



Portfolio Management

April 8, 2026

OUR DREAM, **YOUR HOPE** FULFILLED

Upholding the Dignity of Filipino Micro-Entrepreneurs

Agenda:



KAAGAPAY MO

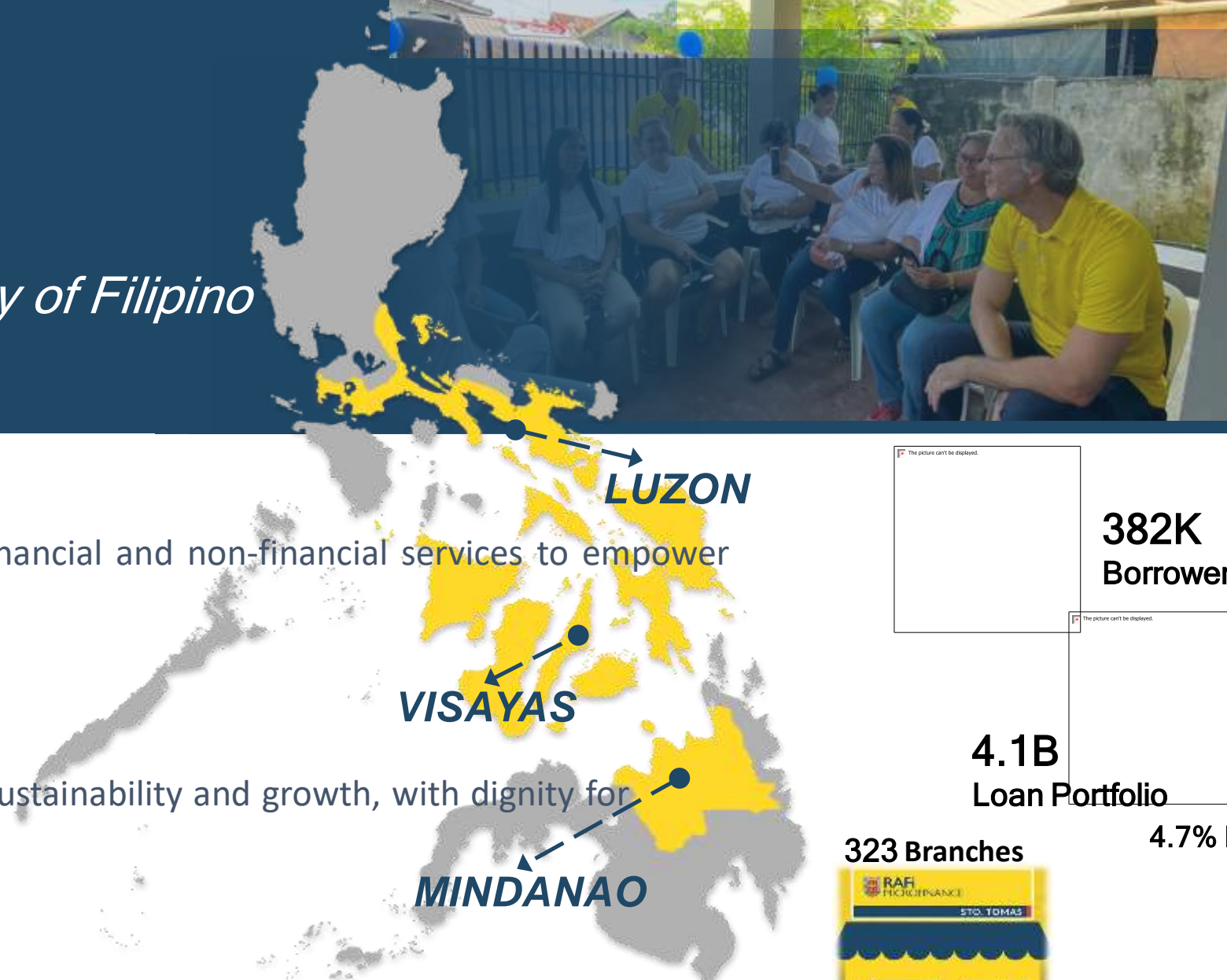
*Elevating lives and the dignity of Filipino
Microentrepreneurs*

Mission

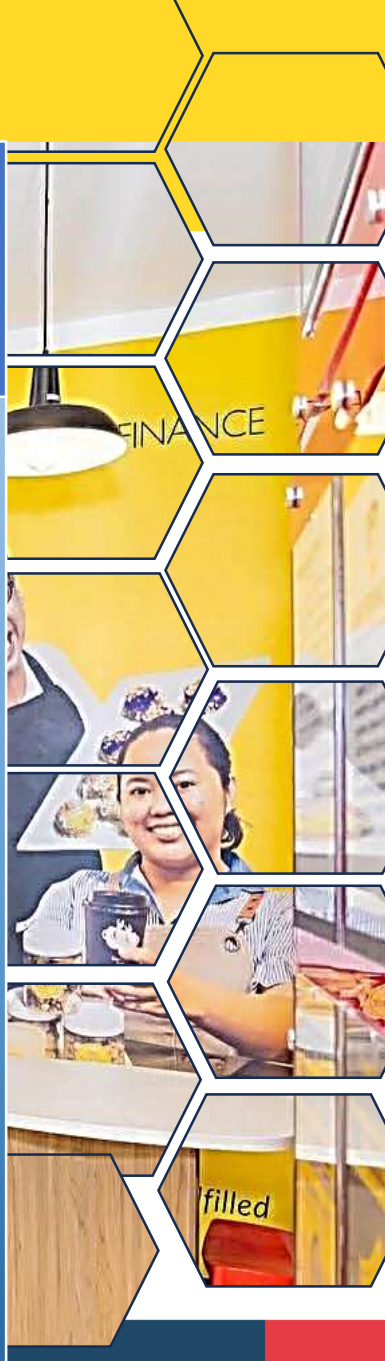
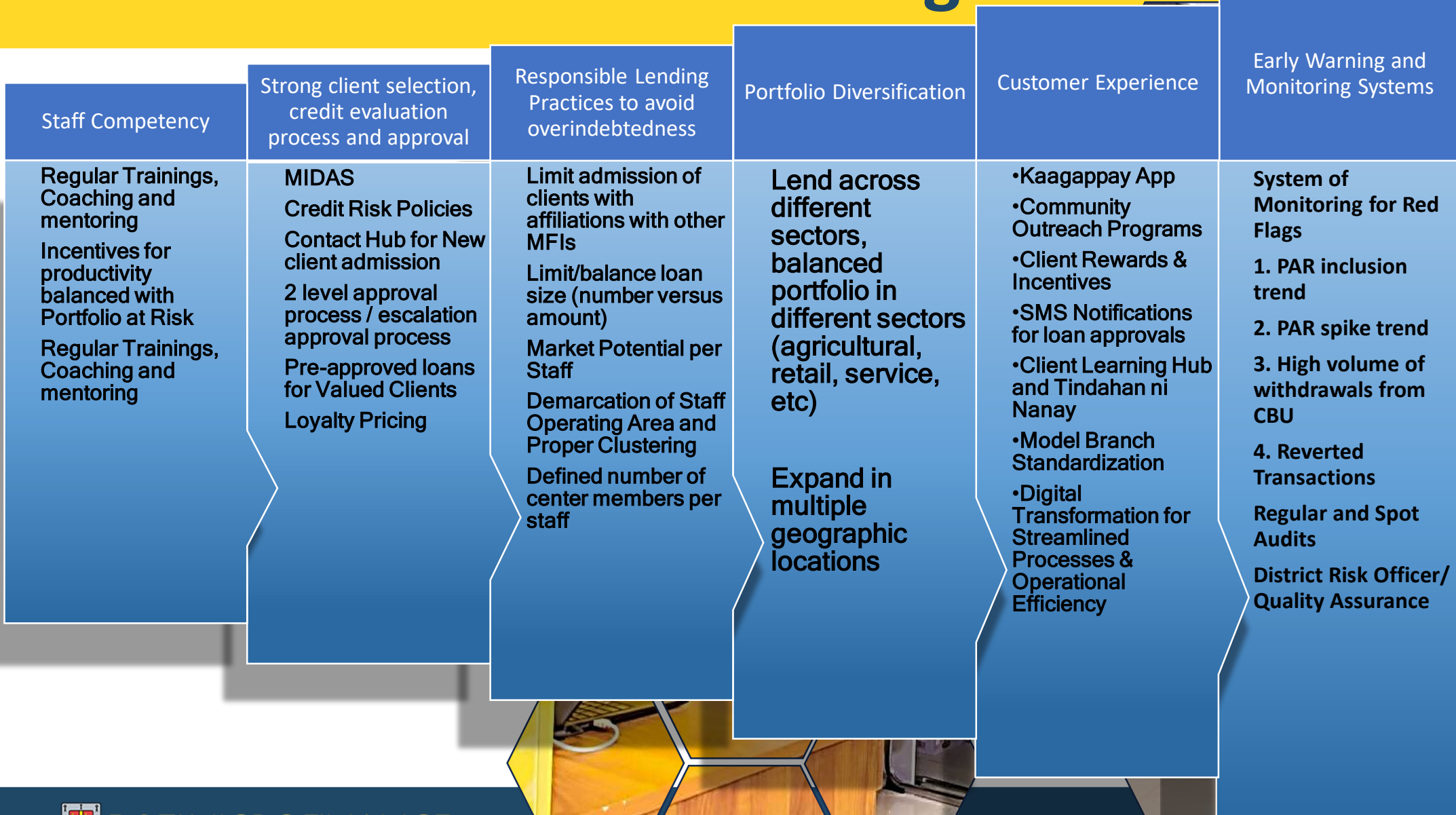
“We are social entrepreneurs providing financial and non-financial services to empower the poor and elevate their lives.”

Vision

“Empowered entrepreneurs achieving sustainability and growth, with dignity for their families and the community.”



Preventive Portfolio Management



Curative Portfolio Management


Refinancing

- Client shows willingness to pay
- Base only on his current capacity to pay.
- Should be lower than his current loan amount.

Recovery & Rehabilitation Loans


- Client affected with Natural Calamities or Emergencies
- Subsidized Interest Rate
- All penalties waived
- Longer loan tenors (up to 12 months)

Challenges Encountered




Fraud and internal control Issues

- Undeclared Collection
- Unauthorized Withdrawal
- Loan Rides




Calamities and other external shocks

- Pandemic
- Typhoon & floods
- Fire
- Earthquake
- Volcanic Eruptions



Poor Customer Experience Delivery

- Attrition
- Demotivated Employees
- Ineffectiveness of Leadership on the ground due to non- value adding task but essential.
- KPI focus vs Mission Driven



Other Challenges

- Market Volatility & Uncertainty
- Portfolio Concentration (e.g. agricultural)
- Social versus Financial Objectives
- Technology & Digital Adoption
- Client Over-indebtedness

Lessons Learned and Key Steps

Balance Portfolio
Quality and Growth

Build Deep Client
Understanding &
Strong
Relationships

Risk Management
& Digital
Transformation for
Operational
Efficiency &
Streamline
Process

1. Values Integration during Onboarding of New Hires
2. Technology & Digital Transformation to achieve Operational Efficiency & Streamlined Processes
3. Robust Credit Evaluation & Approval Process / Credit Scoring
4. Straight through Processing
5. Strong Client Engagement & Rewards Program
6. Reduce/ Balance Portfolio Concentration
7. Social Performance Management System



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MICROFINANCE

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Salamat

