

**LANDBANK FINANCE AND LEASING CORPORATION (LLFC)**  
**Revalidation of 2022 Performance Scorecard**

	Component				LLFC Submission		GCG Validation		Supporting Documents	Remarks		
	Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual			Rating	
<b>SO 1</b>	<b>Ensure Viability and Financial Growth</b>											
FINANCIAL	SM 1	Increase Total Portfolio	Total Outstanding Financing and Leasing Portfolio (based on the Net Exposure) by End of December	15%	(Actual / Target) x Weight  0% = If less than ₱3 Billion	₱5.160 Billion	₱4.878 Billion	14.18%	₱4.866 Billion	14.15%	- Loan/Lease Portfolio as of December 31, 2022 - Memorandum to the Board of Directors on the Asset Quality Report as of 31 December 2022 - COA AAR	Target not met.
	SM2	Lower Net Past Due Rate	Total Past Due at the end of the period – Deferred Leasing Income, Unearned Credits, and Specific Loan Loss Provision over Total Portfolio	10%	{1-(Actual-Target)/Target} x weight	6%	5.21%	10%	<u>9.44%</u>	<u>4.27%</u>	- Past Due Report as of December 31, 2022 - Database of Past Due Accounts as of December 31, 2022 - Schedule of Loss Provision, and the Total Loan Portfolio as of 31 December 2022 - <u>Comparative schedule of receivables based on COA AFS and Restated FS FY 2022</u> - <u>Email confirmation from COA on the restated AFS CY 2022</u>	The request for reconsideration is <b>APPROVED.</b>

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SM 3	Increase Asset Size	Absolute Amount of Total Assets by end of December	5%	(Actual / Target) x Weight	₱5.40 Billion	₱5.479 Billion	5%	₱5.472 Billion	5%	- Memorandum to the Board of Directors on the Results of Operations as of 31 December 2022 - COA AAR	Accomplishment was revised based on COA AAR.
<b>SO 2</b>	<b>Consistently Improve Profitability</b>										
SM 4	Increase Net Income After Tax	Total Revenues Less Total Expenses	15%	(Actual / Target) x Weight	₱40.0 Million	₱43.01 Million	15%	₱41.067 Million	15%	- COA AAR	Acceptable.
SM 5	Efficient Utilization of Corporate Operating Budget	Total Disbursement / Board-approved Corporate Operating Budget (both net of PS Cost)	5%	(Actual / Target) x Weight	Not Lower than 90% and not exceeding 100%	61.01%	3.39%	70.30%	3.90%	- Budget Utilization Report as of December 31, 2022 - COA AAR	LLFC utilized ₱290.919 Million out of ₱413.796 budget or 70.30% (net of PS Cost)
		<b>Sub-total</b>	<b>50%</b>				<b>47.57%</b>		<b>42.32%</b>		

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<b>CUSTOMER/STAKEHOLDER</b>	<b>SO 3</b>	<b>Provide Affordable &amp; Responsive Financial Products for Priority Sectors</b>										
	SM 6	Percentage of Portfolio Level allocated to priority sectors	Total amount of portfolio allocated to priority sector over Total portfolio at the end of the year	15%	Below 75% = 0%; 75% to less than 90% = 7.5%; 90% and above = 15%	85%	94.46%	15%	94.46%	15%	- System Generated Total Portfolio in Priority Sectors as of December 31, 2022 - List of Accounts included In the Priority Sector	Acceptable.
	<b>SO 4</b>	<b>Improve Accessibility &amp; Timeliness of Delivery of Leasing &amp; Financing Solutions</b>										
	SM 7	Percentage of Satisfied Customers	Number of respondents who gave a rating of at least Satisfactory / Total number of respondents	5%	(Actual / Target) x Weight;  0% = If below 80%	95%	98%	5%	98%	5%	- Full Report on Customer Satisfaction Results - Sample Survey Questionnaires	Acceptable.
			<b>Sub-total</b>	<b>20%</b>				<b>20%</b>		<b>20%</b>		

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INTERNAL PROCESS	<b>SO 5</b>	<b>Streamline Credit Processing System</b>										
	SM 8	Percentage of Credit approval Processed within Applicable Time	Total Number of Credit Approvals for New and Existing Clients Processed within the Applicable Time / Total Number of Credit Approvals	15%	(Actual / Target) x Weight;  0% = If below 80%	100% of credit applications within the applicable time <sup>1</sup>	100%	15%	96.9%	14.53%	- Database of Credit Approvals of Existing and New Clients - ExCom/Board Resolutions Approval of the Applications	31 out of 32 Credit Applications were processed within 40 days for new clients and 30 days for existing clients.
	<b>SO 6</b>	<b>Continuous Improvement of Processes and Systems</b>										
	SM 9	Implement Quality Management System	Actual Accomplishment	5%	All or nothing	Re-certification of ISO 9001:2015	Re-certification of ISO 9001:2015	5%	ISO 9001:20151 Re-certified	5%	- Copy of the Certificate - Recertification Process Audit Report from NQA	Acceptable.
		<b>Sub-total</b>	<b>20%</b>				<b>20%</b>		<b>19.53%</b>			
LEARNING & GROWTH	<b>SO 7</b>	<b>Ensure Availability of Required Competencies for Critical Positions</b>										
	SM 10	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	5%	All or nothing	Improvement on the competency level based on 2021 year-end assessment	99.78%	5%	99.78%	5%	- Summary of Competency Assessment CY 2022	LLFC was able to increase its overall competency by 1.59%

<sup>1</sup> Applicable processing time will be based on LLFC's compliance with Republic Act No. 11032.

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<b>SO 8</b>	<b>Optimize Use of Information Technology</b>										
SM 11	Implementation of IT Projects	Actual Accomplishment	5%	All or nothing	100% completion of 2022 target ISSP Project based on Board-approved or DICT endorsed ISSP.	Completed 100% of the 2022 ISSP Project based on Board-approved or DICT endorsed ISSP.	5%	Completed 100% of the 2022 ISSP Project based on Board-approved or DICT endorsed ISSP.	5%	- Actual Outputs per ISSP CY 2022 Projects	Acceptable.
		<b>Sub-Total</b>	<b>10%</b>				<b>10%</b>		<b>10%</b>		
		<b>TOTAL</b>	<b>100%</b>				<b>97.57%</b>		<b>91.85%</b>		

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