

GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS)

| Component | | | | | Baseline Data | | Target | |
|--|---|--|---------------|--------------------------|--|---|------------------|-----------------------------------|
| Objective/Measure | Formula | Weight | Rating System | 2020 | 2021 | 2022 | 2023 | |
| SO 1 Ensure sustained benefits for members/pensioners and their families | | | | | | | | |
| SM 1 Improvement/ Enhancement of benefits and privileges without impairing actuarial life: | | | | | | | | |
| a | Implementation of Board-approved Program | Actual Accomplishment | 5% | All or Nothing | MPL officially launched in 01 October 2020 | Enhanced Pension Loan program was implemented | N/A | Implementation of one (1) program |
| b | Amount of loans granted | Actual Amount | 10% | (Actual/Target) x Weight | N/A | N/A | ₱122.629 Billion | ₱122.629 Billion ¹ |
| SO 2 Provide excellent and responsive products and services to members, pensioners, government bodies, and other constituencies | | | | | | | | |
| SM 2 | Percentage of claims and benefits processed ² within the applicable time | Number of claims and benefits processed within applicable TAT ³ / Number of applications received | 10% | (Actual/Target) x Weight | 92% | 93.80% | 100% | 100% |

¹ Loans included: Multi-Purpose Loan, Pension Loan, Policy Loan, Emergency Loan, Pensioner Emergency Loan and Pensioners Restructured Loan

² Transactions included: Social Insurance Claims, Motor Vehicle Claims (Own-Damage), Motor Vehicle Claims (Payment of Billing) and Lease with Option to Buy (LWOB)

³ Applicable processing time is subject to GSIS's compliance with RA 11032 or the Ease of Doing Business and Efficient Delivery of Government Service Act

SOCIAL IMPACT / STAKEHOLDERS

| Component | | | | | Baseline Data | | Target | | |
|-----------|-------------------|---|---|--|--------------------------|--------|--------|-------|-------|
| | Objective/Measure | Formula | Weight | Rating System | 2020 | 2021 | 2022 | 2023 | |
| | SM 3a | Percentage of Satisfied Customers – Individual Customers (Members and Pensioners) | 2.5% | (Actual/Target) x Weight Below 80% = 0% | 87.50% | 88.73% | 90% | 90% | |
| | SM 3b | Percentage of Satisfied Customers – Business Clients | | | | | 2.5% | 90% | 90% |
| | Sub-Total | | | 30% | | | | | |
| FINANCE | SO 3 | Deliver return that will lengthen the life of the fund | | | | | | | |
| | SM 4 | Increase in total assets (5-year average) | Sum of percentage ⁴ from 2019 to 2023/5 | 10% | (Actual/Target) x Weight | 8.11% | 8.93% | 7.73% | 7.48% |
| | SM 5 | Generate Return on Investment (ROI) on investible funds (5-year average) | Sum of ROI from 2019 to 2023 / 5 where: Annual ROI = Net Investment Income / Average Investment Asset ⁵ | 10% | (Actual/Target) x Weight | 7.38% | 6.86% | 7.91% | 6.5% |

⁴ Annual percentage increase in total assets = [(Total assets at the end of CURRENT year - Total Assets at the end of PREVIOUS year) / Total asset at the end of the PREVIOUS year] x 100

⁵ Average Investment Assets = (Total Investment Assets at yearend of the CURRENT year + Total Investment Assets at the end of PREVIOUS year) / 2

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| SO 4 Collaborate with government agencies for insurance income | | | | | | | | |
| SM 6 | Income generated from new business | (GPW current year – GPW previous year) / GPW Previous Year ⁶ GPW = Gross Premium Written | 10% | (Actual/Target) x Weight | N/A | N/A | N/A | 5% Increase of 2022 Gross Premiums |
| SO 5 Generate income from our idle properties | | | | | | | | |
| SM 7 | Income derived from sale or lease of GSIS Investment Properties | Absolute amount of income collected from the Sale or Lease of GSIS Investment Properties | 10% | (Actual/Target) x Weight | N/A | Implemented the Lease with the Option to Buy | ₱383 Million | ₱263 Million |

⁶ Non-renewable Insurance Contracts namely CARI, MC, CECR and GTAI, shall be excluded in the baseline amount. Likewise, 20% margin is allocated for the reduction in the Total Sum Insured due to depreciation, sale, liquidation, loss of property/asset. (Note: the 20% margin takes off from the industry standard conservation rate of 80%.)

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| SO 6 Create and implement a dynamic asset and liability management framework | | | | | | | | |
| SM 8a | Minimize Past Due Rate (PDR) for Loans a. Multi-Purpose Loan (MPL) for Active Members | $MPL\ PDR^7 \leq 2\%$ | 5% | (Actual/Target) x Weight | N/A | N/A | N/A | Not more than 2% |
| SM 8b | b. Other Service Loans for Active Members (EML, CNL) | Past Due for 2022 – Past Due for 2023 / Past Due for 2022 | 5% | (Actual/Target) x Weight | N/A | N/A | N/A | 30% reduction |
| SO 7 Efficient Budget Utilization | | | | | | | | |
| SM 9 | Efficient Utilization of Corporate Budget | Total disbursement / Total DBM-Approved Corporate Operating Budget (COB) ⁸ | 5% | (Actual/Target) x Weight | N/A | 91.24% | 90% | 90% |
| Sub-Total | | | 55% | | | | | |

⁷ Past Due Rate = (Total outstanding principal balance of due and demandable MPL accounts - Allowance for Impairment) / (Total outstanding principal balance of all MPL accounts - Allowance for Impairment)

⁸ Net of Claims and Benefits, Personnel Services Cost and Non-cash expenses (Donation, Impairment Loss and Depreciation); Capital Outlay Budget and corresponding Disbursement are net of related Carried Forward Budget; Approved COB (CAPEX and OPEX) including Supplemental, Transfer and Realignment


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|---|---------|-------------------------------------|-----------------------|------|--------------------------|---------------|--|---|--|
| Objective/Measure | Formula | Weight | Rating System | 2020 | 2021 | 2022 | 2023 | | |
| SO 8 Excel in knowledge and information management | | | | | | | | | |
| INTERNAL PROCESS | SM 10a | Maintain/ Upgrade ISO Certification | Actual Accomplishment | 2.5% | (Actual/Target) x Weight | ISO 9001:2015 | Passed the Certifying Body Audit conducted on 15 November 2021 | Maintain QMS Certification for the following processes: 1. Loans Processing; 2. Membership Administration; 3. Life/Maturity Claims Processing; 4. Motor Vehicle Claims Processing; 5. Critical Support Processes; 6. Funeral Benefit Claims Processing; and 7. Marketing of Non-life insurance renewal of all bidding accounts | Pass the QMS Surveillance Audit ⁹ 9 processes + Luzon, Visayas, Mindanao (1 Big BO each) |
| | | | | | | | | | |

⁹ 1) Loans Processing; 2) Membership Administration; 3) Life/Maturity Claims Processing; 4) Motor Vehicle Claims Processing; 5) Data Center Facilities Management; 6) Funeral Benefit Claim Processing; 7) Marketing of Non-Life Insurance for the renewal of all bidding account; 8) Renewal of PCSO Surety Bonds; and 9) Releasing of notice to claim transfer certificate of title for non-problematic fully paid housing accounts

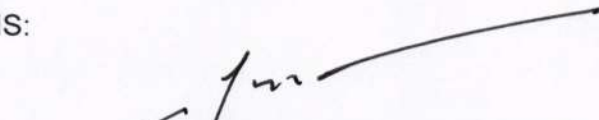
| Component | | | | Baseline Data | | Target | |
|---|--|---|--------------------------|--------------------------|------|--|---|
| Objective/Measure | Formula | Weight | Rating System | 2020 | 2021 | 2022 | 2023 |
| SM 10b | Actual Accomplishment | 2.5% | (Actual/Target) x Weight | N/A | N/A | N/A | Pass the ISMS Surveillance Audit on Membership Creation and Updating; and Upgrading and Expansion of Scope to include the 9 processes under QMS |
| SO 9 Improve the (internal and external) business process through automated technology-driven services | | | | | | | |
| SM 11 | Implementation of Board-approved IT projects | Number of 2023 deliverables completed/ Total number of 2023 deliverables per ISSP submitted to DICT | 5% | (Actual/Target) x Weight | N/A | GSIS Touch Enhancement | 100% implementation of 2023 deliverables under the ISSP as submitted to the DICT |
| | | | | | | Enhancement of GSIS Touch | |
| | | | | | | 100% implementation of 2022 deliverables under the ISSP as submitted to the DICT | |
| | Sub-Total | | 10% | | | | |

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|--|------------------|-------------------------------|--|-------------|----------------|--|---|---|---|
| Objective/Measure | Formula | Weight | Rating System | 2020 | 2021 | 2022 | 2023 | | |
| SO 10 Recruit, develop, and retain a competent and inspired workforce | | | | | | | | | |
| LEARNING AND GROWTH | SM 12 | Enhance GSIS Competency Level | Competency Baseline ¹⁰ (current year) – Competency Baseline (previous year) | 5% | All or nothing | 4.30% improvement from baseline 2019 Competency baseline of 77.5% to 81.80% | Board-approved Enhanced GSIS Competency Framework with the following: a. Competency Catalogue; b. Competency Framework; c. Competency Tables; d. Competency Matrix; e. Position Profiles; and f. Competency based Job Description | Establish Baseline Data on the Competency Level of the Organization | Improvement in the competency level of the organization |
| | Sub-Total | | | 5% | | | | | |
| | TOTAL | | | 100% | | | | | |

For GCG:


Justice ALEX L. QUIROZ (ret.)
Chairperson

For GSIS:


Mr. JOSE ARNULFO A. VELOSO
President and General Manager

¹⁰ 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:

$$\frac{\sum_{a=1}^A \left(\frac{\text{Actual Competency Level}}{\text{Required Competency Level}} \right)_a}{A} \quad \text{where: } a = \text{Competency required, } A = \text{Total number of competencies required of position, } b = \text{Personnel profiled, } B = \text{Total number of personnel profiled}$$