
<i>increase for the year</i>	<i>82.22</i>	<i>27.20</i>	<i>228.02</i>	<i>38.02</i>	<i>46.02</i>



This year, our Deposit Liabilities increased by Php 46.02 Million, an increase of 4.56% from last year's Php 1.009 Billion to Php 1.055 Billion as of December 2017.

# 2017 FINANCIAL HIGHLIGHTS

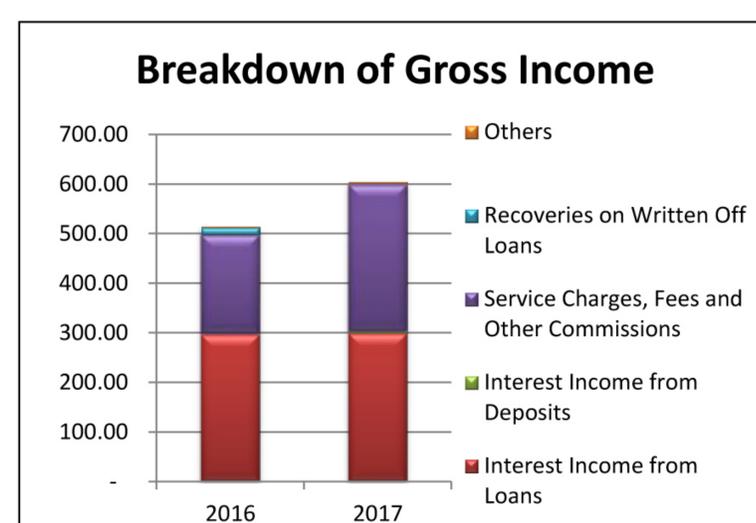
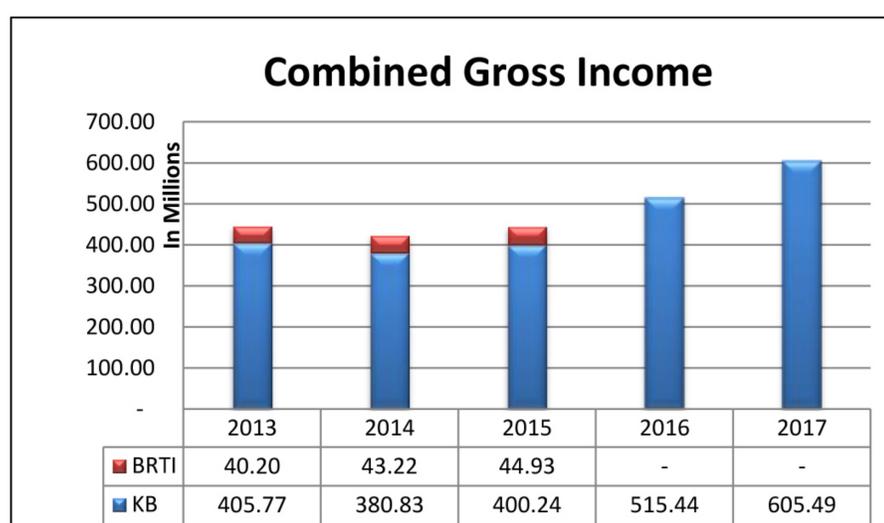
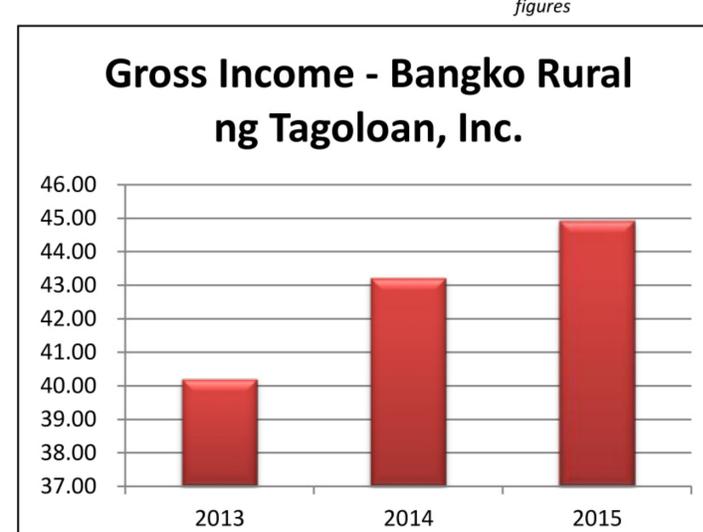
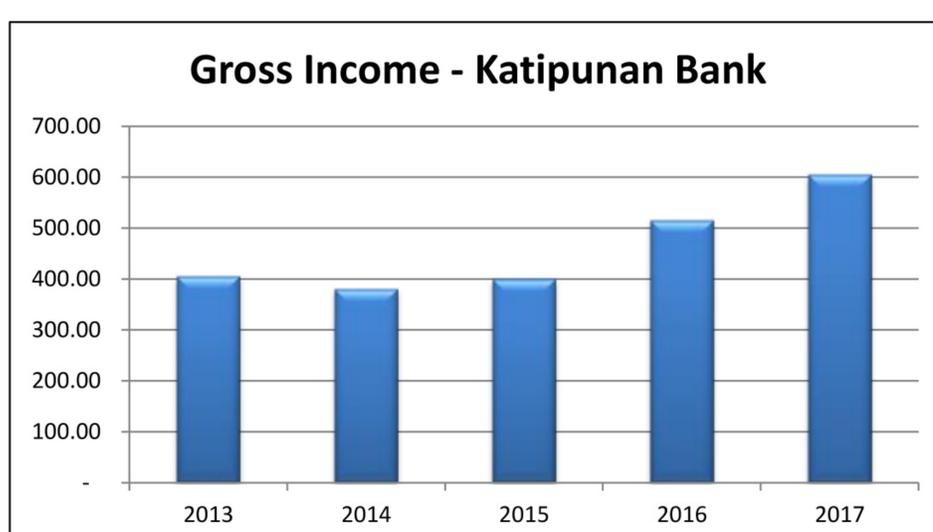
## KATIPUNAN BANK FINANCIAL DISCUSSION

figures in millions of pesos

### ASSETS

Gross Income	2013	2014*	2015*	2016*	2017*
KB	405.77	380.83	400.24	515.44	605.49
BRTI	40.20	43.22	44.93	-	-
<b>Gross Income</b>	<b>445.97</b>	<b>424.05</b>	<b>445.17</b>	<b>515.44</b>	<b>605.49</b>
	55.82	(21.92)	21.12	70.27	90.05

\*based on in-house figures



Gross Income for the year 2017 was at Php 605.49 Million, an increase of 17.47% or 90.05 Million compared to 2016's Php 515.44 Million. **Service charge income** from loans was substantially higher this year than last year by 48.39%. Interest income remained at a steady level this year.

Breakdown of Gross Income ( <i>in-house figures</i> )	2016	2017	Increase from Last Year	%
Interest Income from Loans	296.74	299.49	2.75	0.93%
Interest Income from Deposits	1.61	3.24	1.63	101.50%
Service Charges, Fees and Other Commissions	199.84	296.54	<b>96.70</b>	48.39%
Recoveries on Written Off Loans	14.41	2.46	(11.94)	-82.91%
Others	2.84	3.76	0.92	32.44%
<b>TOTAL</b>	<b>515.44</b>	<b>605.49</b>	<b>90.05</b>	<b>17.47%</b>

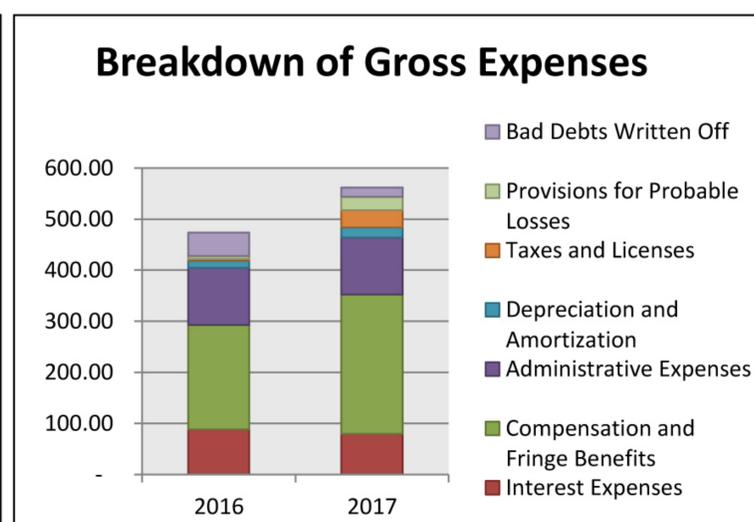
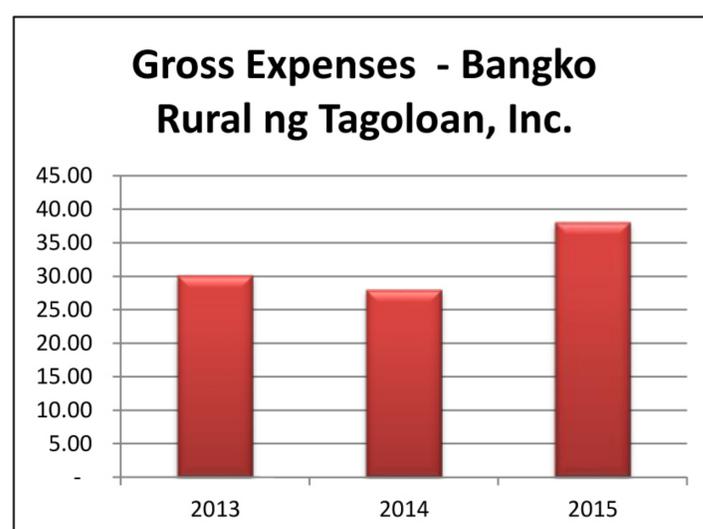
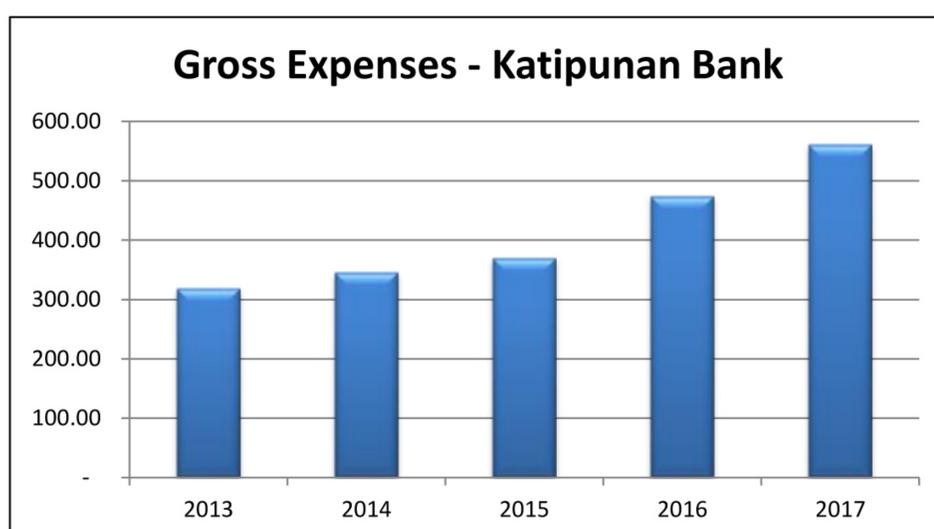
# 2017 FINANCIAL HIGHLIGHTS

## KATIPUNAN BANK FINANCIAL DISCUSSION

figures in millions of pesos

### ASSETS

Gross Expenses	2013	2014*	2015*	2016*	2017*
KB	318.79	345.70	369.92	473.90	561.51
BRTI	30.13	28.01	38.10	-	-
<b>Gross Expenses</b>	<b>348.93</b>	<b>373.71</b>	<b>408.01</b>	<b>473.90</b>	<b>561.51</b>
<i>increase from last year</i>	<i>30.74</i>	<i>24.78</i>	<i>34.31</i>	<i>65.88</i>	<i>87.62</i>



\*based on in-house figures

Gross Expense increased this year by Php 87.62 Million compared to last year. Gross Expenses for 2016 was at Php 473.9 Million, this year it was at Php 561.51 Million, an increase of 18.49%. Compensation related expenses (performance incentives) contributed the greatest to this increase (P 69.99 M increase), along with increased Provisions for Probable Loan Losses (P 20.81 increase). The increase provisions was due to the recent BSP recommendations after their examination, which required Katipunan Bank to recognize additional provisions for loans clients with multiple accounts according to the account with the highest risk classification.

The increase in Taxes and Licenses was only due to reclassification of GRT expenses from Other Admin to Taxes and Licenses.

Breakdown of Gross Expenses before Tax (in-house figures)	2016	2017	Increase from Last Year	% Increase
Interest Expenses	88.28	79.47	(8.81)	-9.98%
Compensation and Fringe Benefits	204.12	273.21	69.09	33.85%
Administrative Expenses	112.02	110.96	(1.06)	-0.95%
Depreciation and Amortization	14.00	19.73	5.73	40.96%
Taxes and Licenses	3.64	34.14	30.50	838.97%
Provisions for Probable Losses	5.31	26.12	20.81	391.99%
Bad Debts Written Off	46.53	17.88	(28.65)	-61.57%
<b>TOTAL</b>	<b>473.90</b>	<b>561.51</b>	<b>87.62</b>	<b>18.49%</b>

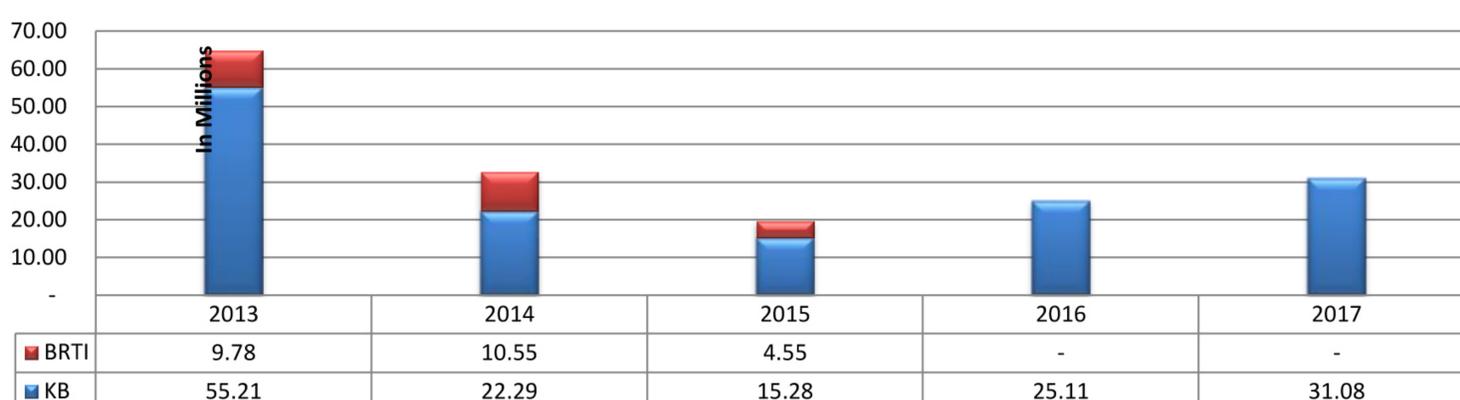
# 2017

## FINANCIAL HIGHLIGHTS

### KATIPUNAN BANK FINANCIAL DISCUSSION ASSETS

figures in millions of pesos

#### Net Income after Taxes 2013-2018



#### SUMMARY OF INCOME 2012-2016 (in millions)

NET INCOME before Taxes	2013	2014*	2015*	2016*	2017*
Katipunan Bank	86.97	35.13	30.33	41.54	43.98
Bangko Rural ng Tagoloan	10.07	15.21	6.84	-	-
<b>TOTAL</b>	<b>97.04</b>	<b>50.34</b>	<b>37.16</b>	<b>41.54</b>	<b>43.98</b>

*\*based on in-house figures*

NET INCOME after Taxes	2013	2014*	2015*	2016*	2017*
Katipunan Bank	55.21	22.29	15.28	25.11	31.08
Bangko Rural ng Tagoloan	9.78	10.55	4.55	-	-
<b>TOTAL</b>	<b>64.99</b>	<b>32.84</b>	<b>19.83</b>	<b>25.11</b>	<b>31.08</b>

*\*based on in-house figures*

Form 2B (Revised June 2014)

**KATIPUNAN BANK INC. "A RURAL BANK"**

Name of Bank

**PUBLISHED BALANCED SHEET**

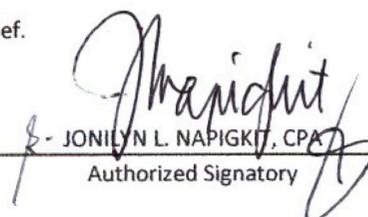
 (Head Office and Branches)  
 As of DECEMBER 31, 2017

**CONTROL PROOFLIST**

	Account Code	Current Quarter	Previous Quarter
Cash and Cash Items	108000000000000000	38,312,219.20	26,839,758.00
Due from Bangko Sentral ng Pilipinas	105150000000000000	33,686,878.96	33,668,897.82
Due from Other Banks	105200000000000000	303,875,441.51	342,674,801.70
Financial Assets at Fair Value through Profit or Loss	112000000000000000	0.00	0.00
Available-for-Sale Financial Assets-Net	195200000000000000	0.00	0.00
Held-to-Maturity (HTM) Financial Assets-Net	195250000000000000	0.00	0.00
Unquoted Debt Securities Classified as Loans-Net	195300000000000000	0.00	0.00
Investments in Non-Marketable Equity Security-Net	195350000000000000	0.00	0.00
Loans and Receivables - Net	195400000000000000	1,814,565,914.14	1,816,531,200.05
Other Financial Assets	148000000000000000	191,808.45	68,629.70
Equity Investment in Subsidiaries, Associates and Joint Ventures-Net	195452500000000000	0.00	0.00
Bank Premises, Furniture, Fixture and Equipment-Net	195500500000000000	186,412,289.28	185,842,967.66
Real and Other Properties Acquired-Net	195501000000000000	5,197,652.40	17,394,232.81
Non-Current Assets Held for Sale	150150000000000000	0.00	0.00
Other Assets-Net	152000000000000000	91,215,652.40	53,181,590.50
Net Due from Head Office/Branches/Agencies, if any (Phil. branch of a foreign bank)	155250000000000000	0.00	0.00
<b>TOTAL ASSETS</b>	<b>100000000000000000</b>	<b>2,473,457,856.34</b>	<b>2,476,202,078.24</b>
Financial Liabilities at Fair Value through Profit or Loss	208000000000000000	0.00	0.00
Deposit Liabilities	215000000000000000	1,055,347,332.96	1,045,047,785.84
Due to Other Banks	220050000000000000	0.00	0.00
Bills Payable	220100000000000000	862,397,158.07	795,520,763.15
Bonds Payable-Net	295201500000000000	0.00	0.00
Unsecured Subordinated Debt-Net	295202000000000000	0.00	0.00
Redeemable Preferred Shares	220250000000000000	0.00	0.00
Special Time Deposit	220300000000000000	0.00	0.00
Due to Bangko Sentral ng Pilipinas	230350000000000000	0.00	0.00
Other Financial Liabilities	240050000000000000	18,120,136.89	43,958,960.00
Other Liabilities	240100000000000000	128,019,700.24	146,938,088.54
Net Due to Head Office/Branches/Agencies (Philippine branch of a foreign bank)	230850000000000000	0.00	0.00
<b>TOTAL LIABILITIES</b>	<b>200000000000000000</b>	<b>2,063,884,328.16</b>	<b>2,031,465,597.53</b>
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>300000000000000000</b>	<b>409,573,528.18</b>	<b>444,736,480.71</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>905000000000000000</b>	<b>2,473,457,856.34</b>	<b>2,476,202,078.24</b>
<b>TOTAL CONTINGENT ACCOUNTS</b>	<b>400000000000000000</b>	<b>0.00</b>	<b>0.00</b>
<b>ADDITIONAL INFORMATION</b>			
Gross total loan portfolio (TLP)	499020000000000000	1,894,642,245.32	1,923,684,579.73
Specific allowance for credit losses on the TLP	499300000000000000	61,493,169.70	88,299,099.32
Non-Performing Loans (NPLs)			
a. Gross NPLs	499100500000000000	44,189,320.22	86,804,942.30
b. Ratio of gross NPLs to gross TLP (%)	499150500000000000	2.33%	4.51%
c. Net NPLs	499101000000000000	0.00	-1,494,157.02
d. Ratio of Net NPLs to gross TLP (%)	499151000000000000	0.00%	-0.08%
e. Ratio of total allowance for credit losses to gross NPLs (%)	499151500000000000	0.00	0.00
f. Ratio of specific allowance for credit losses on the gross TLP to gross NPLs (%)	499152000000000000	1.39	1.02
Capital Adequacy Ratio (CAR) on Solo Basis, as prescribed under existing regulations			
a. Total CAR (%)	499650500500000000	15.01	15.02
b. Tier 1 Ratio (%)	499650501000000000	14.30	14.37
c. Common Tier 1 Ratio (%) <sup>1/</sup>	499650501500000000	0.00	0.00

1/ Common Equity Tier 1 is only applicable to all Universal and Commercial Banks and their subsidiary banks.

I hereby certify that all matters set forth in this Published Balance Sheet are true and correct, to the best of my knowledge and belief.

  
 JONILYN L. NAPIGKIT, CPA  
 Authorized Signatory

INNOVATION | INITIATIVE | LEADERSHIP | SOCIAL ACTIVISM AND JUSTICE | INTEGRITY | GOOD STEWARDSHIP

# 2017

## ACHIEVEMENTS

# 2017 ACHIEVEMENTS

## A. KB HAILED AS REGION OUTSTANDING GMC FOR INDUSTRIAL PEACE AND AS OUTSTANDING PRODUCTIVITY OLYMPICS IN REGION IX

*We did it Again, not just One but Two Awards!*



On its second cycle, Katipunan Bank Inc. emerged as Regional Winner of the Bi-annual search for Outstanding GMC for Industrial Peace 2017-2018 conducted by the Department of Labor & Employment, National Conciliation and Mediation Board (NCMB) for Region 9. The award was given by Mr. Rogen Cumba, the Regional Director of DOLE-NCMB @ the Dipolog Boulevard on September 1, 2017 and was received in behalf of Katipunan Bank. by Ms. Pilarita S. Mejorada, HR Manager for Employee Relations.

It has been noted that the same award was garnered by Katipunan Bank Inc. in 2015, under the Directorship of Mr. Reynaldo S. Foncardas of the DOLE NCMB Region 9 by virtue of the Nomination of the Regional Association of Labor Union President, Mr. Jose Suan in order to recognize the commendable employer-employee relationship within the premise of Katipunan Bank as emerged in their survey.

In the same manner, Katipunan Bank Inc. was recognized as the only Rural Bank who has an outstanding compliance to the DOLE initiated implementation of productivity incentive scheme in the workplace in Region 10. The award was given by Atty. Jeoffry M. Suyao, the Regional Director of the Regional Tripartite Wage and Productivity Board (RTWPB) for Region 10 and was received in behalf of Katipunan Bank by Mr. Alex Pitos, Branch Manager of Oroquieta Branch on December 21, 2017 @ Luxe Hotel, Cagayan de Oro City.

Noted further that Katipunan Bank Inc. received also the same award in 2015, under the Directorship of Mr. Joel Idjirani of the DOLE RTWPB Region 9 by virtue of the Nomination of the Regional Association of Labor Union President, Mr. Jose Suan in order to recognize the commendable, philanthropic act by the Management of Katipunan Bank which enabled all employees to benefit in the Company's Gain-Share Program, as emerged in their survey.

# 2017 ACHIEVEMENTS

## B1. ATM LAUNCHING AT TAGOLOAN BRANCH



Driven by its desire to provide its clients a convenient 24/7 banking service, Katipunan Bank launched its 6<sup>th</sup> Automated Teller Machine at Tagoloan Branch, Jacinto St. Poblacion Tagoloan, Mis. Oriental last November 18, 2017.

## B2. ATM Launching At Dipolog Main

It has been our passion to serve our valued clients in a wider range. Last February 28 of this year, Katipunan Bank acquired another Automated Teller Machine and was installed at KB Dipolog Main. This add-on service provides our clients an easier, faster and more convenient banking experience. Card holders can now access their accounts 24/7.



# 2017 ACHIEVEMENTS

## C. Enterprise Risk Management Program for Katipunan Bank



To further advance the organization, Katipunan Bank Inc. engaged the services of the Independent Consultants headed by Ms. Alicia D. Bautista, retired department manager designated as Basel Officer for Enterprise Risk Management Group, Land Bank of the Philippines, to conduct an intensive Enterprise Risk Management (ERM) Training that aims the following:

- Provide the Board of Directors, Core Management team, Department Heads, Officers and Staff of KBI with foundation concepts on Risk Management
- Identify risks associated with the lending activities of KBI and simultaneously enable crafting of strategies to address risks and enhance operational policies, processes and efficiencies.
- Inculcate Risk Management as part of KBI's culture
- Integrate Risk Management as part of Good Corporate Governance, Compliance Management, and Strategic Management.

The training started on August 19, 2017 with the participation of the Board of Directors and was followed by a series of trainings on September 28-30, 2017 and lastly on October 27-28, 2017, respectively.

# 2017 ACHIEVEMENTS

## D. CITI MICRO-ENTREPRENEURSHIP AWARD SEMI-FINALIST



For almost 4 decades, Katipunan Bank proved to be a reliable partner in community development by providing financial assistance to those who are in need of additional capital for their business. The bank is able to help individual entrepreneurs and small businesses grow.

Katipunan Bank is proud that one of its microfinance clients in the person of Ms. Ana Sanoy from Manukan, Zamboanga del Norte has been selected as Semi-finalist of the 15th Citi Micro Entrepreneurship Awards Program through the partnership of the Citi Foundation, Microfinance Council of the Philippines (MCPI) and Bangko Sentral ng Pilipinas. She was interviewed personally by the Citi Micro Award Review Committee last October 6, 2017 at her own restaurant in Manukan, Zamboanga del Norte. During the interview, Ms. Sanoy shared her heartfelt life story of hardships and how she managed to overcome those difficulties. She also received Ten Thousand Pesos (P10,000.00) for being one of the semi-finalists of the said program.

Her success story inspires the bank to continue in reaching out more and do better in serving the community. Truly Katipunan Bank, is your “Katabang sa Kalampusan”.

# 2017 ACHIEVEMENTS

## E. Construction of Tagbilaran Branch Building



Start Date: Aug. 4, 2017

Expected Date of Completion: March 15, 2018

Address: Airport Road, Tagbilaran City

# 2017 ACHIEVEMENTS

## F. Construction of Lapu-Lapu Branch Building



Start Date: Nov. 18,2017

Expected Date of Completion: Feb 17,2018

Address: Barangay Pajo, Lapu-lapu City

# 2017 ACHIEVEMENTS

## G. KB Chaired Zamboanga del Norte Family Welfare Committee



For the third consecutive year, Katipunan Bank has once again chaired the DOLE Zamboanga del Norte Family Welfare Committee.

The Family Welfare Program is also in line with Republic Act 10354, or “An Act Providing for a National Policy on Responsible Parenthood and Reproductive Health.

In Zamboanga del Norte, the DOLE-Family Welfare Committee was chaired by Katipunan Bank since 2014 up to 2018. As the vanyard of DOLE-FWC programs and activities, Katipunan Bank is among the sponsor of the first DOLE-FWC Regional Basketball Tournament which was launched at the ABC Gymnasium May 8, 2017, with the theme, “Pasingot sa Kaugmaon, Kompanya Palamboon”.

## H. Inauguration of KB Talisay Branch Building



Last February 8, 2017 KB Talisay Branch inaugurated its new building located at N. Bacalso Ave., Bulacao, Talisay City, Cebu. The said expansion aimed to accommodate larger number of clients.

# Year Round Microfinance Day

Katipunan Bank celebrates Microfinance Day to all branches and Micro-Banking Offices (MBOs) yearly as a form of endless gratitude to the Almighty and to our valued clients.

The Microfinance Day highlights and showcases the clients' talents, raffle draws and interactive games with the participation of the KB Executives and Employees. This realizes the mission that indeed, it is one of the avenues for happy and united stakeholders.



FEB. 04, 2017

SINCE 2004  
KATIPUNAN  
BRANCH



FEB. 25, 2017

SINCE 2003  
TAGBILARAN  
BRANCH



MARCH 18, 2017

SINCE 2003  
PAGADIAN  
BRANCH



APRIL 22, 2017

SINCE 2008  
COMPOSTELA  
BRANCH



MAY 05, 2017

SINCE 2010  
JAGNA & UBAY  
MBO



MAY 05, 2017

SINCE 2003  
TALISAY  
BRANCH



JUNE 17, 2017

SINCE 2011  
DUMAGUETE  
BRANCH



JULY 21, 2017

SINCE 2006  
ESCARIO  
BRANCH



AUG 08, 2017

SINCE 2005  
LAPU-LAPU  
BRANCH



SEPT. 02, 2017

SINCE 2015  
CDO, TAGOLOAN  
LIBERTAD  
BRANCH



SEPT. 16, 2017

SINCE 2003  
CARCAR  
BRANCH



SEPT. 23, 2017

SINCE 2005  
IPILO  
BRANCH



OCT. 21, 2017

SINCE 2005  
SINDANGAN  
BRANCH



NOV. 18, 2017

SINCE 2004  
OROQUIETA  
BRANCH



NOV. 17, 2017

SINCE 2007  
LILOAN  
BRANCH

**2017**

**CORPORATE SOCIAL  
RESPONSIBILITY**

# 2017

## CORPORATE SOCIAL RESPONSIBILITY

### A. LIVELIHOOD TRAININGS



With its earnest desire to provide its clients with innovative mechanisms to help improve their living by generating additional income, Katipunan Bank in partnership with the Department of Trade and Industry (DTI) conducted free livelihood training programs such as “Food Processing” and “Handicraft Making”. The said trainings were participated by more or less 300 micro-finance clients across Visayas and Mindanao area. This reinforces the bank’s lifetime vow of being the “Katabang sa Kalampusan”.

### B. KB SUPPORTS THE HEROES OF MARAWI



Katipunan Bank Inc. is among the institutions that respond to the Government’s call to support the heroes of Marawi when the war broke-out last May 23, 2017 until October 23, 2017.

On July 14, 2017, Katipunan bank donated a truck-load of goods which totaled to approximately 25 cases of bottled water, 15 cases of cup noodles and 10 cases of instant coffee to the members of 10th Infantry Brigade of the Philippine Army, the

front-line Batalion of the government troops during the 5- month-long arm conflict in Marawi City, Lanao del Norte. The goods were picked-up by Major Roderick C. Oporto (third from the left), the Battalion’s Information and Intelligence Officer, shown in photo.

# 2017

## CORPORATE SOCIAL RESPONSIBILITY

### C. FINANCIAL LITERACY



The bank with its strong dedication to alleviate the lives of its valued clients, conducted a Financial Literacy in partnership with DTI Dipolog City last November 25, 2017 at DTI Building, Purok 5, Sta. Isabel, Dipolog City, Zamboanga Del Norte. The event was participated by 17 Micro-finance clients from Dipolog City and the

municipality of Katipunan. The program was designed to educate the clients on how to manage their resources for a better living.

### D. BLOODLETTING ACTIVITY

With our compassion to help the people in need, the bank in partnership with the Philippine Red Cross- Cebu Chapter, conducted a Bloodletting Activity last March 10, 2017 at 6/F, Food Court, Metro Ayala, Cebu City with the theme “Sharing is Caring. Help save a Life”.

The event was actively participated by the Katipuneros from the different branches in the Visayas Area, volunteers and even by shoppers who have the passion to save lives through their bloods.



# 2017 CORPORATE SOCIAL RESPONSIBILITY

## E. CORPORATE CHRISTMAS GIFT GIVING

*Christmas is a season of sharing and giving.*



On December 22, 2017, Katipunan Bank in coordination with the Municipal Social Welfare Development Office (MSWDO) reached out to the community of Barangay Sanao, Katipunan, Zamboanga del Norte. The Corporate Office personnel hosted a colorful program and it was loaded with fun and excitement as lots of gifts and foods were given to the residents. The event successfully culminated leaving everyone with a joyful heart and felt the true essence of Christmas.

## F. FAMILY DAY

True to its legacy of providing the employees a “Work-Life Balance”, Katipunan Bank always sets aside a day for fun and enjoyment. Each branches celebrated their Family Day, wherein they spent the whole day with their family and colleagues. The day was lavished with fun activities, aiming to strengthen family ties and friendship. With this effective initiatives, Katipunan Bank can assure the growth and wellness of its workforce and their loved ones.

# Corporate Office



Alano Beach, Katipunan, Zamboanga del Norte  
May 6, 2017



# KTB Branches



Carcar Branch



CDO Branch



Compostela Branch



Dipolog Branch



Dumaguete Branch



Escario Branch



Ipil Branch



Katipunan Branch



Lapu-Lapu Branch



Libertad Branch



Liloan Branch



Oroquieta Branch



Pagadian Branch



Sindangan Branch



Tagbilaran Branch



Tagoloan Branch



Talisay Branch



Zamboanga Branch



Siocon Branch



# 2017

## ORGANIZATIONAL PROFILE

### BOARD OF DIRECTORS

Higino T. Alano	President and Chairman of the Board of Directors
Emma Concepcion Z. Bastasa	Vice Chairman, Board of Directors
Bienvenida T. Alano	Member, Board of Director
Josefina M. Aguilar, CPA	Member, Board of Director
Dr. Magdalena G. Eguia	Member, Board of Director
Dennis A. Monong	Member, Independent Director
Rogelio P. Yao, CPA, MBA	Member, Independent Director

### EXECUTIVE COMMITTEE

Higino T. Alano	President
Jonilyn L. Napigkit , CPA, MBA, Lib	Executive Vice President
Joel S. Rubi , CPA, MBA	Vice President for Operations
Nurfaiza H. Tagaloguin , CPA	Vice President for Accounting and Finance
Cherryl Marie B. Caperida	Vice President for HRMD
Juvy Lito V. Martinez	Information Technology Head
Perigrino Varquez, Lib	OIC - Legal Services and RMU

### AUDIT COMMITTEE

Rogelio P. Yao, CPA, MBA	Chairman – Independent Director
Dennis A. Monong	Member – Independent Director
Josefina M. Aguilar, CPA	Member – Board of Director
Soraida M. Tomogon	Member – Internal Audit Head

### CREDIT COMMITTEE

Higino T. Alano	Chairman – President
Bienvenida T. Alano	Member – Board of Director
Emma Concepcion Z. Bastasa	Member – Board of Director
Jonilyn L. Napigkit , CPA, MBA, Lib	Member - Executive Vice President
Beverly L. Abitona	Secretary – Executive Assistant

### INDEPENDENT OFFICERS

Margarita D. Suelto	Chief Compliance Officer
Soraida M. Tomogon	Internal Audit Head
Rey O. Salvador, MBA	Risk Management Unit Head
Engr. Alan L. Dumalay	Information Security Officer
Edgar W. Wooton	Chief Security Officer

# 2017

## ORGANIZATIONAL PROFILE

### DEPARTMENT HEADS

Mabel Lorddearie E. Dumapias	Accounting Manager
Joy Canuela A. Abapo	Finance Manager
Pilarita S. Meorada	HR Manager – Employee Relations
Louie N. Odantabao	HR Manager – Compensation and Benefits
Eulen T. Avarena	Systems Development Manager
Jan Paulo V. Canete	Infrastructure Manager
Geovanni Ian T. Jurial	Remedial Management Unit Head

### AREA MANAGERS

Vincent S. Prejoles, MBA	Area Manager – Southern Visayas
Roland C. Handumon, MBA	Area Manager – Northern Visayas
Bethoven D. Samson	Area Manager – Western Mindanao

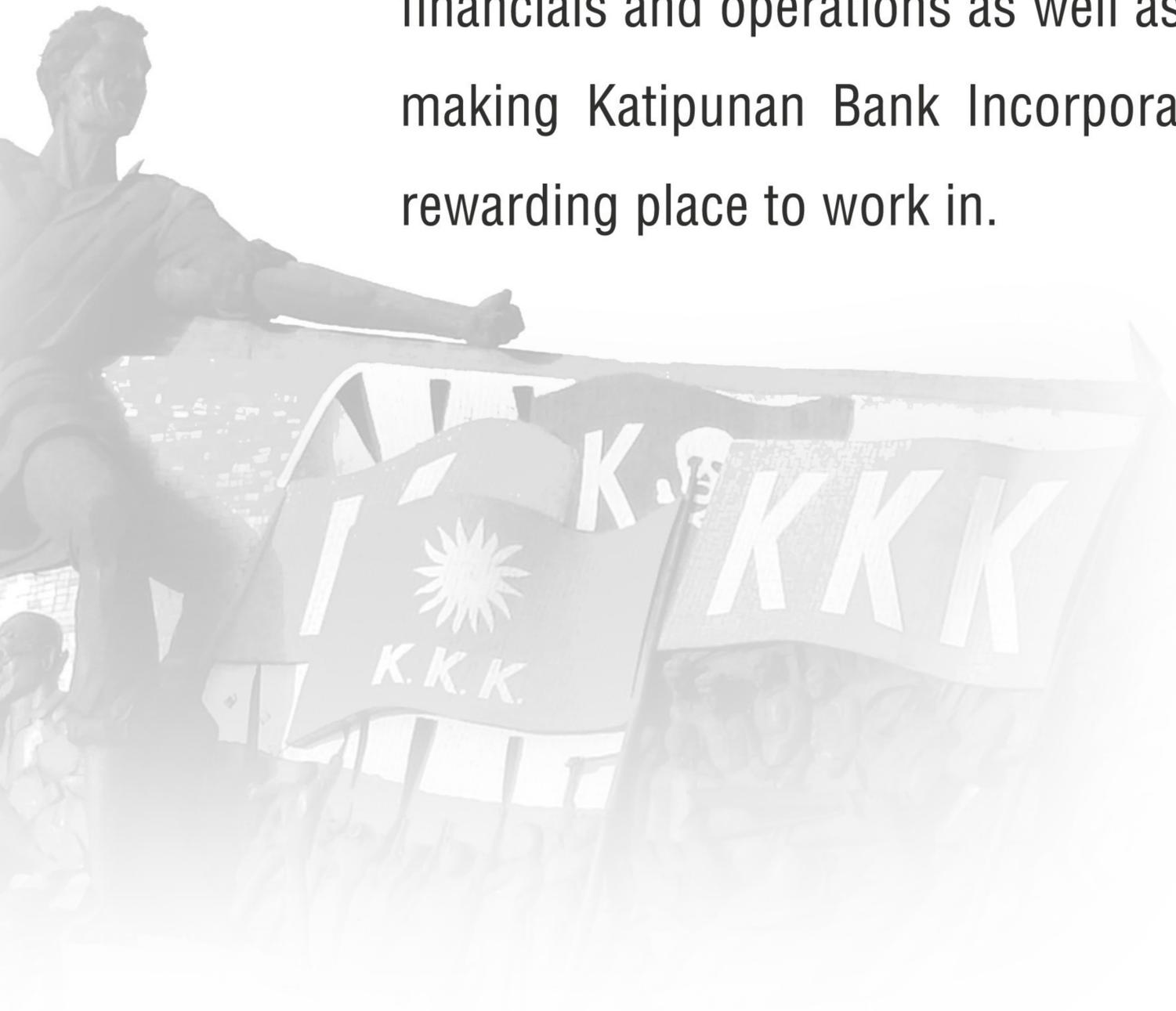
### BRANCH MANAGERS

Sandy C. Recososa, MBA	Branch Manager – Dipolog
Elvira Gumanas, MBA	Branch Manager – Katipunan
Bryant Miranda	Branch Manager – Oroquieta
Jhoromar M. Roxas	Branch Manager – Libertad
Dolores M. Babanto	Branch Manager – Cagayan De Oro
Rosemila S. Dones	Branch Manager – Tagoloan
Ritchel D. Golis	Branch Manager – Dumaguete
Neil S. Baugbog	Branch Manager – Tagbilaran
Giovanni L. Wenceslao	Branch Manager – Carcar
Al Rey B. Duran	Branch Manager – Liloan
David John V. Bejer	Branch Manager – Talisay
Hubert R. Agas	Branch Manager – Compostela
Pompeyo M. Alo	Branch Manager – Lapu Lapu
Felix B. Areño	Branch Manager – RB Siocon
Alfonso Ofonda	Branch Manager – RB Zamboanga



# *Team* Katipuneros

The primary focus of the bank is the growth of its financials and operations as well as to its employees making Katipunan Bank Incorporated a happy and rewarding place to work in.



# 2017

## OUR PRODUCTS AND SERVICES

### LOANS

- PROYEKTO MA-ASENSO LOAN
- ASENSO LOAN
- FAST LOAN
- SECURED LOAN
- LAP LOAN
- EXPRESS LOAN
- ENTERPRISE LOAN
- FARM LOAN - (RICE)
- BACK TO BACK LOAN

### DEPOSITS

- REGULAR SAVINGS
- TIME DEPOSIT
- DEMAND DEPOSIT
- KATIPUNERO KIDS
- ICARE DEPOSIT
- KATIPUNERO SUPER SECURE

**Katipunan Bank** Since 1979 Proudly a Rural Bank

**ENTERPRISE LOAN** (Business Loan) For as LOW as **0.63%-1.50%** per month, diminishing

**Katipunan Bank** Since 1979 Proudly a Rural Bank

**EXPRESS LOAN (ATM LOAN)** For as LOW as **1.7%** per month, diminishing

**Secured LOAN** (REAL ESTATE LOAN) For as LOW as **1.4% TO 1.8%** per month, diminishing

**Katipunan Bank** Since 1979 Proudly a Rural Bank

**LOAN ASSISTANCE FOR PROFESSIONALS (LAP) LOAN** For as LOW as **1.4% TO 1.8%** per month, diminishing

**Katipunan Bank** Since 1979 Proudly a Rural Bank

**TEACHER'S LOAN** **0.63%** per month diminishing

Financial Assistance for School Teachers (FAST)

**Katipunan Bank** Since 1979 Proudly a Rural Bank

**ASENSO LOAN** (Gagmay nga Negosyo) For as LOW as **1.90%** per month, based on diminishing balance

**Katipunan Bank** Since 1979 Proudly a Rural Bank

**Katipunero Kids SAVINGS DEPOSIT**

**DEPOSIT PRODUCTS**

- Savings Deposit
- Time Deposit
- Demand Deposit

**OPEN an account today!**

SAVE more, EARN more!

For more information, please call: 24/7 CUSTOMER SERVICE HOTLINE

CORPORATE OFFICE: Quezon Ave., Cor. Aguilar St.

**Apply Now** Contact us @

**Apply Now** Contact us @

# 2017 WHERE WE ARE

## VISAYAS BRANCHES

- **CARCAR, CEBU**  
P. NELLAS ST., CARCAR CITY, CEBU
- **TALISAY, CEBU**  
N. BACALSO AVENUE, TALISAY CITY, CEBU
- **ESCARIO, CEBU CITY**  
ESCARIO ST., CAMPUHAW, CEBU CITY
- **LAPU-LAPU CITY, CEBU**  
QUEZON NATIONAL HIGHWAY, PAJO, LAPU-LAPU CITY
- **COMPOSTELA, CEBU**  
POBLACION COMPOSTELA, CEBU
- **LILOAN, CEBU**  
POBLACION LILOAN, CEBU
- **TABILARAN, BOHOL**  
ORIMACO BLDG., PALMA ST., TAGBILARAN CITY, BOHOL
- **DUMAGUETE CITY**  
BISHOP EPIFANIO SURBAN ST., DUMAGUETE CITY

## VISAYAS MBO

- **ARGAO, CEBU**  
GRAZAINÉ BLDG., POBLACION ARGAO, CEBU
- **BOGO, CEBU**  
TARIMAN BLDG. P. RODRIQUEZ ST. LOURDES, BOGO CEBU
- **SOGOD, CEBU**  
ESEAMOUNT PARK II DAMOLOG, SOGO, CEBU CITY
- **CONSOLACION, CEBU**  
HILL TOP CASILI, CONSOLACION, CEBU
- **JAGNA, BOHOL**  
TEJERO JAGNA, BOHOL
- **TUBIGON, BOHOL**  
CENTRO TUBIGON, BOHOL
- **UBAY, BOHOL**  
FILOMENA BLDG. 2ND FLOOR POBLACION, BOHOL
- **MANDAUE, CEBU**  
ML QUEZON AVE. MAGUIKAY, MANDAUE CITY, CEBU

## MINDANAO BRANCHES

- **DIPOLOG CITY**  
GROUND FLR., QUEZON AVENUE, CORNER AGUILAR STREET, MIPUTAK, DIPOLOG CITY
- **KATIPUNAN, ZAMBOANGA DEL NORTE**  
POBLACION KATIPUNAN, ZAMBOANGA DEL NORTE
- **SINDANGAN, ZAMBOANGA DEL NORTE**  
WINSTON UY BLDG., POBLACION SINDANGAN, ZAMBOANGA DEL NORTE
- **IPIL, ZAMBOANGA SIBUGAY**  
LARRY BERBERIO BLDG., MEGALYTH ST., ZAMBOANGA SIBUGAY
- **OROQUIETA, ZAMBOANGA OCCIDENTAL**  
ARIOSA ST., SANTIAGO DISTRICT, PAGADIAN CITY
- **PAGADIAN, ZAMBOANGA DEL SUR**  
KB BUILDING, RIZAL ST., OROQUIETA CITY
- **CAGAYAN DE ORO, MISAMIS ORIENTAL**  
DOOR 6, MORTOLA BLDG., JR BORJA ST., CAGAYAN DE ORO CITY
- **TAGOLOAN, MISAMIS ORIENTAL**  
BRTI BLDG., JACINTO ST., POBLACION TAGOLOAN, MISAMIS ORIENTAL
- **LIBERTAD, MISAMIS ORIENTAL**  
GALENDEZ BLDG. P.2 POBLACION, LIBERTAD, MISAMIS ORIENTAL

## MINDANAO MBO

- **CALAMBA, MISAMIS OCCIDENTAL**  
MATUNOG ST. NORTHERN POBLACION CALAMBA, MISAMIS OCCIDENTAL
- **POLANCO, ZAMBOANGA DEL NORTE**  
POBLACION SOUTH POLANCO, ZAMBOANGA DEL NORTE
- **DIPOLOG, ZAMBOANGA DEL NORTE**  
ECHAVEZ ST., COR. ESTAKA, DIPOLOG CITY
- **LILOY, ZAMBOANGA DEL NORTE**  
ZORAYDA BLDG. BAYBAY LILOY, ZAMBOANGA SIBUGAY
- **IMELDA, ZAMBOANGA SIBUGAY**  
CROSSING ALICIA POB., IMELDA, ZAMBOANGA DEL NORTE
- **OZAMIZ, MISAMIS OCCIDENTAL**  
2ND FLOOR PUBLIC MALL 50TH DISTRICT, OZAMIZ CITY, MISAMIS OCCIDENTAL
- **AURORA, ZAMBOANGA DEL SUR**  
PAPUPANIN BLDG., PUROK CALUBE, POBLACION AURORA, ZAMBOANGA DEL SUR
- **MOLAVE, ZAMBOANGA DEL SUR**  
CURAYAG APARTMENT MABINI, MOLAVE, ZAMBOANGA DEL SUR

# 2017 PARTNERS



Land Bank of the Philippines



Rural Bankers Association  
of the Philippines



DEPARTMENT OF LABOR AND EMPLOYMENT



COUNTRY BANKERS  
INSURANCE GROUP



SMALL  
BUSINESS  
CORPORATION



National Livelihood Development  
Corporation



PIONEER  
YOUR INSURANCE



DEPARTMENT OF EDUCATION



DIPOLOG CITY BANKERS  
ASSOCIATION



ZAMBOANGA DEL NORTE  
FEDERATION OF RURAL  
BANKERS



UNIVERSITY OF SAN CARLOS -  
MANAGEMENT DEVELOPMENT PROGRAM

# 2017

## HOW TO CONTACT US



Corporate Mindanao : Quezon Avenue corner Aguilar St., Miputak, Dipolog City

Tel. No. (065) 212-5019 / (065) 212-7647

Area Office - Visayas : 3rd Floor, Escario St., Camputhaw, Cebu City

Tel. No. (032) 233-0008

### 24/7 CUSTOMER SERVICE HOTLINE

 SUN (0942) 522-6024

 SMART (0939) 607-4608

 GLOBE (0995) 274-3725

 [www.katipunanbank.com](http://www.katipunanbank.com)

 [customercare@katipunanbank.com](mailto:customercare@katipunanbank.com)

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