

DEVELOPMENT BANK OF THE PHILIPPINES

Component						Baseline Data (if applicable)		Target
Objective/Measure	Formula	Weight	Rating System <small>-al</small>	Data Provider	2013	2014	2015	
SO 1	Intensify Deposit Generation Capabilities							
SM 1	Percent increase in Total CASA Deposits	(CASA Dep. End / CASA Dep. Beg.) - 1	10%	Actual / Target x Weight	18%	27%	20%	
	Outstanding balance Change				₱64,535 Mn ₱9,639 Mn	₱82,000 Mn ₱17,465 Mn	₱98,465 Mn ₱16,465 Mn	
	As a % of Total deposits Total Deposits				26% ₱251,083 Mn	n/a n/a	37% ₱265,684 Mn	
SM 2	Percent Increase in Total Deposits from the countryside	(CASA Dep. End / CASA Dep. Beg.) - 1	10%	Actual / Target x Weight	10%	25%	9%	
	Outstanding balance Change				₱69,749 Mn ₱6,284 Mn	₱87,000Mn ₱17,251 Mn	₱95,088 Mn ₱8,088 Mn	
	As a % of Total deposits Total Deposits				28% ₱251,083 Mn	n/a n/a	36% ₱265,684 Mn	
SO 2	Improve The Quality And Balance Of Loan Portfolio							
SM 3	Net Income	Absolute amount	5%	Actual / Target x Weight	₱5,186 Mn	₱4,200 Mn	₱4,500 - if MRTC has not been sold ₱3,600 - if MRTC has been sold	
SM 4	Return on Equity	Rate	3%	Actual / Target x Weight	12.83%	n/a	10.60% - if MRTC has not been sold 8.45% - if MRTC has been sold	

FINANCE

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	SM 5	Portfolio Quality - NPL Ratio (Net)	NPL / Total loans	3%	All or Nothing		1.90%	1.21%	1.50%
	SO 3	Strengthen Balance Sheet And Improve Credit Rating							
	SM 6	Maintain Adequate CAR	Percentage	2%	If below 12.5% = 0 score If 12.5% or above = 2% score		24.33% (BASEL II)	21.46% (BASEL II)	18%
	SM 7	Credit Rating, i.e. S&P & Fitch	n/a	1%	All or Nothing		BBB-/BB+	BBB/BB+	Maintain current rating BBB/BB+
		Sub-total		34%					
	SO 4	Support Government Priority Programs And Inclusive Growth Initiatives							
CONSTITUENCY (STAKEHOLDERS)	SM 8	Percent growth of loan portfolio to:							
		8a. Loan 1 Priority Areas - Total loan portfolio to infrastructure & logistics, social services, MSMEs, Environmental Protection	Absolute amount	12.5%	Actual / Target x Weight		₱78,606 Mn	₱94,593 Mn	₱104,598 Mn
		As a % of total loan portfolio Total loan portfolio					56% ₱139,535 Mn	61% ₱154,214 Mn	50% ₱208,665 Mn
		8b. Loan 2 Other Priority Areas - Total loan portfolio to manufacturing, construction, real estate renting, wholesale and	Absolute amount	12.5%	Actual / Target x Weight		₱50,896 Mn	₱54,700 Mn	₱60,000 Mn

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	retail trade, agri-business, financial intermediation <i>As a % of total loan portfolio</i> <i>Total loan portfolio</i>					36% ₱139,535 Mn	35% ₱154,214 Mn	29% ₱208,665 Mn
SM 9	Percentage of Satisfactory Customer Rating	No. of Satisfactory Ratings over Total Population Surveyed	5%	Actual / Target x Weight		No exact data available	100%	Determine baseline and target improvements
SO 5	Expand Credit Access For The Following Sectors: LGUs, Water Districts And Electric Cooperatives							
SM 10	Total loan approvals for LGUs, WD, and ECs	Absolute amount	11%	Actual / Target x Weight		n/a	n/a	₱20 Bn
	<i>Sub-total</i>		41%					
SO 6	Streamline And Update Existing Credit And Other Operating Processes							
SM 11	TAT in processing of loan applications (Priority sector loans)	Loans processed within TAT / Total loan applications received within the year (with complete documents)	5%	Actual / Target x Weight		n/a	n/a	90% (Based on new TAT determined by the Project Streamlining)"
SO 7	Develop and Utilize ICT Toward Improved and Diversified Services							
SM 12	Percentage of Completion of Integration of DBP Core Systems	No. of projects implemented	5%	Actual / Target x Weight		100% (4 new major projects completed covering deposits, loans, investments and off-book	(As of Oct. 2014) The following are already completed / implemented as of end of October: a) Treasury	Implementation of: a) Credit Appraisal System - shortening of TAT for loan processing b) Integrated Central Disbursement System - shorter processing time and more accurate recording of disbursements

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					transactions, and customer information/central liability system)	Single Account, b) Unlad Kawani, c) Online Signature Verification, and d) Enhancement of Automated Teller's Validation The following are undergoing user testing activities: e) Automation of BSP Reports f) Integrated Liability System Completed Upgrade of 7/9 Network Routers	c) Centralized Procurement - cost efficiency through bulk purchases d) Signature Verification System -efficient service to clients and allow withdrawals from any branches"
SO 8	Strengthen Risk Management And Regulatory Compliance						

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	SM 13	Automation of Risk Management System	Absolute number	5%	All or Nothing		n/a	n/a	Automation of ICRRS (Integrated Credit Risk Rating System by 4th Quarter Validation of ICRRS model by external consultant
	Sub-total			15%					
ORGANIZATION (LEARNING & GROWTH)	SO 9	Innovate And Grow Capable, Motivated, Committed And Results-Oriented Professionals							
	SM 14	Establish Competency Framework	n/a	5%	All or Nothing		n/a	n/a	Develop Competency Framework
	SO 10	Integrate Certified Management Systems For Streamlined Operations And Decision Making, Wider Participation, And Efficiency In Resource Us							
	SM 15	Establish QMS/EMS	n/a	5%	All or nothing		Total: Thirteen (13) Bank Processes/ five (5) RMCs /host branches	Integration of QMS and EMS to be evidenced by 3rd party auditor	See attached timeline
	Sub-total			10%					
	TOTAL OF WEIGHTS:			100%					

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