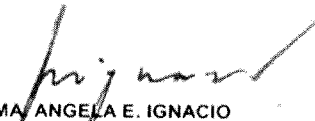


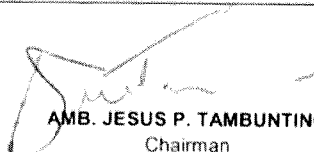
**SUMMARY OF AGREEMENTS
SMALL BUSINESS CORPORATION
2016**

TWG AGREEMENT	Remarks	PAN AGREEMENT
Charter Statement		
Mission Statement		
Empower Micro, Small and Medium Enterprises (mSMEs) as viable businesses by developing and implementing financing services and capacity building support programs in a progressive and sustainable manner, and by advocating for measures and policies that will promote a more robust mSME finance industry	Adopt	Empower Micro, Small and Medium Enterprises (mSMEs) as viable businesses by developing and implementing financing services and capacity building support programs in a progressive and sustainable manner, and by advocating for measures and policies that will promote a more robust mSME finance industry
Vision Statement		
By 2020, we envision Small Business Corporation as a world class, best managed and sustainable development finance institution.	Adopt. SBC to provide goals that will operationalize the vision.	By 2020, we envision Small Business Corporation as a world class, best managed and sustainable development finance institution.
Core Values		
Belief in God Development Orientation Innovation Integrity Accountability Transparency Professionalism	Adopt	Belief in God Development Orientation Innovation Integrity Accountability Transparency Professionalism

For GCG:


MA ANGELA E. IGNACIO
Commissioner

For SBC:


AMB. JESUS P. TAMBUNTING
Chairman

BENIGNO L. ZIALCITA III
Vice-Chairman / President


BENEL P. LEGUA
Director


AJIJUL ADAM TARADJI
Director



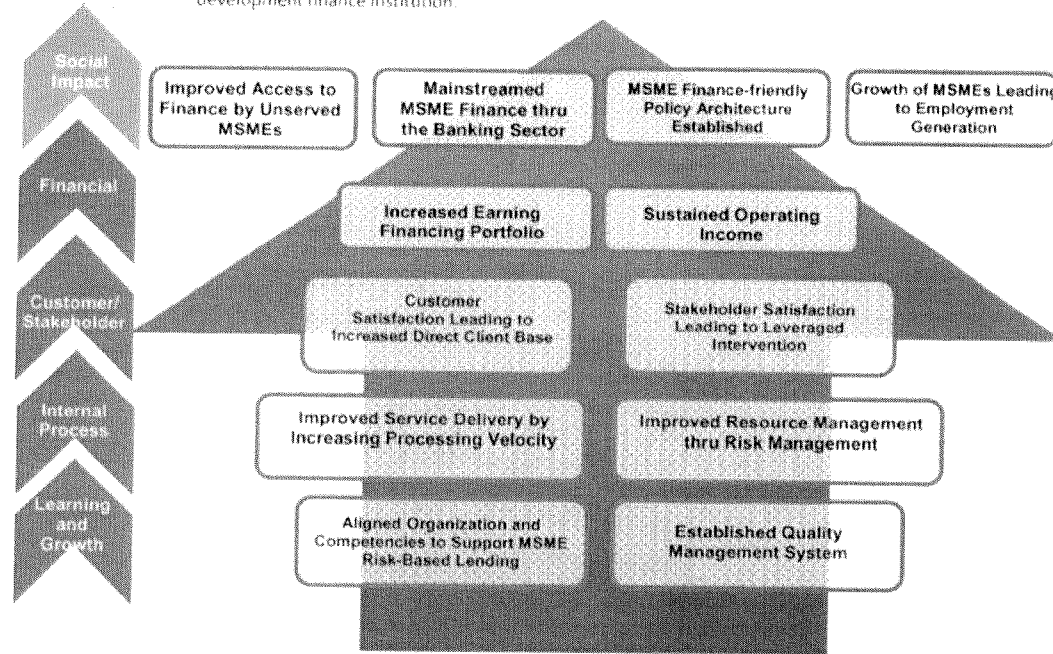
STRATEGY MAP

Vision Statement

By 2020, we envision Small Business Corporation as a world-class, best managed and sustainable development finance institution.

Mission Statement

Empower MSMEs as viable businesses by developing and implementing financing and capacity building support programs in a progressive and sustainable manner, and by advocating for measures and policies that will promote a more robust MSME finance industry.



For GCG:

[Signature]
MARIA ANGELA E. IGNACIO
Commissioner

For SBC:

[Signature]
AMB. JESUS P. TAMBUNTING
Chairman

BENIGNO L. ZIALCITA III
Vice-Chairman / President

[Signature]
BENEL P. LAGUA
Director

[Signature]
AJIJUD ADAM TARADJI
Director

**SUMMARY OF AGREEMENTS
SMALL BUSINESS CORPORATION
2016**

PAN AGREEMENT							Remarks			
Component						Formula		Weight	Rating Scale	Full Year 2016 Target
SOCIAL IMPACT	SO 1	Improved Access to Finance by Unserved mSMEs								
	SM 1	Partially-secured loan ratio - not more than 50% secured	Number of unsecured borrowers/Total number of borrowers - retail lending and equity financing (based on approved borrowers within the year inclusive of credit line renewals; count inclusive of ERF)			5%	(Actual/Target) x Weight	81%		
	SM 2	Enterprise Rehabilitation Financing (ERF) for mSMEs damaged by calamity	Cumulative Releases			5%	(Actual/Target) x Weight	₱650 Million		
	SO 2	Mainstreamed mSME Finance thru the Banking Sector								
	SM 3	mSME loan portfolios of banks supported by SBCorp credit guarantee	Total loan amounts indicated in the active guarantee contracts, based on highest within the year			5%	(Actual/Target) x Weight	₱600 Million		
	SO 3									
	SM 4	Policy endorsements	Absolute			2.5%	All or nothing	Filing of bill in Congress to strengthen the mSME Magna Carta		
			Absolute			2.5%	All or nothing	Signed resolution among the supply-side stakeholders (may include BSP) on the credit guarantee component of the mSME Finance Roadmap		
	SO 4	Growth of mSMEs Leading to Employment Generation								
	SM 5	First time borrowers ratio	Number of first time borrowers with no prior borrowings from banks/Total number of borrowers - retail lending and equity financing			5%	(Actual/Target) x Weight	40%		

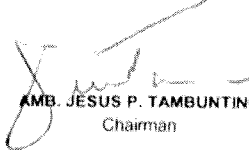
		PAN AGREEMENT				Remarks	
		Component					
		Formula	Weight	Rating Scale	Full Year 2016 Target		
FINANCE	SO 5	Increased Earning Financing Portfolio					
	SM 6	Earning loan portfolio plus total ERF and equity financing portfolios	Year-end outstanding balance	5%	(Actual/Target) x Weight	₱3.64 Billion	
		% Change					
		SME Wholesale					
		MF Wholesale					
		Incubation-Graduation Retail					
		Enterprise Rehabilitation Retail					
		Equity Financing					
		SO 5	Sustained Operating Income				
		SM 7	Operational Self-Sufficiency Ratio	Core Revenues/Total Expenses (wherein: Core revenues = Interest Income from Financing Programs, Credit Guarantee and Venture Capital; Total Expenses = Administrative Expenses including capability building expenses + finance cost + credit risk cost)	10%	(Actual/Target) x Weight	84%
CUSTOMER / STAKEHOLDER	SO 6	Customer Satisfaction Leading to Increased Client Base					
	SM 8	Customer Satisfaction Survey	Rating	5%	All or nothing	Satisfactory rating	
	SM 9	No. of active direct MSME clients financed	Absolute count, active retail lending and all ERF and equity financing clients	10%	(Actual/Target) x Weight	3,000	
		Retail Lending - regular					
		Retail Lending - ERF					
		Venture Capital					
		SO 7	Increased competencies of Fis in risk-based mSME lending				
		SM 10	No. of paying capacity building enrollees	Cumulative	10%	(Actual/Target) x Weight	258
			RBL FI graduates				
			SME-AO graduates per certification module				
			EEPro graduates				
		mSME clients under other capacity building services					
	SO 8	Stakeholder Satisfaction Leading to Leveraged Intervention					
	SM 11	No. of active Fis under guarantee program	Absolute number based on highest count of active Fis within the year	5%	(Actual/Target) x Weight	15	

PAN AGREEMENT							Remarks
Component							
		Formula	Weight	Rating Scale	Full Year 2016 Target		
INTERNAL PROCESS	SO 9	Improved Service Delivery by Increasing Processing Velocity					
	SM 12	Processing velocity	Number of clients/Number of employees	10%	(Actual/Target) x Weight	14.6	
	SO 10	Improved Resource Management thru Risk Management					
	SM 13	Sustainability rate of mSME borrowers	Percent BRR 1 to 6 / Total number of risk-rated borrowers as of beginning of year under retail lending excluding ERF	5%	(Actual/Target) x Weight	89%	
LEARNING AND GROWTH	SO 11	Aligned Organization and Competencies to Support Risk-based mSME Lending					
	SM 14	Competency level	Baseline	5%	All or nothing	Establish Baseline	
	SO 12	Established quality management system					
	SM 15	ISO Certification	Certification	5%	All or nothing	Passed Surveillance Audit	
	SM 16	BRR review	Third party review of results of SBCorp experience in BRR	5%	All or nothing	Improved BRR instrument as approved by the Board	
	Total Weight			100%			

For GCG:


MA. ANGELA E. IGNACIO
 Commissioner

For SBC:


AMB. JESUS P. TAMBUNTING
 Chairman

BENIGNO L. ZIALCITA III
 Vice-Chairman / President


BENEL P. LAGUA
 Director


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 Director