

LAND BANK OF THE PHILIPPINES (LANDBANK)  
Validation Result of 2022 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										
	Amount of Outstanding Loans under the following sectors/programs:										
										<ul style="list-style-type: none"><li>• Summary of loans processed by the Agricultural and Development Lending Sector (ADLS) and Branch Banking Sector (BBS)</li><li>• Gross Loan Portfolio</li><li>• Poverty Incidence Among Families published by PSA<sup>2</sup></li></ul>	
SM 1	a. 20 Poorest Provinces <sup>1</sup> as identified by the PSA	Total Outstanding Loan Amount	5%	(Actual/Target) x Weight	₱40.6 Billion	₱66.54 Billion	5%	₱63.54 Billion	5%		Acceptable.
	b. Agriculture and Fisheries Sector (including the Small Farmers and Fishers)		5%	(Actual/Target) x Weight	₱275.462 Billion	₱261.66 Billion	4.75%	₱261.66 Billion	4.75%	<ul style="list-style-type: none"><li>• Summary of loans processed by the Agricultural and Development Lending Sector (ADLS) and Branch Banking Sector (BBS)</li><li>• Gross Loan Portfolio</li></ul>	Acceptable.

<sup>1</sup> Based on the Philippine Statistics Authority List of 20 Poorest Provinces (2021)  
<sup>2</sup> Table 15: Updated Clustering of Provinces based on 2021 Full Year Poverty Incidence among Families, by Province: 2015, 2018 and 2021. <https://psa.gov.ph/poverty-press-releases/nid/167972>

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SM 2	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, 2022 (excluding SCP-SIDA Funds)	99.98%	4.99%	99.98%	4.99%	<ul style="list-style-type: none"><li>Off-Book Accounts (ACEF and ERCA-RCEF)</li><li>Utilization Rate Report</li></ul>	Validated actual only includes funds downloaded to LANDBANK in 2022, as follows: <b>ACEF</b> Total Funds received: ₱587.96million Total Funds Released: ₱430.36 million  <b>ERCA-RCEF</b> Total Funds Received: ₱500 million Total Funds Released: ₱499.79 million
SM 3	Increase in Number of Farmers and Fisherfolks Assisted	Actual Accomplishment	5%	(Actual/Target) x Weight	Total 3.4 million farmers and fisherfolks assisted	3,406,967	5%	3,200,824 million SFFs	4.71%	<ul style="list-style-type: none"><li>Monitoring Report on SFF Assisted as of 31 December 2022</li><li>Summary of Beneficiaries of RFFA and FSRF</li><li>Attendance Report on Farmers and Fishers who attended the financial literacy by LCDFI</li></ul>	Validated actual pertains to the total number of farmers and fishers assisted through the following:  Grant of Loans: 2,466,533 Cash grants through RFFA: 260,192 Cash Assistance through FSRF: 474,099

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SO 2	Support National Development Programs, <sup>3</sup> including CFIs, LGUs, and MSMEs in Support of Countryside Development										
SM 4	Amount of Outstanding Loans Supporting Other Government Programs	Total Outstanding Loan Amount	5%	(Actual/Target) x Weight	₱594.00 Billion	₱774.75 Billion	5%	₱774.75 Billion	5%	<ul style="list-style-type: none"><li>Summary of loans processed by the Agricultural and Development Lending Sector (ADLS) and Branch Banking Sector (BBS)</li><li>Gross Loan Portfolio</li></ul>	Acceptable.
	Sub-total		25%				24.74%		24.45%		
SO 3	Maintain a Strong Capital Level to Support its Credit Growth, Expansion and Regulatory Compliance										
SM 5	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	₱25.705 Billion	₱30.058 Billion	7.5%	₱36.763 Billion	7.5%	<ul style="list-style-type: none"><li>Statement of Income and Expenses as of December 2022</li></ul>	Validated actual based on the COA AAR.

<sup>3</sup> Communications, Transportation, Housing, Education, Health Care, Environment-related Projects, Tourism, Utilities, and Others

<sup>4</sup> Item 8 of GCG MC 2023-01: The accomplishments reported should be aligned with the Financial Reports submitted to the Commission on Audit (COA). In the event that adjustments in the submitted Monitoring Reports are warranted based on reports from the COA, the GOCC concerned shall submit to GCG the final Monitoring Report reflecting such adjustments.

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Objective/Measure		Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating		
SM 6	Improve Portfolio Quality: Non-Performing Loans Ratio	Outstanding NPL – Specific Allowance for Impairment Loss / Outstanding Gross Loan Portfolio	5%	$\{1 - [(Actual - Target) / Target] \times Weight\}$	Not exceeding the Average NPL Ratio of the Philippine Banking System as of 31 December 2022 (as published by BSP)	3.32% net	2.44%	1.81% net	3.84%	<ul style="list-style-type: none"> <li>Key Metrics as of 31 December 2022</li> <li>BSP Published Balance Sheet</li> </ul>	Industry NPL is at 1.47% as of 31 December 2022
SO 4	Optimize Fund Utilization for Higher Yield while Supporting Priority Programs of Local and National Government										
SM 7	Efficient Utilization of Corporate Budget	Total Disbursements/ DBM-approved Corporate Operating Budget  (both net of PS)	5%	$(Actual/Target) \times Weight$	90%	73%	4.1%	91.91%	5%	<ul style="list-style-type: none"> <li>Budget Utilization Report</li> <li>Statement of Appropriation Obligations, Disbursements and Balances (SAODB)</li> <li>List of Delayed and Cancelled Projects</li> </ul>	Validated actual based on the COA AAR.
	Sub-total		17.5%				14.04%		16.34%		
SO 5	Provide Timely, Accessible, and Responsive Products and Services on Multiple Platforms and Customer Touchpoints										
SM 8	Percentage of Service Availability of Internet Banking Services <sup>5</sup>	Total service availability in days / 365 days	7.5%	$(Actual/Target) \times Weight$	90% Average Service Availability of Internet Banking Services (iAccess,	99.2%	7.5%	98%	7.5%	<ul style="list-style-type: none"> <li>iAccess, WeAccess, and Mobile Banking App Availability Report as of December 2022</li> </ul>	Validated actual per ITIL requirement.

<sup>5</sup> Based on Information Technology Infrastructure Library (ITL) version 3 Availability Management. ITL provides an internationally accepted set of standards on IT services

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Objective/Measure		Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating		
					WeAccess, MBA)						
SM 9a		<u>Total Number of Onsite ATMs with at least 90% availability / Total Number of Onsite ATMs</u>	1.25%	(Actual/Target) x Weight	90% Service Availability of All Onsite ATMs <sup>6</sup>	94.76%	1.25%	84.40%	1.17%		The request to revise the target is <b>DENIED</b> .  The GCG notes that the transmitted 2022 PES still 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. Also, to recognize LANDBANK's effort of providing services albeit challenges in network availability in far flung areas, the target for SM 9b (offsite) is modified to retain the 2021 target.
SM 9b	Percentage of Service Availability of Automated Telling Machines (ATM)	<u>Total Number of Offsite ATMs with at least 75% availability / Total Number of Offsite ATMs</u>	1.25%	(Actual/Target) x Weight	<u>75% Service Availability of All Offsite ATMs<sup>7</sup></u>	85.28%	1.25%	83.41%	1.25%	• ATM Availability Report from the Network Operations Department	The validated actual is based on the review and evaluation of submitted supporting documents.

<sup>6</sup> 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.

<sup>7</sup> 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 10a	Percentage of Satisfied Customers – Individual Customers	Number of respondents who gave a rating of at least Satisfactory / Total number of respondents	2.5%	(Actual/Target) x Weight	90%	95.9%	2.5%	95.6%	2.5%	<ul style="list-style-type: none"> <li>Results of the Survey conducted by Third-party.</li> <li>Sample Survey Questionnaires</li> <li>Backchecking and Spot-Checking Report</li> </ul>	Validated actual based on the provided CSS Report.
SM 10b	Percentage of Satisfied Customers – Business Organizations		2.5%	Below 80% = 0	90%		2.5%	95.9%	2.5%		
SM 11	Number of Additional POS Cash Out Machines Installed	Actual Accomplishment	7.5%	(Actual/Target) x Weight	120 Additional POS Cash Out Machines	306 POS Cash Out Machines	7.5%	186 New POS Cash Out Machines Installed	7.5%	<ul style="list-style-type: none"> <li>List of machines for existing and new partner institutions as of December 2022</li> <li>Memorandum agreements per partner institutions; and</li> <li>Proof of transactions dated 2022</li> </ul>	Of the 306 POS Cash Out Machines, 186 are new installations in 2022.
SM 12	Number of Agent Banking Partners/Sites	Actual Accomplishment	5%	(Actual/Target) x Weight	24 New Sites	283 New Sites	5%	283 New Sites	5%	<ul style="list-style-type: none"> <li>List of unbanked cities and municipalities in the Philippines as of December 2022, and</li> <li>Memorandum of Agreement with Agent Banking Partners</li> </ul>	Acceptable.

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Objective/Measure		Formula	Wt.	Rating System	Target	Actual	Rating	Actual			Rating
SM 13	Number of ATMs installed	Actual Accomplishment	5%	(Actual/Target) x Weight	200 ATMs	226	5%	226	5%	<ul style="list-style-type: none"><li>List/database of newly installed ATMs in 2022</li><li>Monthly Report on ATM as submitted to BSP</li><li>Proof of transactions dated 2022</li></ul>	Acceptable.
SM 14	Establishment of Agrihubs to Serve as a One-Stop Shop for Farmers and Fishers	Actual Accomplishment	5%	(Actual/Target) x Weight	<u>6 New AgriHubs</u>	6 AgriHubs	5%	7 AgriHubs	5%	<ul style="list-style-type: none"><li>BSP Authorization to Establish Branch-Lite Unit</li><li>BSP Correspondence on the Conversion of LEAF to AgriHub</li><li>Board Resolution on the Establishment of Branch-Lite/ AgriHub</li><li>Proof of Transactions in 2022</li></ul>	LANDBANK was able to establish AgriHubs in the following areas:  1.Malungon, Sarangani 2.Kapalong, Davao Del Norte 3.Plaridel, Misamis Occidental 4.Claveria, Misamis Oriental 5.San Fernando, Bukidnon 6.Bongabong, Oriental Mindoro 7. Ubay, Bohol
	Sub-total		37.5%				37.5%		37.42%		

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Objective/Measure	Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating			
SO 6	Synergize Customer-facing Services, Work Processes, and Digital Platforms to Deliver Agile and Responsive Bank Products and Services to All Stakeholders										
SM 15	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% <sup>8</sup>	99.91%	4.99%	99.79%	4.99%	• LOS Turnaround Time of Credit Facility Proposal (CFP) Approved Cases for all Lending Units per Lending Group for Group Head and Credit Committee Level, and	Out of the 11,703 loan applications received, LANDBANK processed 11,679 applications within the applicable TAT. Details are in the attached
SM 16	Maintain Quality and Management System and EMS Certifications	Actual Accomplishment	2.5%	All or Nothing	Maintain ISO Certification 9001:2015 and ISO 14001:2015	100% completion of the conduct of IMS refresh and IMS Assessment (IA) of 95 field units and 10 HO units and 12 cross functional processes with 41 HO units involved	5%	100% completion of the conduct of IMS refresh and IMS Assessment (IA) of 95 field units and 10 HO units and 12 cross functional processes with 41 HO units involved	5%	• List of Units Conducted with IMS refresh and assessment • IMS Assessment Certification • Sample Assessment Forms of LANDBANK-converted UCPB branches	Acceptable.
			2.5%	All or Nothing	Conduct of IMS Readiness Assessment on UCPB-converted branches as of September 2022	100% completion of the conduct of IMS briefing for 38 LANDBANK - converted UCPB branches and readiness assessment		100% completion of the conduct of IMS briefing for			

<sup>8</sup> 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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						(RA) of 21 converted branches		38 LANDBANK - converted UCPB branches and readiness assessment (RA) of 21 converted branches			
SO 7 Support Agrarian Operations through Timely Processing of Land Transfer Claims											
SM 17	Percentage of Claim Folders (CFs) processed within the Applicable turn-around time (TAT)	Number of Claim Folders processed within TAT/ Total number of Claim Folders received <sup>9</sup>	5%	(Actual/Target) x Weight	100% <sup>10</sup>	100%	5%	100%	5%	• Summary of Land Transfer Claim Processing Accomplishment Report from Jan to Dec 2022  Detailed Land Transfer Claim Processing Accomplishment Report	Acceptable.
	Sub-total		5%				14.99%		14.99%		
SO 8 Sustain and Nurture a High-Performance Culture											
SM 18	Improvement on the Competency Level of the organization	Actual Accomplishment	2.5%	All or Nothing	Board-approved enhanced Competency Model (Competency-based	Obtained Board-approval on the enhancement of Position Competency Profile of all Bank Units on	2.5%	Obtained Board-approval on the enhancement of Position Competency	2.5%	• Certification from the third-party provider on the conduct of the Competency Assessment	Acceptable.

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<sup>9</sup> 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

<sup>10</sup> Based on LANDBANK's Citizen's Charter

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Objective/Measure		Formula	Wt.	Rating System	Target	Actual	Rating	Actual	Rating	
					Position Profiles	01 September 2022		Profile of all Bank Units on 01 September 2022		Competency Assessment Result for 2022  • Competency Assessment Result for 2022 for all eligible employees
						Accomplished 100% competency assessment of 7,434 eligible ratees which concluded on 15 December 2022		Accomplished 100% competency assessment of 7,434 eligible ratees which concluded on 15 December 2022		
			2.5%		Competency Assessment of all eligible employees		2.5%		2.5%	
	Sub-total		5%				5%		5%	
	Grand Total		100%				96.27%		98.20%	