

**LBP LEASING AND FINANCE CORPORATION**

(A LANDBANK SUBSIDIARY)

24 February 2021

**Chairman Samuel G. Dagpin, Jr.**  
Governance Commission for GOCCs  
3<sup>rd</sup> Flr., Citibank Plaza,  
8741 Paseo de Roxas St.,  
Makati City

**RE: 2020 PES ACTUAL ACCOMPLISHMENT**Dear **Chairman Dagpin:**

As required, we are submitting herewith, LBP Leasing and Finance Corporation's Actual PES Accomplishment CY 2020. Also attached are the following supporting documents:

- 1. Accomplished PES Form 2a CY 2020**
- 2. SM 1: Increase in Total Portfolio**
  - a. Schedule of Total Portfolio as of December 31, 2020
  - b. Reported Total Portfolio as of December 31, 2020
  - c. Reported Results of Operations as of December 31, 2020
- 3. SM 2: Lower Net Past Due Rate**
  - a. Net Past Due Rate Computation as of December 31, 2020
  - b. Total Past Due Leases and Loans as of December 31, 2020
  - c. Schedule of Specific Loan Loss Provision as of December 31, 2020
  - d. Schedule of Total Portfolio as of December 31, 2020
  - e. Reported Asset Quality Report as of December 31, 2020
- 4. SM 3: Increase in Asset Size and SM 4: Increase in Net Income After Tax**
  - a. Reported Results of Operations as of December 31, 2020
- 5. SM 5: Percentage of Total Portfolio allocated to Priority Sector**
  - a. Priority Sector Portfolio Computation as of December 31, 2020
  - b. List of Accounts Balances included in Priority Sector
- 6. SM 6: Percentage of Satisfied Customers**
  - a. Final Report from Third Party
  - b. Samples of Accomplished Survey Questionnaires
  - c. Status Reports and Documents for submission as stated in the GCG Customer Satisfaction Survey for 2020
- 7. SM 7: Percentage of Credit Approval Processed within Applicable Time**
  - a. Account Monitoring Sheets
  - b. ExCom/BOD Resolutions Approving Credit Facilities
- 8. SM 8: Implement Quality Management System**
  - a. ISO QMS Certification
- 9. SM 9: Percentage of Employees Meeting Required Competencies**
  - a. Competency Assessment Forms CY2020
  - b. Competency Assessment Forms FY2019

**10. SM 10: Number of IT Projects Implemented**

- a. IT Project Work Program CY2020
- b. Actual Outputs per ISSP
- c. User Acceptance Testing (UAT)
- d. Delivery Receipts

Please note that the Unaudited Financial Statements for the year 2020 for submission to COA is still being finalized as of date. Likewise, the Board Resolution approving the submission of the CY2020 Actual PES will only be available next month after our BOD confirmed the minutes of the meeting for the month of February. We will furnish GCG the copy of the other documents as soon as it becomes available.

We hope these submissions satisfactorily meet your requirements.

Thank you.

Very truly yours,

  
**EDWARD JOHN T. REYES**  
OIC – President/CEO 

**ALBP LEASING AND FINANCE CORPORATION**  
**2020 PERFORMANCE SCORECARD**

COMPONENTS						2020 Approved Target	2020 Recalibrated Target	2020	
	Objective/Measure	Formula	Weight	Rating System	Actual			Rating	
FINANCIAL	SO1	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 P3 Billion	P4.500 B	P4.500 B	P4.417B	14.72%
	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	2.50%	2.50%	1.51%	15%
	SM 3	Increase Asset Size	Absolute amount	10%	(Actual / Target) x Weight	P5.400 B	P5.400 B	P5.138B	9.51%
	SO 2	Consistently Improve Profitability							
	SM 4	Increase Net Income After Tax	Total Revenues Less Total Expenses	15%	(Actual / Target) x Weight	P90.0 M	P90.0 M	P339.839*	15%
		SUB-TOTAL		55%					54.24%
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% - 79.9% = 7.5%; 80% and above = 15%	80%	80%	87%	15%
	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%	95%	95%	100%	5%
		SUB-TOTAL		20%					20%
INTERNAL PROCESSES	SO 5	Streamline Credit Processing System							
	SM 7	Percentage of Credit Approval Processed within the Applicable Time	Total Number of Credit Approval for existing and new clients Processed within Applicable Time / Total Number of Credit Approvals	10%	(Actual/Target) x Weight 0% = if less than 80%	100% of credit applications processed within the applicable processing time	100% of credit applications processed within the applicable processing time	84.8%**	8.48%
	SO 6	Continuous Improvement of Processes and Systems							
	SM 8	Implement Quality Management System	Actual accomplishment	5%	All or nothing	Maintain ISO 9001:2015 Certification	Maintain ISO 9001:2015 Certification	Passed	5%
		SUB-TOTAL		15%					13.48%



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**2020 PERFORMANCE SCORECARD**

COMPONENTS						2020 Approved Target	2020 Recalibrated Target	2020	
		Objective/Measure	Formula	Weight	Rating System			Actual	Rating
LEARNING AND GROWTH	SO 7	Ensure Availability of Required Competencies for Critical Positions							
	SM 9	Percentage of Employees Meeting Required Competencies	Number of employees meeting required competency/Total number of employees as identified by LBP-LFC	5%	(Actual/Target) x Weight	Improvement on the Competency Level of the Organization based on the 2019 year-end assessment	Improvement on the Competency Level of the Organization based on the 2019 year-end assessment	Improved competency based in 2019 yearend assessment	5%
	SO 8	Optimize Use of Information Technology							
	SM 10	Implementation of IT Projects	Actual accomplishment	5%	All or nothing	100% completion of ISSP projects planned for 2020 1. Network Infrastructure Upgrade: Server, Storage, Laptop Computer, Desktop Computer; 2. Procurement and Upgrade of other ICT Equipment: Printers, Audio Video Teleconferencing 3. Enterprise Content Management System	50% completion of ISSP projects planned for 2020 1. Network Infrastructure Upgrade: Server, Storage, Laptop Computer, Desktop Computer; 2. Procurement and Upgrade of other ICT Equipment: Printers, Audio Video Teleconferencing 3. Enterprise Content Management System	50% Completed 1. Network Infrastructure Upgrade: Server, Storage, Computers; 2. Procurement and Upgrade of other ICT Equipment: Printer, Audio Video Teleconferencing 3. Internally developed and implemented- Enterprise Content Management System	5%
		SUB-TOTAL		10%					10%
		TOTAL		100%					97.72%

\*Inclusive of Gain on Sale of BGC Property

\*\*Net of processes affected by pandemic such as appraisal

Prepared by:

IAN THE L. RAMO  
Management Services Specialist II

Certified Correct:

FIDELITO G. MAGNO  
Head - Account Management Group

RIZA M. HERNANDEZ  
OIC - Corporate Services Group

KENNETH S. STA. ROSA  
Head - Accounting Unit

Approved by:

EDWARD JOHN T. REYES  
OIC - President/CEO

COMPONENTS					4TH QTR. 2020			
		Objective/Measure	Formula	Weight	Rating System	Target	Actual	Over (Under)
FINANCIAL	SO1	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 P3 Billion	P4.500 B	P4.417B	(P0.328B)
	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	2.50%	1.51%	0.99%
	SM 3	Increase Asset Size	Absolute amount	10%	(Actual / Target) x Weight	P5.400 B	P5.138B	(P0.122B)
	SO 2	Consistently Improve Profitability						
	SM 4	Increase Net Income After Tax	Total Revenues Less Total Expenses	15%	(Actual / Target) x Weight	P22.5 M	(P66.402M)	(P43.902M)
		SUB-TOTAL		55%				
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% - 79.9% = 7.5%; 80% and above = 15%	80%	87%	7%
	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%	95%	100%	5%
		SUB-TOTAL		20%				
INTERNAL PROCESSES	SO 5	Streamline Credit Processing System						
	SM 7	Percentage of Credit Approval Processed within the Applicable Time	Total Number of Credit Approval for existing and new clients Processed within Applicable Time / Total Number of Credit Approvals	10%	(Actual/Target) x Weight 0% = if less than 80%	100% of credit applications processed within the applicable processing time*	84.8%**	(15.2%)
	SO 6	Continuous Improvement of Processes and Systems						
	SM 8	Implement Quality Management System	Actual accomplishment	5%	All or nothing	Completion of Certifying Body Surveillance for 2020	Passed	NA
		SUB-TOTAL		15%				



COMPONENTS						4TH QTR. 2020		
		Objective/Measure	Formula	Weight	Rating System	Target	Actual	Over (Under)
LEARNING AND GROWTH	SO 7	Ensure Availability of Required Competencies for Critical Positions						
	SM 9	Percentage of Employees Meeting Required Competencies	Number of employees meeting required competency/Total number of employees as identified by LBP-LFC	5%	(Actual/Target) x Weight	Address and close gaps of 100% of employees based on 2019 year-end assessment	Improved competency based in 2019 yearend assessment	NA
	SO 8	Optimize Use of Information Technology						
	SM 10	Implementation of IT Projects	Actual accomplishment	5%	All or nothing	50% completion of ISSP projects planned for 2020 1. Network Infrastructure Upgrade: Server, Storage, Laptop Computer, Desktop Computer; 2. Procurement and Upgrade of other ICT Equipment: Printers, Audio Video Teleconferencing 3. Enterprise Content Management Systemnt System	50% Completed 1. Network Infrastructure Upgrade: Server, Storage, Computers; 2. Procurement and Upgrade of other ICT Equipment: Printer, Audio Video Teleconferencing 3. Internally developed and implemented- Enterprise Content Management System	NA
		SUB-TOTAL		10%				
		TOTAL		100%				

\*Inclusive of Gain on Sale of BGC Property

\*\*Net of processes affected by pandemic such as appraisal

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