



Office of the President of the Philippines
GOVERNANCE COMMISSION
 FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS
 3/F, Citibank Center, 8741 Paseo De Roxas, Makati City, Philippines 1226



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16 December 2019

MS. CECILIA C. BORROMEEO

Chairperson

MR. FRANCISCO J. LEONOR, JR.

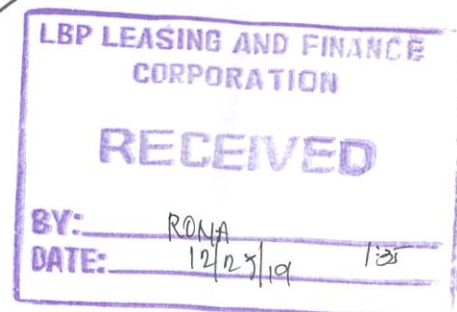
President and CEO

LBP LEASING AND FINANCE CORPORATION (LBP-LFC)

15/F SyCip law Center, 105 Paseo de Roxas

Legaspi Village, Makati City

For: [Signature]



RE : TRANSMITTAL OF 2020 PERFORMANCE SCORECARD

Dear Chairperson Borromeo and PCEO Leonor,

This is to formally transmit the 2020 Charter Statement and Strategy Map (**Annex A**) and 2020 Performance Scorecard (**Annex B**) of LBP-LFC.

The LBP-LFC proposed Charter Statement, Strategy Map and Performance Scorecard submitted through its letter dated 30 August 2019¹ were **MODIFIED** based on the discussions made during the Technical Panel Meeting (TPM) held on 03 October 2019 and evaluation of revised documents submitted through its letter dated 18 October 2019².

We take this opportunity to inform LBP-LFC that Item 5 of GCG Memorandum Circular No. 2017-02³ mandates GOCCs to submit Quarterly Monitoring Reports and upload the same in the GOCC's website within thirty (30) calendar days from the close of each quarter. LBP-LFC is requested to submit its revised Quarterly Targets based on the attached scorecard upon submission of the 1st Quarter Monitoring Report for 2020.

FOR YOUR COMPLIANCE.

Very truly yours,

SAMUEL G. DACPIN, JR.

Chairman

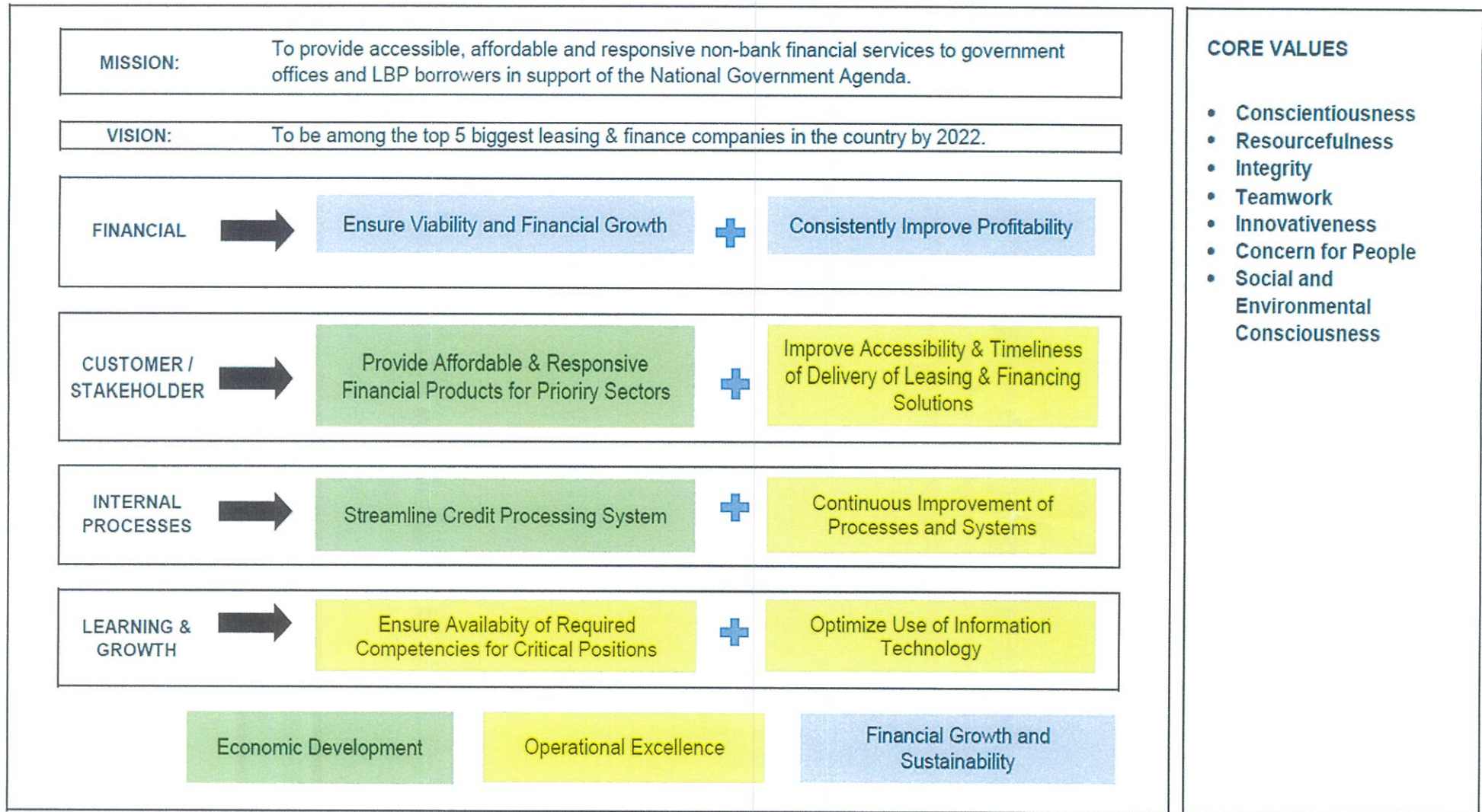
[Signature]
MICHAEL F. CLORIBEL
Commissioner

[Signature]
MARITES C. DORAL
Commissioner

¹ Officially received by the Governance Commission on 30 August 2019.

² Officially received by the Governance Commission on 18 October 2019

³ INTERIM PES FOR THE GOCC SECTOR, dated 30 June 2017.



CORE VALUES

- Conscientiousness
- Resourcefulness
- Integrity
- Teamwork
- Innovativeness
- Concern for People
- Social and Environmental Consciousness

LBP LEASING AND FINANCE CORPORATION (LBP-LFC)

	Component				Baseline Data		Target		
	Objective/Measure	Formula	Weight	Rating System	2017	2018	2019	2020	
FINANCIAL	SO 1	Ensure Viability and Financial Growth							
	SM 1	Increase Total Portfolio	Absolute amount of outstanding portfolio by end of December	15%	(Actual / Target) x Weight; 0% = If less than ₱3 Billion	₱3.535 Billion	₱3.950 Billion	₱ 4.125 Billion	₱ 4.500 Billion
	SM 2	Lower Net Past Due Rate	Total Past Due at the end of the period - Deferred Leasing Income, Unearned Credits, & Specific Loan Loss Provision over Total Portfolio	15%	(1-(Actual-Target)/Target) x Weight 0% = If Above 3.07%	3.08%	3.07%	2.50%	2.50%
	SM 3	Increase Asset Size	Absolute amount	10%	(Actual/Target) x Weight	₱4.247 Billion	₱4.748 Billion	₱5.360 Billion	₱5.40 Billion ¹
	SO 2	Consistently Improve Profitability							
	SM 4	Increase Net Income After Tax	Total Revenues Less Total Expenses	15%	(Actual / Target) x Weight	₱94.074 Million	₱115.206 Million ²	₱126 Million	₱90 Million
		Sub-total		55%					

¹ To be adjusted upon sale of the BGC property.

² Restated figure on 2018 COA Annual Audited Report. ₱110.364 Million was stated on the validated scorecard.

		Component			Baseline Data			Target	
		Objective/Measure	Formula	Weight	Rating System	2017	2018	2019	2020
CUSTOMER / STAKEHOLDERS	SO 3	Provide Affordable & Responsive Financial Products for Priority Sectors							
	SM 5	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%-79% = 7.5%; 80% and above = 15%	81.06%	80.04%	80%	80%
	SO 4	Improve Accessibility & Timeliness of Delivery of Leasing & Financing Solutions							
	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%	76.62% of respondents gave a rating of Very Good to Excellent	No Survey was conducted	95%	95%
		Sub-total		20%					

		Component			Baseline Data		Target		
Objective/Measure		Formula	Weight	Rating System	2017	2018	2019	2020	
INTERNAL PROCESS	SO 5	Streamline Credit Processing System							
	SM 7	Percentage of Credit Approval Processed within Applicable Time	Total Number of Credit Applications Processed within the Applicable Processing Time for New and Existing Clients / Total Number of Credit Applications Received	10%	(Actual/Target) x Weight 0% = If below 80%	30.54 days	Average Processing Time of Credit Approval for Clients: New: 38.25 calendar days Existing: 30.72 calendar days	100% of credit applications processed within the applicable processing time	100% of credit applications processed within the applicable processing time
	SO 6	Continuous Improvement of Processes and Systems							
SM 8	Implement Quality Management System	Actual accomplishment	5%	All or Nothing	0%	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 4. Workshop on QMS documentation	ISO 9001:2015 Certification	Maintain ISO 9001:2015 Certification	

		Component				Baseline Data		Target	
Objective/Measure		Formula	Weight	Rating System	2017	2018	2019	2020	
						5. Training Course on Root Cause Analysis and Corrective Action Formulation Submit ISO QMS Requirements: 1. List of Relevant Interested Parties 2. Internal and External Issues Log 3. Risk and Opportunities Register 4. Schematic Diagram			
		<i>Sub-total</i>	15%						
LEARNING AND GROWTH	SO 7	Ensure Availability of Required Competencies for Critical Positions							
	SM 9	Percentage of Employees Meeting Required Competencies	Competency Baseline ³ 2020 – Competency Baseline 2019	5%	All or nothing	44% of employees assessed have no competency gaps	77%	Address and close competency gaps of 100% of employees based on 2018 yearend assessment	Improvement on the Competency Level of the Organization based on the 2019 year-end assessment

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:

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

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	Weight	Rating System	2017	2018	2019	2020
SO 8	Optimize Use of Information Technology							
SM 10	Number of IT Projects Implemented	Actual accomplishment	5%	All or Nothing	1 (Document Management System)	Submitted Board-approved ISSP to DICT	100% completion of ISSP projects planned for 2019	100% completion of ISSP projects planned for 2020: <ol style="list-style-type: none"> 1. Network Infrastructure Upgrade: PABX, Uninterruptible Power Supply, Server, Storage, Laptop Computer, Desktop Computer; 2. Procurement and Upgrade of other ICT Equipment: Printers, CCTV, Audio Video Conferencing; 3. Enterprise Content Management System
	Sub-total		10%					
	TOTAL		100%					