

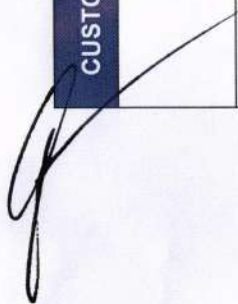
2023 PERFORMANCE SCORECARD (Annex B)

LBP LEASING AND FINANCE CORPORATION (LLFC)

Component					Baseline Data		Target		
Objective/Measure	Formula	Wt.	Rating System	2020	2021	2022	2023		
SO 1	Ensure Viability and Financial Growth								
FINANCIAL	SM 1	Increase Total Portfolio	Total Outstanding Financing and Leasing Portfolio (based on Net Exposure) by End of December	15%	(Actual / Target) x Weight 0% = If less than P3 Billion	₱4.392 Billion	₱4.746 Billion	₱5.160 Billion	₱5.418 Billion
	SM 2	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	1.98%	2.42%	6.0%	5.0%
	SM 3	Increase Asset Size	Absolute amount of Total Assets by end of December	5%	(Actual / Target) x Weight	₱5.04 Billion	₱4.967 Billion	₱5.40 Billion	₱5.70 Billion

Component					Baseline Data		Target	
Objective/Measure	Formula	Wt.	Rating System	2020	2021	2022	2023	
SO 2 Consistently Improve Profitability								
SM 4	Increase Net Income After Tax	Total Revenues Less Total Expenses	15%	(Actual / Target) x Weight	₱339.56Million	₱29.92 Million	₱40.0 Million	₱60.0 Million
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	N/A	N/A	Not lower than 90% and not exceeding 100%	90%
		Sub-total	50%					
SO 3 Provide Affordable & Responsive Financial Products for Priority Sectors								
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%	86.51%	85.43%	85%	90%

CUSTOMER/STAKEHOLDER




Component					Baseline Data		Target		
Objective/Measure	Formula	Wt.	Rating System	2020	2021	2022	2023		
SO 4 Improve Accessibility & Timeliness of Delivery of Leasing & Financing Solutions									
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%	100%	99%	95%	95%	
		Sub-total	20%						
SO 5 Streamline Credit Processing System									
INTERNAL PROCESSES	SM 8	Percentage of Credit approval Processed within Applicable Time	Total Number of Credit Approvals for New and Existing Clients Processed within the Applicable Processing Time / Total Number of Credit Approvals	15%	(Actual / Target) x Weight; 0% = If below 80%	100%	96.77%	100% of credit applications processed within the applicable processing time ¹	100% of credit applications processed within the applicable processing time ²

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

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Component					Baseline Data		Target	
Objective/Measure	Formula	Wt.	Rating System	2020	2021	2022	2023	
SO 6	Continuous Improvement of Processes and Systems							
SM 9	Implement Quality Management System	Actual accomplishment	5%	All or nothing	Maintained ISO 9001:2015 Certification	Maintained ISO 9001:2015 Certification	Re-certification of ISO 9001:2015	Maintain ISO 9001:2015 Certification
		Sub-total	20%					
SO 7	Ensure Availability of Required Competencies for Critical Positions							
LEARNING & GROWTH SM 10	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	2.5%	All or Nothing	Overall Organization Competency declined by 0.54%	Improved Competency based on 2020 year-end assessment	Improvement on the competency level based on 2021 year-end assessment	Board Approved Revised Competency Framework
			2.5%					Competency Assessment of all eligible employees ³

³ The competency baseline of the organization shall pertain to the average percentage of required competencies met which can be computed using the following formula:

$$\frac{\sum_{a=1}^A \left(\frac{\text{Actual Competency Level}}{\text{Required Competency Level}} \right)_a}{B}$$

where: a = Competency required, A = Total number of competencies required of position, b = Personnel profiled, B = Total number of personnel profiled

Component					Baseline Data		Target	
Objective/Measure	Formula	Wt.	Rating System	2020	2021	2022	2023	
SO 8	Optimize Use of Information Technology							
SM 11	Implementation of IT Projects	Actual accomplishment	5%	All or nothing	Completed 57% of ISSP Projects Planned for 2020	100% completion of ISSP projects planned for 2021 including the Remaining Projects due for 2020	100% completion of 2022 target ISSP Project based on Board-approved or DICT endorsed ISSP	100% completion of 2023 target ISSP Project based on Board-approved or DICT endorsed ISSP
		Sub-total	10%					
		TOTAL	100%					

For GOG:



Justice ALEX L. QUIROZ (Ret.)
Chairperson

For LLFC:



MR. MICHAEL P. ARANAS
President and CEO (PCEO)

