

DBP LEASING CORPORATION (DBP-LC)

	Component				Baseline			Target	
	Objective/Measure	Formula	Weight	Rating System	2014	2015	2016	2017	
SOCIAL IMPACT	SO 1	Support the Government's Economic Development Priorities through the Provision of Leasing and Other Asset-Based Financing Services							
	SM 1	Total Loan and Lease Portfolio (Net as per Balance Sheet)	Absolute Amount	20%	0% = lower than ₱1.8 Billion 10% = ₱1.8 Billion to ₱2.3 Billion 15% = more than ₱2.3 Billion to ₱2.5 Billion 20% = above ₱2.5 Billion	₱1.8 Billion	₱1.9 Billion	₱2.3 Billion	₱2.5 Billion
	SM 2	Ranking in the Finance/Leasing Industry (in terms of Total Loans and Lease Portfolio)	Ranking from Philippine Finance Association	5%	2.5% = maintain 10 th rank 5% = improvement in ranking			10 th	10 th
			Sub-total	25%					
FINANCIAL	SO 2	Achieve Expected Return on Shareholder Investment by Maximizing Revenues and Minimizing Expenses							
	SM 3	ROE - Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)	EBITDA / Average Net Worth	10%	(Actual/Target) x Weight	7.52%	7.62%	12.67%	13.50%
	SM 4	ROE - Net Income without Tax Savings	Net Income without Tax Savings / Average Net Worth	10%	(Actual/Target) x Weight		1.69%	4.20%	6.60%
			Sub-total	20%					

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STAKEHOLDERS	SO 3	Achieve a High-Level of Customer Satisfaction in the Delivery of Financing Services							
	SM 5	Satisfaction Rating (conducted by third party provider)		5%	All or Nothing		84% Satisfactory (4.22 on 5-point Likert Scale)	84% Satisfactory (4.20 on 5-point Likert Scale)	90% of Respondents Rated Quite Satisfactory or Higher
	SO 4	Access of DBP Priority Sectors to Financial Leases and Other Relevant Financing Services							
	SM 6	Percent of Credit Portfolio - Public Sector	Credit Portfolio-Public Sector / Total Credit Portfolio	5%	(Actual/Target) x Weight	33.2%	26.07%	24.18%	30%
	SM 7	Percent of Credit Portfolio - Private Priority Sector	Credit Portfolio-Private Sector / Total Credit Portfolio	5%	(Actual/Target) x Weight	57.82%	55.16%	62.05%	55%
			Sub-total	15%					
INTERNAL PROCESS	SO 5	Diversify Industry Exposure with Expanded Market Coverage and Product Offerings							
	SM 8	Number of Industries in Credit Portfolio (4-Digit Level of PSIC Classification)	Absolute Amount	5%	(Actual/Target) x Weight	13	15	19	20
	SM 9	Number of New Accounts Booked	Absolute Amount	5%	(Actual/Target) x Weight	21	21	16	18
	SO 6	Streamline Processes based on Industry Best Practices							
SM 10	Average TAT of Approval of Applications Upon Receipt of Complete Documentation	Total Number of Working Days to Approve Applications / Total Number of Applications	5%	[1 - (Actual-Target/Target) x Weight]	41.03	41.03	27.10	≤ 27.10	

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	SO 7	Achieve High Quality Portfolio through Enhanced Credit Risk Evaluation and Account Management							
	SM 11	Percent of Real and Other Properties Acquired (ROPA)	Total ROPA / Total Assets	5%	[1 - (Actual-Target/Target) x Weight]	13.41%	6.32%	0.75%	≤ 1%
	SM 12	Improve Past Due Rate ¹	Total Past Due and Non-Performing Loan / Total Portfolio	10%	[1 - (Actual-Target/Target) x Weight]	0.88%	0.88%	0.75%	≤ 3%
			Sub-total	30%					
LEARNING & GROWTH	SO 8	Ensure Personnel Complement Best Fit to Achieve Organizational Objectives							
	SM 13	Achieve Proficiency Training	Actual Accomplishment	5%	(Actual/Target) x Weight	For Award of Contract on Development of Competency Framework	Procurement of Consultant for Competency Framework	Board Approval of Competency Framework and Catalogue	Assessment and Establish Competency Level of the Organization
	SO 9	Develop and Implement Complementary Management and Technological Systems to Support Business Operations							
	SM 14	Percent of Compliance with Information Systems Strategic Plan (ISSP)	Tasks & Activities Completed for the Year / Tasks & Activities Planned for the Year	5%	(Actual/Target) x Weight	Awaiting DCI Certification	ISSP Transmitted by DCI dated 21 December 2015	90% of Loans Leases Financial Management System	50% Completion of Document Management System
			Sub-total	10%					
			Total	100%					

¹ The BSP Circular No. 941, s. 2017 issued on 20 January 2017 amended the regulatory definitions of past due and non-performing exposures. Under the new definition, the general rule is that an account that does not pay on contractual due is deemed past due the following day.