

FINANCE AND RISK OVERSIGHT COMMITTEE

Major Initiatives and Accomplishments for 2024

The Finance and Risk Oversight Committee had seven (9) meetings in 2024. Its major initiatives and accomplishments for the year are as follows:

A. Discussed and endorsed to the Governing Board for approval/consideration the following:

1. Proposal for Writing-Off of Uncollected Accounts for Year 2023
2. Proposed Policy on External Appraisal of ROPA
3. Financial Performance as of December 2023 (1st Closing)
4. Request for Confirmation of Supplemental Budget
5. Updates in the Expected Loss (ECL) Model Development and 2023 Loss Provisioning/ for Credit Losses
6. Corporate Operating Budget for 2024
7. 2024 Corporate Operating Budget
8. P3 Budget Proposal for CY 2025
9. ROPA Disposal Plan 2024-2028
10. Amendments on Writing Off Policy
11. Financial Statement as of December 2023 (2nd Closing)
12. CY 2023 Indicative Dividend Computation
13. Proposed Policy on Handling Post-Dated Checks (PDCs)
14. Undistributed Collections (UCs) for Conversion to Retained Earnings
15. Proposed Service Fee for the P3 Wholesale Lending Program
16. Recalibrated 2024 Portfolio Target and Financial Projections
17. Implementation of the Wholesale Lending Catch-Up Plan within August 2024
18. Agency Action Plan and Status of Implementation (AAPSI) for the Audit Observations and Recommendations from the CY 2023 Annual Audit Report and Prior Years
19. Amended SB Corp's Single Borrower's Limit (SBL)
20. Policy on Acceptable Collateral for Retail Program
21. Proposed Accounts for Write-off of the Year 2024 (1st Batch)
22. Policy of Grant of Waiver of Penalty and Restructuring for Accounts under Sales Contract Receivables (SCR)

B. Discussed and noted the following:

1. Financial Performance as of November 2023
2. Status of Funds as of December 31, 2023
3. Information Security Incident Report (as of 4th Quarter of 2023)
4. Booking of Undistributed Collection to Appropriated Retained Earning
5. Mandatory Reporting of the Discovery of Internal and External Fraud Regarding Collections in Palawan to BSP and Risk Event Reporting
6. Status of Funds as of April 2024
7. Validation of Past Due Report as of December 31, 2023
8. Integration of Risk Reporting Tools and Stress Testing Framework
9. Applicability of FIST Act (R.A No. 11523)
10. Report on Collection from Past Due Accounts thru Collection Agencies
11. List of Written-Off Accounts for the Years 2021-2023
12. Financial Performance as of 31 May 2024
13. Status of Funds as of 30 June 2024
14. Risk Impact on Non-Operational of Repayment Allocation System (RAS)
15. Loan Portfolio Scenario Analysis

16. OGCC Opinion on the Coverage of Republic Act 7656, As Amended
17. Financial Performance as of 30 June 2024
18. Status of Funds as of July 31, 2024
19. Preventive Actions to Mitigate Risks of Brokering and Fraudulent Loan Facilitation
20. Risk of Sending Inaccurate SOA/Billing Statement vis-à-vis Truth in Lending Act
21. Amended ERMG Study on SB Corporation – PFI's Exposure/ Concentration Risk per Industry Sector
22. Financial Performance as of September 30, 2024
23. Status of Funds as of September 30, 2024
24. Risks of Sending Inaccurate Statement of Account (SOA)/Billing Statement vis-à-vis Truth in Lending Act
25. Preventive Actions to Mitigate Risks of Brokering
26. Amended ERMG Study in SB Corporation-PFIs Exposure/Concentration Risk per Industry Sector
27. Financial Performance as of October 31, 2024
28. Status of Funds as of November 30, 2024
29. Report on Recoveries from Past Due Accounts endorsed to Collection Agencies and from Writing Off
30. ROPA Update as of 30 September 2024