

CY 2017 PERFORMANCE SCORECARD (ANNEX B)

DEVELOPMENT BANK OF THE PHILIPPINES

	Component				Baseline Data		Target		
	Objective/Measure	Formula	Rating System	Weight	2014	2015	2016	2017	
	CONSTITUENCY	SO 1	Support Government's Priority Programs, Inclusive Growth and Environmental Sustainability Initiatives						
SM 1		1.a. Total Loan Approvals for LGUs, Water Districts and Electric Cooperatives	Outstanding loan amount	Actual / Target x Weight	10%	P6 Billion	P20.953 Billion	P15 Billion	P15 Billion
		1.b. Total Loan Portfolio for Schools and Hospitals	Outstanding loan amount	Actual / Target x Weight	10%	P2.476 Billion - Schools P3.504 Billion - Hospitals	P3.865 Billion - Schools P6.203 Billion - Hospitals	n/a	P13.795 Billion
SM 2		Percentage of Satisfactory Customer Rating	Number of respondents giving at least satisfactory / Total number of respondents	Actual / Target x Weight	5%	86%	94.6% average bank-wide rating using existing internal customer survey system	90% respondents giving "Satisfactory Rating" (based in third-party survey)	90% respondents giving "Satisfactory Rating" ¹
SO 2		Support the 10-Point Government Socio-Economic Agenda by Supporting Public & Private Participants in Government's Infrastructure Program							
SM 3		Total Loan Portfolio for Infrastructure	Outstanding loan amount	Actual / Target x Weight	10%	P45.343 Billion	P57.386 Billion	n/a	P78.987 Billion
		Sub-Total			35%				

¹ Based on a Third-party survey

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FINANCE	SO 3	Reduce Cost of Funds							
	SM 4	Total CASA Deposits	Actual Figure	Actual / Target x Weight Anything below P84.649 Billion: 0%	10%	P84.649 Billion	P110.107 Billion	15% increase	P152.694 Billion
	SO 4	Grow and Diversify Loan Portfolio and Improve Asset Quality							
	SM 5	Portfolio Quality – Net Non-Performing Loans (NPL) Ratio ²	Outstanding NPL - specific Allowance for Impairment Loss / Outstanding Gross Loan Portfolio	All or Nothing	5%	1.31%	1.40%	1.50%	<2%
	SO 5	Strengthen Balance Sheet through Sustainable, Efficient and Profitable Operations							
	SM 6	Net Income	Actual Figure	Actual / Target x Weight	5%	P4.601 Billion	P4.711 Billion	P5 Billion (if MRTC has not been sold)	P5 Billion
	SM 7	Total Capital Adequacy Ratio (CAR)	Total Qualifying Capital / Total Risk-Weighted Assets	All or Nothing	5%	20.91%	16.65%	18%	≥ BSP Requirement ³
		Sub-Total			25%				

² Industry average for 2014: 0.60%, 2015:0.64%, 2016: 0.57% and as of August 2017: 0.69%.

³ BSP Requirement for (Basel III) CET 1 is 6% and (Basel III) Total CAR is 10%

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INTERNAL PROCESS	SO 6	Streamline and Update Existing Credit and Other Operating Processes							
	SM 8	Turn-around Time (TAT) in Processing of Priority Sector Loan Applications	Number of loans processed within TAT / Total number of loans processed	Actual/Target x Weight	5%	95% loan releases within TAT for consumer loans	44% reduction in TAT based on actual 87.5 working days as baseline	80% processed loan application within 45 days TAT	80% processed loan applications within 45 work days TAT
	SO 7	Develop and Utilize Latest Information and Communication Technology (ICT) at Par with the Best in the Industry							
	SM 9	Implementation of ICT Projects	Actual Accomplishment	Actual/Target x Weight	10%	<p>The following are already completed and implemented:</p> <ol style="list-style-type: none"> 1. Integrated Liability System; 2. Upgrade Network Routers; 3. Treasury Single Account; 4. Unlad Kawani; 5. Online Signature Verification; 6. Automation of BSP Reports; 7. Enhancement of Automated Teller's Validation (Bidding of the Integrated Core Banking System) 	<p>100% Completion of:</p> <ol style="list-style-type: none"> 1. Integrated Central Disbursement System 2. Centralized Procurement 3. Signature Verification System <p>97% completed:</p> <ol style="list-style-type: none"> 4. Credit Appraisal System 	<p>Full implementation of the following systems:</p> <ol style="list-style-type: none"> 1. Vendor Management System 2. Insurance Management System 3. Westpac (Australian Remittance System) 4. Cash Management System 5. Check Truncation 	<ol style="list-style-type: none"> 1. Check Image Clearing System (CICS) - Remote Deposit Service on Checks (formerly named as Client Services Facilities Corporate Scanning); 2. EMV Acquiring/Certification (VISA, Bancnet and Mastercard) 3. Cash Management System Port to Production 4. Mobile Banking - Card Banking Facility 5. User Acceptance Testing (UAT) Cycle 2 for the Integrated Core Banking System (ICBS) Deposit & Core-GL

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	SO 8	Strengthen Risk Management and Regulatory Compliance							
	SM 10	Automation of Risk Management System	Actual Accomplishment	All or nothing	5%	n/a	Automation of the Integrated Customer Risk Rating Sys (ICRRS) Validation of ICRRS model by external consultant	Successful bidding out of the Risk Model Application with consultancy services	Risk Asset Classification and Measurement (C & M) Expected Credit Loss (ECL) Model
		Sub-total			20%				
ORGANIZATION	SO 9	Grow Capable, Motivated and Results-Oriented Professionals with Enhanced Competencies							
	SM 11	Integration of the Competency Standards	Actual Accomplishment	All or nothing	10%	n/a	DBP Competency Model approved by the DBP PCEO	Set baseline for competency level	Completion of Competency Profiling and Gap Assessment of 100 Lending Officers

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SO 10	Integrate Certified Management Systems for Streamlined Operations and Decision Making, Wider Participation, and Efficiency							
SM 12	Establish QMS/EMS	Actual Accomplishment	All or nothing	10%	Total: 14 Head Office Bank processes/ 10 RMCs/ward branches. Completion of the recertification audit in Dec. 2014 thus the Bank is being recommended for Integrated Management System (IMS) Certification by third party body Certification International Phils. Inc. (CIPI)	Recertification of the Bank's IMS signifying compliance to ISO9001:2008 & ISO 14001:2004 as certified by CIPI covering 14 Bank processes for Head Office, 15 RMCs & 96 Branches.	2016 IMS Target: Recertification of the Bank's Integrated Management System (IMS) to ISO 9001:2008 (Quality Management System and ISO 14002:2004 (Environment Management System) for the 14 Bank processes covering the Head Office, 15 RMCs and 96 Branches	Certification of the Bank's IMS to 9001:2015 (QMS) ISO 14001:2015 (EMS) for the 14 Bank processes covering the Head Office, RMCs and 80 Branches
	Sub-total			20%				
	Total			100%				