

LBP LEASING AND FINANCE CORPORATION

COMPONENTS					2024 Approved Target	4th Quarter (October to December 2024)			Accomplishment as of December 31, 2024 based on Unaudited PFRS FS	% of Accomplishment	Rating
Objective/Measure	Formula	Weight	Rating System	Target		Actual	Over(Under)				
SO1	Sustain Capital and Financial Growth through the effective and efficient use of resources										
SM 1	Increase Total Portfolio	Absolute amount of outstanding portfolio by end of December	15%	(Actual / Target) x Weight; 0% = If less than P3 Billion	P 5.700 B	P 5.700 B	P 6.172 B	P0.472 B	P 6.172 B	108.28%	15.00%
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	10%	(1-(Actual-Target)/Target) x Weight	5.00%	5.00%	6.74%	1.74%	6.74%	65.20%	6.52%
SM 3	Increase Asset Size	Absolute amount of Total Assets by end of December	5%	(Actual / Target) x Weight	P 5.900 B	P 5.900 B	P7.276 B	P7.276 B	P7.276 B	123.32%	5.00%
SM 4	Increase Net Income After Tax	Total Revenues Less Total Expenses	15%	(Actual / Target) x Weight	P80.0M	P20.0M	P57.50 M	P37.50 M	P61.92 M	77.40%	11.61%
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	90%	90%	59.11%	-30.89%	59.11%	65.68%	3.28%
	SUB-TOTAL		50%								41.41%
SO 2	Provide financial products to achieve customer satisfaction and loyalty										
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% - 79.9% = 7%; 80% and above = 15%	90%	90%	91.36%	1.36%	91.36%	101.51%	15%
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%	95%*	95%*	External Services 99.63%	4.63%	External Services 99.63%	100%	5%
	SUB-TOTAL		20%								20.00%
SO 3	Enhance delivery of leasing and financing solutions										
SM 8	Percentage of Credit Approvals Processed within the 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% of credit applications processed within the applicable processing time**	100% of credit applications processed within the applicable processing time**	100%	-	100%	100%	15%
SO 4	Improve procedures, systems, and programs on a continuing basis										
SM 9	Implement Quality Management System	Actual accomplishment	5%	All or nothing	Maintenance of ISO 9001:2015 Certification	Maintenance of ISO 9001:2015 Certification	PASSED	N/A	PASSED	100%	5%
	SUB-TOTAL		20%								20.00%

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Objective/Measure	Formula	Weight	Rating System	Target		Actual	Over(Under)				
SO 5	Strengthen organizational competencies										
SM 10	Percentage of Employees Meeting Required Competencies	Competency Baseline 2024** - Competency Baseline 2023	5%	(Actual/Target) x Weight	Improvement on the competency level based on 2023 year-end assessment ***	Improvement on the competency level based on 2023 year-end assessment ***	Improved competency level	N/A	Improved competency level	100%	5%
SO 6	Optimize Linkages and Use of Information Technology										
SM 11	Implementation of IT Projects	Actual accomplishment	5%	All or nothing	100% completion of 2024 target ISSP Projects based on BOD approved or DICT endorsed ISSP	100% completion of 2024 target ISSP Projects based on BOD approved or DICT endorsed ISSP	100% Completed ISSP Projects	N/A	100% Completed ISSP Projects	100%	5%
SUB-TOTAL			10%								10.00%
TOTAL			100%								91.41%

*Based on ARTA Client Satisfaction Measure

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

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

Prepared by:

ANGELIQUE D. JAVIER
Administrative Specialist I

Reviewed by:

RIZA M. HERNANDEZ
VP/Head - Account Servicing Group

PETER PAUL I. RIGOR
VP/Head - Account Management Group

RAIZZA L. GONZALES
VP/Head - Corporate Services Group

Noted by:

MICHAEL P. ARAÑAS
President/CEO

LBP LEASING AND FINANCE CORPORATION

COMPONENTS					2024 Approved Target	4th Quarter 2024 (October to December)			
	Objective/Measure	Formula	Weight	Rating System		Target	Actual	Over(Under)	
FINANCIAL	SO1	Sustain Capital and Financial Growth through the effective and efficient use of resources							
	SM 1	Increase Total Portfolio	Absolute amount of outstanding portfolio by end of December	15%	(Actual / Target) x Weight; 0% = If less than P3 Billion	P 5.700 B	P 5.700 B	P 6.172 B	P0.472 B
	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	10%	(1-(Actual-Target)/Target) x Weight	5.00%	5.00%	6.74%	1.74%
	SM 3	Increase Asset Size	Absolute amount of Total Assets by end of December	5%	(Actual / Target) x Weight	P 5.900 B	P 5.900 B	P7.276 B	P7.276 B
	SM 4	Increase Net Income After Tax	Total Revenues Less Total Expenses	15%	(Actual / Target) x Weight	P80.0M	P20.0M	P57.50 M	P37.50 M
	SM 5	Efficient Utilization of Corporate Operating Budget	Total Disbursement / Board - Approved Coporate Operating Budget (both net of PS cost)	5%	(Actual / Target) x Weight	90%	90%	59.11%	-30.89%
		SUB-TOTAL		50%					
CUSTOMER/ STAKEHOLDERS	SO 2	Provide financial products to achieve customer satisfaction and loyalty							
	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% - 79.9% = 7%; 80% and above = 15%	90%	90%	91.36%	1.36%
	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%	95%*	95%*	External Services 99.63%	4.63%
		SUB-TOTAL		20%					
INTERNAL PROCESSES	SO 3	Enhance delivery of leasing and financing solutions							
	SM 8	Percentage of Credit Approvals Processed within the 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% of credit applications processed within the applicable processing time**	100% of credit applications processed within the applicable processing time**	100%	-
	SO 4	Improve procedures, systems, and programs on a continuing basis							
	SM 9	Implement Quality Management System	Actual accomplishment	5%	All or nothing	Maintenance of ISO 9001:2015 Certification	Maintenance of ISO 9001:2015 Certification	PASSED	N/A
	SUB-TOTAL		20%						

LBP LEASING AND FINANCE CORPORATION

COMPONENTS					2024 Approved Target	4th Quarter 2024 (October to December)			
	Objective/Measure	Formula	Weight	Rating System		Target	Actual	Over(Under)	
LEARNING AND GROWTH	SO 5	Strengthen organizational competencies							
	SM 10	Percentage of Employees Meeting Required Competencies	Competency Baseline 2024** - Competency Baseline 2023	5%	(Actual/Target) x Weight	Improvement on the competency level based on 2023 year-end assessment ***	Improvement on the competency level based on 2023 year-end assessment ***	Improved competency level	N/A
	SO 6	Optimize Linkages and Use of Information Technology							
	SM 11	Implementation of IT Projects	Actual accomplishment	5%	All or nothing	100% completion of 2024 target ISSP Projects based on BOD approved or DICT endorsed ISSP	100% completion of 2024 target ISSP Projects based on BOD approved or DICT endorsed ISSP	100% Completed ISSP Projects	N/A
	SUB-TOTAL			10%					
TOTAL			100%						

*Based on ARTA Client Satisfaction Measure


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

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


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RAIZZA L. GONZALES
VP/Head - Corporate Services Group

Noted by:


MICHAEL P. ARAÑAS
President/CEO



27 February 2024

HON. ROBERTO U. TEO

Chairperson

HON. MICHAEL P. ARAÑAS

President and Chief Executive Officer (PCEO)

LBP LEASING AND FINANCE CORPORATION (LLFC)

15/F SyCipLaw Center, 105 Paseo de Roxas,
Makati City

RE: TRANSMITTAL OF 2024 PERFORMANCE SCORECARD

Dear Chairperson Teo and PCEO Arañas,

This is to formally transmit the 2024 Charter Statement and Strategy Map (**Annex A**) and 2024 Performance Scorecard (**Annex B**) of LLFC. The same is to be posted on LLFC's website, in accordance with Section 43 of GCG Memorandum (M.C.) No. 2012-07.¹

The LLFC-proposed Charter Statement, Strategy Map, and Performance Scorecard submitted through a letter dated 10 October 2023² were **MODIFIED** based on the discussions made during the Technical Panel Meeting (TPM) held on 15 November 2023 and evaluation of revised documents submitted through its letter dated 04 January 2024.³ The scorecard was then finalized during the Performance Target Conference (PTC) held on 27 February 2024.

We remind LLFC that Item 6 of GCG M.C. No. 2023-01⁴ requires GOCCs to submit its Quarterly Targets within 15 calendar days from receipt of the GCG-approved Performance Scorecard. Moreover, Item 7 of the same Circular directs GOCCs to accomplish the requisite Quarterly Monitoring Reports detailing its progress in accomplishing its performance targets. The Quarterly Monitoring Reports should disclose substantial changes in circumstances that were unforeseen during the TPM that may affect the timely achievement of targets.

FOR LLFC'S INFORMATION AND GUIDANCE.

Very truly yours,

ATTY. MARIUS P. CORPUS

Chairperson

ATTY. BRIAN KEITH F. HOSAKA

Commissioner

**ATTY. GERALDINE MARIE B.
BERBERABE-MARTINEZ**

Commissioner

¹ CODE OF CORPORATE GOVERNANCE FOR GOCCs, dated 28 November 2012.

² Officially received by the Governance Commission on 10 October 2023. Barcode Number: 2023-022133.

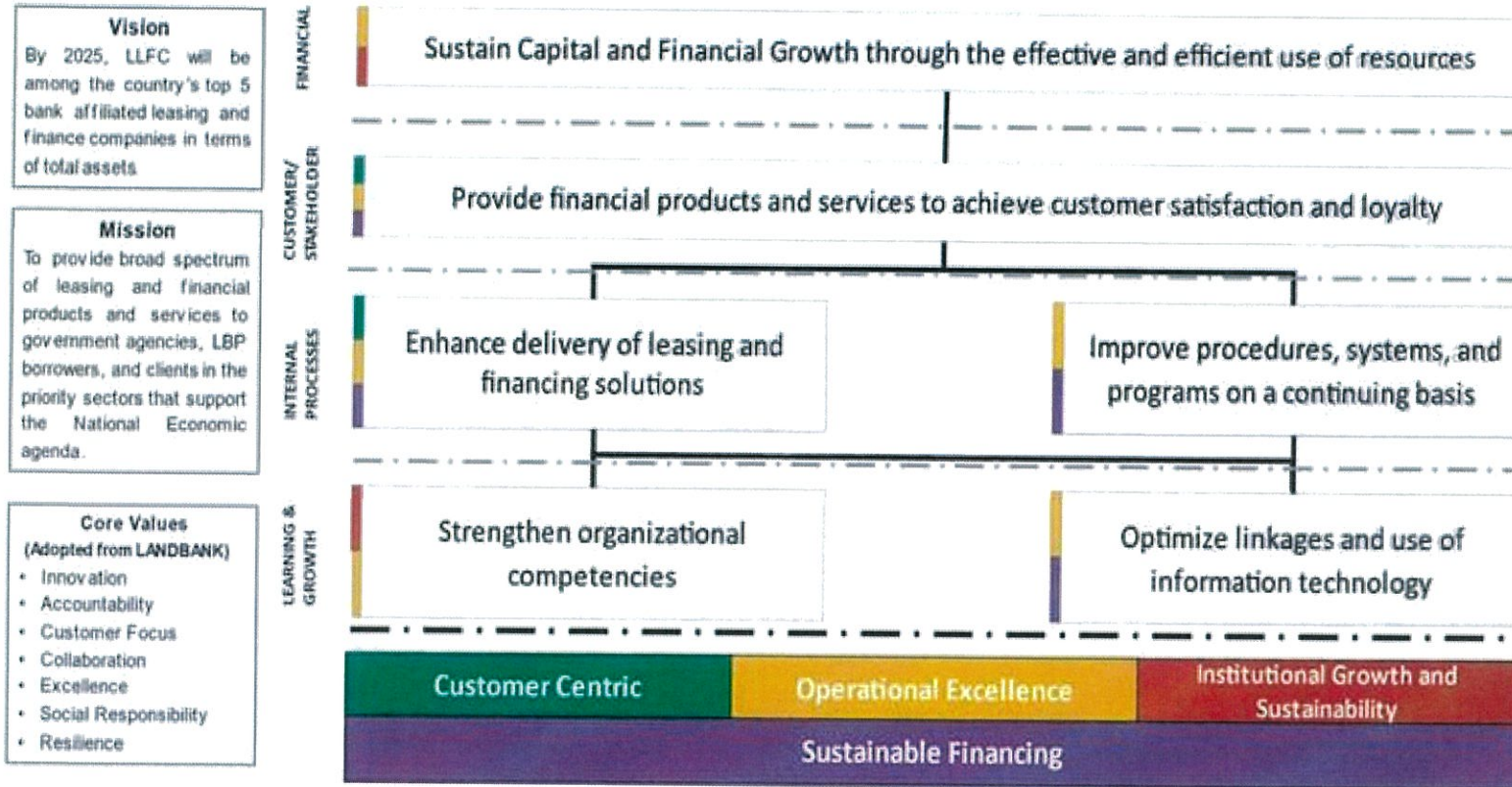
³ Officially received by Governance Commission on 05 January 2024. Barcode Number: 2024-000297.

⁴ INTERIM PERFORMANCE EVALUATION SYSTEM (PES) FOR THE GOCC SECTOR, dated 19 January 2023.



2024 CHARTER STATEMENT AND STRATEGY MAP (Annex A)

LBP LEASING AND FINANCE CORPORATION (LLFC)



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2024 PERFORMANCE SCORECARD (Annex B)

LBP LEASING AND FINANCE CORPORATION (LLFC)

COMPONENTS						BASELINE DATA		TARGET	
	OBJECTIVES	FORMULA	WEIGHT	RATING SYSTEM	2021	2022	2023	2024	
FINANCIAL	SO 1	Sustain Capital and Financial Growth Through the Effective and Efficient Use of Resources							
	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	₱4.746 Billion	₱4.866 Million	₱5.418 Billion	₱5.700 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	10%	{1 – (Actual – Target) / Target} x Weight	2.42%	29.94%	5.0%	5.0%
	SM 3	Increase Asset Size	Absolute Amount of Total Assets by End of December	5%	(Actual/Target) x Weight	₱4.967 Billion	₱5.472 Billion	₱5.70 Billion	₱5.900 Billion

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COMPONENTS					BASELINE DATA		TARGET		
	OBJECTIVES	FORMULA	WEIGHT	RATING SYSTEM	2021	2022	2023	2024	
	SM 4	Increase Net Income After Tax	Total Revenues – Total Expenses	15%	(Actual/Target) x Weight	₱29.92 Million	₱41.067 Million	₱60.0 Million	₱80.0 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	70.30%	90%	90%
		Sub-total		50%					
	SO 2	Provide Financial Products to Achieve Customer Satisfaction and Loyalty							
CUSTOMER/STAKEHOLDERS	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%	(Actual/Target) x Weight	85.43%	94.46%	90%	90%
	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%	99%	98%	95%	95%
		Sub-total		20%					

COMPONENTS					BASELINE DATA		TARGET		
	OBJECTIVES	FORMULA	WEIGHT	RATING SYSTEM	2021	2022	2023	2024	
LEARNING AND GROWTH	SO 3	Enhance Delivery of Leasing and Financing Solutions							
	SM 8	Percentage of Credit Approval Processed Within Applicable Time	Total Number of Credit Approvals for New and Existing Clients Processed Within the Applicable Time / Total Number of Credit Approvals	15%	(Actual/Target) x Weight 0%= If Below 80%	96.77%	96.9%	100% of Credit Applications Processed Within the Applicable Processing Time	100% of Credit Applications Processed Within the Applicable Processing Time
	SO 4	Improve Procedures, Systems, and Programs on a Continuing Basis							
	SM 9	Implement Quality Management System	Actual Accomplishment	5%	All or Nothing	Maintained ISO 9001:2015 Certification	ISO 9001:2015 Re-certified	Maintain ISO 9001:2015 Certification	Maintenance of ISO 9001:2015 Certification
		Sub-total		20%					
	SO 5	Strengthen Organization Competencies							
	SM 10	Percentage of Employees	Competency Baseline ¹ 2024 –	5%	(Actual/Target) x Weight	Improved Competency Based on 2020	99.78%	Board-approved Revised Competency Framework	Improvement on the Competency Level Based on


¹ The competency baseline of the organization shall pertain to the average percentage of required competencies met which can be computed using the following formula:

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

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

COMPONENTS					BASELINE DATA		TARGET	
	OBJECTIVES	FORMULA	WEIGHT	RATING SYSTEM	2021	2022	2023	2024
	Meeting Required Competencies	Competency Baseline 2023			Year-end Assessment		Competency Assessment of All Eligible Employees	2023 Year-end Assessment
SO 6	Optimize Linkages and Use of Information Technology							
SM 11	Implementation of IT Projects	Actual Accomplishment	5%	All or Nothing	100% Completion of ISSP Projects Planned for 2021 including the Remaining Projects Due for 2022	Completed 100% of the 2022 ISSP Projects Based on the Board-approved or DICT Endorsed ISSP	100% Completion of 2023 ISSP Projects Based on Board-approved or DICT Endorsed ISSP	100% Completion of 2024 ISSP Projects Based on Board-approved or DICT Endorsed ISSP
	Sub-total		10%					
	TOTAL		100%					

For GCG:


ATTY. MARIUS P. CORPUS
 Chairperson

For LLFC:


HON. MICHAEL P. ARAÑAS
 President and CEO (PCEO)