



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



14 December 2020

MR. ALVIN G. DANS

Chairperson

MR. TOMAS T. DE LEON, JR.

President and CEO (PCEO)

LBP INSURANCE BROKERAGE, INC. (LIBI)

12/F SyCip Law Center, 105 Paseo de Roxas,
Legaspi Village, Makati City

**RE: VALIDATION RESULT OF THE 2019
PERFORMANCE SCORECARD OF LIBI**

Dear Chairperson Dans and PCEO De Leon,

This is to formally transmit the validation result of LIBI's 2019 Performance Scorecard. Based on the Governance Commission's validation of documentary submissions, the LIBI gained an over-all score of **95.12%** (see **Annex A**). The same is to be posted in LIBI's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.¹

In relation to the grant of the 2019 Performance Based Bonus (PBB) to eligible officers and employees, LIBI can grant such incentive only upon receipt of confirmation letter from the Governance Commission. In this regard, the Board is reminded that any unilateral action to release the PBB before the confirmation will be considered as a violation of the Board's fiduciary duty to protect the assets of the GOCC as provided under Section 19 of Republic Act No. 10149².

FOR LIBI'S INFORMATION AND GUIDANCE.

Very truly yours,

cc: COA Resident Auditor - LIBI

¹ Code of Corporate Governance for GOCCs dated 28 November 2012.

² GOCC Governance Act of 2011.

LBP INSURANCE BROKERAGE, INC. (LIBI)
Validation Result of 2019 Performance Scorecard

Component						LIBI Submission		GCG Validation		Supporting Documents	GCG Remarks	
Objective/Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating				
FINANCIAL	SO 1	Ensure Sustainable Financial Growth										
	SM 1	Increase Net Income After Tax (NIAT)	Net Income Less Income Tax	30%	(Actual /Target) x Weight Below ₱72.21 Million = 0%	₱82.79 Million	₱121.800 Million	30%	₱122.409 Million	30%	Commission on Audit (COA) 2019 Annual Audit Report (AAR)	Target exceeded. Validation was based on COA AAR. LIBI's NIAT is higher by 30.81% than the previous year.
		<i>Sub-total</i>		30%				30%		30%		
STAKEHOLDER/ CUSTOMERS	SO 2	Improve Service Delivery										
	SM 2	Percentage of Satisfied Customers	Number of respondents which gave at least Satisfactory rating/ Total number of respondents	10%	(Actual /Target) x Weight Below 80%= 0%	90%	89%	9.89%	89%	9.89%	Results of the Survey conducted by Third-party; Sample Survey Questionnaires; Backchecking and Spot-Checking Report;	Reported Accomplishment acceptable. Target not met.

Component						LIBI Submission		GCG Validation		Supporting Documents	GCG Remarks
Objective/Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating			
SO 3	Provide Wider Market Reach for Microinsurance Products for Agricultural and Fisheries Development										
SM 3	Number of Clients Covered by Microinsurance	Absolute Figure	5%	(Actual / Target) x Weight	100 farmers under Accessible and Sustainable Lending (ASL) program covered by microinsurance	129	5%	129	5%	List of farmers under ASL Program and Copies of Confirmation of Coverage	Acceptable. LIBI exceeded its target.
			5%	(Actual / Target) x Weight	500 farmers outside the ASL program covered by microinsurance	2208	5%	2208	5%	List of farmers outside the ASL Program and Copies of Confirmation of Coverage	
SO 4	Provide Wide Market Reach for Financial Viability										
SM 4	Increase Premium Volume	Absolute Amount	20%	(Actual/Target) x Weight, Lower than ₱506.26 Million= 0%	₱734.70 Million	₱835.044	20%	₱834.957	20%	Product-ion Report for the period ended 31 December 2019; COA 2019 Annual Audit Report	Target exceeded. Validation was based on the COA AAR. The net premium volume produced during the year reached ₱834.957 Million, an increase of ₱120.135 Million or 16.81% compared to last year.

Component						LIBI Submission		GCG Validation		Supporting Documents	GCG Remarks	
Objective/Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating				
	<i>Sub-total</i>		40%			39.89%		39.89%				
INTERNAL PROCESS	SO 5	Improve Efficiency and Quality of Insurance Process										
	SM 5	Percentage of Insurance Policies Issued Within Applicable Time	Number of Policies issued within TAT/ Total Number Policy Issuance	10%	(Actual /Target) x Weight	90%	49.55%	5.51%	47.15%	5.23%	List of transactions with dates of insurance company interventions; Process workflow; Randomly selected transaction based on the submitted dataset;	Target not met. Validated accomplishment based on submitted supporting documents. LIBI processed a total of 2,507 applications for 2019. Of which, 1,182 applications were processed within the applicable time resulting to a 47.15% compliance rate.
	SO 6											
SM 6	Improve Processes to Quality Management System	Actual Accomplishment	5%	All or Nothing	Maintain ISO 9001:2015 Certification	Maintained ISO 9001:2015 Certification	5%	Maintained ISO 9001: 2015 Certification	5%	Surveillance Audit Report; ISO Certification.	Target met as confirmed by the certifying body, LIBI has been audited for the scope of Provision of Insurance Brokering and Claims Processing.	

Component						LIBI Submission		GCG Validation		Supporting Documents	GCG Remarks	
Objective/Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating				
	<i>Sub-total</i>		15%		-		10.51%		10.23%			
LEARNING & GROWTH	SO 7	Develop Strategic Skills & Competence of Officers and Staff										
	SM 7	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	10%	All or Nothing	Development of Competency Model with the submission of the following documents: 1. Competency Catalogue 2. Competency Framework 3. Competency Tables 4. Competency Matrix 5. Position Profiles 6. Competency-Based Job Description 7. Competency Assessment Tools	Redeveloped Competency Model	10%	Development of Competency Model with the submission of the following documents: 1. Competency Catalogue 2. Competency Framework 3. Competency Tables 4. Competency Matrix 5. Position Profiles 6. Competency-Based Job Description 7. Competency Assessment Tools	10%	Competency Model related documents; Board Resolution No. 2019-012-038, dated 20 December 2019, approving the Competency Model.	Acceptable. Target met.
	SO 8	Enhance IT Infrastructure										
SM 8	Implementation of IT Infrastructure Roadmap	Actual Accomplishment	5%	All or Nothing	100% implementation of 2019 infrastructure based on the Board-approved	Full Implementation of the 2019 Infrastructure Roadmap as follows:	5%	Full Implementation of the 2019 Infra-structure Roadmap as follows:	5%	Purchase Order, Delivery Receipts and other Procure-	Reported Accomplishment acceptable. Target met.	

Component						LIBI Submission		GCG Validation		Supporting Documents	GCG Remarks
Objective/Measure		Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating		
					IT Infrastructure Roadmap, as follows: 1. Network Service: Upgrade from Conventional Internet Data Cable to Fiber Optic Internet; 2. Data Center Foundation: Uninterruptible Power Supply (UPS), for server and Client PCs; Surveillance: Closed-Circuit Television (CCTV); Data Switches, routers and access points; 3. Business Resiliency Services: Disaster Recovery as a Service and Business Continuity; Data Backup and Protection Services;	1. Network Services: Upgrade from Conventional Internet Data to Fiber Optic Internet; 2. Data Center Foundation: Uninterruptible Power Supply (UPS) for Server and Client's PCs, Surveillance Closed-Circuit Television; Data Switches, Routers and Access Points; 3. Business Resiliency Services: Disaster Recovery as a Service and Business Continuity, Data Backup and Protection Services; and		1. Network Services: Upgrade from Conventional Internet Data to Fiber Optic Internet; 2. Data Center Foundation: Uninterruptible Power Supply (UPS) for Server and Client's PCs, Surveillance Closed-Circuit Television; Data Switches, Routers and Access Points; 3. Business Resiliency Services: Disaster Recovery as a Service and Business Continuity, Data Backup and Protection Services; and 4. End User Devices and Platform: Replacement of		ment Documents; Certificate of Project Deliverable Accepted.	

Component						LIBI Submission		GCG Validation		Supporting Documents	GCG Remarks
Objective/Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating			
				4. End User Devices and Platform: Replacement of Unserviceable or Outdated Desktops and Workstations (based on three-year plan from 2018-2020)	4. End User Devices and Platform: Replacement of Unserviceable or outdated desktops and workstations (based on a three-year plan from 2018-2020)		Unserviceable or outdated desktops and workstations (based on a three-year plan from 2018-2020)				
	<i>Sub-total</i>					15%		15%			
	TOTAL					100%		95.40%			95.12%