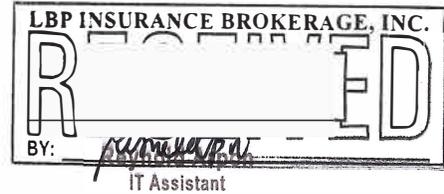




27 January 2026

HON. TOMAS T. DE LEON, JR.
Acting Chairperson
HON. EUSEBIO A. CORTEZ
President and CEO (PCEO)
LBP INSURANCE BROKERAGE, INC. (LIBI)
 12/F SSHG Law Center, 105 Paseo de Roxas,
 Legaspi Village, Makati City



**RE: RESULT OF THIRD REVALIDATION OF THE 2023
PERFORMANCE SCORECARD OF LIBI**

Dear Chairperson De Leon and PCEO Cortez,

This refers to LIBI's letter dated 03 November 2025¹ requesting for reconsideration of the revalidated rating of Strategic Measure (SM) 5: *Number of Clients covered by Microinsurance*, under its 2023 Performance Scorecard.

Upon due evaluation, the revalidated score of LIBI's 2023 Performance Scorecard remained at **85.67%**. Attached as **Annex A** is the summary of our review. The same is to be posted on the LIBI's website, in accordance with GCG Memorandum Circular (M.C.) No. 2012-07.²

FOR THE LIBI'S INFORMATION AND GUIDANCE.

Very truly yours,

ATTY. MARIUS P. CORPUS
Chairperson

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

cc: COA Resident Auditor – LIBI

¹ Officially received by the Governance Commission on 03 November 2025 [Barcode No. 2025-029774].

² Code of Corporate Governance for GOCCs, dated 28 November 2012.



LBP INSURANCE BROKERAGE, INC. (LIBI)
Third (3rd) Revalidation Result of 2023 Performance Scorecard

Component					LIBI Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
SO 1	Ensure Sustainable Financial Growth										
SM 1	Increase Net Income After Tax (NIAT)	Net Income Less Income Tax	25%	(Actual / Target) x Weight 0% if lower than ₱ 132 Million	₱284.83 Million ₱138.72 Million – PFRS 15 Applied	₱ 327.82 Million (Unaudited) ₱ 186.02 Million Applied PFRS 15	-	₱ 186.03 Million – Applied PFRS 15	25%	Commission on Audit (COA) Annual Audit Report (AAR); Computation of the recalibrated Net Fees and Commission Income; Board Resolutions No. 2023-017-057B, and 2023-021-072	Target exceeded based on the recalibrated target applying PFRS 15.
SM 2	Improve Budget Utilization Rate (BUR)	Total Disbursements / Board-approved Corporate Operating Budget (both net of PS Cost)	5%	(Actual / Target) x Weight 0% = if less than 70%	90%	73.54 %	-	55.38%	0%	Board-approved COB; Board Resolution re: realignment of budget for 2023 LIBI's computation of BUR; List of Projects under Capital Outlay; Annual Procurement Plan; Budget Utilization Report as submitted to the ICRS; COA Annual Audit Report	Target not met.

FINANCIAL

	Component				Target	LIBI Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure	Formula	Wt.	Rating System		Actual	Rating	Actual	Rating			
STAKEHOLDERS/ CUSTOMER	SO 2 Provide Wider Market Reach for Financial Viability											
	SM 3	Increase Premium Volume										
	a)	Life Insurance	Absolute Amount	15%	(Actual / Target) x Weight	₱ 1,207.60 Million	₱ 1,159.60 Million	-	₱ 1,159.60 Million	14.40%	Monthly breakdown per insurance lines; Notes to Financial Statement; Detailed breakdown for July and August	Target not met.
	b)	Non-Life Insurance	Absolute Amount	15%	(Actual / Target) x Weight	₱ 701.82 Million	₱ 722.47 Million	-	₱ 722.47 Million	15%	Monthly breakdown per insurance lines; Notes to Financial Statement; Detailed breakdown for July and August	Target exceeded.
	Sub-Total			60%				-		54.40%		
SO 3 Improve Service Delivery												
SM 4	Percentage of Satisfied Customers: Individuals	Number of Respondents which gave at least Satisfactory rating/ Total number of respondents	2.5%	(Actual / Target) x Weight	90%	Ongoing – Submission to ARTA of CSM Report will be on or before April 15 2024	-	98.60%	5%	Copy of the acknowledgement receipt from ARTA; ARTA's Validated Result	Based on the ARTA's rectified report, LIBI achieved a CSM rating of 98.60% and deemed compliant with the CSM Guidelines. Thus, a 5% rating is recommended.	
	Percentage of Satisfied Customers: Business Organizations		2.5%	0% = if less than 80%	90%							

Component					LIBI Submission		GCG Validation		Supporting Documents	Remarks
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating		
SO 4	Provide Wider Market Reach for Microinsurance Products and for various LBP Programs									
SM 5	Number of Clients covered by Microinsurance	Absolute Number	5%	(Actual / Target) x Weight	1,500 beneficiaries covered by Microinsurance	2,302 Beneficiaries	-	<u>Unverifiable</u>	0%	<p>Request for reconsideration is DENIED.</p> <p><i>While LIBI's latest submission reflects corrective adjustments to some of the previously identified erroneous or duplicated entries, the GCG emphasizes that reliance cannot be placed solely on the revised 3rd dataset.</i></p> <p><i>The core issue relates to the integrity and accuracy of the monitoring reports that LIBI is expected to maintain.</i></p> <p><i>The re-evaluation showed that there were COCs which were completely deleted in the third version of the dataset.</i></p> <p><i>Moreover, LIBI's claim that it still exceeded the target after removing the identified inconsistent COCs does not address the overarching concern on data integrity.</i></p>

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Component					LIBI Submission		GCG Validation		Supporting Documents	Remarks
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating		
										<p><u>Furthermore, the responsibility for complete and timely submission rests solely with the LIBI. As this requirement forms part of its mandate, the LIBI must ensure accuracy and timeliness in monitoring Microinsurance production to prevent repeated corrections and resubmissions. The LIBI should have submitted a properly matched database at the onset of the validation or during the first revalidation. The corrections were made only after GCG pointed out the inconsistencies after the validation.</u></p> <p><u>Lastly, the GCG cannot adopt LIBI's proposal to exclude the employee responsible for the monitoring of Microinsurance production, as doing so would contravene established guidelines and the uniform application of accountability measures.</u></p>

Component					LIBI Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
SM 6	Number of Clients covered by various LBP Programs	Absolute Number	5%	(Actual / Target) x Weight	1,000 beneficiaries covered by LBP Programs	827 Beneficiaries	-	827 beneficiaries	4.14%	Raw database for ACEF and AFFORD-ARBs; Random samples	Target not met.
Sub-Total			15%						9.14%		
SO 5	Improve Efficiency and Quality Insurance Process										
SM 7	Percentage of Notification Coverage / Insurance Policy Issued within the Applications Processing Time	Number of applications processed within the applicable processing time ¹ / Total application for issuance of Notification of Coverage Received	5%	(Actual / Target) x Weight	100%	87% Notice of Coverage within TAT	-	42.51%	2.13%	Market Monitoring Report; Random Samples; <u>Revised Database;</u> <u>Written Justifications;</u> <u>Additional samples</u>	A thorough re-evaluation revealed that 7,866 applications out of the 18,506 applications received were processed within the turn-around time of one (1) working day.

¹ Applicable processing time will be based on LIBI's Citizen's Charter in compliance with Republic Act No. 11032. [Start Time: upon acknowledge and receipt of documents; End time: issuance of notice of coverage].

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Component					LIBI Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
SO 6	Enhance Existing Processes Comparable with the Industry										
SM 8	Improve Processes to Quality Management System	Actual Accomplishment	10%	All or Nothing	Pass Surveillance Audit for ISO 9001:2015 Certification	Completed	-	Passed the Surveillance Audit for ISO 9001:2015	10%	NQA ISO Certification; NQA Surveillance Audit Report	Target met.
		Sub-total	15%						12.13%		
SO 7	Develop Strategic Skills & Competence of Officers and Staff										
SM 9	Improve Competency Level of the Organization	Competency Baseline ² 2021-Competency Baseline 2022	5%	All or Nothing	Improvement on the Competency Level of the Organization based on the 2021 year-end assessment	Completed: There is an increase in the organizational competency level based on the 2022 Competency Assessment Report	-	Improved the Competency Level of the Organization	5%	Accomplished samples for Self-assessment only. Summary signed by respective supervisors.	Target met.

LEARNING & GROWTH

² Improvement in the competency baseline of the organization shall pertain to the average percentage of required competencies met which can be computed using the following formula:

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

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

Component					LIBI Submission		GCG Validation		Supporting Documents	Remarks	
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
SO 8	Enhance IT Infrastructure										
SM 10	Implementation of IT Projects	Actual Accomplishment vs Work Program	5%	(Actual / Target) x Weight	100% Implementation of the following IT projects based on the ISSP: 1. IIBS Virtualization 2. DMS Virtualization 3. Automation of TAT Monitoring (as part of the enhancement of IIBS)	100% Implementation of the following IT projects based on the ISSP: 1. IIBS Virtualization 2. DMS Virtualization 3. Automation of TAT Monitoring (as part of the enhancement of IIBS)	-	Implemented the following IT Projects based on ISSP: 1. IIBS Virtualization 2. DMS Virtualization 3. Automation of TAT Monitoring (as part of the enhancement of IIBS)	5%	Certificates of Completion from the third-party providers: Achieve Without Borders, Inc. and Asian Business Solutions, Inc.	Target met.
		Sub-total	10%				-		10%		
		TOTAL	100%				91.80%		85.67%		

Annex A Reviewed and Certified Correct by:


ATTY. LOVELY JOY A. AVISADO, CPA
 Director IV
 Corporate Governance Office - A


JHON ARNOLD C. TALUSAN
 Director III
 Corporate Governance Office - A