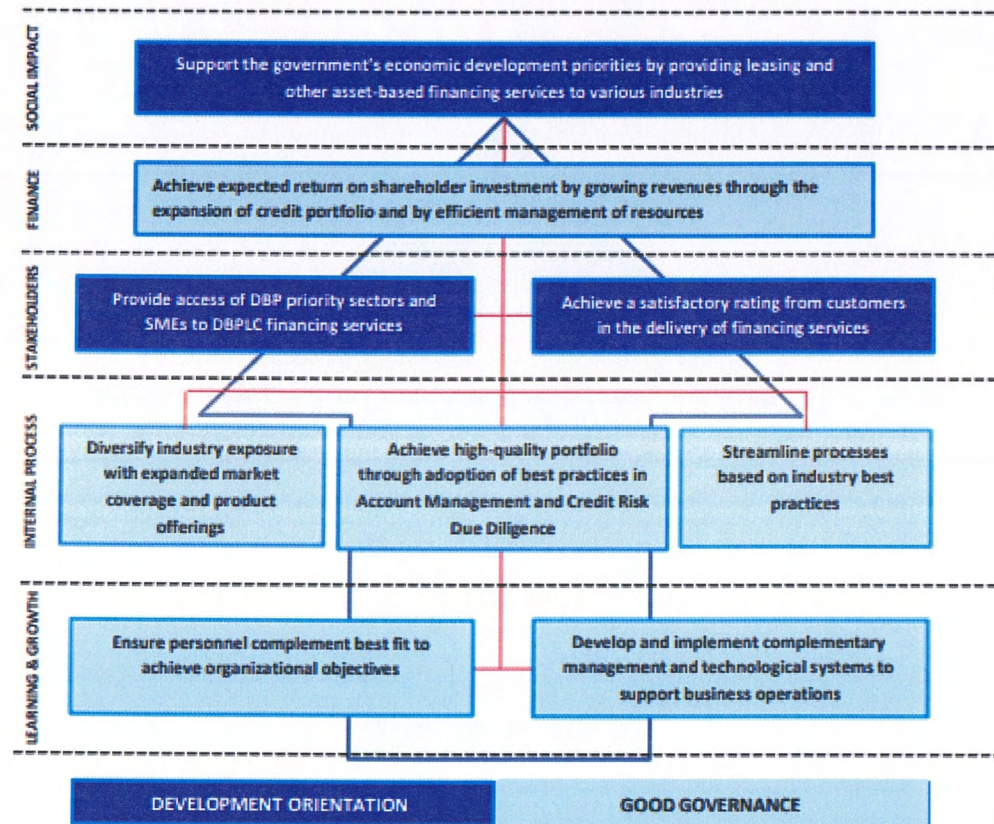


**DBP LEASING CORPORATION
STRATEGY MAP**



MISSION
To be a dynamic financial institution specializing in creative financing and leasing solutions towards strong client relationships with heightened responsiveness to government economic ideals.

VISION
By 2027, DBPLC shall continue to be a major provider of leasing and other asset-based financing services to the public and private sectors, with emphasis on SMEs, in support of the government's priorities to bring about nationwide development.

CORE VALUES
Integrity
Transparency
Quality
Relevance
Teamwork

[Handwritten signature]
[Handwritten initials]

DBP LEASING AND FINANCE CORPORATION (DBP-LC)

		COMPONENTS				BASELINE DATA ¹		TARGET	
		OBJECTIVES/MEASURE	FORMULA	WEIGHT	RATING SYSTEM	2021	2022	2023	2024
SOCIAL	SO 1	Support the Government's Economic Development Priorities by Providing Leasing and Other Asset-Based Financing Services to Various Industries							
	SM 1	Increase Total Loan and Lease Portfolio (Net as per Balance Sheet)	Absolute Amount	25%	(Actual / Target) x Weight If less Than 2023 Actual = 0%	₱2.410 Billion	₱2.48 Billion	₱3.00 Billion	₱3.00 Billion
	Sub-Total			25%					
	SO 2	Achieve Expected Return on Shareholder Investment by Growing Revenues through the Expansion of Credit Portfolio and by Efficient Management of Resources							
FINANCIAL	SM 2	Maintain Return on Equity-Net Income After Tax (ROE-NIAT)	Net Income After Tax / Average Net Worth	20%	(Actual / Target) x Weight If less than 2023 Actual = 0%	-7.84%	-0.80%	1.85%	1.85%
	SM 3	Efficient Utilization of Corporate Operating Budget	Total Disbursement (Net of PS) / Total Board-Approved Corporate Operating Budget (Net of PS)	5%	(Actual / Target) x Weight If less than 90% = 0%	N/A	70.31%	90%	90%
	Sub-Total			25%					


¹ The 2021 and 2022 baseline data are based on the Validated 2021 and 2022 Performance Scorecard released by the Governance Commission.

	COMPONENTS				BASELINE DATA ¹		TARGET		
	OBJECTIVES/MEASURE	FORMULA	WEIGHT	RATING SYSTEM	2021	2022	2023	2024	
STAKEHOLDER	SO 3	Provide Access of DBP Priority Sectors and SMEs to DBP-LC Financing Services							
	SM 4	Increase the Percentage of Clients within the DBP Priority Sectors and SMEs	Number of Clients within the DBP Priority Sector and SMEs / Total Number of Clients	10%	(Actual / Target) x Weight	78.46%	83.61%	80%	85%
	SO 4	Achieve a Satisfactory Rating from Customers in the Delivery of Financing Services							
	SM 5	Percentage of Satisfied Customers	Number of Respondents who gave at least Satisfactory Rating / Total Number of Respondents	10%	(Actual / Target) x Weight <i>If less Than 80% = 0%</i>	No Accomplishment	No Accomplishment	90%	90%
		Sub-Total		20%					
STAKEHOLDER	SO 5	Diversify Industry Exposure with Expanded Market Coverage and Product Offerings							
	SM 6	Increase the Number of New Accounts Approved	Absolute Number	5%	All or Nothing	2	4	8	8
INTERNAL PROCESS	SO 6	Achieve High Quality Portfolio Through Adoption of Best Practices in Account Management and Credit Risk Due Diligence							
	SM 7	Improve Past Due Rate	Total Past Due / Total Portfolio	5%	All or Nothing	9.92%	9.55%	≤37.17%	≤37.17%

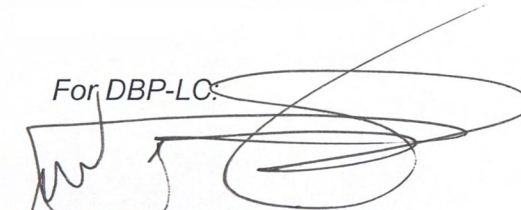
COMPONENTS					BASELINE DATA ¹		TARGET	
	OBJECTIVES/MEASURE	FORMULA	WEIGHT	RATING SYSTEM	2021	2022	2023	2024
SO 7	Streamline Processes Based on Industry Best Practices							
SM 8	Percentage of Applications Processed within Prescribed Period from Receipt of Complete Requirements	Number of Applications Processed within Prescribed Period / Total Number of Applications with Complete documents	5%	(Actual / Target) x Weight If less Than 95% = 0%	Unverifiable	Unverifiable	100%	100%
SM 9	Attain Quality Management Certification	Actual Accomplishment	5%	All or Nothing	No Accomplishment	No Accomplishment	ISO 9001:2015 Certification (Pass the Surveillance Audit)	Maintain ISO 9001:2015 Certification (Pass the Surveillance Audit)
	Sub-Total		20%					
SO 8	Ensure Personnel Complement Best Fit to Achieve Organizational Objectives							
SM 10	Improvement on the Competency Level of the Organization	Actual Accomplishment	5%	All or Nothing	No Accomplishment	No Accomplishment	Board-approved Competency Framework with the following documents: 1. Competency Catalogue 2. Competency Framework 3. Competency Tables 4. Competency Matrix 5. Position Profiles Competency- Based Job Description	Board-approved Competency Framework with the following documents: 1. Competency Catalogue 2. Competency Framework 3. Competency Tables 4. Competency Matrix 5. Position Profiles Competency- Based Job Description

COMPONENTS					BASELINE DATA ¹		TARGET	
	OBJECTIVES/MEASURE	FORMULA	WEIGHT	RATING SYSTEM	2021	2022	2023	2024
SO 9	Develop and Implement Complementary Management and Technological Systems to Support Business Operations							
SM 11	Implementation of Information Systems Strategic Plan (ISSP)	Actual Accomplishment	5%	Actual / Target x Weight	No Accomplishment	No Accomplishment	100% Completion of 2023 Deliverables based on the Revised ISSP 2023-2025	100% Completion of 2024 Deliverables based on the ISSP 2023-2025
	Sub-Total		10%					
	Total		100%					

For GCG:


ATTY. MARIUS P. CORPUS
 Chairperson

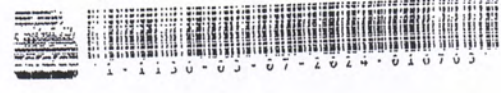
For DBP-LO:


HON. ANDREW C. KONG
 President and CEO (PCEO)



GOVERNANCE COMMISSION

FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS
3/F, BDO Towers Paseo, 8741 Paseo De Roxas, Makati City, Philippines 1226



28 June 2024

HON. CYR C. GONESTO
Chairperson
HON. ANDREW C. KONG
President and Chief Executive Officer (PCEO)
DBP LEASING CORPORATION (DBP-LC)
2nd Floor, Pacific Star Building,
Sen. Gil J. Puyat Avenue, corner Makati Ave.,
Makati, 1200 Metro Manila

RECEIVING COPY

**RE: VALIDATION RESULT OF DBP-LC's 2023
PERFORMANCE SCORECARD**

Dear Chairperson Gonesto and PCEO Kong,

This is to formally transmit the validation result of DBP-LC's 2023 Performance Scorecard (**Annex A**), where DBP-LC obtained an overall score of **25%**. The same is to be posted on DBP-LC's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.¹

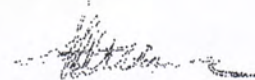
FOR DBP-LC'S INFORMATION AND GUIDANCE.

Very truly yours,


ATTY. MARIUS P. CORPUS
Chairperson

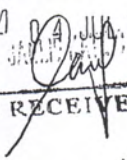


(ON OFFICIAL LEAVE)
ATTY. BRIAN KEITH F. HOSAKA
Commissioner


ATTY. GERALDINE MARIE B. BERBERABE-MARTINEZ
Commissioner

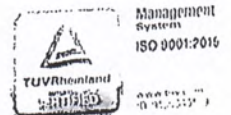
cc: GCG Resident Auditor DBP-LC

RECEIVED

BY: 
TIME RECEIVED: 10:29 AM

mc'd gmb 10:40 AM

¹ Code of Corporate Governance for GOCCs.



DBP LEASING CORPORATION (DBP-LC)
2023 Performance Scorecard Evaluation

	Objective/Measure	Component			DBPLC Submission			GCG Validation		Supporting Documents	Remarks	
		Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
SOCIAL IMPACT	SO 1	Support the Government's Economic Development Priorities by Providing Leasing and Other Asset-based Financing Services to Various Industries										
	SM 1	Increase Total Loan and Lease Portfolio (Net as per Balance Sheet)	Absolute Amount ¹	25%	(Actual / Target) x Weight If less than 2022 Actual = 0%	₱3.0 B	₱2.07 B	0%	₱2.07 B	0%	<ul style="list-style-type: none"> Summary of Lease and Loan Portfolio as of 31 December 2023 COA Annual Audit Report 2023 	Target not met. 2022 Actual: ₱2.48 B
		<i>Sub-total</i>		25%				0%		0%		
FINANCIAL	SO 2	Achieve Expected Return on Shareholder Investment by Growing Revenues through the Expansion of Credit Portfolio and by Efficient Management of Resources										
	SM 2	Maintain Return on Equity-Net Income After Tax (ROE-NIAT)	Net Income After Tax / Average Net Worth	20%	(Actual / Target) x Weight If less than 2022 = 0%	1.85%	-6.48%	0%	-6.48%	0%	<ul style="list-style-type: none"> COA Annual Audit Report 2023 	Target not met. 2022 Actual: -0.80 B

¹ Net per Balance Sheet is composed of Financial Lease (Principal excluding Interest)/Loan Receivables – Residual Value (Financial Lease).

Objective/Measure		Component	Formula	Wt.	Rating System	Target	DBPLC Submission		GCG Validation		Supporting Documents	Remarks
							Actual	Rating	Actual	Rating		
SM 3	Efficient Utilization of Corporate Operating Budget	Total Disbursement (Net of PS) / Total Board-Approved Corporate Operating Budget (Net of PS)		5%	(Actual / Target) x Weight If less than 90% = 0%	90%	80.54%	0%	94.42%	5%	<ul style="list-style-type: none"> COA Annual Audit Report 2023 	Acceptable.
Sub-total				25%				0%		5%		
SO 3	Provide Access to DBP Priority Sectors and SMEs to DBPLC Financing Services											
SM 4	Increase the Percentage of Clients within the DBP Priority Sectors and SMEs	Number of Clients within the DBP Priority Sector and SMEs / Total Number of Clients		10%	(Actual / Target) x Weight	80%	85.71%	10%	85.71%	10%	<ul style="list-style-type: none"> Summary of Loan and Lease Portfolio Six Sample (6) Loan/Lease Application Forms with Credit Application Forms 	Acceptable.
SO 4	Achieve a Satisfactory Rating from Customers in the Delivery of Financing Services											
SM 5	Percentage of Satisfied Customers	Total Number of Respondents who Gave at least Satisfactory Rating / Total Number of Respondents		10%	(Actual / Target) x Weight If less than 80% = 0%	90%	-	0%	No accomplishment	0%	<ul style="list-style-type: none"> 2023 Harmonized Client Satisfaction Measurement reported by ARTA 	Per ARTA, DBPLC did not submit its CSM Report.
Sub-total				20%				10%		10%		

INTERNAL PROCESS	Component				DBPLC Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating		
SO 5	Diversify Industry Exposure with Expanded Market Coverage and Product Offerings										
SM 6	Increase the Number of New Accounts Approved	Absolute Number	5%	All or Nothing	8	3	0%	3	0%	<ul style="list-style-type: none"> Credit Application (CA) Forms Aging of Receivables 	Target not met.
SO 6	Achieve High-Quality Portfolio Through Adoption of Best Practices in Account Management and Credit Risk Due Diligence										
SM 7	Improve Past Due Rate	Total Past Due / Total Portfolio	5%	All or Nothing	≤37.17%	61.92%	0%	62.08%	0%	<ul style="list-style-type: none"> COA Annual Audit Report 2023 Credit Applications (CA) Forms 	Target not met.
SO 7	Streamline Processes Based on the Industry Best Practices										
SM 8	Percentage of Applications Processed Within Prescribed Period from Receipt of Complete Requirements	Number of Applications Processed within Applicable Processing Time / Total Number of Applications with Complete Documents	5%	(Actual / Target) x Weight If less than 95% = 0%	100%	100%	5%	100%	5%	<ul style="list-style-type: none"> CREG Tracking Slip Credit Application (CA) 	Acceptable.
SM 9	Attain Quality Management Certification	Actual Accomplishment	5%	All or Nothing	ISO 9001:2015 Certification (Pass the Surveillance Audit)	Passed the Surveillance Audit	5%	Passed the Surveillance Audit	5%	<ul style="list-style-type: none"> Certification from third-party certifying body (9001:2015) 	Acceptable.
	Sub-total		20%				10%		10%		

	Objective/Measure	Component			DBPLC Submission		GCG Validation		Supporting Documents	Remarks		
		Formula	Wt.	Rating System	Target	Actual	Rating	Actual			Rating	
ORGANIZATION	SO 8	Ensure Personnel Complement Best Fit to Achieve Organizational Objectives										
	SM 10	Improvement on the Competency Level of the Organization	Actual Accomplishment	5%	All or Nothing	Board-approved Competency Framework with the following documents: 1. Competency Catalogue 2. Competency Framework 3. Competency Tables 4. Competency Matrix 5. Position Profiles 6. Competency-Based Job Description	-	0%	No accomplishment	0%	-	DBP-LC failed to provide its Board-approved competency framework.
	SO 9	Develop and Implement Complementary Management and Technological Systems to Support Business Operations										
	SM 11	Implementation of Information Systems Strategic Plan (ISSP)	Actual Accomplishment	5%	All or Nothing	100% Completion of 2023 Deliverables Based on the Revised ISSP 2023-2025	-	0%	No accomplishment	0%	-	DBP-LC did not report any accomplishment for this measure.
		Sub-total		20%				0%		0%		
		Grand Total		100%				20.0%		25.0%		