

25 November 2021

MR. SAMUEL G. DAGPIN, JR.

Chairman

MR. MICHAEL P. CLORIBEL

Commissioner

MS. MARITES CRUZ-DORAL

Commissioner

Governance Commission for GOCCs (GCG)

3/F CitiBank Center, 8741 Paseo de Roxas

Makati City, Philippines

Dear Chairman Dagpin, Jr., and Commissioners Cloribel and Doral:

May we submit the Overseas Filipino Bank (OFBank) 3rd Quarter 2021 Monitoring Report based on the GCG assessed targets per your letter dated 16 August 2021 pending a favorable consideration for target recalibration which we communicated in our letter dated 08 September 2021. Subject request was supported by an OFBank Board of Directors (BOD) approved Revised Plans, Programs and Corporate Operating Budget that took into consideration circumstances that were beyond the control of the Bank.

Summary of targets requested for recalibration:

Strategic Objective (SO)/ Strategic Measure (SM)		GCG Recalibrated (per letter dated 16 August 2021)	Revised 2021 Plans, Programs and COB ¹
SM 1	Number of new products/ services via MBA	2 (1 - eBanking Loan Facility; 1 - Remittance Facility)	2 (1 - eBanking Loan Facility; 1 - Remittance Facility)* * <i>No change.</i>
SM 2	Minimize Net Loss	Not more than ₱89.12 Million as of December 31, 2021	Not more than ₱127.88 Million as of December 31, 2021
SM 3	Increase the Total Outstanding Deposit Amount of OFWs and Beneficiaries	₱525.62 Million Deposits as of December 31, 2021	₱266.31 Million Deposits as of December 31, 2021
SM4	Increase the Total Outstanding Loan Amount of OFWs	₱1,930 Million of Loans to OFWs from the previous year's Total Outstanding Loans to OFWs	₱940.49 Million of Loans from the previous year's Total Outstanding Loans

¹ As communicated to GCG, OFBank's revised 2021 Plans and Programs has been approved by the OFBank Board per Board Resolution No. 2021-039 dated 30 July 2021

SM5	Customer Satisfaction Survey (Online Survey)	100% of Customers with at least Satisfactory Rating (10% of existing accounts)	90% of Customers with at least Satisfactory Rating (at least 500 respondents based on the minimum required) ** * * Requested at a later date when clarification on the required number was sought from GCG
SM6	No. of onboarded alliance/ partnerships to internet / mobile banking	2 (1 ePayment Solution Partner & 1 Blockchain-Capable Remittance Agency Partner)	2 (1 ePayment Solution Partner & 1 Remittance Agency Partner)
SM7	Total No. of Digital Channels and Services Implemented	1 (Mobile Banking Application Enhancement)	1 (Mobile Banking Application Enhancement) *** *** No change
SM8	Percentage of Applications Processed Within the Prescribed Period	100% of Transactions Processed Within the Prescribed Period	100% of applications processed within the 24-hour turnaround time.
SM9	Improvement on the Competency Level of the Organization	Board Approved Competency Framework with 1. Competency Catalogue 2. Competency Tables 3. Competency Matrix 4. Position Profiles 5. Competency-Based Job Description	Board Approved Competency Framework with 1. Competency Catalogue 2. Competency Tables 3. Competency Matrix 4. Position Profiles 5. Competency-Based Job Description **** ****No Change

Allow me at this point, to express OFBank's appreciation for your continuous support as we progress in our journey as the first digital bank in the country and the official digital bank of the Philippine government.

Respectfully,


LEILA C. MARTIN
President & CEO

**OVERSEAS FILIPINO BANK (OFBANK)
2021 PERFORMANCE SCORECARD
ACCOMPLISHMENTS FOR THE THIRD QUARTER 2021**

		Component				2021	
	Strategic Objective (SO)/ Strategic Measure (SM)	Formula	Weight	Rating System	Annual Target	3 rd Quarter Accomplishment	
SOCIO-ECONOMIC IMPACT	SO 1	Support the Programs for OFWs in partnership with Government Agencies					
	SM 1	Number of new products/ services via MBA	(Actual/Target) x Weight	20%	Actual Accomplishment	2 (1 - eBanking Loan Facility; 1 - Remittance Facility)	2 <ul style="list-style-type: none"> • Retail Treasury Bonds Facility with BTr • Retail On-shore Dollar Bonds Investment with BTr
		Sub-Total		20%			
FINANCIAL	SO 2	Maintain Compliance on the Capital Adequacy Requirement					
	SM 2	Minimize Net Loss	<ul style="list-style-type: none"> • If Actual is \leq Target - 15% • If Actual is $>$ Target, (1 - [Actual Target]/Target) x Weight 	15%	Actual Accomplishment	Not more than ₱89.12 Million as of December 31, 2021	Net Loss as of September 30, 2021 is ₱ 72.22 Million
	SO 3	Increase Deposit Base of OFWs					
	SM 3	Increase the Total Outstanding Deposit Amount of OFWs and Beneficiaries	(Actual/Target) x Weight	20%	Actual Increase in Total Outstanding Deposit Amount of OFWs and Beneficiaries	₱525.62 Million Deposits as of December 31, 2021	₱ 409.29 Million Deposits from OFWs and Beneficiaries as of September 30, 2021

Component					2021	
	Strategic Objective (SO)/ Strategic Measure (SM)	Formula	Weight	Rating System	Annual Target	3rd Quarter Accomplishment
FINANCIAL	SO 4	Increase Loan Base of OFWs				
	SM 4	Increase the Total Outstanding Loan Amount of OFWs	(Actual/Target) x Weight	10%	Actual Increase in Total Outstanding Loan Amount of OFWs	<p>₱1,930 Million of Loans to OFWs from the previous year's Total Outstanding Loans to OFWs</p> <p>Implementation of the facility is dependent upon signing of MOA by OWWA which at present has to prioritize focus on OFW repatriation concerns and other related activities.</p> <p>Purchase of receivables from LANDBANK is currently being studied by LBP- OFB with target date of implementation within the 4th quarter of 2021.</p>
	Sub-Total			45%		
CUSTOMERS/ STAKEHOLDERS	SO 5	Timely, reliable products and services to OFs/OFWs and their beneficiaries				
	SM 5	Customer Satisfaction Survey (Online Survey)	<ul style="list-style-type: none"> • If Actual is \geq Target - 5% • If Actual is $<$ Target $(1 - [\text{Actual}-\text{Target}]/\text{Target}) \times \text{Weight}$	5%	Actual Accomplishment	<p>100% of Customers with at least Satisfactory Rating (10% of existing accounts)</p> <p>Out of the 512 respondents: 65.6% rated OFBank "Excellent", 24.4% rated "Satisfactory", 3.5% rated "Fair", and 6.4% rated "Needs Improvement"</p> <p>Survey still ongoing. Online Survey Link made continuously available.</p>
	Sub-Total			5%		

INTERNAL PROCESS	SO 6	Synergize Marketing Efforts					
	SM 6	No. of onboarded alliance/partnerships to internet / mobile banking	(Actual/Target) x Weight	10%	Actual Accomplishment	2 (1 ePayment Solution Partner & 1 Blockchain-Capable Remittance Agency Partner)	40 Forged agreements with international and local remittance companies/agents
	SO 7	Streamline Banking Operations through Digital Solutions					
	SM 7	Total No. of Digital Channels and Services Implemented	(Actual/Target) x Weight	10%	Actual Accomplishment	1 (Mobile Banking Application Enhancement)	2 <ul style="list-style-type: none"> • OFBank customer care and Facebook page for client's queries, comments or suggestions on emails generated during account opening and sending of OTP (08 April 2021) • Cardless withdrawal (25 June 2021)
	SM 8	Percentage of Applications Processed Within the Prescribed Period	(Actual/Target) x Weight	5%	Actual Accomplishment	100% of Transactions Processed Within the Prescribed Period ²	100% of applications processed within the 24-hour turnaround time.
		Sub-Total		25%			

² Applicable Turnaround Time shall be in accordance with OFBank's compliance with Republic Act No. 11032 otherwise known as the Ease of Doing Business and Efficient Government Service Delivery Act of 2018

Component					2021		
	Strategic Objective (SO)/ Strategic Measure (SM)	Formula	Weight	Rating System	Annual Target	3rd Quarter Accomplishment	
LEARNING & GROWTH	SO 9	Establish a Competitive Employment Structure					
	SM9	Improvement on the Competency Level of the Organization	(Actual/Target) x Weight	5%	Actual Accomplishment	Board Approved Competency Framework with 1. Competency Catalogue 2. Competency Tables 3. Competency Matrix 4. Position Profiles 5. Competency-Based Job Description	OFBank Administrative Services Unit is currently in coordination with LBP-ODD for the crafting the framework within the year.
		Sub-Total		5%			
		TOTAL		100%			