

DEVELOPMENT BANK OF THE PHILIPPINES (DBP)
Revalidation Result of 2021 Performance Scorecard

		Component				DBP Submission		GCG Validation		Supporting Documents	Remarks	
Objective/ Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating				
SO 1	Support the National Government in its efforts towards building a stronger and more resilient Philippine Economy, particularly through broader financial inclusion and sustainable infrastructure development											
	Increase Loan Portfolio for the following Sectors:											
SOCIO-ECONOMIC IMPACT	SM 1	a. Infrastructure Sector	Outstanding Loan Amount	10%	(Actual / Target) x Weight	₱181.81 Billion	₱250.91 Billion	10%	₱250.91 Billion	10%	Summary of Loan Portfolio for Infrastructure, Social Services, MSMEs, and Environmental Loan	<p>Total loans to borrowers amounted to ₱469.40 Billion, a total of ₱341.63 Billion or 73% represents exposure of DBP to its two (2) priority industry sectors – infrastructure and logistics and social development.</p> <p>The remaining portfolio of ₱127.77 billion were exposures to agriculture and other industries.</p> <p>Amount of loans reported for SMs 1c and 1d are integrated in the loan portfolio for SMs 1a and 1b.</p> <p>This measure will be revisited to reflect actual loans or total exposures of the bank.</p>
		b. Social Infrastructure Sector		5%		₱84.79 Billion	₱90.72 Billion	5%	₱90.72 Billion	5%		
		c. MSMEs Sector		5%		₱32.57 Billion	₱32.73 Billion	5%	₱32.73 Billion	5%		
		d. Environment Sector		5%		₱47.95 Billion	₱49.71 Billion	5%	₱49.71 Billion	5%		

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SM 2	Percentage of Countryside Reach	Percentage of Municipalities/ Cities in the countryside with DBP Branches, branch lite units, ATMs and/or loans	5%	(Actual / Target) x Weight	65%	60.01%	4.62%	60.10%	4.62%	Loan Report by Geographical area Database of Countryside Reach	DBP presence in 824 out of 1,373 countryside areas.	
Sub-total			30%				29.62%		29.62%			
SO 2	Build Robust Asset Base through Quality Investments, Low-Cost Fund Sources, and Improve Asset Quality											
FINANCE	SM 3	Increase Total Assets	Total Asset	5%	(Actual / Target) x Weight	₱1.109 Trillion	₱1.160 Trillion	5%	₱1.160 Trillion	5%	COA Annual Audit Report	Acceptable.
	SM 4	Increase Total CASA Deposits	Sum of all Demand Deposit (CA) AND Regular Savings Deposits (SA) Ledger Balances	10%	(Actual / Target) x Weight	₱293.45 Billion	₱298.21 Billion	10%	₱298.300 Billion	10%	COA Annual Audit Report	Acceptable.
	SM 5	Improve Portfolio Quality – NPL Ratio (Net)	Outstanding NPL – specific Allowance for Impairment Loss / Outstanding Gross Loan Portfolio	5%	{1- [(Actual-Target) / Target] x Weight}	Not exceeding the Philippine bank standard as of 31 December 2021	3.45%	5%	3.45%	1.82%	Comparative Non-Performing Loans Level, Ratios and Coverage Ratios BSP Published Balance Sheet COA Annual Audit Report	Request for target modification to "not more than 2x the Philippine Banking System net NPL ratios as of December 31, 2021" is DENIED . Industry NPL is at 2.11% as of 31 December 2021

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	SO3	Strengthen the Bank's Capital Structure to Support its Growth and Countryside Expansion Mission										
	SM 6	Increase Net Income	Total Revenues less Total Expenses	5%	(Actual / Target) x Weight	₱3.732 Billion ¹	₱8.774 Billion ²	5%	₱3.740 Billion	5%	COA Annual Audit Report	Request for target modification to "Net Income Before Provision for Impairment and Income Taxes: ₱5.412 billion" is DENIED . Validated actual per COA Audit Report.
		Sub-total		25%				25%		21.82%		
	SO 4	Provide Quality Customer Experience throughout all Bank channels										
CONSTITUENCY	SM 7	Percentage of Satisfied Customers	No. of Respondents who rated DBP at least "Satisfactory"/ Total No. of Respondents	10%	(Actual / Target) x Weight	90%	92.87%	10%	92.87%	10%	Results of the Survey conducted by Third-party; Sample Survey Questionnaires Back-checking and Spot-Checking Report	Acceptable.
	SM 8	Number of Customer Touchpoints	Actual No. of customer touchpoints (branches, branch lite units, ATMs, POS Terminals, Cash@POS, DBP ² and Internet Payment	5%	(Actual / Target) x Weight	2,655 touchpoints as of December 2021	2,797	5%	2,797	5%	Database of Customer Touchpoints Installation and Deployment Report	Acceptable.

¹ Target is based on the Corporate Operating Budget and pertains to Net Income after Tax.

² Pertains to Net Income Before Provision for Impairment and Income Taxes

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Objective/ Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating				
	Gateway as of end of year											
	Sub-total		15%			15%		15%				
INTERNAL PROCESS	SO 5	Integrate sustainability measures into the Bank's Operation and Processes										
	SM 9	Institutionalization of Sustainability Principles per BSP Cir. No. 1085, s. 2020-Sustainable Finance Framework	Actual Accomplishment	5%	All or Nothing	Completion of the following milestones/ targets per approved transition plan: a. Stakeholder Engagement Strategy Plan Completed; and b. One (1) Stakeholder Engagement Conducted	a. Completed. The DBP Stakeholder Engagement Strategy and Plan (SESP) was approved by the Management Committee per MCR No. 0610 dated 22 November 2021. b. Completed. Six (6) Stakeholder Engagements were conducted.	5%	a. Completed the DBP Stakeholder Engagement Strategy Plan (SESP) as approved by the Management Committee per MCR No. 0610 dated 22 November 2021; and b. Completed six (6) stakeholder engagement.	5%	DBP Stakeholder Engagement Strategy and Plan Summary of Stakeholder Engagements Conducted Minutes of Stakeholder Engagement conducted on June 7 and 21, 2021.	Acceptable
	SO 6	Improve Bank-Wide Data Management, Operational Synchronicity and Process Efficiency										
SM 10	Percentage of Loan Applications Processed within Turnaround Time (TAT)	No. of loans processed within TAT / Total No. of loans processed	5%	(Actual / Target) x Weight 0% = If less than 80%	100% loans processed within the applicable TAT ³	88.74%	4.44%	87.95%	4.40%	CRiB Report on Credit Proposals	Validated actual based on the re-computation of the database provided. The details on the variance for the 24 transactions is provided in Appendix 1 .	

³ Applicable processing time will be based on DBP's compliance with Republic Act No. 11032 and as provided in DBP's Citizen's Charter.

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Objective/ Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating				
SM 11	Percentage of Service Availability of ATMs	Total Number of ATMs with at least 90% availability / Total number of ATMs	5%	(Actual / Target) x Weight	90% of ATMs with at least 90% service availability ⁴	91.55% of ATMs with at least 90% service availability	5%	<u>79.95% of ATMs with at least 90% service availability</u>	<u>4.44%</u>	Monthly ATM Monitoring Report Daily ATM Status Report Randomly selected E-mail Communications between branches and ECOD E-channels Monitoring Support Unit	Acceptable.	
Sub-total			15%				14.44%		13.84%			
SO 7	Develop motivated, competent, and values-oriented development bankers											
ORGANIZATION	SM 12	Integration of Competency Standards ⁵	Actual Accomplishment	5%	All or Nothing	Improvement on the competency level of the whole organization from the 2020 competency baseline	Following the GCG formula in determining the organizational average percentage of required competencies met, the competency level of the whole organization was computed as 94.84% in	5%	Improvement on the competency level of the organization by 1.44%	5%	Competency Assessment Result for 2020 and 2021	The overall competency level of the organization in 2021 is 96.31% vs. the 2020 level of 94.87%.

⁴ ATM Monitoring Status equivalent for a downtime/unavailability of the machine: Offline/No Connection; Cash Dispenser Error; Card Reader Error; and No Cash Available

⁵ The competency baseline of the organization shall pertain to the average percentage of required competencies met which can be computed using the following formula:

$$\frac{\sum_{a=1}^A \left(\frac{\text{Actual Competency Level}_a}{\text{Required Competency Level}_a} \right)}{B}$$

where: a = Competency required, A = Total number of competencies required of position, b = Personnel profiled, B = Total number of personnel profiled

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						2020 and improved to 96.30% in 2021.					
SO 8	Build the Foundations for a Digitally Competitive DBP										
SM 13	Implementation of ICT Projects	No. of Projects Completed / Total Number of Projects	5%	(Actual / Target) x Weight	100% implementation of the ISSP projects planned for 2021	7 of 10 ISSP Projects planned for 2021 were completed/ implemented Completed/ Fully Implemented: 1. Guava Equities Module 2. eRPICAS Phases 2&3 3. Secure Remote Login and Monitoring Solution 4. SWIFT Upgrade 5. Enhanced Electronic WL Validation / Sanctions Screening Tool 6. Managed Detection and Response plus	3.5%	60% Projects planned for 2021 were completed/ implemented:	3%	User Acceptance Certificate Office Order and ITSC Resolution Test Result Forms	DBP was only able to implement 6 out of 10 projects: 1. Guava Equites Module 2. eRPICAS Phases 2 & 3 3. Secure Remote Login and Monitoring Solution 4. SWIFT upgrade 5. Enhanced Electronic WL Validation/Sanctions Screening Tool 6. Managed Detection and Response plus Remediation (MDR+R) IT Service Management Tool was not fully implemented/completed in 2021.

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					Remediation (MDR+R) 7. IT Service Management Tool Not Completed/Implemented: 8. AML Institutional Risk Assess Tool 9. Technological Upgrade of ROSS GL 10. WiFi Upgrade (Head Office)						
SO 9	Deepen the DBP quality and sustainability culture										
SM 14	Integrated Management System (IMS) Certification	Actual Certificate from certifying body (third-party)	5%	All or Nothing	Recertification of ISO 9001:2015 and ISO 14001:2015 Certification	Following the results of the recertification audit concluded in May 2021, the Bank has received its actual ISO 9001 and 14001 certified on 28 July 2021, for its IMS' continuing certification	5%	Maintained the ISO 9001:2015 and ISO 14001:2015 Certification	5%	Copy of Surveillance Audit Report from Certification International, the certifying body of DBP	Acceptable

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Objective/ Measure	Formula	Wt.	Rating Scale	Target	Actual	Rating	Actual	Rating			
					covering core Bank processes.						
	Sub-total						13.50%		13%		
	TOTAL						97.55%		93.28%		