



## Board Committees

### Activities from January 1 – December 31, 2022

| COMMITTEE/ DATE OF MEETING | ACTIONS TAKEN   |
|----------------------------|---|
| <b>Audit Committee</b>     |   |
| February 21, 2022          | <ol style="list-style-type: none"> <li>1) Presentation of Audit Report on Collateral Management</li> <li>2) Presentation of Compliance reports by LBBP-CMG for notation: <ol style="list-style-type: none"> <li>a. Regulatory Issuances from August to December 2021 and results of pre-testing</li> <li>b. Results of Periodic Compliance Testing for the 3<sup>rd</sup> and 4<sup>th</sup> quarter of 2021</li> <li>c. Review of Internal Policies against applicable laws, rules, and regulations</li> <li>d. Proposed revisions of the MTPP Manual</li> </ol> </li> <li>3) Presentation of BSP Evaluation of LLFC Reply to the Advance Report of Examination for CY 2021 for endorsement to the Board</li> <li>4) Presentation of the result of validation on the Audit Committee PRS Assessment for CY 2021 for approval.</li> </ol>                                 |
| April 27, 2022             | <ol style="list-style-type: none"> <li>1) Approval of the 21 February 2022 Audit Committee minutes of meeting.</li> <li>2) Presentation of matters arising of previous meeting on ASG's list of collateral, security, and collateral cover for notation.</li> <li>3) Presentation of Compliance reports by LBP-CMG for notation: <ol style="list-style-type: none"> <li>a. Regulatory issuances from January to February 2022 and results of pre-testing</li> <li>b. Report on AMLCS Request for KYC Documents and Bank Inquiry from January to March 2022</li> <li>c. Status Report on 2021 AML on Counter Terrorism and Proliferation Financing Training</li> <li>d. Freeze Order from January to March 2022</li> </ol> </li> <li>4) Presentation of Audit Report on the result of audit on Fleet Management Services and Chauffeuring Services for notation</li> </ol> |
| July 15, 2022              | <ol style="list-style-type: none"> <li>1) Approval of minutes of meeting dated 27 April 2022</li> <li>2) Discussion on matters arising of previous meeting on ASG walkthrough on collateral administration and improvement of turn-around time on collateral management.</li> <li>3) Presentation of LBP-CMG on compliance matters for notation: <ol style="list-style-type: none"> <li>a. Result of Periodic Compliance Testing – 1<sup>st</sup> Quarter 2022</li> <li>b. Regulatory issuances in March 2022 and results of pre-testing</li> <li>c. Results of review of internal guidelines against applicable regulations for the first quarter 2022</li> </ol> </li> <li>4) Presentation of the revised Internal Audit and Audit Committee Charters for approval</li> </ol>   |

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|----------------------------|---|
|                            | <ul style="list-style-type: none"> <li>5) Presentation of special audit report on problematic accounts deferred until change of reporting format.</li> <li>6) Designation of Atty. Cesar S. Cabanes as Head of CMG and Chief Compliance Officer of LBP for notation</li> <li>7) Designation of Audit Committee Secretariat to replace Mr. Rheden Reyes for approval.</li> </ul>   |
| July 29, 2022              | <ul style="list-style-type: none"> <li>1) Approval of Audit Committee meeting dated 15 July 2022</li> <li>2) Matters arising from previous meeting related to office order to be issued by the Pres/CEO Michael Aranas, requiring all employees to cooperate with the audit team and comply with requirements of the internal auditor within the prescribed timeline</li> <li>3) Presentation of LBP-CMG reports for notation: <ul style="list-style-type: none"> <li>a. Regulatory issuances in April to May 2022 and results of pre-testing</li> <li>b. Report on AMLCS Request for KYC Documents and Bank Inquiry from April to June 2022</li> <li>c. Report on the Freeze Order from April to June 2022</li> </ul> </li> <li>4) Report on the result of Audit on Problematic Accounts for notation</li> </ul>   |
| November 17, 2022          | <ul style="list-style-type: none"> <li>1) Approval of minutes of meeting dated July 29, 2022</li> <li>2) Matters arising from previous meeting</li> <li>3) Presentation of Compliance reports by LBP-CMG for notation: <ul style="list-style-type: none"> <li>a. Regulatory Issuances in July 2022 &amp; Results of Pre-Testing</li> <li>b. Regulatory Issuances in August 2022 &amp; Results of Pre-Testing</li> <li>c. Results of Periodic Compliance Testing (PCT) conducted in 2nd Quarter 2022</li> <li>d. Results of the Review of Internal Guidelines/ Manual - 3rd Quarter of 2022</li> <li>e. Consolidated AML/CTPF Reports on: <ul style="list-style-type: none"> <li>o KYC - July to Sept 2022</li> <li>o Freeze Order -July to Sept 2022</li> <li>o Alerts System Jan to Sept 2022</li> <li>o STR - Jan to Sept 2022</li> <li>o CTR - September 2022</li> </ul> </li> </ul> </li> <li>4) Presentation of the proposed LLFC Compliance Manual (Updated as of 20 September 2022) for approval and endorsement to the Board of Directors</li> <li>5) Presentation of the Final Report on Lease and Loan Operations Review for notation</li> <li>6) Results of MLPP Internal Audit Program for notation</li> <li>7) Status Update on BSP Report of Examination ending June 2021</li> <li>8) Results of LBP – ACT review conducted Oct. 3-7, 2022</li> </ul> |

| COMMITTEE/ DATE OF MEETING | ACTIONS TAKEN   |
|----------------------------|---|
| December 15, 2022          | <ol style="list-style-type: none"> <li>1) Approval of the November 17, 2022, minutes of Audit Committee meeting</li> <li>2) Presentation of the proposed Audit Plan for 2023 subject for approval and endorsement to the Board of Directors</li> <li>3) Presentation of the results of validation for 2022 Audit Committee PRS assessment</li> <li>4) Presentation of the Internal Audit/Audit Committee accomplishment for CY 2022</li> <li>5) Presentation of the 2023 proposed Audit Committee meeting for CY 2023</li> <li>6) Reports on Compliance matters by LBP-CMG: <ol style="list-style-type: none"> <li>a. Regulatory issuances for the month of September 2022 and results of pre-testing</li> <li>b. Results of Periodic Testing for the 3<sup>rd</sup> Quarter of 2022</li> </ol> </li> </ol> |