

**SBCORP GOVERNING BOARD STRATEGIC PLANNING**  
**16 December 2025**

*Minutes of the Meeting*

**I. Participants**

**a. Governing Board**

1. Mr. Robert C. Bastillo
2. Ms. Annie F. Candelaria
3. Mr. Joe Jay T. Doctora
4. Mr. Voltaire B. Magpayo
5. Ms. Elvira L. Go
6. Mr. Wilhelmino G. Agregado
7. Mr. Henry B. Caunan
8. Mr. Arnulfo V. Galdo (*online*)

**b. Management Committee**

9. Ms. Rowena G. Betia
10. Mr. Angelito B. Acupan
11. Ms. Lourdes A. Baula (*online*)
12. Ms. Corazon A. Dimayuga (*online*)
13. Atty. Candice Elizabeth A. Cabrido (*online*)

**c. Resource Persons**

14. Mr. Lynnuel Victorio
15. Mr. Michael Medina

**d. Secretariat**

16. Atty. Michelle G. Raymundo
17. Ms. Gia F. Estrella
18. Mr. Jesse Pelingon
19. Ms. Ronalyn M. Zantua
20. Ms. Alyanna Victoria M. Rivera
21. Mr. Ronaldo A. Rada
22. Ms. Judelyn Udal
23. Ms. Maria Theresa Bernabe

**II. Introduction**

The Planning Department gave an overview of the activity, particularly on its objectives which are to (1) approve the overall strategic direction of SBCorp, (2) support the shift towards partnership-led, catalytic financing, (3) approve the creation of the Development Finance and Innovative Lending Sector, and (4) provide guidance as implementation moves forward.

The SBCorp Strategy Map was also revisited to discuss whether there should be changes or updates to the Vision, Mission, Values, Value Proposition, Strategic Objectives, and Service Philosophy. The Planning Department shared that during the Governance Commission for GOCCs (GCG) Technical Panel Meeting on 28 November 2025, it was noted that the SBCorp's vision, which is "Bridging the gap in sustainable finance for the underserved," should be time-bound and measurable. Hence, during the Day 1 of the SBCorp Management Strategic Planning, it was decided that the Planning Department will be proposing a revised version of SBCorp's vision for the Management Committee and Governing Board's approval.

Mr. Bastillo added that while the Vision is still reflective of SBCorp's mandate, it would need to be revised to make it more distinguishable from the Mission. The Vision should be focused on the impact SBCorp wants to attain given its growing loan portfolio. Mr. Bastillo suggested making the Vision a bit bolder with more measurable terms. He maintained, however, that revising the Vision would not change the overall strategic direction of SBCorp.

### **III. Presentation of SBCorp's 2025 Performance Governance System (PGS) Scorecard Accomplishments and the Proposed 2026 Performance Governance System (PGS) Scorecard**

The Planning Department presented SBCorp's 2025 Performance Governance System (PGS) Scorecard Accomplishments as of November 2025 and the proposed 2026 Performance Governance System (PGS) Scorecard (attached as Annex A).

#### ***Comments of the Governing Board:***

- Dir. Doctora asked if SBCorp has an internal scorecard to determine actual operational and financial targets. He views that the GCG scorecard is general in nature, liberal, and is focused on GCG's own standards.
- Mr. Bastillo clarified that the scorecard being presented is different from the Corporate Governance Scorecard. He also acknowledged that there are a few items that are not included in the GCG scorecard. Mr. Bastillo also added that improvements are needed for measures such as the Past Due Rate (PDR) and Turn Around Time (TAT).
- While Dir. Doctora stated that the accomplishments under the PGS Scorecard are nice to know, he wants to see the real picture of SBCorp's performance through the presentation of an internal scorecard.
- Dir. Agregado asked where the problem on Turn Around Time (TAT) arises. Mr. Bastillo replied that bottlenecks in loan applications happen under Financial Performance Assessment or the evaluation of loan amounts to be approved. Next would be Credit Standing Assessment and Borrower Information Assessment. Last would be the Loan Releasing.
- Dir. Magpayo suggested to present to the Board the answer to the question "Where Do We Want to Go?" given that the Board wants to discuss whether SBCorp should maintain the same strategies or scorecard. He also wants to know how SBCorp's scorecard differs from other financial institutions given that the Landbank of the Philippines (LBP) already has its own micro, small, and medium enterprises (MSME) financing program. With SBCorp also providing capability building programs to our borrowers as part of its mandate, we can use it as a way of differentiating SBCorp from other financing institutions. The Planning Department noted

that the second part of the strategic planning activity will be focusing on strategies moving forward.

- Dir. Agregado asked about the context or logic behind the revised formula for the Past Due Rate. Mr. Bastillo mentioned that the proposed formula of dividing the past due amount versus the total loan releases instead of the outstanding balance would be more reflective of SBCorp's balancing act between being a development financing institution and an income-generating GOCC.
- Dir. Candelaria noted that Strategic Measure No. 4a – Increase Net Operating Income should be reworded given that SBCorp's proposed target for 2026 is lower versus 2025.
- Dir. Doctora asked how the proposed loan portfolio target was computed. Ms. Baula explained that the scorecard presented does not reflect the additional PhP1 billion supplemental budget approved by the Department of Budget and Management (DBM). The proposed target in 2026 is conservative given that the increase is less than the expected PhP1.5 billion in Pondo sa Pagbabago at Pag-asenso (P3) funds in 2026. Ms. Dimayuga also added that the increase in loan portfolio can be financed given that SBCorp is able to max out its available loanable funds of PhP12 billion and is expected to receive around PhP900 million in collections and PhP1.5 billion in P3 funds.

#### **IV. Presentation of SBCorp's Strategies Moving Forward**

Mr. Acupan presented SBCorp's Strategies Moving Forward (attached as Annex B) for the Board's comments and approval.

##### ***Comments of the Governing Board:***

- Mr. Bastillo explained that the SME COMPETE Project is a loan of the national government from the World Bank. SBCorp will oversee the project's implementation and setting up of an ecosystem for its beneficiaries. Any income generated from the project may be absorbed by SBCorp as equity should the Amendments to the Magna Carta increasing SBCorp's capitalization to PhP50 billion be approved into law.
- Dir. Candelaria asked if the loan or grant from the SME COMPETE would have any effect on the absorptive capacity of the Department of Trade and Industry's budget. She suggested for SBCorp to ensure that the loan or grant is included in DTI's budget ceiling.
- Dir. Doctora mentioned that one weakness of SBCorp is the monitoring of project implementation, particularly on partnerships such as Memorandum of Agreements (MOAs) with Local Government Units (LGUs) and other similar organizations/institutions. He suggested strengthening the execution of these partnerships in line with the proposed strategy.
- Dir. Agregado added that SBCorp should also examine the feasibility of expanding its units to improve presence and manpower complement in areas where we are already existing to meet targets. Mr. Bastillo mentioned that SBCorp is currently preparing its proposed Reorganization Plan which will include the addition of two (2) areas in the provinces. Preparations on the Reorganization Plan are expected to conclude in 2026.

- Dir. Agregado suggested SBCorp Management to explore amending its Charter to reflect the developmental direction.
- Dir. Doctora asked how the Human Resources Management and Development Group (HRMDG) can support the digitalization efforts of SBCorp, particularly in the hiring of technical personnel to do such initiatives. Ms. Betia mentioned that there are two (2) incoming personnel under the Data Analytics and Research Team (DART). Hiring additional personnel under the Information Technology Group (ITG) is also ongoing.
- Dir. Doctora recommended reorganizing the Information Technology Group (ITG) to function as a standalone sector separate from the Office of Strategy Management (OSM). He also noted the need to improve the Core Lending System (CLS) to support the strategic directions presented.

#### **V. Synthesis/Action Plans**

- The Board instructed SBCorp management to create an internal scorecard separate from the GCG PGS Scorecard to better quantify performance and allow flexibility in managing targets. This will form part of the President's Quarterly Report to the Board.
- The Board directed SBCorp Management to submit the execution plan emanating from the Year-end Strategic Planning activity.

#### **VI. Adjournment**

With no further topics on the agenda, the Board Planning was adjourned at 3:30 PM.

**ANNEX  
A**



# **SMALL BUSINESS CORPORATION 2025 BOARD PLANNING ACTIVITY**

**December 16, 2025**

**Makati City**

# *Objectives of the Planning Activity*

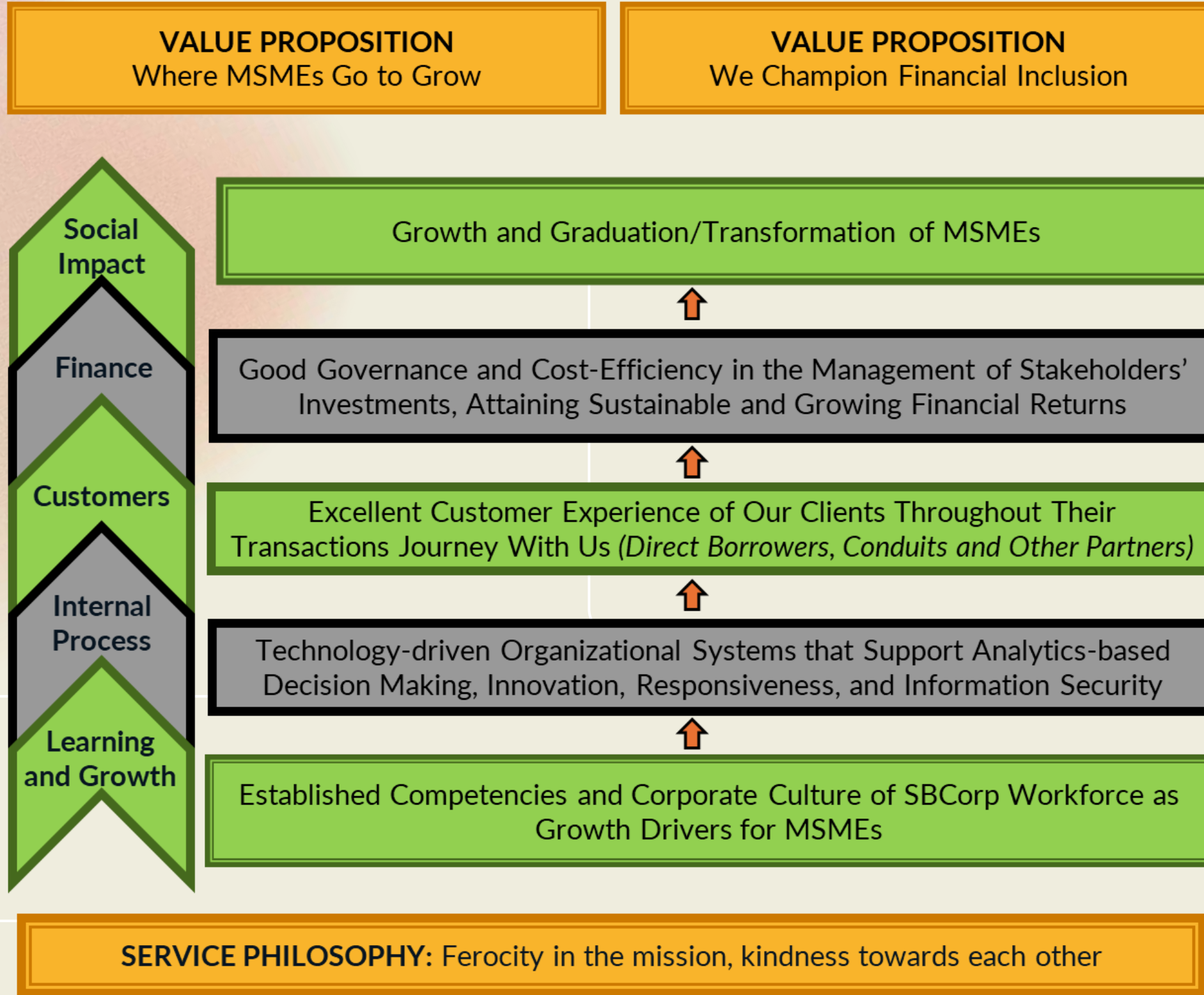
Approve the overall strategic direction

Support the shift toward partnership-led, catalytic financing

Approve the creation of the Development Finance and Innovative Lending Sector

Provide guidance as implementation moves forward

# SBCorp Strategy Map





*Where Are We  
Now?*

# Where Are We Now?

## 2025 PGS Scorecard Accomplishments as of November 2025

Strategic Objective/Measure		2025 Target	Accomplishment	Rating as of Nov 2025	Variance vs 2025 Target	Rating by Year-end	
SOCIAL IMPACT	SM 1	Increase Total Financing Portfolio	P18.16 Billion	<b>P19.43 Billion</b>	<b>15.00%</b>	1.27 Billion	<b>15.00%</b>
	SM 2	New Micro, Small, and Medium Enterprise (MSME) Borrowers	New Borrowers of 27,500	<b>Additional 57,237</b>	<b>15.00%</b>	29,737	<b>15.00%</b>
	SM 3	Spread Distribution of Financing Portfolios Nationwide	14% increase in the aggregate loan portfolio in the 20 poorest provinces vs previous year	<b>14% increase</b> (2025 OB: P3.32 Billion 2024 OB: P2.91 Billion)	<b>10.00%</b>	-	<b>10.00%</b>

# Where Are We Now?

## 2025 PGS Scorecard Accomplishments as of November 2025

Strategic Objective/Measure		2025 Target	Accomplishment	Rating as of Nov 2025	Variance vs 2025 Target	Rating by Year-end	
FINANCE	SM 4a	Increase Net Operating Income	P187.09 Million	P487.79 Million	5.00%	300.7 Million	5.00%
	SM 4b	Improve Return on Equity	3.96%	5.41%	5.00%	1.45%	5.00%
	SM 5	Improve Past Due Rate	30%	29.46%	5.00%	0.54%	5.00%
	SM 6	Efficient Utilization of Corporate Budget					
	SM 6a	Obligations Budget Utilization Rate (BUR)	90%	66%	3.67%	-24%	5.00%
	SM 6b	Disbursement BUR (Total Disbursement / Total Obligations)	90%	100%	2.50%	10%	2.50%
		Disbursement BUR (Total Disbursement / DBM-approved Corporate Operating Budget for Subsidy)	90%	100%	2.50%	10%	2.50%

# Where Are We Now?

## 2025 PGS Scorecard Accomplishments as of November 2025

Strategic Objective/Measure		2025 Target	Accomplishment	Rating as of Nov 2025	Variance vs 2025 Target	Rating by Year-end	
CUSTOMERS	SM 7	Percentage of Satisfied Customers	90%	-	-	5.00%	
	SM 8	Improve Turn Around Time (TAT) in the Processing of Loan Applications	100% of Applications Processed within Prescribed Turnaround Time	30.48%	3.05%	69.52%	3.05%
INTERNAL PROCESS	SM 9	Automate Existing Systems and Processes	100% Attainment of 2025 Deliverables (based on DICT-Approved ISSP 2025-2027)	5 out of 5 deliverables attained	5.00%	-	5.00%
	SM 10	Attain ISO 9001:2015 Certification	Maintain ISO 9001:2015 certification for the entire organization	Maintain ISO 9001:2015 certification for the entire organization	5.00%	-	5.00%

# Where Are We Now?

## 2025 PGS Scorecard Accomplishments as of November 2025

Strategic Objective/Measure		2025 Target	Accomplishment	Rating as of Nov 2025	Variance vs 2025 Target	Rating by Year-end	
<b>LEARNING AND GROWTH</b>	SM 11	Competency Level on the Organization					
	SM 11a	Board-approved Revised Competency Framework	Development of Board-approved Revised Competency Framework	The Committee Resolution was already prepared and due for presentation to the Board in Dec 2025	-	-	2.50%
	SM 11b	Establish Baseline based on the Board-approved Revised Competency Framework	Establish Baseline for the Revised Competency Framework		-	-	2.50%
	SM 12	Development and Implementation of Disaster Risk Reduction and Management (DRRM) Plan	Board-approved Public Service Continuity Plan	The Committee Resolution was already prepared and due for presentation to the Board in Dec 2025	-	-	2.50%
	SM 13	Conduct of GEDSI-related Trainings	100% of employees with GEDSI-related training	GEDSI training conducted on 5 Dec 2025	5.00%	-	5.00%

# Where Are We Now?

## 2025 PGS Scorecard Accomplishments as of November 2025

Strategic Objective/Measure	2025 Target	Accomplishment	Rating as of Nov 2025	Variance vs 2025 Target	Rating by Year-end
Bonus Strategic Measure					
GAD Budget Utilization	5% of Total COB	-	-	-	1.00%
<b>TOTAL</b>			<b>82.72%</b>		<b>97.55%</b>





*SBCorp Notable  
Accomplishments*

# *3<sup>rd</sup> Top-Ranking GOCCs (Corporate Governance Scorecard)*



SBCorp was conferred by the GCG as 3<sup>rd</sup> Top-Ranking Government-Owned and Controlled Corporation (GOCC) for its 2024 Corporate Governance Scorecard (CGS) during the 2025 GCG Awards Ceremony held on 1 December 2025 at Sequoia Hotel Manila Bay.

# *Winner under Category 5: Technology Development in the 2025 ADFIAP Awards*

SBCorp received an award under the Technology Development Category during the 48th ADFIAP Annual Meeting held on 24 April 2025 in Muscat, Oman for its Expected Credit Loss Model.



# *PRIME-HRM Bronze Award/Maturity Level 2 Accreditation*

SBCorp was conferred with the PRIME-HRM Bronze Award/Maturity Level 2 Accreditation, signifying that processes have been defined across all four (4) core HR systems, namely: Recruitment and Placement, Learning and Development, Performance Management, and Rewards and Recognition.



# *Launch of SBCorp Money App*



On 15 July 2025, SBCorp launched the SBCorp Money App to simplify the loan application process and making it accessible through a mobile device.

The app replaces SBCorp's previous web-based loan system with a more secure and user-friendly platform.

# *ISO 9001:2015 Re-Certification*

SBCorp has maintained its ISO 9001:2015 certification for 2015 in management system in 03 October 2025. The management system would ensure that the Corporation continuously improve performance, increase efficiency, and enhance customer satisfaction by focusing on risk-based thinking, process management, and continuous improvement.



# *2024 PGS Scorecard Accomplishments*

**91.72%**  
GCG Validated PGS rating

SBCorp garnered a total rating of 91.72% in the 2024 Governance Commission for Government-Owned and Controlled Corporations (GCG)-approved Corporate Scorecard.

In 2024, SBCorp:

- Gained 84,211 additional/new MSME borrowers
- Provided access to financing to 85 provinces
- Achieved a rating of 97.40% on customer satisfaction to SBCorp's services
- Was recertified under ISO 9001:2015 for the entire organization

# *New SBCorp Loan Programs*

**1. Business Expansion Financing Program**



**BUSINESS EXPANSION FINANCING**

**2. Purchase Order (PO) Financing Program**



**PURCHASE ORDER FINANCING**



**FRANCHISING LOAN FACILITY**

**3. Franchising Loan Facility Program**

**4. Falah Financing**



**5. Creatives Fund**

**6. Women's Enterprise Fund**



**7. Turismo Asenso Loan Program**



# *Marketing Initiatives/Roadshows*

- As part of its marketing initiative, SBCorp conducts roadshows that offer same-day loan approval in areas affected by calamities and in far-flung areas where businesses face challenges due to limited access to formal and affordable financing for business expansion.
- In 2025, SBCorp has already conducted roadshows in the following areas:
  - a. Catanduanes (February 2025)
  - b. Batanes (May 2025)
  - c. Bacolod (June 2025)
  - d. Dinagat Islands and Laguna (August 2025)
  - e. Marikina, Pangasinan, La Union, and Romblon (September 2025)
  - f. Benguet and Cagayan (October 2025)
  - g. Dumaguete and Siquijor (November 2025)

# Where Are We Now?

## 2026 Proposed Performance Governance System (PGS) Scorecard

Strategic Objective/Measure		Formula	Weight	2025 Target	2026 Target	Variance vs 2025 Target	
<b>SOCIAL IMPACT</b>	SM 1	Increase Total Financing Portfolio	Year-End Gross Amount of Portfolio	(=) 15.0%	P18.16 Billion	P20.53 Billion	(↑) P2.37 Billion
	SM 2	New Micro, Small, and Medium Enterprise (MSME) Borrowers	Number of New Active MSME Borrowers in 2026	(=) 15.0%	New Borrowers of 27,500	(↑) New Borrowers of 50,000	(↑) New Borrowers of 22,500
	SM 3	Spread Distribution of Financing Portfolios Nationwide	Aggregate loan releases in the 20 poorest provinces in the Philippines	(=) 10.0%	14% increase in the aggregate loan portfolio in the 20 poorest provinces vs previous year	10% increase in the aggregate loan portfolio in the poorest provinces vs. previous	(↓) 4% increase in the aggregate loan portfolio in the poorest provinces vs. previous
	<b>Sub-total</b>			<b>40%</b>			

# Where Are We Now?

## 2026 Proposed Performance Governance System (PGS) Scorecard

Strategic Objective/Measure		Formula	Weight	2025 Target	2026 Target	Variance vs 2025 Target	
FINANCE	SM 4a	Increase Net Operating Income	Operating Revenue – Operating Expenses	(↑) 5.0%	PhP187.09 Million	PhP126.61 Million	(↓) PhP60.48 Million
	SM 4b	Improve Return on Equity	Adjusted profit (loss) after tax / Average Equity	(↑) 5.0%	3.96%	6.19%	(↑) 2.23%
	SM 5	Total Past Due as Percentage of Total Loan Releases	Past Due Amount / Total Loan Releases	5.0%	30% (Past Due Rate)	(=) 30%	-



# Where Are We Now?

## 2026 Proposed Performance Governance System (PGS) Scorecard

Strategic Objective/Measure		Formula	Weight	2025 Target	2026 Target	Variance vs 2025 Target	
FINANCE	SM 6	Efficient Utilization of Corporate Budget					
	SM 6a	Obligations Budget Utilization Rate (BUR)	Total Obligations/DBM-approved Corporate Operating Budget (both net of PS Cost)	(↓) 2.5%	90%	(=) 90%	-
	SM 6b	Disbursement BUR (Total Disbursement / Total Obligations)	Total Disbursement / Total Obligations (both net of PS cost)	(↓) 2.5%	90%	(=) 90%	-
		Disbursement BUR (Total Disbursement / DBM-approved Corporate Operating Budget for Subsidy)	Total Disbursement / /DBM-approved Corporate Operating Budget for subsidy (both net of PS Cost)	(↓) 2.5%	90%	(=) 90%	-
		<b>Sub-total</b>		<b>22.5%</b>			

# Where Are We Now?

## 2026 Proposed Performance Governance System (PGS) Scorecard

Strategic Objective/Measure		Formula	Weight	2025 Target	2026 Target	Variance vs 2025 Target	
CUSTOMERS	SM 7	Percentage of Satisfied Customers	Number of Stakeholders Who Gave a Rating of at Least Satisfactory / Total Number of Respondents	(=) 5.0%	90%	90%	-
	SM 8	Improve Turn Around Time (TAT) in the Processing of Loan Applications	Number of Applications with Complete Documents Processed within Applicable Turn Around Time / Total Number of Applications	(=) 10.0%	100% of Applications Processed within Prescribed Turnaround Time	100% of Applications Processed within Prescribed Turnaround Time	-
		<b>Sub-total</b>		<b>15.0%</b>			

# Where Are We Now?

## 2026 Proposed Performance Governance System (PGS) Scorecard

Strategic Objective/Measure		Formula	Weight	2025 Target	2026 Target	Variance vs 2025 Target	
INTERNAL PROCESS	SM 9	Automate Existing Systems and Processes	Percentage of Accomplishments based on the DICT-approved ISSP 2025-2027	(↑) 7.5 %	100% Attainment of 2025 Deliverables (based on DICT-Approved ISSP 2025-2027)	100% Attainment of 2026 Deliverables (based on DICT-Approved ISSP 2025-2027)	-
	SM 10	Attain ISO 9001:2015 Certification	Actual Accomplishment	(=) 5.0%	Maintain ISO 9001:2015 certification for the entire organization	Maintain ISO 9001:2015 certification for the entire organization	-
		<b>Subtotal</b>		<b>12.5%</b>			

# Where Are We Now?

## 2026 Proposed Performance Governance System (PGS) Scorecard

Strategic Objective/Measure		Formula	Weight	2025 Target	2026 Target	Variance vs 2025 Target	
LEARNING AND GROWTH	SM 11	Improve Competency Baseline of the Organization	Competency Baseline in 2026 – Competency Baseline in 2025	(=) 5.0%	SM 11a: Board-approved Revised Competency Framework SM 11b: Establish baseline for the Revised Competency Framework	Improvement in the Competency baseline of the organization	-
	SM 12	Implementation of Disaster Risk Reduction and Management (DRRM) Plan	Percentage of accomplishments based on the DRRM Plan	(=) 2.5%	Board-approved Public Service Continuity Plan	100% Attainment of 2026 Deliverables (based on DRRM Plan)	-
	SM 13	Conduct of GEDSI-related Trainings	Percentage of employees with GEDSI-related Training	(=) 2.5%	100% of employees with GEDSI-related training	100% of employees with GEDSI-related training	-
		<b>Subtotal</b>		<b>10.0%</b>			
	<b>TOTAL</b>			<b>100%</b>			

# Where Are We Now?

## 2026 Proposed Performance Governance System (PGS) Scorecard

Strategic Objective/Measure	Formula	Weight	2025 Target	2026 Target	Variance vs 2025 Target
Bonus Strategic Measure					
GAD Budget Utilization		(=) 1%	5% of Total COB	5% of Total COB	-





*Thank You*



# ANNEX B

# 2025 SBCORP BOARD STRATEGIC PLANNING

16 December 2025  
Makati City



## STARTING POINT: SBCORP IS WORKING

SBCorp continues to see strong demand from MSMEs across the country. This tells us that our mandate is relevant and that small business trust us.

*Success brought us here.*



## TURNING POINT: SUCCESS CHANGES THE QUESTION

Because SBCorp has been effective, most of us funds are already in use. That is a good sign, but it changes the question we must ask.

***Growth must now be smarter, not just bigger.***



## STRATEGIC INSIGHT: WE CANNOT DO IT ALONE

If we rely only on our own balance sheet, our impact will always be limited. But if we use SBCorp funds to attract partners, one peso can support many pesos of MSME financing.

***SBCorp becomes a catalyst, not just a lender.***



## ENHANCED ROLE: FROM LENDER TO CATALYST

Through partnerships with institutions like the World Bank and ADB, SBCorp can extend its reach without overstretching its resources.

*Partnerships multiply impact.*



## REDEFINING SUCCESS: FROM LOANS TO GROWTH

Success is not just about releasing loans. Real success is when MSMEs grow strong enough to stand on their own.

*Growth, not dependency.*



## WHAT MUST CHANGE: BUILDING THE RIGHT ENGINE

To support this ambition, SBCorp itself must evolve.

*Structure and discipline enable strategy.*



## **GROWING SMARTER, CREATING LASTING IMPACT**

SBCorp is not slowing down. We are choosing to grow smarter, using partnerships, protecting public funds, and helping more MSMEs truly grow.

***Growing smarter today builds resilience for tomorrow***

## STRATEGIC DIRECTIONS

1. Enhance internal efficiency to optimize capital use, improve returns, and elevate customer experience.
2. Leverage strategic partnerships to maximize public capital, mobilize private investment, and drive SME growth, job creation, and value-adding activities.
3. Pursue institutional strengthening through accelerated reorganization, targeted hiring, creation of a dedicated Development Finance and Innovation Lending function distinct from commercial lending, and expanded regional and provincial presence.

## STRATEGIC DIRECTIONS

4. Advance corporate responsibility and accountability by adopting ESG and environmental and social management systems, pursuing sustainability-related ISO certifications, and supporting circular economy and green finance initiatives.
5. Expand access to finance nationwide, with focused support for MSMEs in target segments, e.g., MSMEs in the poorest provinces, small island economies, micro retailers, women-led enterprises, and indigenous communities, among others.

## STRATEGIC DIRECTIONS

6. Deploy advanced digital and analytics tools to enable faster, data-driven, and responsible decision-making.
7. Strengthen fraud prevention, detection, and enforcement to protect public financial resources.