



PHILIPPINE POSTAL CORPORATION

2021 ANNUAL REPORT

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I. EXECUTIVE SUMMARY

The Annual Report for CY 2021 of the Philippine Postal Corporation highlights the accomplishments of the strategic programs of the corporation for CY2021 and the resources used to realize its mandate to provide quality Postal Service in the Philippines.

The document includes the Plans, Activities, and Projects (PAPs) that were undertaken by the Operating units, the corresponding outputs generated from those activities and the allocation of resources in order to achieve the expected Corporate Outcomes for CY 2021.

For CY 2021, the Corporate Profile, Corporate Social Responsibility and 2021 Performance Highlights of PHLPost are summarized below:

PARTICULARS	DETAILS
Organizational Structure	The organizational structure of the Corporation reverted to the approved 2013 Rationalization Plan
Personnel Complement	Of the 7,047 authorized plantilla positions 3,923 or 55.66% positions are filled as of 31 December 2021. Total workforce is 6,796. 58% of which holds plantilla positions while 2,873 personnel are hired under Contractual and Contract of Service (COS)
Postal Network	Total number of Post Offices is 1,274 or 78.21% of which 1,219 are PHLPost operated Post Offices, 27 are private postal stations and 28 are LGU operated postal stations.
Postal Connectivity	740 or 58.31% of the total number of post offices are connected nationwide as of December 2021.

Table 1 Corporate Profile, CY2021

Corporate Social Responsibility, CY 2021

PHLPost continues to give importance to history, heritage, and arts through programs and activities that promote its commemoration and preservation like issuance of stamps featuring historical moments and people of the Philippines.

The Corporation has been a conduit of government, non-government organizations in the delivery of services to disaster-afflicted beneficiaries, disadvantaged, and low-income segments of society through its core businesses, to include its logistics and warehousing and financial services.

In consonance with the policy, PHLPost continues to give importance to customer's health and safety as well as the Corporation's impact on the environment through programs and activities that support the achievement of these goals. Some of the activities done are the repair and rehabilitation of Post Office Infrastructure and Public Service Warning.

PARTICULARS	DETAILS
Marketing Initiatives	<ul style="list-style-type: none">• UPU Letter Writing Contest• Continued promotion of Philippine stamps in strategic areas of the country• Media Exposures• Distribution of marketing collaterals and IEC

Delivery Performance	PHLPost was able to exceed its target in the delivery performance for International Express Post, International Parcel Post, and International Letter Post while the rest of the delivery services were below the approved performance targets.
Operations Improvement Projects	<ul style="list-style-type: none"> • Testing and implementation of ERP • Outsourced Mail Conveyance • Re-fleeting and acquisition program • Expansion of Postal Outlets in partnership with LGUs • Active involvement in International Relations
Postal Traffic	<p>The bulk of mail volume posted for CY2021 is from Domestic Letter Post, both for Ordinary and Registered with 80.82% share of the over-all total mail volume posted.</p> <p>Bulk of Domestic Letter Post is posted in Mega Manila Area with 76.16% of this service and 65.56% share to total volume posted of CY2021. It is followed by Northwest Luzon Area with 6.31% share for Domestic Letter Post, and 5.10% share of the total volume posted.</p>
Corporate Financial Performance	CY2021 results show that PHLPost has increased its revenue of Service and Business Income by 33.08% or Php713.877M compared to the previous year. The revenue reflects an increase in all business lines.
HR Matters	<p>The Corporation is continuously upgrading the skills and capabilities of PHLPost employees by conducting, outsourced and foreign/international trainings for all employees.</p> <p>Continuous conduct of COVID19 monitoring and testing</p>
2021 Performance Scorecard	The Corporation's performance scorecard is weighted through the following strategic objectives: Social Impact (8%), Customers and Stakeholders (15%), Financial (12%), Internal Processes (60%), and Learning and Growth (5%). Due to the effects of the pandemic, the GCG allowed the exclusion of 3% for the conduct of customer satisfaction survey results for individual customers. For 2021, PHLPost achieved an initial overall rating of 82.17% which is below the passing rate, subject to GCG validation.

Table 2 Performance Highlights, CY2021

II. CORPORATE DIRECTIONS

By virtue of Republic Act No. 7354, known as the Postal Service Act of 1992, the Philippine Postal Corporation (PHLPost) was created as a government-owned and controlled corporation (GOCC)

Presently, PHLPost is directly under the Office of the President under Executive Order No. 47 s.2011.

A. Mandate, Vision and Mission

Mandate

As a Government-Owned and Controlled Corporation, Philippine Postal Corporation is mandated to:

- Plan, develop, promote and operate a nationwide postal system with a network that extends or makes available at least ordinary mail service to any settlements in the country;
- Provide for the collection, handling, transportation, delivery, forwarding, returning and holding of mails, parcels and like materials throughout the Philippines and pursuant to agreements entered into, to and from foreign countries; and,
- Determine and dispose of, in a manner it deems most advantageous, with law and settled jurisprudence, confiscated or non-mailable mail matters prohibited articles, dead letters, and undelivered mails, except the sale of prohibited drugs, dangerous materials, and other banned articles as defined by law.

Vision and Mission

VISION. By 2025, PHLPost is the preferred universal delivery service provider of communication, goods, and payment in services in every Filipino community.

MISSION. PHLPost provides efficient, competitive and on-time delivery of communications, goods and payment services in any Filipino community.

Values.

PHLPost's work ethics is founded by Public Service and Corporate Values operationally defined as follows:

CITE		PIES	
Corporate Values		Public Service Values	
Commitment	The state or quality of being dedicated to a goal, job, cause, activity, thereby contributing to attain organizational effectiveness.	Patriotism	Taking pride in being a Filipino
Innovation	Creating/developing a new method, idea, product, and the like, results to work improvement, cost efficiency and seamless processes.	Integrity	Quality of being honest and having strong moral principles; moral uprightness and ethical decision making in day to day work life
Teamwork	Collaborative effort of a group to achieve a common goal or to complete a task in the most effective and efficient way.	Excellence	Being outstanding or extremely good in the performance of duties applying exemplary behaviour or attitude.
Entrepreneurial Spirit	Creating value by way of knowing and understanding PHLPost products and services and effective resources management	Spirituality	Putting God in the center of life by being concerned with the human spirit or soul as opposed to material or physical things.

In Board Resolution No. 2019-28 dated 21 March 2019, the Board of Directors approved the New Corporate Values with Behavioural Descriptor (CITE+PIES) of the Philippine Postal Corporation as recommended in PHLPost EXECOM Resolution No. 2019-11 dated 12 March 2019.

B. Corporate Goals and Objectives

The Philippine Postal Corporation is committed to achieving full compliance with the code of corporate governance as it is perceived to be equally important as per financial and non-financial performance. The Board ensures that proper framework and best practices are sustained in the Corporation for it to accomplish its short and long-term goals.

To attain its vision and effectively fulfil its mission, PHLPost shall pursue the following goals and objectives:

Sustainability of the Organization	To foster sustainable partnership with postal partners
Relevance of the Postal Service	To remain a relevant component of the value chain
Adoption of Information Technology	Towards an ICT-enabled postal services
Market Push Products and Services	By expanding Express post service, providing government services at postal outlets, venturing to e-Commerce fulfilment services, and trade facilitation using the postal network

C. Strategies and Thrusts

In realizing the vision as well as achievement of goals and objectives, strategies are adopted by PHLPost focusing on efficient services, positive customer experience and financial sustainability

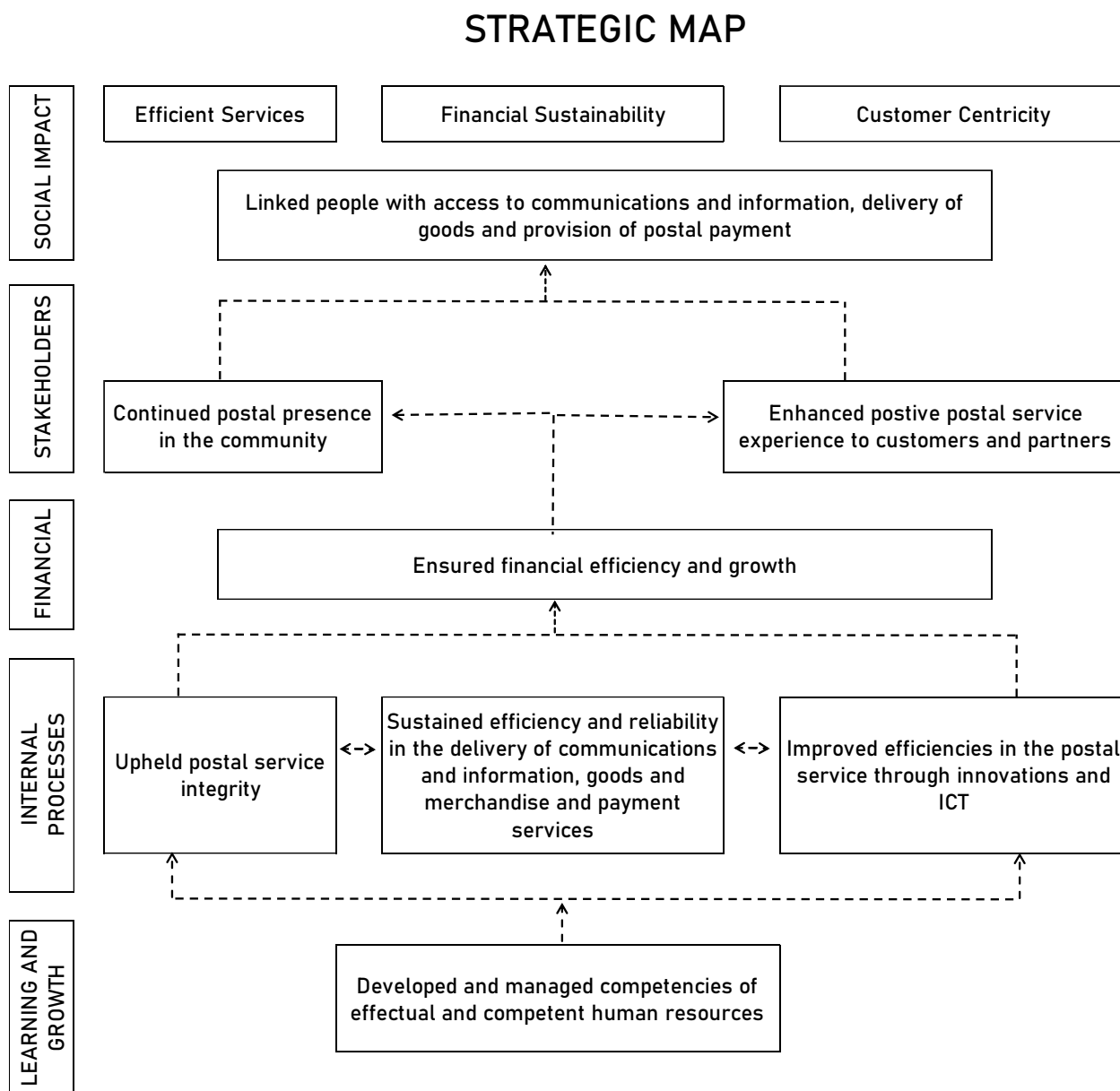


Figure 1 PHLPost Strategy Map, CY 2021

III. CORPORATE PROFILE

A. Organizational Structure

The organizational structure of PHLPost evolved since the implementation of Rationalization Plan in January 2013 pursuant to Board Resolution No. 2012-65 adopted on 20 October 2012.

The nine (9) Postal Areas are strategically located nationwide and maintain standard organizational structure in the exercise of their functions in Operations, Marketing and Administration and Finance.

Existing Organizational structure, Philippine Postal Corporation

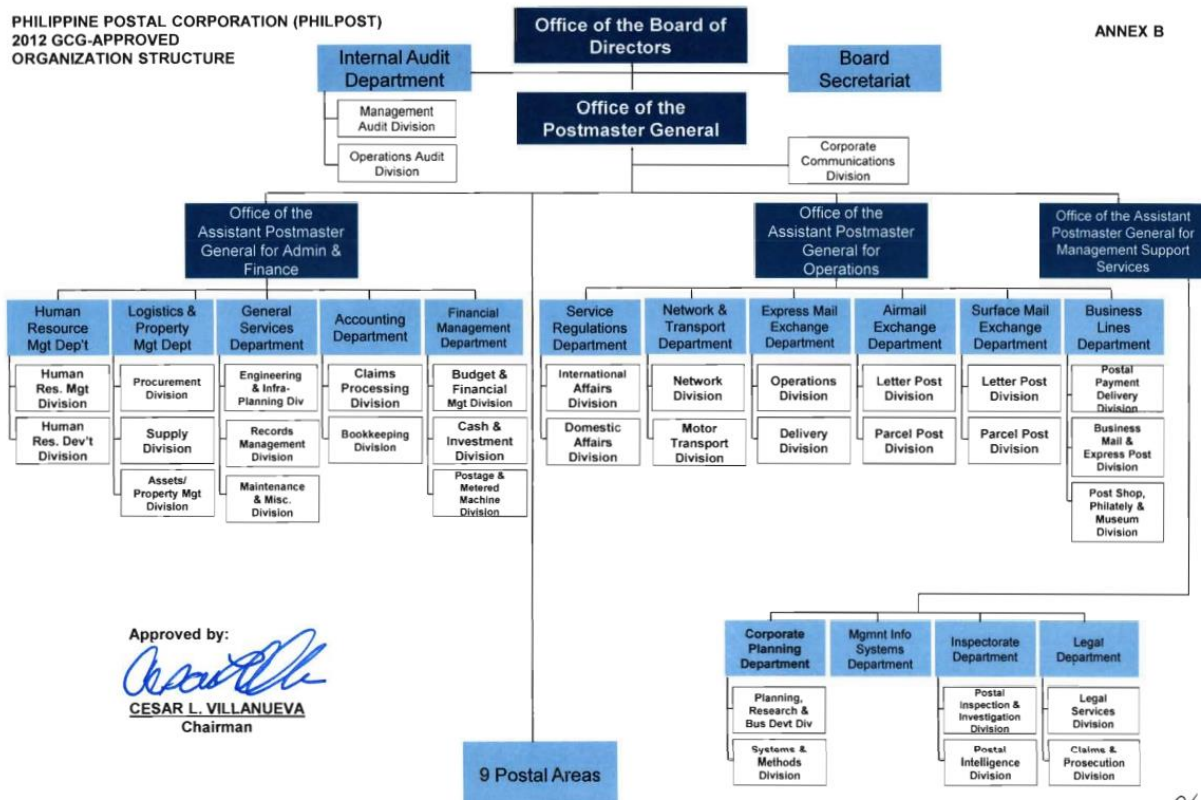


Figure 2 Organizational Structure, PHLPost

B. Personnel Complement

As of 31 December 2021, there is 7,047 authorized plantilla positions. At the end of 2021, 6,796 positions are filled with 3,923 or 58% are plantilla, 60 or 1% are contractual, 2,813 or 41% are contract of service (COS).

Of the total personnel complement, 1,895 personnel or 28% are assigned in Mega Manila Area, 905 or 13% in the Central Office and 823 or 12% in Northwest Luzon Area. Moreover, in personnel under Contract of Service, 669 or 24% are from Mega Manila Area, 398 or 14% are assigned in Central Office, and 342 or 12% are in Northwest Luzon Area.

Operating Units	Number of Personnel					
	Authorized Plantilla Positions	Personnel Complement (As of December 2021)				Vacant Plantilla Positions
		Total Personnel Complement	Filled Plantilla Positions	Contractual	Contract of Service	
1. Central Office	842	905	478	29	389	369
2. Northeast Luzon	332	382	183	2	197	149
3. Northwest Luzon	881	823	478	3	342	403

4. Mega Manila	1,969	1,895	1,218	8	669	751
5. Southern Luzon	760	725	408	3	314	352
6. Central & Eastern Visayas	716	635	345	3	287	371
7. Western Visayas	474	483	268	3	212	206
8. Eastern Mindanao	430	404	249	3	152	181
9. Central Mindanao	336	331	170	3	158	166
10. Western Mindanao	307	213	126	3	84	181
Total	7,047	6,796	3,923	60	2,813	3,129

Table 3 Personnel Complement by Operating Units, CY2021

Personnel Holding Plantilla Positions											
BY FUNCTIONS	CO	NELA	NWLA	MMA	SLA	CEVA	WVA	EMA	CMA	WMA	TOTAL
ADMINISTRATIVE											
A. Executives	2	1	1	1	0	1	1	0	0	0	7
B. Managers	38	1	2		3	2	0	0	0	1	47
C. Supervisory	110	10	8	7	12	9	13	10	7	6	192
D. Non-Supervisory	44	4	3	1	22	5	4	6	3	3	95
Total	194	16	14	9	37	17	18	16	10	10	341
OPERATIONS											
A. Managers		1	0	0	0		1	0		1	3
B. Supervisory	47	11	24	75	12	18	10	16	6	10	229
C. Non-Supervisory	232	15	70	125	69	63	20	42	8	16	660
Total	279	27	94	200	81	81	31	58	14	27	892
FRONTLINE POSITIONS											
A. Postmasters	0	37	103	59	103	77	51	40	25	16	511
B. Postal Tellers	0	12	220	125	35	26	21	35	12	7	493
C. Letter Carriers / Senior LCs / Driver Courier	0	91	47	825	152	144	147	100	109	66	1681
Total	0	140	370	1,009	290	247	219	175	146	89	2,685
GRAND TOTAL	473	183	478	1,218	408	345	268	249	170	126	3,918

Table 4 Regular Personnel by Function and Operating Units, CY2021

Source: Human Resource Management Department

C. Postal Access

Cities and Municipalities

AREA	No. of Cities / Municipalities	Post Offices	Private Postal Station	LGU Postal Station	Cities / Municipalities without PO
NELA	154	84	2	0	75
NWLA	242	208	0	4	61

MMA	79	166	16	0	23
SLA	269	165	4	13	110
CEVA	272	199	4	7	62
WVA	164	175	1	4	6
EMA	147	57	0	0	65
CMA	172	93	0	0	97
WMA	130	72	0	0	68
TOTAL	1629	1,219	27	28	567

Table 5 Postal Access by City / Municipality, CY2021

Source: Service Regulations Department

Outbound Postal Partners

International Express Post Service					
1	Australia	21	Hongkong	41	Nigeria
2	Austria	22	India	42	Norway
3	Bahrain	23	Indonesia	43	Pakistan
4	Bangladesh	24	Iran	44	Papua New Guinea
5	Belarus	25	Ireland	45	Qatar
6	Bhutan	26	Israel	46	Romania
7	Brazil	27	Italy	47	Saudi Arabia
8	Brunei	28	Japan	48	Singapore
9	Bulgaria	29	Korea	49	South Africa
10	Canada	30	Kuwait	50	Spain
11	China (B)	31	Laos	51	Sri Lanka
12	Colombia	32	Macao	52	Sweden
13	Cyprus	33	Malaysia	53	Switzerland
14	Denmark	34	Maldives	54	Taiwan
15	Egypt	35	Morocco	55	Thailand
16	Finland	36	Myanmar	56	UAE
17	France	37	Nauru	57	USA
18	Germany	38	Nepal	58	Vietnam
19	Great Britain	39	Netherlands		
20	Greece	40	New Zealand		

Table 6 PHLPost Outbound Postal Partners, CY2021

D. Post Office Connectivity

Of the 1,269 regular post offices, 740 or 58.31% are connected nationwide as of December 2021.

AREA	Total No. of Post Offices	Total No. of Post Office Connected	Total No. of Post Offices Not Connected	Percentage of Connectivity
NELA	85	68	17	80%
NWLA	212	143	69	67.45%

MMA	166	151	15	90.96%
SLA	167	122	45	73.05%
CEVA	19	74	125	37.18%
WVA	171	50	121	29.24%
EMA	102	57	45	55.88%
CMA	95	29	66	30.52%
WMA	72	52	20	72.22%
TOTAL	1269	740	523	58.31%

Table 7 Internet-Connected Post Offices Per Area, CY2021

Source: Management Information Systems Department

IV. CORPORATE SOCIAL RESPONSIBILITY REPORT

PHLPost continues to give importance to history, heritage and arts through programs and activities that promote the commemoration and preservation of such.

	<i>Stamp Issuance</i>	<i>Date of Issuance</i>	<i>Kinds of Issuance</i>	<i>Quantity</i>
1	"Save Our Shores, Save Our Ocean" Series II Definitive Issues	6 January 2021	Definitive	Php 17.00 - 2,000,000 Php 45.00 - 2,250,000 OFDCE Php 18.00 - 300
2	"Save Our Shores, Save Our Ocean" Series III Definitive Issues	13 February 2021	Definitive	Php 14.00 - 200,000 Php 100.00 - 700,000 OFDCE Php 18.00 - 300
3	Valentine's Day 2021 - "Far But Not Apart"	10 February 2021	Special	Php 12.00 - 25,000 OFDCE Php 18.00 - 400
4	The Murillo Velarde Map Circa 1734	16 March 2021	Commemorative	Php 500.00 - 10,000 OFDCE Php 150.00 - 400 Souvenir Folder Php 275.00 - 1,000
5	Quincentennial of the 1st Easter Mass in Limasawa, Southern Leyte	22 March 2021	Commemorative	Php 12.00 - 40,000 OFDCE Php 18.00 - 4,400
6	Santo Niño at 500	14 April 2021	Commemorative	Php 12.00 - 40,000 OFDCE Php 18.00 - 4,400
7	500th Anniversary of the Arrival of the Battle of Mactan, Cebu	21 April 2021	Commemorative	Php 12.00 - 30,000 OFDCE Php 18.00 - 3,400
8	National Heritage Month 2021 - Philippine Indigenous Boats	18 May 2021	Special	Php 12.00 - 30,000 Souvenir Sheet Php 55.00 - 2,000 OFDCE (Small)

				Php 18.00 - 400 OFDCE (BIG) Php 55.00 - 400
9	1971 Constitutional Convention (ConCon), 50th Anniversary	1 June 2021	Commemorative	Php 12.00 - 30,000 OFDCE Php 18.00 - 1,400 Personalized Stamp Php 150.00 - 1,000
10	Independence Day: Commemorative Cover	21 June 2021	Commemorative Cover	Php 18.00 - 1,000
11	City of Manila, 450th Founding Anniversary	24 June 2021	Commemorative	Php 12.00 - 40,000 OFDCE Php 18.00 - 4,400
12	Philippines-USA (PH-US) Diplomatic Relations-75th Anniversary	4 July 2021	Commemorative	Php 12.00 - 30,000 OFDCE Php 18.00 - 800
13	Birth centenary of the Father of the Nation of Bangladesh - Bangabandhu Sheikh Mujibur Rahman	9 July 2021	Commemorative Cover	Php 18.00 - 2,000
14	150th Anniversary of Paulino Txanton Aboitiz	27 July 2021	Commemorative (Proponent)	Php 12.00 - 20,000 Php 55.00 - 5,400 OFDCE Php 18.00 - 5,800
15	Benigno Simeon Aquino III - Memorial Issue	2 August 2021	Commemorative	Php 12.00 - 40,000 OFDCE Php 18.00 - 500
16	National Teachers' Month - "iTeach for a Better Future: My Teacher, My Frontline Hero"	6 September 2021	Special	Php 12.00 - 30,000 OFDCE Php 18.00 - 400
17	University of Bohol, 75th Anniversary	10 September 2021	Commemorative	Php 12.00 - 30,000 OFDCE Php 18.00 - 1,400
18	Keep the Faith - Be A Hero, Save Lives	16 September 2021	Special	Php 12.00 80,000
19	Tokyo Olympics 2020 Filipino Medalist Sports Avenger - Team Philippines	18 September 2021	Special	Php 12.00 - 20,000 Php 14.00 - 20,000 Php 15.00 - 20,000 Php 17.00 - 20,000 Php 55.00 - 5,000 OFDCE Php 18.00 - 1,000
20	Hidilyn F. Diaz, First Filipino Gold Medalist, 2020 Tokyo Olympics	18 September 2021	Special	Php 12.00 - 10,000 Php 14.00 - 10,000 Php 15.00 - 10,000 Php 17.00 - 10,000 Php 12.00 - 10,000 Php 14.00 - 10,000

				Php 15.00 - 10,000 Php 17.00 - 10,000 Php 12.00 - 10,000 Php 14.00 - 10,000 Php 100.00 - 5,000 OFDCE Php 18.00 - 500 Php 55.00 - 500
21	Happy Grandparents Day	27 September 2021	Special	Php 12.00 - 30,000 OFDCE Php 18.00 - 400
22	Robert Jaworski - Living Legend (Basketball Icon)	16 October 2021	Commemorative	Php 17.00 - 80,000 Php 60.00 - 5,000 OFDCE Php 18.00 - 500 Php 55.00 - 500
23	World Renowned Filipinos/Living Legends - Series 1	13 November 2021	Commemorative	Php 16.00 - 215,000 OFDCE Php 18.00 - 10,000 Php 55.00 - 2,000
24	De La Salle University - St. La Salle Hall Centenary	22 November 2021	Commemorative	PHP 12.00 - 40,000 OFDCE Php 18.00 - 6,600
25	Paskong Pilipino 2021 (Filipino Christmas 2021)	3 December 2021	Special	PHP 12.00 - 60,000 OFDCE Php 18.00 - 400
26	City of Bislig, Surigao del Sur Centenary	15 December 2021	Commemorative	PHP 12.00 - 44,000 OFDCE Php 18.00 - 2,400
27	Outstanding Filipinos/Living Legends - Series 1 Celebrating 75 Years of the First Stamps of the Republic of the Philippines (RP)	28 December 2021	Commemorative	Php 16.00 - 215,000 OFDCE Php 18.00 - 10,000 Php 55.00 - 2,000
28	Jose Rizal Martyrdom - 12th Anniversary	30 December 2021	Commemorative	Php 12.00 - 40,000 OFDCE Php 18.00 - 400

V. PERFORMANCE HIGHLIGHTS

A. Marketing Initiatives

According to the Post Office, a company's success is determined by how well its products are known by its customers. As a result, numerous marketing and research projects were undertaken in order to acquire sufficient information in order to build goods and services that are innovative and adaptable to changing customer expectations.

1. The MOA with Philsys was signed and delivery of PhilID commenced on May 1, 2021;

2. Negotiations with DHL as it sees Post Office as their potential partner for their retail market and plans to increase its reach domestically;
3. Drop-Off Points Partnership with LAZADA - as LAZADA is looking for more Drop-Off Points in Central Luzon, Post Office rendered its service by using their selected POs as Drop-Off Points for LAZADA sellers;
4. Maintaining and managing Post Office current, re-acquired and new different clients, as well as looking for possible new clients;
5. The conduct of Customer Satisfaction Survey for 2021 - As mandatory requirement of GCG as one of the performance indicators under the Performance Evaluation System (PES), which was administered by a third party service provider, KADENCE International Business Research Inc;
6. The conduct of Payout Services to Marginalized Sector for CY 2021
7. Issuance of philatelic stamps giving importance to history, heritage, Olympics sports and arts through programs and activities that promote commemoration and preservation;
8. Media exposures/engagement through online, print, TV, and radio at no cost to PHLPost and increased interest of subscribers to social media (FB, twitter, instagram, and Youtube)
9. Conducted marketing initiatives for Postal ID:
 - a. Conducted Postal ID Mobile Event - aiming to reach more clients/applicants by going to companies, organizations, and government offices;
 - b. Placed FB Ads Campaign - an increase brand awareness and promote PID ads to reach as many as possible target audience;
 - c. Conducted Postal ID Webinar Streaming Platform through FB live - helps to protect the public from scammers, inform the public about latest updates in applying for Postal ID and as well as in the real-life experience of those who were scammed.
 - d. Partnership with banks to co-promote Postal ID - promotes Postal ID as a primary ID or one of the acceptable government-issued IDs in facilitating bank transactions and co-promote in different social media platforms and other marketing materials.
 - e. Covid-19 Contingencies (PPE Supplies) - to observe safety protocols and to protect Postal ID frontliners in the execution of their task.

B. Delivery Performance

As shown in the table below, PHLPost was able to exceed its target in the delivery performance for International Express Post, International Parcel Post, and International Letter Post while the rest of the delivery services were below the approved performance targets.

<i>Category of Post Items</i>	<i>2021</i>		<i>2020 Actual Performance (As validated by GCG)</i>
	<i>Annual Target</i>	<i>Actual Performance (As Submitted to GCG)</i>	

● Express Post				
1. Domestic Express Post Delivery Performance,Committed Areas within Metro Manila	90 % of items delivered within 2 days after posting	86.72 % of items delivered within 2 days after posting	100 % of items delivered within 3 days after posting	
2. Domestic Express Post Delivery Performance, Committed Areas outside Metro Manila	90 % of items delivered within 10 days in Luzon and 15 days in VizMin after posting	80.20 % of items delivered within 7 days in Luzon after posting	92.85 % of items delivered within 10 days in Luzon after posting	
		81.60 % of items delivered within 10 days in VizMin after posting	90 % of items delivered within 15 days in VizMin after posting	
3. International Express Post Delivery Performance, Committed Areas handled by EMED	95 % of items delivered within 2 days after Customs clearance	96.46 % of items delivered within 2 days after Customs clearance	95.12 % of items delivered within 3 days after Customs clearance	
4. International Express Post Delivery Performance, Committed Areas Outside of those handled by EMED	95 % of items delivered within 7 days in Luzon and 10 days in VizMin after Customs clearance	96.43 % of items delivered within 7 days in Luzon after Customs clearance	100 % of items delivered within 10 days in Luzon after Customs clearance	
		96.57 % of items delivered within 10 days in VizMin after Customs clearance	95.83 % of items delivered within 15 days in VizMin after Customs clearance	
● Letter Post				
5. Domestic Ordinary Letter Post Delivery Performance	85 % of items delivered within 10 days in Luzon and 15 days in VizMin after posting	78.54 % of items delivered within 10 days in Luzon after posting	91.37 % of items delivered within 15 days in Luzon after posting	
		85.73 % of items delivered within 15 days in VizMin after posting	90.32 % of items delivered within 30 days in VizMin after posting	
6. Domestic Registered Letter Post Delivery Performance	85 % of items delivered within 10 days in Luzon and 15 days in VizMin after posting	84.77 % of items delivered within 10 days in Luzon after posting	90.95 % of items delivered within 15 days in Luzon after posting	
		86.90 % of items delivered within 15 days in VizMin after posting	92.47 % of items delivered within 30 days in VizMin after posting	
7. International Letter Post Delivery Performance	85 % of items delivered	94.67 % of items delivered within 10 days in Luzon	97.02 % of items delivered within 15 days in Luzon	

	within 10 days in Luzon and 15 days in VizMin after Customs clearance	after Customs clearance	after Customs clearance
		93.75 % of items delivered within 15 days in VizMin after Customs clearance	96.68 % of items delivered within 30 days in VizMin after Customs clearance
● Parcel Post			
8. International Parcel Post Delivery Performance	85 % of items delivered within 10 days in Luzon and 15 days in VizMin after Customs clearance	91.55 % of items delivered within 10 days in Luzon after Customs clearance	100 % of items delivered within 15 days in Luzon after Customs clearance
		91.37 % of items delivered within 15 days in VizMin after Customs clearance	92.12 % of items delivered within 30 days in VizMin after Customs clearance

C. Operations Improvement Projects and Activities 2021

One of the priorities of PHLPost for 2021 is the Operations Improvement Programs which directly impacts the fulfilment of its mandate of providing efficient delivery of goods and services to every Filipino community.

The following major operational improvement and activities were implemented in CY2021:

- Digitalization of the Post Office.
 - Computerization and digitalization of mail process from acceptance to delivery
 - Advanced track and trace system which allows real-time information on the whereabouts of every mail item.
 - Enhanced website and expanded mobile application
- Computerization of the corporate systems (ERP) namely: Mail Management System (MMS), Human Resource Information System (HRIS), Financial Counter System (FCS), and Corporate Financial Management System (CFMIS);
- Establishment of a Command Center increases situational awareness and can visualize crisis across time and space so that it can deal with current challenges and anticipate future issues. The Command Center enables real and on-time visibility and management of the service operation for efficient transactions and communication in all Postal Areas nationwide;
- Automation of mail processing through automated sorting machine that sorts more than 40,000 pieces of mails per hour, reducing processing time from days to hours;
- Termination of the practice of sending Notification Cards for door-to-door delivery of parcels;
- Termination of the practice of distributing parcels with unpaid customs duties and taxes starting 15 June 2021 until direct payment to the Bureau of Customs (BOC) through postal money order or other modes of online payment;
- Establishment of a New Customer Care Team and 288-POST Customer Care Hotline for greater responsiveness which resulted to almost zero complaints as of October 2021.

8. Nationwide Sweeping Operations through door-to-door delivery of old and new parcels that led to zero backlog.
9. Institutionalized the door-to-door delivery of international air parcels without Customs Duty (passed by Customs) instead of pick-up at the post office in order speed-up delivery and to provide convenience to the addressees/recipients.
10. Piloted implementation of the SMS notification and use of mobile device for the delivery of PhilID
11. Enhancement of the Postal Card with Financial Features will provide a more advanced Postal Card with modern financial and security features to provide efficient and accessible public service.
12. Resorted to multi-modal distribution of mail dispatches nationwide to address the impact of COVID-19 pandemic on safety protocols and limited transportation.

D. Postal Traffic

Mail Volume Posted. The bulk of mail volume posted for CY2021 is from Domestic Letter Post, both for Ordinary and Registered with 80.82% share of the over-all total mail volume posted.

The International Letter Post has a percentage contribution of 3.84% of the total mail volume posted.

Franked Mails, at 14.52% of the total mail volume posted. Other mail services such as Domestic Express Post, Domestic Parcel Post, International Express and Parcel Post, showed a minimal share of less than 1% to total mail volume posted for CY2021.

TYPE OF MAIL	P O S T E D (in pieces)			
	2020	2021	Percentage Share	% of Increase / (Decrease)
A. Domestic Express	143,839.00	116,433.00	0.38%	-19.05%
DEMS	79,987.00	86,521.00	0.21%	8.17%
EXPRESS POUCH	63,852.00	29,912.00	0.17%	-53.15%
B. DOMESTIC LETTER POST	30,667,069.00	34,517,399.00	80.82%	12.56%
DOM. REG. LETTER	6,494,855.00	6,550,553.00	17.12%	0.86%
DOM. ORD. LETTER	24,172,214.00	27,966,846.00	63.70%	15.70%
C. DOMESTIC PARCEL POST	1,163.00	2,872.00	0.00%	146.95%
PARCEL - DOMESTIC	907.00	2,790.00	0.00%	207.61%
COD	256	82	0.00%	-67.97%
D. INTERNATIONAL EXPRESS POST	166,143.00	221,436.00	0.44%	33.28%
IEMS - LETTER	41,998.00	41,821.00	0.11%	-0.42%

IEMS - PARCEL	124,145.00	179,615.00	0.33%	44.68%
E. INTERNATIONAL LETTER POST	1,456,347.00	957,474.00	3.84%	-34.26%
INT'L. REG. LETTER	192,501.00	221,698.00	0.51%	15.17%
INT'L. ORD. LETTER	1,237,161.00	710,794.00	3.26%	-42.55%
INT'L. SMALL PACKET	25,560.00	19,618.00	0.07%	-23.25%
INT'L. PRINTED MATTER	1,125.00	5,364.00	0.00%	376.80%
F. INTERNATIONAL PARCEL POST	11,052.00	16,730.00	0.04%	51.38%
G. FRANKED MAIL	6,008,797.00	6,088,108.00	14.52%	1.32%
TOTAL	38,454,410.00	41,920,452.00	100.00%	9.01%

Source: Corporate Planning Department

Mail Volume Posted Per Area. Bulk of Domestic Letter Post is posted in Mega Manila Area with 63.87% share to total volume posted of CY2021. It is followed by Northwest Luzon Area with 4.85% share of the total volume posted.

TYPE OF MAIL	POSTED CY 2021										TOTAL	% TO TOTAL
	NELA	NWLA	MMA	SLA	CEVA	WWA	EMA	CMA	WMA	CO		
A. Domestic Express	5,954	13,494	57,660	4,462	10,457	13,272	8,962	1,143	1,029	-	116,433	0.28%
DEMS	5,578	7,649	48,102	3,474	9,061	3,338	7,988	995	336		86,521	74.31%
EXPRESS POUCH	376	5,845	9,558	988	1,396	9,934	974	148	693		29,912	25.69%
B. DOMESTIC LETTER POST	526,538	2,031,137	26,775,627	1,031,601	1,168,746	940,570	1,170,698	607,688	212,141	52,653	34,517,399	82.34%
DOM. REG. LETTER	183,971	661,423	3,933,372	427,008	571,090	215,966	296,292	203,001	58,430		6,550,553	18.98%
DOM. ORD. LETTER	342,567	1,369,714	22,842,255	604,593	597,656	724,604	874,406	404,687	153,711	52,653	27,966,846	81.02%
C. DOMESTIC PARCEL POST	8	183	562	62	594	97	1,252	110	4	-	2,872	0.01%
PARCEL - DOMESTIC	8	183	562	62	594	15	1,252	110	4		2,790	97.14%
COD	-	-	-	-	-	82	-	-	-		82	2.86%
D. INTERNATIONAL EXPRESS POST	39,608	44,643	83,151	18,662	12,196	7,273	11,736	3,149	1,018	-	221,436	0.53%
IEMS - LETTER	1,722	9,707	19,084	3,095	2,191	1,516	3,499	790	217		41,821	18.89%
IEMS - PARCEL	37,886	34,936	64,067	15,567	10,005	5,757	8,237	2,359	801		179,615	81.11%
E. INTERNATIONAL LETTER POST	9,091	112,645	343,743	19,501	25,081	32,331	11,257	7,513	3,020	393,292	957,474	2.28%
INT'L. REG. LETTER	2,396	73,439	110,693	7,998	9,093	11,139	3,405	2,731	804		221,698	23.15%
INT'L. ORD. LETTER	6,589	34,471	220,940	10,583	10,541	20,388	7,174	4,675	2,141	393,292	710,794	74.24%
INT'L. SMALL PACKET	106	3,668	8,040	915	5,238	794	678	104	75		19,618	2.05%
INT'L. PRINTED MATTER	-	1,067	4,070	5	209	10	-	3	-		5,364	0.56%
F. INTERNATIONAL PARCEL POST	301	5,637	8,523	558	472	238	792	182	27		16,730	0.04%
G. FRANKED MAIL	326,623	971,471	2,755,120	477,519	552,016	379,884	223,617	304,230	97,628		6,088,108	14.52%
TOTAL	908,123	3,179,210	30,024,386	1,552,365	1,769,562	1,373,665	1,428,314	924,015	314,867	445,945	41,920,452	

Table 8 Postal Traffic – Posted Per Area/Office, CY2021

Mail Volume Delivered. Mail volume delivered shows an increase in almost all services in 2021. Largest share are from Domestic Letter Post with 80.82%, International Letter Post with 3.84%, and Franked Mail with 3.46%.

The increase in the total mail volume delivered is primarily due to the easing of COVID19 restrictions, making available multi-modal forms of transportation and the reopening of the local and global economy and trade.

TYPE OF MAIL	DELIVERED (in pieces)			
	2020	2021	Percentage Share	% of Increase / (Decrease)
A. Domestic Express	251,703.00	397,805.00	0.38%	58.05%
DEMS	193,634.00	341,325.00	0.21%	76.27%
EXPRESS POUCH	58,069.00	56,480.00	0.17%	-2.74%
B. DOMESTIC LETTER POST	69,608,218.00	99,366,021.00	80.82%	42.75%
DOM. REG. LETTER	18,142,256.00	27,830,996.00	17.12%	53.40%
DOM. ORD. LETTER	51,465,962.00	71,535,025.00	63.70%	38.99%
C. DOMESTIC PARCEL POST	58,182.00	74,706.00	0.00%	28.40%
PARCEL - DOMESTIC	58,095.00	73,547.00	0.00%	26.60%
COD	87	1159	0.00%	1232.18%
D. INTERNATIONAL EXPRESS POST	310,918.00	407,627.00	0.44%	31.10%
IEMS - LETTER	157,589.00	225,263.00	0.11%	42.94%
IEMS - PARCEL	153,329.00	182,364.00	0.33%	18.94%
E. INTERNATIONAL LETTER POST	4,074,384.00	5,147,391.00	3.84%	26.34%
INT'L. REG. LETTER	528,520.00	538,256.00	0.51%	1.84%
INT'L. ORD. LETTER	2,676,060.00	3,453,885.00	3.26%	29.07%
INT'L. SMALL PACKET	320,848.00	305,754.00	0.07%	-4.70%
INT'L. PRINTED MATTER	548,956.00	849,496.00	0.00%	54.75%

F. INTERNATIONAL PARCEL POST	167,025.00	153,381.00	0.14%	-8.17%
G. FRANKED MAIL	3,573,328.00	3,787,636.00	3.46%	6.00%
TOTAL	78,043,758.00	109,334,567.00	100.00%	40.09%

E. Corporate Financial Performance

CY2021 results show that PHLPost has increased its revenue of Service and Business Income by 33.08% or Php713.877M compared to the previous year. The revenue reflects the increase in all business lines.

- Mail Services is Php1.402B which is an increase of 37.98% or Php386.042543.52M as compared against 2020
- Express Mail Service is Php968.458M, compared to 2020, it increased by Php196.534M or 25.46%.
- Logistics and Warehousing is Php18.952M, compared to 2020, revenue increased by 4.0%.
- Retail & Payment Services is Php406.862M, compared to 2020, it increased by Php116.990M or 40.36%
- Revenue from Other Income increased by 410.10% from 29.436M to 150.154M.

The Financial Statement of PHLPost for CY2021 is as follows:

PHILIPPINE POSTAL CORPORATION CONDENSED STATEMENT OF FINANCIAL PERFORMANCE

AS OF DECEMBER 31, 2021

(With comparative figures December 31, 2017)

(In Philippine Peso)

Particulars	In Philippine Peso		% of Variance against previous Year (Increase / (Decrease))
	2021	2020	
Revenue			
Service and Business Income	2,872,071,612	2,158,194,210	33.08%
Net Assistance/Subsidy	520,256,000	hala500,256,000	4.00%
Shares, Grants and Donations	2,595,000	31,776	8066.54%
Total Revenue	3,394,922,612	2,658,481,986	27.70%
Current Operating Expenses			
Personnel Services	(1,807,628,425)	(1,776,464,983)	1.75%
Maintenance & Other Operating Expenses	(1,478,727,254)	(1,007,091,598)	46.83%
Financial Expenses	(2,661,494)	(3,163,501)	(15.87%)
Direct Costs	(1,948,639)	(2,761,650)	(29.44%)
Non-Cash Expenses	(63,652,927)	(70,125,571)	(9.23%)
Total Current Operating Expenses	(3,354,618,739)	(2,859,607,303)	17.31%
Deficit from Current Operations	40,303,873	(201,125,317)	(120.04%)

Add: Other Non-Operating Income	8,774,565	5,050,948	73.72%
Gains	113,261,507	26,413,090	328.81%
Losses	(49,741,433)	(70,485,793)	(29.43%)
Surplus before Tax	112,598,512	(240,147,072)	(146.89%)
Less: Income Tax Expense	(6,158,226)	-	(100.00%)
Net Income / (Loss)	106,440,287	(240,147,072)	(144.32%)

PHILIPPINE POSTAL CORPORATION
STATEMENT OF EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND
AMORTIZATION

For the year ended December 31, 2021
(In Philippine Peso)

Particulars	In Philippine Peso		% of Variance against previous Year (Increase / (Decrease))
	2021 Unaudited	2020 Audited	
Net Income	106,440,827	(240,147,072)	(144.325%)
Add: Income Tax Expense	6,158,226		
Depreciation	62,545,682	66,999,866	(6.65%)
Interest Expense	2,252,182	2,500,00	(9.91%)
Amortization			
Earnings / (Losses) before Interest, Tax, Depreciation & Amortization	177,396,377	(170,647,206)	(203.96%)

F. HR Matters

Capacity Building and Enhancement. PHLPost is consistently upgrading the skills and capabilities of PHLPost employees (Attached is the list of trainings conducted for CY2021 as Annex A)

Category of Trainings	Numbers of Training Conducted	Total Number of Participants
I. External Learning and Development Trainings	30	79
II. Foreign Scholarship/Fellowship Trainings	17	20
III. In House Trainings	18	971
Total	65	1070

Employee Welfare. To ensure the genuine concern of the Corporation to its employees, various activities were carried out:

1. Health Services – facilitated the 1st and 2nd dose vaccination and conduct of antigen tests among employees. A total of 1,114 employees and their relatives were vaccinated. For antigen test, 1,353 employees were tested by the Health Services employees, 110 employees were tested positive and immediately advised to go on Quarantine.
2. Postal Employees Union Election – held on 28 October 2021. POSTAL vs PEUP. An election run off was held on 26 May 2022.
3. National Disability Prevention and Rehabilitation Week – participation in recognition of PHLPost PWD employees especially those who are assigned at CMEC. Distribution of anti-covid kit to PWD employees

Gender and Development

In 2021, there are a two (2) activities and projects of Gender and Development Programs:

1. Display of streamer regarding the 18 day campaign to “End Violence Against Women” (e-VAW)
2. Purchase and Distribution of e-VAW Advocacy t-shirt to create awareness among PHLPost employees.

G. 2021 Scorecard

Performance Objectives per Measure 2021	Weight	Rating
A. Social Impact		
Objective 1. Link people with access to communication services, delivery of goods and merchandise, and provision of postal payment	8.00%	8.00%
Measure 1. Postal Traffic (in million pieces)		
1.1 Volume of Postal Transactions Handled		
B. Customers & Stakeholders		
Objective 2. Continue postal service in the community through sustainable partnership with public and private entities		
Measure 2. Number of Municipalities and Cities with Postal Access	5.00%	0.29%
Measure 3. Number of NGAs/NGOs partners for services	5.00%	3.50%
Objective 3. Enhance Postal Service experience of customer and partners through proactive customer service management		
Measure 4. Percentage of Satisfied Customers		
4.1 Individual Customers	3.00%	Excluded
4.2 Corporate Clients	2.00%	0.00%
C. Financial		
Objective 4. Ensure financial growth and efficiency through market sustainability and cost management		
Measure 5. Revenues (in Billion PhP)	6.00%	6.00%
Measure 6. Earnings before Interest, Taxes, Depreciation and Amortization	6.00%	6.00%
D. Internal Process		
Objective 5. Sustain the efficiency and reliability in the delivery of postal items and provision of payment services by quality processes and procedures		
Measure 7. Express Post Delivery Performance		
7.1 Domestic Express Post Delivery Performance, Committed Areas in Metro Manila	7.00%	6.74%
7.2 Domestic Express Post Delivery Performance, Committed Areas outside of Metro Manila	6.00%	5.39%
7.3 International Express Post Delivery Performance, Committed Areas handled by Express Mail Exchange Department	7.00%	7.00%
7.4 International Express Post Delivery Performance, Committed Areas outside of those handled by Express Mail Exchange Department	7.00%	7.00%
Measure 8. International Parcel Post Delivery Performance	5.00%	5.00%
Measure 9. Letter Post Delivery Performance		
9.1 Domestic Ordinary Letter Post Delivery Performance	7.00%	6.74%
9.2 Domestic Registered Letter Post Delivery Performance	5.00%	5.00%
9.3 International Letter Post Delivery Performance	6.00%	6.00%
Objective 6. Uphold postal service integrity by implementing QMS in the postal processes		
Measure 10. ISO Certification	5.00%	0.00%
Objective 7. Improve efficiencies in the Postal Service through innovation and ICT		
Measure 11. Percentage of PHLPost-Operated Postal outlets with internet connectivity enabling track and trace	5.00%	4.49%
E. Learning and Growth		
Objective 8. Manage organizational competencies through the implementation of competency-based human resource management systems		
Measure 12. Percentage of Employees meeting required competencies		
12.1 80% of frontline personnel meeting required technical competencies	2.50%	2.50%
12.2 60% of frontline personnel meeting required organizational and leadership competencies	1.50%	1.50%
12.3 10% increase on the baseline of supervisors in the Operations group meeting the required competencies	1.00%	1.00%
TOTAL	97.00%	82.17%