

PHILIPPINE DEPOSIT INSURANCE CORPORATION

	Component				Annual Target	4 th Quarter 2023		Rating	
	Strategic Objective (SO)/ Strategic Measure (SM)	Formula	Weight	Rating System		Target	Actual		
Socio-economic Impact	SO 1. Raise public awareness on deposit insurance to contribute in building depositor confidence in the banking system and in promoting financial inclusion								
	SM 1	Level of public awareness on deposit insurance	Actual accomplishment	5%	(Actual / Target) x Weight	6 percentage point increase in level of public awareness from 2022 survey results	-	100% Level of public awareness increased by 6 percentage points from 19% in 2022 to 25% in 2023	5%
	<i>Sub-total</i>			5%					5%
Financial	SO 2. Maintain Deposit Insurance Fund (DIF) to adequately cover deposit insurance costs								
	SM 2	Adequate Capital against Deposit Insurance Costs	12-month average DIF/ 12-month average EID ¹	20%	All or nothing	5.5% ²	5.5% ² (based on a 12-month average)	8.84% (based on a 12-month average)	20%
	SO 3. Ensure efficient budget utilization								
	SM 3	Efficient Utilization of Corporate Budget	Total Budget Utilization ³ / Total Board-approved Corporate Operating Budget (both net of PS)	5%	(Actual / Target) x Weight	90%	-	69.92% (77.69%)	3.88%
<i>Sub-total</i>			25%					23.88%	

Annual Performance Report

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Customers / Stakeholders	SO 4. Enhance client experience in PDIC services								
	SM 4	Percentage of Satisfied Customers	Number of respondents who gave a rating of at least Agree for the SQD 0 / Total number of respondents	10%	(Actual/Target) x Weight 0%= if below 80%	90%	-	87.59%	9.73%
	Sub-total			10%					9.73%
Internal Processes	SO 5 Settle valid deposits/claims of depositors in closed banks within applicable processing time ⁴								
	SM 5	Settlement of Valid Insured Deposits Promptly within Applicable Turn-Around-Time - For Accounts with Less than or Equal to P100,000 Balances	Number of valid insured deposits paid within TAT / Total number of valid insured deposits for Accounts with Less than or Equal to P100,000 balances	10%	(Actual / Target) x Weight	100% of claims settled within TAT ⁵	100% of claims settled within TAT ⁵ for banks closed in the quarter where payout schedule is due	100% of claims settled within TAT ⁶	10%
	SM 6	Settlement of Valid Deposit Insurance Claims Promptly within Applicable Turn-Around-Time - For Accounts with More than P100,000 Balances	Number of valid deposit insurance claims settled within TAT/ Total number of valid deposit insurance claims filed during field operations claims settlement (FOCS)	10%	(Actual / Target) x Weight	100% of claims settled within TAT ⁵	100% of claims settled within TAT ⁵ for banks closed in the quarter where payout schedule is due	100% of claims settled within TAT ⁷	10%

Annual Performance Report

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Internal Processes	SO 6. Distribute assets to creditors and terminate liquidation of closed banks								
	SM 7	Asset Distribution Plans (ADP) of closed banks filed with the Liquidation Court (LC)	Actual Accomplishment	20%	(Actual / Target) x Weight	43 ADPs	-	43 ADPs (100%)	20%
	SO 7. Contribute to financial stability by ensuring financial crisis preparedness								
	SM 8	Readiness Level for Participation in the Conduct of Financial Crisis Simulation	Actual Accomplishment	5%	All or Nothing per crisis management plan	Revised plans based on the gaps identified in the internal simulation	-	100% Revised Financial Crisis Management Plan comprised of Takeover, Claims Settlement, Funding and Communication Plans approved by the PDIC Board on 29 November 2023.	5%
	Sub-total			45%				45%	

Annual Performance Report

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Learning and Growth	SO 8. Recruit, build up and retain motivated and competent workforce								
	SM 9	Improvement on the Competency Level of the Organization	Competency Baseline current year ⁸ - Competency Baseline previous year	5%	All or Nothing	Improvement on the Competency Level of the Organization based on the 2022 year-end assessment ⁹	-	<p>100%</p> <p>Competency Level (CL) of the Organization based on 375 qualified reassessed employees is at 1.35009 or 7.02% improvement over the CL-2022 of 1.26149</p>	5%
	SO 9. Build a responsive organization equipped with the necessary ICT and other systems to support operations								
	SM 10	Implementation of Information Systems Strategic Plan (ISSP)	Actual Accomplishment	5%	All or Nothing per target ICT and information system	100% implementation of information and communication technology (ICT) and information systems projects based on the ISSP ¹⁰	-	<p>83.33%</p> <ul style="list-style-type: none"> • 5 out of 6 ICT and IS projects implemented based on the ISSP • 1 information system (Phase 1) partially completed 	4.17%

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Strategic Objective (SO)/ Strategic Measure (SM)		Formula	Weight	Rating System		Target	Actual	
SM 11	ISO Certification	Actual Accomplishment	5%	All or Nothing per target ISO- certified process	Maintain ISO Certification for Assessment of Member Banks (AMB), Claims Settlement Operations (CSO), Loans Management (LM), Real Property Disposal (RPD), Bank Examination (BE)	-	<p>100%</p> <p>For CSO and AMB</p> <ul style="list-style-type: none"> Passed the 1st Surveillance Audit conducted on 12 May 2023 <p>For RPD</p> <ul style="list-style-type: none"> Passed the 1st Surveillance Audit conducted on 06 November 2023 <p>For LM and BE</p> <ul style="list-style-type: none"> Passed the Recertification Audit conducted on 13 November 2023 	5%
Sub-total			15%					14.17%
TOTAL			100%					97.78%

1- For the period from January to December

2- Ratio of DIF to estimated insured deposits (EID) – minimum of 5.50% (based on the current Maximum Deposit Insurance Coverage (MDIC) of P500,000; If any MDIC increase is implemented within the year, the resulting DIF/EID, which may fall below 5.5%, shall be considered on target.

3- Consists of disbursements, and accrued and unpaid obligations at year-end when services have been rendered, goods have been delivered or projects have been completed and accepted. However, due to the peculiar nature of PDIC's operations, it requested on 16 August 2022 from GCG for 2022-2023 that in addition to the exclusion of Personnel Services in the computation of its accomplishment, the following budget items be likewise excluded: Bank closure related expenses, Maintenance and Other Operating Expenses (MOOE), Financial Expenses, Interest Expenses on loans payable relative to the grant of Financial Assistance (FA) to banks with revisions in the agreement during the year i.e., restructured/extended etc., and other items that can only be determined for exclusion by year-end due to third party dependencies and uncontrollable circumstances.

4- A valid deposit insurance claim is considered settled when it is paid or dispatched to the Philippine Postal Corporation (PPC), or offset with an obligation, or in excess of the maximum deposit insurance coverage. Valid deposit insurance claims refer to claims for deposit accounts examined to be legitimate and eligible for deposit insurance. For depositors with valid insured deposit balances of P100,000 and below, filing of deposit insurance claim is waived for those with updated and complete mailing address, who have no obligations with the closed bank, and have not maintained the account under the name of business entity. All other depositors have to file deposit insurance claims with complete supporting evidences/documents acceptable to PDIC.

5- See Annex A-1

6- 16,390 valid deposits paid within 10 to 17 working days in 7 closed banks. Target TAT is 14 to 19 working days from bank takeover.

7- 2,759 valid claims settled within 15 to 27 working days in 7 closed banks. Target TAT is 21 to 27 working days from bank takeover.

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

$$\sum_{i=1}^n \left[\frac{B_i \cdot (A_i - \text{Required Competency})}{A_i} \right]$$

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

9- Year-end CAS covers all employees with competency baseline data established in the previous year.

10- Excludes the time from failed bidding to the resumption of bidding.

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Date: 18 APR 2024

