

PHILIPPINE DEPOSIT INSURANCE CORPORATION  
 REPORT ON CORPORATE PERFORMANCE  
 As of 31 December 2021

Component				Target	Accomplishment as of 31 December 2021	Rating	
Strategic Objective (SO)/ Strategic Measure (SM)	Formula	Weight	Rating System	2021 (Annual)			
<b>SO 1. Maintain Adequate Deposit Insurance Fund (DIF)</b>							
SM 1	Adequate Capital against Deposit Insurance Costs	12-month average DIF / 12-month average EID <sup>1</sup>	15	15% = if 5.50% and above  0% = If less than 5.50%	5.5%	7.59% (based on a 12-month average)	15
<i>Sub-total</i>			<b>15</b>				<b>15</b>
<b>SO 2. Enhance Client Experience</b>							
SM 2	Percentage of Satisfied Customers	No. of respondents who gave rating of at least satisfactory / Total number of survey respondents	10	(Actual/Target) x Weight  0% = If less than 80%	90%	82.7%	9.2
<i>Sub-total</i>			<b>10</b>				<b>9.2</b>
<b>SO 3. Reduce Non-Cash Portfolio</b>							
SM 3	Percentage Reduction of Loans (cumulative) Based on Baseline Accounts as of 2019 Year-end	Actual Accomplishment	10	(Actual/Target) x Weight	2.5% (4.2% cumulative = 29,947 accounts; 2020 - 12,121 = 1.7%; 2021-17,826= 2.5%)	4.26% (30,384 loan accounts/baseline account of 713,021)  6.03% cumulative = 42,978 {12,594 (2020) + 30,384 (2021)}	10
SM 4	Percentage Reduction of Real Properties (cumulative) Based on Baseline Properties as of 2019 Year-end	Actual Accomplishment	10	(Actual/Target) x Weight	2.5% (4.2% cumulative = 1,356 properties; 2020 - 549 = 1.7%; 2021 - 807 = 2.5%)	3.53% (1,141 real properties/baseline account of 32,280)  5.68% cumulative = 1,833 {692 (2020) + 1,141 (2021)}	10
<b>SO 4. Contribute to Financial Stability by Ensuring Financial Crisis Preparedness</b>							
SM 5	Readiness Level for Participation in the Conduct of Financial Crisis Simulation	Actual Accomplishment	10	(Actual/Target) x Weight	Board-approved Takeover Plan and Claims Settlement Plan	Takeover and Claims Settlement Plans approved by the Board on 21 December 2021	10

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<b>SO 5. Settle <sup>2</sup> Valid <sup>3</sup> Deposits/Claims Within Applicable Processing Time</b>							
SM 6	Settlement of Valid Deposits Promptly within Applicable Turn-Around-Time (TAT in line with EODB) - For Accounts with Less than or Equal to P100,000 Balances	Number of valid deposits paid within TAT / Total number of valid deposits for Accounts with Less than or Equal to P100,000 balances	10	(Actual / Target) x Weight	100% of claims settled within TAT <sup>4</sup> with new TAT under "New Normal"	100% of claims settled within TAT <sup>5</sup>	10
SM 7	Settlement of Valid Claims Promptly within Applicable Turn-Around-Time (TAT in line with EODB) - For Accounts with More than P100,000 Balances	Number of valid claims settled within TAT / Total Number of valid claims filed during Field Operations Claims Settlement (FOCS)	10	(Actual / Target) x Weight	100% of claims settled within TAT <sup>4</sup> with new TAT, reckoning time and formula under "New Normal"	100% of claims settled within TAT <sup>6</sup>	10
<b>Sub-total</b>			<b>50</b>				<b>50</b>
<b>SO 6. Recruit the Best and the Brightest, and Retain Highly Motivated and Competent Workforce</b>							
SM 8	Percentage of Employees Meeting Required Competencies	Competency Baseline <sup>7</sup> 2021 - Competency Baseline 2020	10	All or Nothing	Improvement on the Competency of the Organization based on the 2020 year-end assessment <sup>8</sup>	Improvement in Competency Index Level <sup>9</sup> of the Organization by 0.12858 or 12.04% from 1.06778 in 2020 to 1.19636 in 2021	10
<b>SO 7. Build a Responsive Organization Equipped with the Appropriate Technology and Other Infrastructure</b>							
SM 9	Implementation of the Information System Strategic Plan (ISSP)	Actual Accomplishment	10	All or Nothing per target ICT and information system	100% implementation of internal ICT projects and information system based on the timeline provided in the ISSP <sup>10</sup>	Completed/implemented a total of 7 out of 8 ICT projects and 1 information system targeted based on the timeline provided in the revised ISSP as submitted to the DICT last October 29, 2021: 1. Office 365 Implementation 2. Virtual Private Network Expansion 3. Knowledge-Based CASA System 4. Data Center Construction 5. Multi-Factor Authentication 6. Electronic Bidding and Negotiated Sale (Phase 1) 7. Queuing System (Public Assistance Center in Pasong Tamo) 8. Engagement of Consulting Service Provider for the Review and Design of the ITG Structure and Strategy	8.9

Component				Target	Accomplishment as of 31 December 2021	Rating	
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SM 10	ISO Certification	Actual Accomplishment	5	All or nothing	Maintain ISO Certification for: 1. Assessment of Member Banks (AMB), 2. Claims Settlement Operations (CSO), 3. Loans Management (LM) 4. Real Property Disposal (RPD); and 5. Bank Examination (BE)  or Corporate Certification <sup>11</sup>	5 out of 5 processes maintained ISO Certification  - <b>Claims Settlement Operations (CSO) and Assessment of Member Banks (AMB)</b> including support processes passed the 2nd Surveillance Audit on 10 May 2021. - <b>Real Property Disposal (RPD)</b> including support processes passed the 2nd Surveillance Audit on 18 November 2021 - <b>Loans Management (LM) and Bank Examination (BE)</b> including support processes passed the 1st Surveillance Audit on 19 November 2021.	5
<b>Sub-total</b>			<b>25</b>				<b>23.9</b>
<b>TOTAL</b>			<b>100</b>				<b>98.1</b>

1- Capturing the period from January to December 2021

2 - A valid 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.

3 - Valid claims refer to claims for deposit accounts examined to be legitimate and eligible for deposit insurance. For depositors with valid deposit balances of Php 100,000 and below, filing of 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.

4 - Applicable processing time based on compliance with Republic Act No. 11032 or the Ease of Doing Business and Efficient Government Service Delivery Act of 2018

5 - 18,292 valid deposits paid within 17 - 40 WD which is within the target TAT of 27 - 41 WD for depositors of the 11 (out of 13) closed banks taken over in 2021. Occidental Mindoro RB is excluded in view of the refusal of bank employees to properly turn over bank records which precluded the delivery of services within TAT. Nevertheless, 765 valid deposits were paid within 36 WDs from bank takeover date on May 28, 2021, within the approved extension period from May 17 to May 31, 2021 for dispatch to PPC. Inventory taking is ongoing for Opportunity Kauswagan Bank, Inc. which was taken over on 6 December 2021.

6 - 892 valid claims settled within the TAT of 7 WDs from receipt of valid claims or approval of Report of Validation/Register of Insured Deposits, whichever came later, for depositors of 10 (out of 13) banks taken over in 2021. Claims settlement operation to commence on January 6 and 12, 2022 for Masantol Rural Bank, Inc. and Rural Bank of Nabunturan, Inc., respectively, while inventory taking is ongoing for Opportunity Kauswagan, Inc.

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

$$\sum_{i=1}^B \left[ \frac{\sum_{j=1}^A (\text{Actual Competency})}{A} \right]$$

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

8 - Reassessment should cover all employees assessed in 2020 and new hires in 2021.

9 - Scale: 1 = Meets Expectations (ME); < 1 = Does not meet Expectations (DM); > 1 = Exceeding Expectations (EE)

10 - See Appendix 1 for the implementation schedule

11 - Refers to the one certification for all processes with existing ISO certificate.

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