# LBP LEASING AND FINANCE CORPORATION (LBP-LFC)

|           |   |                             | Component   |               |  | Base           | eline Data     | Target         |                             |
|-----------|---|-----------------------------|---|---------------|--|----------------|----------------|----------------|-----------------------------|
|           | Objective/Measure Formula Weight Rating Sys |                             |   | Rating System | 2016   | 2017           | 2018           | 2019           |                             |
|           | SO 1  | Ensure Viability a          | and Financial Growth  |               | Star Contactor   |                |                | Salar Barris   |                             |
|           | SM 1  | Increase Total<br>Portfolio | Absolute amount of outstanding portfolio by end of December   | 15%           | (Actual/Target)<br>x Weight<br>0% = if less<br>than <del>P</del> 3 Billion | ₽3.57 Billion  | ₽3.535 Billion | ₽3.750 Billion | ₽4.125 Billion              |
| FINANCIAL | SM 2  | Lower Net Past<br>Due Rate  | Total Past Due Rate<br>at the end of the<br>period – Deferred<br>Leasing Income,<br>Unearned Credits &<br>Specific Loan Loss<br>Provision over Total<br>Portfolio | 10%           | (1-(Actual-<br>Target) /Target)<br>x Weight<br>0% = if above<br>3.08%      | 4.68%          | 3.08%          | 2.50%          | 2.50%                       |
|           | SM 3  | Increase Asset<br>Size      | Absolute Amount   | 5%            | (Actual/Target)<br>x Weight  | ₽3.975 Billion | N/A            | ₽5.108 Billion | ₽5.360 Billion <sup>i</sup> |

<sup>1</sup> Target to be revised to P4.750 Billion upon the disposition of the BGC property.

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Performance Scorecard 2019 (Annex B)

|             |   | Component  |        |   | Bas   | eline Data   | Target       |                           |  |  |
|-------------|---|--|--------|---|---|--|--------------|---------------------------|--|--|
| С           | bjective/Measure  | Formula  | Weight | Rating System   | 2016  | 2017   | 2018         | 2019                      |  |  |
| SO 2        | Consistently Impr   | ove Profitability  |        | See Laker C.A.  | the state and   |  |              | The second second         |  |  |
| SM          | 4 Increase Net<br>Income After Tax  | Total Revenues<br>Less Total<br>Expenses   | 15%    | (Actual/Target)<br>x Weight<br>0% = if below<br>₽108.41 Million   | ₽90.51 Million  | ₽114 Million   | ₽120 Million | P126 Million <sup>2</sup> |  |  |
|             | Sub-total   |  | 45%    |   |   |  |              |                           |  |  |
| SO 3        | 3 Provide Affordable & Responsive Financial Products for Priority Sectors           |  |        |   |   |  |              |                           |  |  |
| SM          | Percentage of<br>Portfolio Level<br>Allocated to<br>Priority Sectors                | Total amount of<br>portfolio allocated to<br>priority sector / Total<br>portfolio at the end<br>of the year  | 15%    | Below 75% =<br>0%<br>75%- 79.9% =<br>7%<br>80% and above<br>= 15% | 74.99%  | 81.06%   | 80%          | 80%                       |  |  |
| SO 4        | O 4 Improve Accessibility & Timeliness of Delivery of Leasing & Financing Solutions |  |        |   |   |  |              |                           |  |  |
| STAKEHOLDER | Percentage of<br>Satisfied<br>Customers   | Number of<br>respondents who<br>gave a rating of at<br>least Satisfactory/<br>Total number of<br>respondents | 5%     | (Actual /<br>Target) x<br>Weight<br>0% = if below<br>80%          | 99.01% of<br>respondents<br>gave rating of<br>Satisfactory or<br>Higher | 76.62% of<br>respondents gave a<br>rating of Very Good<br>to Excellent | 95%          | 95%                       |  |  |
|             | Sub-total   |  | 20%    |   |   |  |              |                           |  |  |

<sup>2</sup> Target to be revised to P120 Million upon the disposition of BGC property.

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Performance Scorecard 2019 (Annex B)

|      | Component   |   |  |  |  | line Data   | Target   |   |  |
|------|---|---|--|--|--|---|--|---|--|
| Obj  | ective/Measure  | Formula   | Weight   | Rating System  | 2016   | 2017  | 2018   | 2019  |  |
| SO 5 | Streamline Credit Processing System                                     |   |  |  |  |   |  |   |  |
| SM 7 | Percentage of<br>Credit Approval<br>Processed within<br>Applicable Time | Total Number of<br>Credit Approval for<br>new and existing<br>clients Processed<br>within Applicable<br>Time/ Total Number<br>of Credit Approvals                         | 20%  | (Actual/Target)<br>x Weight<br>0% = If less<br>than 80%  | 41.31 days   | 30.54 days  | 40 calendar days   | 100% of credit<br>applications processed<br>within the applicable<br>processing time <sup>3</sup>   |  |
| SO 6 | D 6 Continuous Improvement of Processes and Systems                     |   |  |  |  |   |  |   |  |
| SM 8 | Implement Quality<br>Management<br>System                               | Actual<br>accomplishment  | 5%   | All or Nothing   | No data  | 0%  | <ul> <li>Workshops on ISO<br/>QMS Requirements &amp;<br/>Documentation:</li> <li>1. Orientation on ISO<br/>9001:2015 QMS</li> <li>2. Training Course on<br/>ISO 9001: 2015 QMS<br/>Requirements and<br/>Documentation</li> <li>3. Workshop on Process<br/>Mapping and Risk-Based<br/>Quality Planning</li> </ul>   | ISO 9001:2015<br>Certification  |  |
|      | SO 5<br>SM 7<br>SO 6  | SM 7       Percentage of<br>Credit Approval<br>Processed within<br>Applicable Time         SO 6       Continuous Impro         SM 8       Implement Quality<br>Management | Objective/MeasureFormulaSO 5Streamline Credit Processing SystemSM 7Percentage of<br>Credit Approval<br>Processed within<br>Applicable TimeTotal Number of<br>Credit Approval for<br>new and existing<br>clients Processed<br>within Applicable<br>Time/ Total Number<br>of Credit ApprovalsSO 6Continuous Improvement of Processes at<br>ManagementSM 8Implement Quality<br>Management | Objective/MeasureFormulaWeightSO 5Streamline Credit Processing SystemSM 7Percentage of<br>Credit Approval<br>Processed within<br>Applicable TimeTotal Number of<br>Credit Approval for<br>new and existing<br>clients Processed<br>within Applicable<br>Time/ Total Number<br>of Credit Approvals20%SO 6Continuous Improvement of Processes and SystemSM 8Implement Quality<br>ManagementActual<br>accomplishmentSM 8Implement Quality<br>Management5% | Objective/MeasureFormulaWeightRating SystemSO 5Streamline Credit Processing SystemSM 7Percentage of<br>Credit Approval<br>Processed within<br>Applicable TimeTotal Number of<br>Credit Approval for<br>new and existing<br>clients Processed<br> | Objective/MeasureFormulaWeightRating System2016SO 5Streamline Credit Processing SystemSM 7Percentage of<br>Credit Approval<br>Processed within<br>Applicable TimeTotal Number of<br>Credit Approval for<br>new and existing<br>clients Processed<br>within Applicable<br>Time/ Total Number<br>of Credit Approvals(Actual/Target)<br>x Weight<br>0% = If less<br>than 80%41.31 daysSO 6Continuous Improvement of Processes and SystemsSoleSoleNo dataSM 8Implement Quality<br>ManagementActual<br>accomplichment5%All or NothingNo data | Objective/MeasureFormulaWeightRating System20162017SO 5Streamline Credit Processing SystemSM 7Percentage of<br>Credit Approval<br>Processed within<br>Applicable Time/<br>of Credit ApprovalsTotal Number of<br>Credit Approval for<br>new and existing<br>clients Processed<br>within Applicable<br>Time/ Total Number<br>of Credit Approvals(Actual/Target)<br>x Weight<br>0% = If less<br>than 80%41.31 days30.54 daysSO 6Continuous Improvement of Processes and SystemsSoleSoleSoleSoleSoleSM 8Implement Quality<br>ManagementActual<br>accomplichmentSoleSoleAll or NothingNo data0% | Objective/MeasureFormulaWeightRating System201620172018SO 5Streamline Credit Processing SystemSM 7Percentage of<br>Credit Approval<br>Processed within<br>Applicable Time/<br>of Credit ApprovalsTotal Number of<br>20%(Actual/Target)<br>x Weight<br>0% = If less<br>than 80%41.31 days30.54 days40 calendar daysSO 6Continuous Improvement of Processed and Systems0% = If less<br>than 80%41.31 days30.54 days40 calendar daysSM 8Implement Quality<br>Management<br>SystemActual<br>accomplishment5%All or NothingNo data0%2.7 raining Course on<br>ISO 9001: 2015 QMS<br>Requirements and<br>Documentation |  |

<sup>3</sup> Applicable processing time based on LBP-LFC's compliance with Republic Act No. 11032 or the Ease of Doing Business and Efficient Government Service Delivery Act of 2018.

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Performance Scorecard 2019 (Annex B)

|                        |      |   | Component  |        |                             | Bas  | eline Data  | Та  | rget   |  |
|------------------------|------|---|--|--------|-----------------------------|--|---|---|--|--|
|                        | Ob   | jective/Measure   | Formula  | Weight | Rating System               | 2016   | 2017  | 2018  | 2019   |  |
|                        |      |   |  |        |                             |  | - 11 Mg   | documentation   |  |  |
|                        |      |   |  |        |                             |  |   | 5. Training Course on<br>Root Cause Analysis and<br>Corrective Action<br>Formulation                  |  |  |
|                        |      |   |  |        |                             | E<br>A   |   | Submit ISO QMS<br>Requirements and<br>Documentation:<br>1. List of Relevant<br>Interested Parties     |  |  |
|                        |      |   |  |        |                             |  |   | <ol> <li>Internal and External<br/>Issues Log</li> <li>Risk and Opportunities<br/>Register</li> </ol> |  |  |
|                        |      |   |  |        |                             |  |   | 4. Schematic Diagram  |  |  |
|                        |      | Sub-total   |  | 25%    |                             |  |   |   |  |  |
|                        | SO 7 | Ensure Availability of Required Competencies for Critical Positions |  |        |                             |  |   |   |  |  |
| LEARNING AND<br>GROWTH | SM 9 | Percentage of<br>Employees<br>Meeting Required<br>Competencies      | Number of<br>employees Meeting<br>Required<br>Competencies /<br>Total Number of<br>Employees as<br>identified by LBP-<br>LFC | 5%     | (Actual/Target)<br>x Weight | Improvement<br>to 25.64%<br>from baseline<br>for 39<br>employees<br>only | 44% of employees<br>assessed have no<br>competency gaps | 80%   | Address and close<br>competency gaps of 100%<br>of employees based on<br>2018 year-end<br>assessment |  |

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Performance Scorecard 2019 (Annex B)

|    |                                     | Component                |           |                  | Baseline Data  |                                      | Target                            |   |
|----|-------------------------------------|--------------------------|-----------|------------------|--|--------------------------------------|-----------------------------------|---|
|    | Objective/Measure                   | Formula                  | Weight    | Rating System    | 2016   | 2017                                 | 2018                              | 2019  |
| SO | B Optimize Use of In                | formation Technology     | y Section | A STATE OF THE A | A STREET   |                                      |                                   |   |
| SM | 10 Implementation of<br>IT Projects | Actual<br>accomplishment | 5%        | All or Nothing   | 30% complete<br>Document<br>Management<br>System, 100%<br>Complete<br>Customer<br>Relationship<br>Management | 1 (Document<br>Management<br>System) | 1 (Document<br>Management System) | 100% completion of ISSP projects planned for 2019 |
|    |                                     | Sub-total                | 10%       |                  |  |                                      |                                   |   |
|    | i i                                 | TOTAL                    | 100%      |                  |  |                                      |                                   |   |