GOVERNMENT SERVICE INSURANCE SYSTEM

<table>
<tr><th colspan="5">Component</th><th colspan="2">Baseline Data</th><th colspan="2">Target</th></tr>
<tr><th colspan="2">Objective/Measure</th><th>Formula</th><th>Weight</th><th>Rating System</th><th>2015</th><th>2016</th><th>2017</th><th>2018</th></tr>
<tr><td>SO 1</td><td colspan="8">Improve Quality of Life of Members/Pensioners and their Families</td></tr>
<tr><td>SM 1</td><td>Improvement/Enhancement of Benefits and Privileges without Impairing Actuarial Life</td><td>Number of DepEd members who availed the GFAL / Number of DepEd members who attended the GSIS Financial Literacy Program</td><td>15%</td><td>80% and above = 15%

79% to 60% = 7.5%

Below 60% = 0%</td><td>3 Types of Increase</td><td>0</td><td>Full implementation of Improvement of GSIS financial literacy program for retiring employees

Full implementation of Improvement of Education Assistance Loan Program part 2</td><td>80%</td></tr>
<tr><td></td><td colspan="2">Sub-total</td><td>15%</td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>SO 2</td><td colspan="8">Provide Excellent and Responsive Service and Products to Members, Pensioners, Government Bodies, and Other Constituencies</td></tr>
<tr><td>SM 2</td><td>Percentage of Claims and Benefits Processed within the Applicable Time</td><td>Number of claims and benefits processed within TAT/Number of received applications due for processing</td><td>15%</td><td>90% or higher = 15%

89 to 85% = 7.5%

84% and below = 0%</td><td>Social Insurance: 96.38%

General Insurance: 99.4%</td><td>Social Insurance: 98.07%

General Insurance: 94.5%</td><td>83% of retirement / separation and life insurance claims and benefits processed within 30 working days

Average TAT of 40 working days for Motor Vehicle Insurance Claims</td><td>90%</td></tr>
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SOCIAL IMPACT /STAKEHOLDER

		Component				Baseline Data		Target	
		Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018
	SM 3	Percentage of Satisfied Customers	Actual rating provided by 3rd party social research institution	10%	(Actual/Target) x Weight Below 80% = 0%	86.02%	92.7%	90% of the total respondents gave at least a slightly satisfied rating	93.7%
		Sub-total		**25%**					
	SO 3	**Deliver Unparalleled Returns and Stakeholder Value**							
FINANCE	SM 4	Minimize Consolidated Loan (CNL) Default Rate	CNL Default Rate = (Total outstanding principal balance of due and demandable CNL accounts – Allowance for Impairment) / (Total outstanding principal balance of all CNL accounts – Allowance for Impairment	8%	(1-((Actual-Target)/Target)) x Weight Above 29% = 0%	No data	No data	23.11%	20%

Component				Baseline Data		Target	
Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018
SO 4	**Create and Implement a Dynamic Asset Allocation and Investment Framework**						
SM 5 Increase in total assets	Five (5) year average increase in total assets = sum of percentage increases from 2014 to 2018 / five (5) Where: Annual percentage increase in total assets = [(Total assets at yearend of the CURRENT year – Total assets at yearend of PREVIOUS year) / Total asset at yearend of the previous year] x 100	8%	(Actual/Target) x Weight Below 6% = 0%	11.19% (Rolling average of five (5) years)	9.90% (Rolling average of five (5) years)	6%	9.23%

Component					Baseline Data		Target	
	Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018
SM 6	Generate Return on Investment (ROI) on Investible Funds	Five (5) year average increase in total assets = sum of ROI from 2014 to 2018 / five (5) Where: Annual ROI = Net Investment Income/*Average Investment Asset *Average Investment Asset = (Total Investment Assets at yearend CURRENT year + Total Investment Assets at yearend previous year)/2	8%	(Actual/Target) x Weight Below 8% = 0%	No data	No data	7%	9.03%
SM 7	Increase the Fund Ratio of the Social Insurance Fund	Assets / Reserves of the GSIS Social Insurance Fund	8%	(Actual/Target) x Weight Below 72% = 0%	No data	No data	73%	74%
		Sub-total	32%					

		Component			Baseline Data		Target	
	Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018
INTERNAL PROCESS	**SO 5**	**Implement a Robust, Enterprise-Wide Risk Management System**						
	SM 8 — ERM Risk Maturity Rating	Rating from the risk assessment report	8%	2.6 or higher = 8% 2.54 to below 2.6 = 4% Below 2.54 = 0%	No data	No data	No data	Risk Maturity Level 2.6
	SO 6	**Excel in Knowledge and Information Management**						
	SM 9 — Maintain/Upgrade QMS Certification	Number of Core Processes ISO Certified	10%	All or nothing	TUV Rheinland issued an ISO certification for Loans Granting	ISO Certification under 9001:2015 standards for: Membership Administration and Loans Processing	ISO Certification for the following processes: Processing of Maturity Benefit for Life Insurance and Processing of Motor Vehicle Insurance Claims. Maintenance of ISO Certification for Loans Processing and Membership	**Certification under ISO 9001:2015 for Data Center Facilities Management;** **Pass the Surveillance Audit or Maintain Certification for the following processes:** 1. Loans Processing 2. Membership Administration 3. Maturity Claims Processing 4. Motor Vehicle Claims Processing
		Sub-total	**18%**					

		Component			Baseline Data		Target	
		Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018
LEARNING AND GROWTH	SO 7	**Recruit, Develop and Retain a Competent Workforce**							
	SM 10	Improve Average Competency Level of the Organization	Number of employees with high rating for core and organizational competencies / Number of employees assessed	10%	(Actual/Target) x Weight Below 3.51 = 0%	The Board of Trustees approved the GSIS Competency Framework on 26 February 2015	3.27	Achieved average competency of 3.51	Average competency level of 3.75 for core and organizational competencies
			Sub-total	**10%**					
			TOTAL	**100%**					