

LAND BANK OF THE PHILIPPINES (LANDBANK)
Validation Result of 2021 Performance Scorecard

Component				LANDBANK Submission			GCG Validation		Supporting Documents	Remarks	
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
SO 1	Promote Inclusive Growth by being the Catalyst of Financial Inclusion in the Unbanked and Underserved Areas of the Country										
SM 1	Amount of Outstanding Loans under the following sectors/programs:										
	a. 20 Poorest Provinces ¹ as identified by the PSA	Total Outstanding Loan Amount	7.5%	(Actual/Target) x Weight	₱40.6 Billion	₱43.619 Billion	7.5%	₱43.619 Billion	7.5%	<ul style="list-style-type: none">• Summary of loans processed by the Agricultural and Development Lending Sector (ADLS) and Branch Banking Sector (BBS)• General Ledger Balances• Poverty Incidence Among Families published by PSA²	Acceptable.
	b. Agriculture and Fisheries Sector (including the Small Farmers and Fishers)		7.5%	(Actual/Target) x Weight	₱281.75 Billion	₱247.923 Billion	6.60%	₱247.923 Billion	6.60%	<ul style="list-style-type: none">• Summary of loans processed by the Agricultural and Development Lending Sector (ADLS) and Branch Banking Sector (BBS)• General Ledger Balances• Outstanding Loan Portfolio Report as submitted to BSP	Acceptable.

¹ Based on the Philippine Statistics Authority List of 20 Poorest Provinces (2018)

² Table 9: Updated Clustering of Provinces based on 2018 Full Year Poverty Incidence among Families, by Province: 2015 and 2018. <https://psa.gov.ph/poverty-press-releases/data>

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SM 2	Establishment of Agrihubs to Serve as a One-Stop Shop for Farmers and Fishers	Actual Accomplishment	5%	(Actual/Target) x Weight	<u>4 New AgriHubs</u>	4 AgriHubs	4%	4 AgriHubs	5%	<ul style="list-style-type: none">• BSP Authorization to Establish Branch-Lite Unit• BSP Correspondence on the Conversion of LEAF to AgriHub• Board Resolution on the Establishment of Branch-Lite/ AgriHub• Sample Transactions in 2021	<p>The request for modification of the target to exclude Ubay, Bohol AgriHub is <u>APPROVED</u>.</p> <p>LANDBANK was able to establish AgriHubs in the following areas:</p> <p>Rizal, Nueva Ecija Bago, Negros Occ. Baggao, Cagayan Candaba, Pampanga</p>
SM 3	Loan Releases to Small Farmers and Fishers under the Programs Administered by LANDBANK in Partnership with DA, DAR, and Other Government Agencies	Total Loan Releases/ Total Funds Downloaded to LANDBANK by Partner Agencies	5%	(Actual/Target) x Weight	100% Release of the Funds Received from January to June 30, 2021 (excluding SCP-SIDA Funds)	268.55%	5%	92.75%	4.64%	<ul style="list-style-type: none">• Off-Book Accounts (ACEF and ERCA-RCEF)• Utilization Rate Report	<p>Validated actual only includes funds downloaded to LANDBANK in 2021, as follows:</p> <p>ACEF Total Funds received: ₱430.36 million Total Funds Released: ₱430.36 million</p> <p>ERCA-RCEF Total Funds Received: ₱500 million Total Funds Released: ₱432.59 million³</p>

³ Cumulative Releases as of 31 December 2021 is 1,432.59 million. Supporting documents submitted on 31 August 2022.

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SM 4	Increase in Number of Farmers and Fisherfolks Assisted	Actual Accomplishment	5%	(Actual/Target) x Weight	<u>Additional 200,000 Farmers and Fisherfolks Assisted from Year-end 2020 Figure</u>	3,243,158	5%	An additional of 434,189 farmers and fisherfolks assisted from the year-end 2020 figure or a total of 3,055,468	5%	<ul style="list-style-type: none"> Monitoring Report on SFF Assisted as of 31 December 2021 Summary of Beneficiaries of RFFA and FSRF Attendance Report on Farmers and Fishers who attended the financial literacy by LCDFI <p>The request to modify the target to "Additional 200,000 farmers and fisherfolks assisted from the year-end 2020 figure" is <u>APPROVED</u>.</p> <p>Validated actual pertains to the total number of farmers and fishers assisted through the following:</p> <p>Grant of Loans: 2,321,177 Cash grants through RFFA: 260,192 Cash Assistance through FSRF: 474,099</p>
SO 2	Support National Development Programs, ⁴ including CFIs, LGUs, and MSMEs in Support of Countryside Development									
SM 5	Amount of Outstanding Loans Supporting Other Government Programs	Total Outstanding Loan Amount	7.5%	(Actual/Target) x Weight	₱594.0 Billion	₱587.348 Billion	7.42%	₱587.348 Billion	7.42%	<ul style="list-style-type: none"> Summary of loans processed by the Agricultural and Development Lending Sector (ADLS) and Branch Banking Sector (BBS) General Ledger Outstanding Loan Portfolio Report as submitted to BSP <p>Acceptable.</p>
Sub-total		37.5%				35.52%		36.16%		

⁴ Communications, Transportation, Housing, Education, Health Care, Environment-related Projects, Tourism, Utilities, and Others

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Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
SO 3	Strengthen the Capital Level of the Bank to Support Its Growth and Expansion Requirements										
SM 6	Increase Net Income	(Interest Income + Other Operating Income) – (Interest Expense + Provision for Credit Losses + Other Operating Expenses + Provision for Income Tax)	7.5%	(Actual/Target) x Weight	₱19.68 Billion	₱21.75 Billion	7.5%	₱24.956 Billion	7.5%	• COA Annual Audit Report as of 31 December 2021	Validated actual based on the COA Audited Financial Statements.
SM 7	Improve Portfolio Quality; Non-Performing Loans Ratio	Outstanding NPL – Specific Allowance for Impairment Loss / Outstanding Gross Loan Portfolio	5%	{1-[(Actual – Target) / Target] x Weight}	Not exceeding the Average NPL Ratio of the Philippine Banking System as of 31 December 2021 (as published by BSP)	2.11% net	5%	2.11% net	5%	• Key Metrics as of 31 December 2021 • BSP Published Balance Sheet • COA Annual Audit Report as of 31 December 2021	LANDBANK’s request for target modification to “CET 1 Ratio, not less than PBS” is <u>DENIED</u> . Reported Accomplishment is acceptable. Industry NPL is at 2.11% as of 31 December 2021
	Sub-total		12.5%				12.5%		12.5%		
SO 4	Provide Timely, Accessible, and Responsive Products and Services on Multiple Platforms and Customer Touchpoints										
SM 8	Percentage of Loan Applications Processed with the Applicable Turnaround Time (TAT)	Number of loan proposals processed within the prescribed TAT/ Number of loan proposal processed	5%	(Actual/Target) x Weight	100% ⁵	99.94%	4.99%	99.91%	4.99%	• LOS Turnaround Time of Credit Facility Proposal (CFP) Approved Cases for all Lending Units per Lending Group for	Out of the 22,968 loan applications received, LANDBANK processed 22,948 applications within the applicable TAT. Details are in the attached Appendix A .

⁵ Based on LANDBANK's latest Citizen's Charter: up to ₱10 Million (Lending Unit Head) – 5 banking days; up to ₱30 Million (Group Head) – 15 banking days; up to ₱200 Million (Credit Committee) – 30 banking days; up to ₱500 Million (Investment Loan Committee – 35 banking days; and over ₱500 Million (Board) – 45 banking days

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Objective/Measure		Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating		
										Group Head and Credit Committee Level, and • Performance on Turnaround Time (Manual) for all Lending Units per Lending Group	
SM 9a	Percentage of Service Availability of Internet Banking Services ⁶	Total service availability in days / 365 days	5%	(Actual/Target) x Weight	90% Average Service Availability of Internet Banking Services (iAccess, WeAccess, MBA)	99.24%	5%	98%	5%	• iAccess, WeAccess, and Mobile Banking App Availability Report	Validated actual per ITIL requirement.
SM 9b	Percentage of Service Availability of Automated Teller Machines (ATM)	<u>Total Number of Onsite ATMs with at least 80% availability / Total Number of Onsite ATMs</u>	1.25%	(Actual/Target) x Weight	80% Service Availability of All Onsite ATMs ⁷	93.83%	1.25%	92.77%	1.16%	• ATM Availability Report from the Network Operations Department	The request to revise the target is DENIED . The GCG notes that the transmitted 2021 PES still

⁶ Based on Information Technology Infrastructure Library (ITL) version 3 Availability Management. ITL provides an internationally accepted set of standards on IT services

⁷ Additional ATM Monitoring Status equivalent for a downtime/unavailability of the machine: Offline/No Connection; Cash Dispenser Error; Card Reader Error; and No Cash Available.

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Objective/Measure		Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating		
SM 9c		Total Number of Offsite ATMs with at least 75% availability / Total Number of Offsite ATMs	1.25%	(Actual/Target) x Weight	75% Service Availability of All Offsite ATMs ⁶	83.79%	1.25%	83.59%	1.04%		reflects the old formula for this measure corresponding to the target of average service availability. As such, to conform to the target of service availability of all onsite/offsite ATMs, the formula is modified accordingly. Validated actual is based on the review and evaluation of submitted supporting documents.
SM 10	Percentage of Satisfied Customers	Number of respondents who gave a rating of at least Satisfactory / Total number of respondents	5%	(Actual/Target) x Weight Below 80% = 0	<u>90%</u>	92%	4.84%	92.3%	5%	<ul style="list-style-type: none"> Results of the Survey conducted by Third-party. Sample Survey Questionnaires Backchecking and Spot-Checking Report 	The request to revise the target is APPROVED . Validated actual based on the provided CSS Report.
Sub-total			17.5%				17.33%		17.19%		

⁶ Additional ATM Monitoring Status equivalent for a downtime/unavailability of the machine: Offline/No Connection; Cash Dispenser Error; Card Reader Error; and No Cash Available.

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Component					LANDBANK Submission			GCG Validation		Supporting Documents	Remarks
Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
SO 5	Process Land Transfer Claims in a Timely Manner										
SM 11	Percentage of Claim Folders processed within the Applicable turn-around time	Number of Claim Folders processed within TAT/ Total number of Claim Folders received ⁹	5%	(Actual/Target) x Weight	100% ¹⁰	100%	5%	99.84%	4.99%	<ul style="list-style-type: none">• Summary of Land Transfer Claim Processing Accomplishment Report from Jan to Dec 2021• Detailed Land Transfer Claim Processing Accomplishment Report	Out of the 1,218 claim folders received, LANDBANK processed 1,216 claim folders within the applicable TAT. (See Appendix A)
SO 6	Streamline Banking Operations Through Digital Platforms to Support Inclusive Banking										
SM 12	Number of Additional POS Cash Out Machines Installed	Actual Accomplishment	7.5%	(Actual/Target) x Weight	120 Additional POS Cash Out Machines	441 POS Cash Out Machines	7.5%	441 POS Cash Out Machines	7.5%	<ul style="list-style-type: none">• List of machines for existing and new partner institutions• Memorandum agreements per partner institutions; andDocumentation reports on the installation of POS Cash-out units	Acceptable.

⁹ Applicable processing time subject to compliance with R.A. 11032 otherwise known as Ease of Doing Business and Efficient Government Service Delivery (EODB) Act of 2018

¹⁰ Based on LANDBANK's Citizen's Charter

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SO 7	Synergize Marketing Efforts to Effectively and Efficiently Deliver Banking Services										
SM 13	a. Number of Agent Banking Partners/Sites	Actual Accomplishment	5%	(Actual/Target) x Weight	24 New Sites	52	5%	46	5%	<ul style="list-style-type: none">List of unbanked cities and municipalities in the Philippines, andMemorandum of Agreement with Agent Banking Partners	LANDBANK has successfully signed a partnership with 46 Merchants/Partners located in the unbanked cities and municipalities.
	b. Number of ATMs installed	Actual Accomplishment	5%	(Actual/Target) x Weight	180 ATMs	209	5%	209	5%	<ul style="list-style-type: none">List/database of newly installed ATMs in 2021Monthly Report on ATM as submitted to BSP	Acceptable.
	Sub-total		22.5%				22.5%		22.49%		
SO 8	Establish a High Performance “One Bank” Culture										
SM 14	Improvement on the Competency Level of the organization	Competency Baseline <u>2021</u> -Competency Baseline <u>2020</u>	5%	All or Nothing	Improvement on the Competency Level of the Organization based on the 2020 year-end assessment of eligible employees as of 01 June 2020	103.64%	5%	103.64%	5%	<ul style="list-style-type: none">Certification from the third-party provider on the conduct of the Competency AssessmentCompetency Assessment Result for 2020 and 2021	Acceptable. LANDBANK was able to improve its competency level by 5.34%
SM 15	Implement Quality management System	Actual Accomplishment	5%	All or Nothing	Maintain Certification through	<ul style="list-style-type: none">Passed the Surveillance Audit or IMS	5%	Passed the Surveillance Audit or IMS	5%	<ul style="list-style-type: none">Surveillance Audit Report by Certification	Acceptable.

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					Surveillance Audit	last September 2021 and was recommended for continued certification • Facilitated the posting of Letter of Continued Certification to LANDBANK's Transparency Seal (TS) on 13 December 2021		last September 2021 and was recommended for continued certification		International Philippines Inc. (CIP)	
	Sub-total		10%				10%		10%		
	Grand Total		100%				97.86%		98.34%		

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DETAILS OF VALIDATION OF SM 8: Percentage of Loan Application Processed
within the Applicable Turnaround Time (TAT)

CP REF NO	FINAL APPROVING LEVEL	TRX START DATE	TRX END DATE	TRX STATUS	LANDBANK TAT	GCG Computation
R01/2021/143278/ CFP	Lending Unit Head	07-Dec-21	31-Dec-21	Approved	15	16
R01/2021/143282/ CFP	Lending Unit Head	07-Dec-21	31-Dec-21	Approved	15	16
R01/2021/143287/ CFP	Lending Unit Head	07-Dec-21	31-Dec-21	Approved	15	16
R01/2021/143297/ CFP	Lending Unit Head	07-Dec-21	31-Dec-21	Approved	15	16
R01/2021/143315/ CFP	Lending Unit Head	07-Dec-21	31-Dec-21	Approved	15	16
R24/2021/143320/ CFP	Lending Unit Head	07-Dec-21	31-Dec-21	Approved	15	16
R16/2020/115525/ CFP	CRECOM	23-Nov-20	13-Jan-21	Approved	30	36

DETAILS OF VALIDATION OF SM 11: Percentage of Claim Folders Processed
Within the Applicable Turn-Around Time

Title No.	Location	Date of Receipt of Complete Documents	Date of Approval of Valuation	LANDBANK TAT	GCG Computation
P-2174 Lot 372	Artuz, Tapaz, Capiz	24-Aug-2021	1-Oct-2021	12	27
T-22014 Lot 2085-C	Canapi-an, Maayon, Capiz	12-Jul-2021	7-Dec-2021	4	102

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