LBP LEASING AND FINANCE CORPORATION (LBP-LFC) Validation Result of 2018 Performance Scorecard

| | | | Compon | ent | | | LBP-l Submis | | GCG Validation | | Supporting | Domarko |
|-----------|---------|--------------------------------|---|-------------|---|-------------------|-------------------|--------|----------------|--------|---|-------------|
| | Objecti | ve/ Measure | Formula | Weight | Rating Scale | Target | Actual | Rating | Actual | Rating | Documents | nemarks |
| | SO 1 | Ensure Viabi | lity and Finar | ncial Growt | th | | | | | | | |
| | | | | | | 7.0 | | | | | Certified List of Balances of Accounts; | Acceptable. |
| | | | Absolute | 1 | (Actual/ | | , , | | | | Certified List of Balances of Accounts; Prudential FS as submitted to BSP; Reported Year-end Total Portfolio discussed to the Board Unaudited Notes to 2018 FS as submitted to COA Total Past Due (loans | |
| FINANCIAL | SM 1 | Increase Total Portfolio | amount of outstand- ing portfolio by end of December | 15% | Target) x Weight 0% = If less than ₽3 Billion | ₽3.750 Billion | ₽3.950 Billion | 15% | ₽3.950 Billion | 15% | Year-end Total Portfolio discussed to | |
| ш | | | | | | | | | | | Notes to 2018 FS as submitted to | |
| | SM 2 | Lower Net Past Due Rate | Total Past Due at the end of the period – Deferred leasing income, | 10% | (1- (Actual- Target) / Target) x Weight | 2.50% | 3.07% | 7.72% | 3.07% | 7.72% | | Acceptable. |

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| | | Compon | ent | | | LBP-L Submis | | GCG Valida | ation | Supporting Documents | Remarks |
|---------|-------------------------------------|--|------------|--|-------------------|---------------------|--------|---------------------|--------|---|-------------|
| Objecti | ve/ Measure | Formula | Weight | Rating Scale | Target | Actual | Rating | Actual | Rating | | |
| | | Unearned credits, and Specific loan loss provision / Total Portfolio | | 0% = If Above 3.08% | | | | | | Computation; • Prudential FS as submitted to BSP | |
| SM 3 | Increase Asset Size | Absolute amount | 5% | (Actual/ Target) x Weight | ₽5.108 Billion | ₽4.814 Billion | 4.71% | ₽4.814 Billion | 4.71% | Prudential FS as submitted to BSP | Acceptable. |
| SO 2 | Consistently | Improve Pro | fitability | | | | | | | | |
| SM 4 | Increase Net Income After Tax | Total Revenues Less Total Expenses | 15% | (Actual / Target) x Weight 0% = If below ₽108.41 Million | ₽120 Million | ₽110.364 Million | 13.80% | ₽110.364 Million | 13.80% | • Prudential FS as submitted to BSP | Acceptable. |
| | | Sub-Total | 45% | | | | 41.23% | | 41.23% | | |

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| | | | Compon | ent | | | LBP-L Submis | | GCG Valida | ation | Supporting | Remarks | |
|------------------------|---------|---|--|------------|---|-------------------|--|--------|-------------------------|--------|--|--|--|
| | Objecti | ve/ Measure | Formula | Weight | Rating Scale | Target | Actual | Rating | Actual | Rating | Documents | nemarks | |
| OLDER | SO 3 | Provide Affo | rdable & Res | ponsive Fi | nancial Prod | ducts for Priorit | y Sectors | | | | | | |
| | SM 5 | Percentage of Portfolio Level allocated to Priority Sectors | Total amount of portfolio allocated to priority sector / Total portfolio at the end of the year | 15% | Below 75% = 0% 75% - 79.9% = 7% 80% and above = 15% | 80% | 80.04% | 15% | 80.04% | 15% | List of Accounts with balances included in the priority sectors; Priority Sectors Portfolio Computation | Acceptable. | |
| Ë | SO 4 | Improve Accessibility & Timeliness of Delivery of Leasing & Financing Solutions | | | | | | | | | | | |
| CUSTOMER / STAKEHOLDER | SM 6 | 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% | Survey was not conducted as when the GCG Guidelines were issued there was not enough time to go thru the procure- ment process for the engage- | 0% | No Survey was conducted | 0% | No supporting documents provided | Request for removal of the measure is DENIED. During the Technical Panel Meeting (TPM) for the 2018 scorecard, LBP-LFC was informed that the initiative aims to address, among others, the cause of concerns on the budget implication of the | |

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| | | | Compon | ent | | Sign Control | LBP-L Submis | | GCG Vali | dation | Supporting | Remarks | |
|------------------|-------------------|--|---|-------------|---|-----------------------|---|--------|----------|--------|---|--|--|
| | Objective/ Measur | ve/ Measure | Formula | Weight | Rating Scale | Target | Actual | Rating | Actual | Rating | Documents | Heiliaiks | |
| | | | | | | | ment of a service provider as required | | | | | requirement to conduct an annual survey. | |
| | | | Sub-Total | 20% | | | | 15% | | 15% | | | |
| | SO 5 | | | | | | | | | | | | |
| INTERNAL PROCESS | SM 7 | Average Processing Time of Credit Approval for New Clients | Total Actual No. of processing days for All Application of New Clients from Receipt of Complete Documents / Total No. of Applications Processed or approved | 10% | (1-(Actual - Target) / Target) x Weight | 40 calendar days | 38.38 | 10% | 38.25 | 10% | Account Monitoring Sheet/s Application Forms (samples) ExCom/ Board Resolutions approving credit facilities | Validated actual is based on the supporting documents submitted. | |
| NTER | | Percentage of within 40 day | of New Clients | Credit Appl | lication | Establish Baseline | | | | | | | |
| = | SM 8 | Average Processing Time of Credit Approval for Existing Client | Total Actual No. of Days for All Applications of Existing Clients from receipt of Complete Documents | 10% | (1-(Actual - Target) / Target) x Weight | 30 calendar days | 30.72 | 9.76% | 30.72 | 9.76% | Accounting Monitoring Sheet/s; Application Forms (samples); ExCom/ Board | Acceptable. | |

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| | | Compon | ent | | | LBP- Submi | | (creative) | | Supporting | Damada |
|-------------------|---|---|--------------|-------------------|--|---------------|--------|---|--------|--|-------------|
| Objective/ Measur | | Formula | Weight | Rating Scale | Target | Actual | Rating | Actual | Rating | Documents | Remarks |
| | | over Total No. of Applications Processed / Approved | | | | | | | | Resolutions approving credit facilities | |
| | Percentage of processed w | of Existing Clie ithin 30 days | nts Credit A | pplication | Establish Baseline | p i | | | | | |
| SO 6 | Continuous | Improvement | of Process | ses and Sy | stems | | | | | | |
| SM 9 | Implement Quality Manage- ment System | Actual Accomplish -ment | 5% | All or Nothing | Completed Trainings & Workshops on ISO QMS Requirements & Documentation: 1. Orientation on ISO 9001: 2015 QMS 2. Training Course on ISO 9001:2015 QMS Requirements and Documentation 3. Workshop on Process Mapping- Risk Based | Met | 5% | Completed Trainings & Work-shops on ISO QMS Requirements & Documentation: 1. Orientation on ISO 9001: 2015 QMS 2. Training Course on ISO 9001:2015 QMS Requirements and Documentation 3. Workshop on Process Mapping-Risk Based | 5% | DAP Confirmation of Trainings & Workshops conducted as of 31 December 2019; Attendance Sheets ISO QMS Documents: 1.List of relevant Interested Parties; 2.Internal and External Issues Log; | Acceptable. |

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| | Compon | ient | | | LBP-LFC Submission | | GCG Validation | | Supporting | Domonko |
|--------------------|---------|--------|-----------------|--|-----------------------|--------|---|--------|---|---------|
| Objective/ Measure | Formula | Weight | Rating Scale | Target | Actual | Rating | Actual | Rating | Documents | Remarks |
| | | | | Quality Planning 4. Workshop on QMS documentation 5. Training Course on Root Cause Analysis and Corrective Action Formulation Submit ISO QMS Requirements and Documentation: 1. List of Relevant Interested Parties 2. Internal and External Issues Log 3. Risk and Opportunities Register | | | Quality Planning 4. Workshop on QMS documentation 5. Training Course on Root Cause Analysis and Corrective Action Formulation ISO QMS Requirements: 1. List of Relevant Interested Parties 2. Internal and External Issues Log 3. Risk and Opportunities Register and its Action Plan 4. Schematic Diagram | | 3. Risk and Opportunities Register and its Action Plan; 4. Schematic Diagram. • Memorandum of Agreement with DAP • Certificate of Availability of Funds | |

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| | | | Compon | ent | | | LBP- Submi | | GCG Valid | ation | Supporting | Remarks |
|--------------|--------------------|---|--|-----------|----------------------------------|--|---------------|--------|---|--------|--|--|
| | Objective/ Measure | | Formula | Weight | Rating Scale | Target | Actual | Rating | Actual | Rating | Documents | nemarks |
| | | | | | | 4. Schematic Diagram | | | | | | |
| | | | Sub-Total | 25% | | g 1 10 ki | | 24.76% | | 24.76% | | |
| | SO 7 | 7 Ensure Availability of Required Competencies for Critical Positions | | | | | | | | | | |
| ND GORWTH | SM 10 | Percentage of Employees Meeting Required Compe- tencies | Number of employees meeting required competency / Total number of employees | 5% | (Actual / Target) x Weight | 80% | 77% | 4.81% | 77% | 4.81% | Employee Competency Assessment Forms; Summary of Assessments | Acceptable. 33 employees showed no gaps out of the 43 assessed. |
| <u>5</u> | SO 8 | Optimize Use | e of Informati | on Techno | logy | | | | | | | |
| LEARNING AND | SM 11 | Number of IT Projects Implemented | Actual Accomplish- ment | 5% | All or Nothing | Submit Board- approved ISSP to DICT | Met | 5% | Submitted Board- approved ISSP to DICT | 5% | Transmittal Letter to DICT Proposed ISSP | Acceptable. |
| | | | Sub-Total | 10% | | | | 9.81% | | 9.81% | | |
| | | | TOTAL | 100% | * | | | 90.80% | | 90.80% | | |