

Name of GOCC: LBP Leasing and Finance Corporation
Sector: Government Financial Institutions
Date submitted: 31-Mar-22
Year being assessed: 2021

CORPORATE GOVERNANCE SCORECARD REPORT A

COMPONENT					GOCC SUBMISSION			GCG VALIDATION	
GRP	ITEM	QUESTION	ANS	GUIDE	COMPLIANCE	ANS	REFERENCE LINK/SUPPORTING DOCUMENTS	ANS	Comments
I. Stakeholder Relationship									
I	1.a	Does the GOCC disclose a policy that: Stipulates the existence and scope of its effort to address customer's welfare?	Y	<p>The GOCC must 1.) identify its stakeholders and 2.) state the policies that were created for the welfare of its customers.</p> <p>The stated policies must not be ambiguous and should include their underlying principles and guidelines.</p>	<p>LBP-LFC Corporate Governance Manual</p> <p>1. Formal Recognition of the Stakeholders pg. 45 - The Governing Board shall, as an integral part of its Articles of Incorporation and By-Laws and embodied in its Manual of Corporate Governance, identify and formally recognize LLFC's major and other Stakeholders, identify the nature of their interests, provide a hierarchy system of their conflicting interest in the LLFC, and providing a clear policy on communicating or relating with Stakeholders accurately, effectively and sufficiently, together with a system of properly rendering an accounting on how LLFC has served their legitimate interests.</p> <p>2. Customers pg. 46 - LLFC shall operate in a highly effective and efficient organization, focused on meeting customer objectives with the aim of providing services which give fair value and consistent quality, reliability, and safety in return for the price paid for the same. The LLFC shall operate policies of continuous improvement, of both processes and the skills of the staff, to take best advantage of advances in all aspect of society in order to ensure that it continues to add value to its customers' businesses. LLFC shall have clear and strong lines of communication which allows it to respond quickly and efficiently to customer and market requirements, as well as the public needs, and for the customers to receive consistent service in order to successfully and consistently deliver what the LLFC is mandated to do.</p>	Y	https://www.lbpleasing.com/Documents/Corporate%20Governance%20Seal/Corp%20Gov%20Manual.pdf	Y	Disclosure found
I	1.b	Does the GOCC disclose a policy that: Elaborates its efforts to interact with the communities in which they operate?	Y	<p>The GOCC must clearly identify its policy on interacting with the communities around it.</p> <p>The identified policy must not be ambiguous and should include its principles and guidelines.</p>	<p>LBP-LFC Corporate Governance Manual pg. 45 & 55</p> <p>The Governing Board shall recognize and perform the obligations of the Corporation has towards the National Government, its majority stockholder, as well as the minority stockholders, together with the employees, suppliers, customers and other Stakeholders, and the communities in which it operates.</p>	Y	https://www.lbpleasing.com/Documents/Corporate%20Governance%20Seal/Corp%20Gov%20Manual.pdf	Y	Disclosure found
I	1.c	Does the GOCC disclose a policy that: Ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	Y	<p>The GOCC must clearly identify its policy on 1) keeping its value chain environmentally friendly or 2) promoting sustainable development.</p> <p>The identified policy must not only show how the GOCC complies with existing environmental regulations but should also show how it employs value processes that reduce waste and damage to the environment. The policy should also not be ambiguous and should include its principles and guidelines.</p>	<p>LBP-LFC Corporate Governance Manual Environment pg. 46 - LLFC should consider that there are inevitable environmental impacts associated with daily operations. It shall be the goal of the LLFC to minimize harmful effects and consider the development and implementation of environmental standards to achieve this, to be of great importance. As such, LLFC strongly encourage 3R's: "Reduce", "Re-use", "Recycle." LLFC shall identify opportunities to reduce consumption of energy, water, and other natural resources. It shall also strive to re-use and recycle where possible and dispose of non-recyclable items responsibly, thereby minimizing our impact on the environment. In doing so, by adopting simple, environmentally friendly initiatives, LLFC shall raise awareness among the members of the communities it affects.</p>	Y	https://www.lbpleasing.com/Documents/Corporate%20Governance%20Seal/Corp%20Gov%20Manual.pdf	Y	Disclosure found

I	2.a	Does the GOCC disclose the activities that it has undertaken to implement the abovementioned policies? (Customer health and safety)	Y	<p>The GOCC must state the activities it has undergone during the year being assessed to implement its policies on customer health and safety.</p> <p>The GOCC must state the dates when the aforementioned activities took place.</p>	<p>• Board Resolution No. 19-181 Designation of Customer Care Officer</p> <p>• CSR Activities in 2021</p> <p>➤ Provides the procedures and processing time of transactions with the Corporation in its Citizens' Charter;</p> <p>➤ Makes freely available to the public the printed copies of the Corporation's Citizens' Charter which is also found in the Corporation's website.</p> <p>➤ Disclosing or misusing confidential or classified information, as well as other norms in dealing with clients, are included in the Code of Conduct as an offense with corresponding penalty;</p> <p>➤ Enforces the No Gift Policy.</p>	Y	<p>https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Customer%20Complaints%20Mgt.pdf</p> <p>https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Stakeholder%20Relationships/CSR%20Activities/2021.pdf</p>	Y	Disclosure found
I	2.b	Does the GOCC disclose the activities that it has undertaken to implement the abovementioned policies? (Interaction with the communities)	Y	<p>The GOCC must state the activities it has undergone during the year being assessed to implement its policies on community interaction.</p> <p>The GOCC must state the dates when the aforementioned activities took place.</p>	<p>LBP-LFC 2021 Annual Report pg. 12 - Corporate Social Responsibility</p> <p>In 2021 during the pandemic LLFC provided moratorium on amortization payment for some of its major clients particularly those belonging in the industries adversely affected by the pandemic. This is expected to help them recover from the negative impact of the pandemic to their businesses and allow them to continue to provide employment to their employees. A Calamity Rehabilitation Support (CARES) Program was also put in place to help business entities in areas severely affected by natural calamities and other fortuitous events. The assistance provide is also in line with the government's call for Bayanihan in the period of pandemic.</p> <p>Disclosed in LLFC website the CSR Activities for the year 2021</p>	Y	<p>https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Stakeholder%20Relationships/CSR%20Activities/2021.pdf</p>	Y	Disclosure found
I	2.c	Does the GOCC disclose the activities that it has undertaken to implement the abovementioned policies? (Environmentally-friendly value chain)	Y	<p>The GOCC must state the activities it has undergone during the year being assessed to implement its policies on promoting sustainable development and/or environmentally-friendly value chain.</p> <p>The GOCC must state the dates when the aforementioned activities took place.</p>	<p>LBP-LFC 2021 Annual Report pg. 12 - Corporate Social Responsibility</p> <p>LBP Leasing and Finance Corporation remains committed in its Corporate Social Responsibility despite the limitations brought about by the pandemic. The Corporation remains to be an active partner of Manila Bay S.U.N.S.E.T. Partnership Program Inc., that promote and implement sustainable and supplementary efforts to improve the environmental quality of Manila Bay.</p>	Y	<p>https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Annual%20Report%202021.pdf</p>	Y	Disclosure found
I	3	Does the GOCC have a separate corporate social responsibility (CSR) report/section or sustainability report/section?	Y	<p>The GOCC must identify both (1) the social and environmental issues of its stakeholders and (2) the activities it undertook to address the said issues during the year being assessed.</p> <p>No points will be given if only the stakeholders and their CSR issues are identified.</p>	<p>LBP-LFC 2021 Annual Report pg. 12</p> <p>Disclosed in the LLFC website the CSG Activities in 2021</p>	Y	<p>https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Annual%20Report%202021.pdf</p>	Y	Disclosure found
I	4	Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights. Does the GOCC provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?	Y	<p>The GOCC must have contact details (phone number or email address) specifically for concerns and/or complaints.</p>	<p>Customer Assistance Channels and Feedback Form disclosed in Board Resolution No. 19-181: Guidelines on Customer Complaints Management/ Customer Complaints Management and Customer Assistance Mechanism Handling Process</p> <p>Added to Feedback and Complaints Mechanism is the LLFC Citizen's Charter that provide the citizens/ clients with all the information pertinent to submitting or filing their feedback and complaints upon transacting the agency. It includes feedback submission and processing, complaint filing and processing and contact information.</p>	Y	<p>https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Customer%20Complaints%20Mgt.pdf</p> <p>https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Customer%20Assistance%20Mechanism.pdf</p>	Y	Disclosure found

I	5.a	Performance-enhancing mechanisms for employee participation should be permitted to develop. Does the GOCC explicitly mention the health, safety and welfare policy for its employees?	Y	<p>The GOCC must clearly identify its policy on employee health, welfare and safety.</p> <p>The identified policy must not be ambiguous and should include its principles and guidelines.</p>	<p>LBP-LFC Corporate Governance Manual Health and Safety pg. 46 - LLFC aims to ensure a safe and healthy working environment for all its employees, outside contractors and visitors. LLFC should comply with all relevant local legislation or regulations, and best practice guidelines recommended by national health and safety authorities. The staff should be informed regarding the policies and practices of LLFC to maintain a healthy, safe, and enjoyable environment.</p> <p>During the pandemic, LLFC issued various Office Circulars to reduce the transmission of COVID-19 virus and to comply with government issued procedures such as Guidelines on Work Arrangement, Guidelines on Special Assistance for COVID-19, Guidelines on Handling COVID-19 Cases in the Workplace, among others.</p>	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Corp%20Gov%20Manual.pdf	Y	Disclosure found
I	5.b	Does the GOCC publish data relating to health, safety and welfare of its employees?	Y	<p>The GOCC must publish data related to health, safety and welfare of its employees such as, but not limited to, absenteeism and occupational injuries/diseases.</p>	<p>LBP-LFC 2021 Annual Report pg. 12 - The Corporation maintained limited workforce in its office and imposed strict health protocols in the office to ensure that the employees will have minimal potential exposure to the virus. In 2021, there are 18 reported incidents of exposure to COVID-19 virus which was immediately isolated and addressed. Fellowship activities attended by ALL LLFC employees and SCWs were done virtually to continue to ensure employee's mental wellness given the changes in the working environment given the new normal.</p>	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Annual%20Report%202021.pdf	Y	Disclosure found
I	5.c	Does the GOCC have training and development programmes for its employees?	Y	<p>The training and development programs for employees must have occurred during the year being assessed and there should be a brief description describing each of the programs.</p>	<p>LBP-LFC Administrative Policies and Procedures Manual (Part II Chapter II) TRAINING AND PERSONNEL DEVELOPMENT A. Statement of Policy Recognizing the importance of continuing education in the attainment of its goals, LLFC shall provide training and development programs to its personnel. These programs shall be designed to enhance their knowledge and skills for improved performance as well as to inculcate among them the Corporation's operating values of Conscientiousness, Resourcefulness, Integrity, Teamwork, Innovativeness, Concern for People and Social and Environmental Consciousness.</p> <p>C. Trainings/ Scholarships At least once a year, the Corporation shall conduct a Training Needs Analysis (TNA) to determine the staff development requirements of its personnel in accordance with skills requirements of their jobs. The TNA shall provide guidance in the packaging and/or selection of appropriate training programs that will ensure the development employees' skills and competencies enabling them to perform their jobs more effectively.</p>	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Policy%20on%20Training%20and%20Development%20Program.pdf	Y	Disclosure found
I	5.d	Does the GOCC publish data on training and development programmes for its employees?	Y	<p>The GOCC must give the name of the program and either the 1.) number of participants per program or 2.) average hours per training held</p>	<p>Employees' Trainings and Activities FY2021 document is uploaded in the LLFC Website</p> <p>LBP-LFC 2021 Annual Report pg. 11 - published the data on the trainings</p>	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Stakeholder%20Relationships/Employee%20Trainings%20and%20Activities/2021.pdf	Y	Disclosure found
I	6.a	Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this. Does the GOCC have procedures for complaints by employees concerning illegal (including corruption) and unethical behavior?	Y	<p>The GOCC must disclose the actual procedures of their whistleblowing policy for their employees or grievance machinery. Merely stating that they have a policy will not suffice.</p>	<p>LBP-LFC 2021 Annual Report pg. 10 - The Whistleblowing policy of the Corporation enables employees to report in good faith irregularities, misconduct or raise serious concerns internally with high-level of confidentiality and immunity so that appropriate remedial action could be taken. The guidelines also provide the rights of the whistleblower, protection of the whistleblowers, remedies and sanctions on the violation on the protection of confidentiality, retaliatory actions and false, misleading and malicious reports. It also emphasizes the oversight role of the Board particularly the Corporate Governance Committee in ensuring that the corporate governance principles are adhered to by employees.</p>	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Whistle%20Blowing%20Policy.pdf	Y	Disclosure found

III	11.a	Has the Board of Directors reviewed the vision and mission/ strategy in the last financial year?	Y	<i>The GOCC must disclose that the Board has reviewed the mission, vision and strategy during the year being assessed. The date of review must also be indicated. Merely stating the GOCC's mission, vision and strategy, and posting documents (strategy map and scorecard) will not be given points.</i>	<i>Prior to submission to GCG, the 2021 Annual Performance Scorecard was discussed, reviewed and approved by the Board of Directors during its regular meeting on August 27, 2020 which include its Charter Statement, Strategy Map and Targets.</i>	Y	https://www.lbpsleasing.com/Documents/Transparency%20Seal/Approve%20Corporate%20Operating%20Budget/Approved%20Strategy%20Map%20and%20Targets/2021.pdf	Y	Disclosure found
III	11.b	Does the Board of Directors monitor/oversee the implementation of the corporate strategy?	Y	<i>There should be a disclosure on how the Board oversees the implementation of the corporate strategy.</i>	LBP-LFC 2021 Annual Report pg. 5 - The principal duties of the BOD include the following among others: •Determine the Corporation's purpose, its vision and mission and strategies to carry out its objectives; •Establish the Corporation's business plans and strategies and monitor on a regular basis the implementation of these corporate strategies, policies, and business plans. •Adopt a system of internal checks and balances within the BOD and/or its Committees. A review of the effectiveness of such system should be conducted to ensure the integrity of the decision-making and reporting process at all times; •Identify key risk areas and key performance indicators and monitor these factors with due diligence; •Install a process of selection to ensure a mix of competent officers and adopt an effective succession planning program for Management; •Ensure that the Corporation complies with all relevant laws, regulations and codes of best business practices; •Properly discharge Board functions by meeting regularly. Independent views during Board meetings shall be given due consideration and all such meetings shall be duly minuted; •Ensure that adequate procedure, systems and practices that protect the Corporation's assets and reputation are in place and are maintained.	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Annual%20Report%202021.pdf	Y	Disclosure found
III	13.a	Are the details of the code of ethics or conduct disclosed?	Y	<i>The details of the Code of Ethics or Conduct must be disclosed. Merely stating that the GOCC has a Code of Ethics without divulging information on the coverage of the Code or how breaches are handled will not suffice.</i>	LBP-LFC 2021 Annual Report pg. 10 - Code of Ethics and Conduct The Corporation institutionalizes the highest ethical standards through the strict implementation of the provisions of RS 6713, An Act Establishing a Code of Conduct and Ethical Standards for Public Officials and Employees. Board and Officers and Employees of LBP Leasing and Finance Corporation are among the Public Officials defined in the aforementioned law. In addition, the Corporation also adopts a Code of Conduct and Employees Discipline to ensure the maintenance of administrative discipline among its officers and employees based on the principle that discipline is fundamental to its success as an organization and as a business concern. As such everyone are required to fully comply with the Code of Conduct and Employees Discipline. The Human Resource Unit under CSG monitors compliance in the Code of Conduct by preparing regular reports (i.e. tardiness, among others) and offenses are properly sanctioned on a timely basis. Disclosed in LBP-LFC Administrative Procedures and Policies Manual (Part II Chapter IX) CODE OF CONDUCT AND EMPLOYEE DISCIPLINE	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Code%20of%20Conduct%20for%20Employees.pdf	Y	Disclosure found
III	13.b	Does the GOCC disclose that all Directors/Commissioners, senior management and employees are required to comply with the code?	Y	<i>It must be explicitly stated that all the Directors, senior management and the employees are required to comply with the Code. If the Code is only for employees, the item will be marked as "N."</i>	Disclosed in LBP-LFC Administrative Procedures and Policies Manual (Part II Chapter IX) CODE OF CONDUCT AND EMPLOYEE DISCIPLINE LBP Leasing and Finance Corporation (LLFC or the Corporation) Directors, Officers and employees are inherently mandated to be socially responsible, to act and operate as good corporate citizens. LLFC Directors, Officers and employees are required to abide by ethical policies mandated by this Code and other pertinent laws, rules, and regulations.	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Code%20of%20Conduct%20for%20Employees.pdf	Y	Disclosure found

III	13.c	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	Y	Examples of activities done in order to implement or monitor compliance with the Code of Ethics/Conduct are: - communicating the code to all existing and new employees and directors - making the code available on the company intranet for ease of access - requiring all parties to declare annually that they have complied with the code of ethics or conduct	The Admin. Unit monitors compliance in the Code of Conduct by preparing reports (i.e. tardiness, among other) and offenses are properly sanctioned on a timely basis. LLFC also conducts orientation to new and existing employees	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Code%20of%20Conduct%20for%20Employees.pdf	Y	Disclosure found
III	14	Does the Board appoint a Nomination Compensation / Remuneration Committee?	Y	The GOCC must disclose the names of all of the members of its Nomination, Compensation / Remuneration Committee during the year being assessed. Merely stating the name of the office/agency of the Ex Officio Member will not suffice and will not garner any points.	Corporate Governance Committee (Compensation/ remuneration Committee) Composition Chairperson : Cecilia C. Borromeo Members : Roberto U. Teo Leticia V. Damasco Edgar Crisanto R. Violan Nanziancino M. Dilay	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/MemberShip%20CorpGov%202021.pdf	Y	Disclosure found
III	15	Did the Nomination Compensation/Remuneration Committee meet at least twice during the year?	Y	The GOCC must publish the meeting attendance records during the year being assessed.	Met six (6) times during the year	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Attendance%20CorpGov%202021.pdf	Y	Disclosure found
III	16	If yes, is the report of the Nomination Compensation/Remuneration Committee publicly disclosed?	Y	The GOCC must publish an accomplishment report of the committee and/or minutes of the meetings held.	Disclosed in the Corporate Governance Seal of LLFC Website under Board Committees - Corporate Governance Committee Nomination and Remuneration Committee 2021 Accomplishments	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Information%20on%20Board%20Committees-Activities%20GovCom%202021.pdf	Y	Disclosure found
III	17	Does the Board appoint an Audit Committee?	Y	The GOCC must disclose the names of all of the members of its Audit Committee during the year being assessed. Merely stating the name of the office/agency of the Ex Officio Member will not suffice and will not garner any points.	Audit Committee Composition Chairperson: Nanziancino M. Dilay Members: Virgilio M. Sangutan* Alvin I. Kong** *replaced Dir. Violan in December 2021 **replaced Dir. Arañas in December 2021	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/MemberShip%20Audit%202021.pdf	Y	Disclosure found
III	18	If yes, is the report of the Audit Committee publicly disclosed?	Y	The GOCC must publish an accomplishment report of the committee and/or minutes of the meetings held.	Disclosed in the Corporate Governance Seal of LLFC Website under Board Committees - Audit Committee 2021 Accomplishments	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Information%20on%20Board%20Committees-Activities%20AuditCom%202021.pdf	Y	Disclosure found
III	19	Does at least one member of the Audit Committee have an audit, accounting or finance background (qualification or experience)?	Y	The educational qualifications and/or work experience of the Audit Committee Members should be disclosed. At least one of the Audit Committee Members must have an audit, accounting or finance educational or work background in order to garner points for this item.	Dir. Alvin I. Kong has a banking experience he had from Associated Citizens Bank, Bank of Commerce, Maybank of the Philippines, Philippine National Bank and Al-Amanah Islamic Bank, his training in all aspects of banking has been beneficial as Director for LBP Leasing and Finance Corporation.	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Resumes%20of%20Board%20Members%20as%20of%20June%2017%202021.pdf	Y	Disclosure found
III	20	Did the Audit Committee meet at least four times during the year?	Y	The GOCC must disclose all the audit committee meetings held during the year being assessed.	The Audit Committee met seven (7) times during the year	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Attendance%20AuditCom%202021.pdf	Y	Disclosure found
III	21	Does the Board appoint a Risk Management Committee?	Y	The GOCC must disclose the names of all of the members of its Risk Management Committee during the year being assessed. Merely stating the name of the office/agency of the Ex Officio Member will not suffice and will not garner any points.	Risk Management Committee Composition Chairperson: Edgar Crisanto R. Violan Members: Leticia V. Damasco Alvin I. Kong* *replaced Dir. Micahel P. Arañas in December 2021	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/MemberShip%20RiskCom%202021.pdf	Y	Disclosure found
III	22	If yes, is the report on Risk Management Committee publicly disclosed?	Y	The GOCC must publish an accomplishment report of the committee and/or minutes of the meetings held.	Disclosed in the Corporate Governance Seal of LLFC Website under Board Committees - Risk Management Committee 2021 Accomplishments	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Information%20on%20Board%20Committees-Activities%20RiskCom%202021.pdf	Y	Disclosure found
III	23	Does at least one member of the Risk Management Committee have a background in finance and investments?	Y	The educational qualifications and/or work experience of the Risk Management Committee Members should be disclosed. At least one of the Risk Management Committee Members must have an investment and finance educational or work background in order to garner points for this item.	Dir. Leticia V. Damasco has 32 years of banking experience which she gained from Land Bank of the Philippines. Her last Landbank post was as Department Manager III which she held until her retirement in 2013. She was a Director of Philippine Postal Bank from 2 June 2017 to 11 January 2018 and of the Rural Bank of Sta. Rosa (Nueva Ecija), Inc. from 2019 to 2011.	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Resumes%20of%20Board%20Members%20as%20of%20June%2017%202021.pdf	Y	Disclosure found

III	24.a	Are the Board of Directors meetings scheduled at the beginning of the year? (end of Q1)	Y	The GOCC must explicitly disclose that the meetings held on the year being assessed were scheduled well in advance and when they were scheduled.	Discussed and approved by the Board during the 26 February 2021 Board Meeting with Board Resolution No. 21-033	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Board%20Of%20Directors/Schedule%20of%20Board%20and%20Board-Level%20Committee%20Meetings/2021.pdf	Y	Disclosure found
III	24.b	Does the Board of Directors meet at least monthly?	Y	The GOCC must show its attendance records that there were monthly meeting held.	Board of Directors regular monthly meeting was conducted and disclosed in the website	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Board%20Of%20Directors/Attendance%20Board%202021.pdf	Y	Disclosure found
III	24.c	Did the Board of Directors meet on at least 75% on their scheduled meetings?	Y	In order to garner points for this item, the GOCC must be able to first prove that meetings were scheduled in advance (Q. 24.a.) After which, a schedule of actual meetings held must be shown to prove that the Board met on at least 75% of their scheduled meetings.	LBP-LFC 2021 Annual Report pg. 5 - The Board holds regular monthly meetings held every last Thursday of each month unless agreed otherwise. The schedule for the entire year 2021 BOD meeting was presented during the February 26, 2021 Board meeting where BOD concurred on the presented schedule. Disclosed in the Schedule of Board and Board-Level Committee Meetings FY 2021	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Board%20Of%20Directors/Attendance%20Board%202021.pdf https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Board%20Of%20Directors/Schedule%20of%20Board%20and%20Board-Level%20Committee%20Meetings/2021.pdf	Y	Disclosure found
III	24.d	Has each of the directors/commissioners attended at least 90% of all the board meetings held during the year?	Y	All of the attendance of Appointive and Ex Officio/Alternate Directors must be considered and all of them should have attended at least 90% of the board meetings held during the year in order to garner points for this item.	Achieved atleast 90% meeting attendance during the year.	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Board%20Of%20Directors/Attendance%20Board%202021.pdf	Y	Disclosure found
III	24.e	Did the Board of Directors meet separately at least once during the year without the President/CEO present?	Y	The GOCC must explicitly state a meeting held on a specific date wherein the Board met without the President/CEO present.	LBP-LFC 2021 Annual Report pg. 5 - During its December 15, 2021 meeting, the BOD held a meeting without the President/CEO, Mr. Michael P. Arañas present.	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Annual%20Report%202021.pdf	Y	Disclosure found
III	25.a	Does the GOCC have a policy that stipulates board papers for Board of Directors/Commissioners meetings be provided to the Board at least three (3) working days in advance of the board meeting?	Y	The GOCC must clearly disclose that the Board was provided with the board papers for the upcoming meeting at least 3 working days in advance of the said meeting.	LBP-LFC 2021 Annual Report pg. 6 - Access to Information To allow directors sufficient time to prepare for the meetings, the Board and Board Committee materials are distributed at least three (3) working days prior to the scheduled meeting. Any additional matter or information requested by the directors is promptly furnished.	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Annual%20Report%202021.pdf	Y	Disclosure found
III	25.b	Is the Board Secretary trained in legal, accountancy or company secretarial practices?	Y	The GOCC should disclose the educational and work background of the Corporate Secretary. In order to garner points for this item, there should be proof that the Corporate Secretary has legal, accountancy or secretarial educational/work background.	Atty. Jan Michael S. Dela Cruz - Corporate Secretary Holds a degree in Bachelor of Laws from Arellano University School of Law. He is a Legal Officer from the Office of the General Counsel - Legal Services Group of LBP. His work in LBP included conducting of research and rendering legal opinions on complex matters and contracts that has a material impact to the bank.	Y	https://www.lbpsleasing.com/about-us	Y	Disclosure found
III	26.a	Does the company have a separate internal audit function?	Y	There should be a clear showing that there is a separate internal audit function in the GOCC, whether it be a singular internal auditor, an entire internal audit department or an external firm. If it is a secondary function of an existing staff or department, the GOCC will not garner points for this item.	LBP-LFC 2021 Annual Audit Report pg. 8 - The Internal Audit Office under the direct supervision of the Audit Committee is tasked to provide independent assessment and reasonable assurance of the adequacy and effectiveness of the Corporation's system of internal controls, risk management and governance processes. It has implemented a risk-based approach in auditing major areas of operations. The Internal audit considers the risks identified and assessed from the risk management system in its annual audit plan.	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Annual%20Report%202021.pdf	Y	Disclosure found
III	26.b	Does the appointment and removal of the internal auditor require the recommendation of the Audit Committee?	Y	The GOCC should explicitly state that the appointment and removal of the internal auditor require the approval of the Audit Committee. Should the charter of the GOCC provide for another mode of appointment/removal of the internal auditor, this should also be stated in order for the assessors to consider such issue.	LBP-LFC 2021 Annual Report pg. 8 - The Internal Auditor reports directly to the Audit Committee who is responsible for the appointment and removal of the Internal Auditor. The scope of authority and responsibility of the internal audit function is defined in the Internal Audit Charter which was approved by the Audit Committee. LBP-LFC Audit Committee Charter Appointment and removal was disclosed in the Audit Committee Charter 7.2 Specific Responsibilities in the Functional/supervision over IAG and In the Internal audit charter	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Annual%20Report%202021.pdf https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Audit%20Committee%20Charter.pdf	Y	Disclosure found

III	27.a	Does the company disclose the internal control procedures/risk management systems it has in place?	Y	The GOCC must name all the key internal control procedures and its risk management system. There should also be an assignment of responsibilities in order to garner points for this item	Disclosed in the LLFC website on Corporate Governance Seal: Material Risk Factor & Measures to Manage the Risk	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Material%20Risk%20Factors.pdf	Y	Disclosure found
III	27.b	Does the Annual Report disclose that the board of directors/commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	Y	The GOCC's annual report must explicitly state that the Board conducted a review of the company's risk management system and material controls during the year being assessed.	LBP-LFC 2021 Annual Report pg. 9 - Risk Management Systems The Risk Management Office is the one responsible for developing guidelines and policies for effective risk management of the Corporation. It is also responsible for identifying the key risk exposures, assessing and measuring the extent of risk exposures of the Corporation in the conduct of business on an enterprise-wide basis. It performs independent monitoring and objective assessment of decisions to accept particular risks whether these are consistent with board approved policies on risk tolerance and the effectiveness of the corresponding risk mitigation measures. The Corporation implements Enterprise Risk Management System (ERM). The adoption of ERM approach in risk management aims to: • Improved business process; • Enhanced operational efficiency; • Improved repayment rate; • Optimized earning potential; and • Embedded risk management culture. ERM is a process effected by an entity's board of directors, management and other personnel, applied in strategy setting and across the enterprise, designed to identify potential events that may affect the entity and manage risk to be within its risk appetite. It provides reasonable assurance regarding achievement of the entity's objectives.	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Annual%20Report%202021.pdf	Y	Disclosure found
III	27.c	Does the company disclose how key risks are managed?	Y	The GOCC must disclose all of its key risks (operational, compliance and financial) and how they are being managed. Merely disclosing a list of risks will not garner any points.	Disclosed in the LLFC website on Corporate Governance Seal: Material Risk Factor & Measures to Manage the Risk	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Material%20Risk%20Factors.pdf	Y	Disclosure found
III	27.d	Does the Annual Report contain a statement from the Board of Directors or Audit Committee commenting on the adequacy of the GOCC's internal controls/risk management systems?	Y	The GOCC's Board or Audit Committee must explicitly state that the GOCC's risk management systems and internal controls are adequate	LBP-LFC 2021 Annual Report pg. 7 - For the year 2021, the Audit Committee has reviewed and assessed the adequacy of the Corporation's internal controls, risk management systems and regulatory compliance that were found to be adequate and acceptable	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Annual%20Report%202021.pdf	Y	Disclosure found
III	28	Do different persons assume the roles of Chairman and CEO?	Y	The GOCC's PCEO and Chairman during the year being assessed must be clearly identified in the website. An N/A rating will be given should the GOCC's charter provide that the Chairman and PCEO positions must be held by a single person.	Cecilia C. Borromeo – Chairman of the Board Michael P. Arañas - President/CEO	Y	https://www.lbplesing.com/about-us	Y	Disclosure found
III	29.a	Does the GOCC have orientation programs for new Directors?	Y	The GOCC must not only state that it has an orientation programs for Directors. Details and/or coverage of the orientation program must be disclosed in order to garner points for this item.	LBP-LFC Corporate Governance Manual pg.53 - A director shall, before assuming as such, be required to attend a seminar on corporate governance which shall be conducted by a duly recognized private or government institute.	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Corp%20Gov%20Manual.pdf	Y	Disclosure found
III	29.b	Does the GOCC have a policy that encourages Directors/Commissioners to attend on-going or continuous professional education programs?	Y	Apart from stating the GOCC's training policy and continuous education programs for its Directors, the GOCC may also state that it has a training budget allocated for the Directors on the year being assessed.	LBP-LFC Corporate Governance Manual pg.53 - If necessary, funds shall be allocated by the CFO or its equivalent officer for the purpose of conducting an orientation program or workshop to operationalize this Manual. A director shall, before assuming as such, be required to attend a seminar on corporate governance which shall be conducted by a duly recognized private or government institute.	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Corp%20Gov%20Manual.pdf	Y	Disclosure found
III	29.c	Did all Appointive Directors attend at least 1 training for the calendar year?	Y	The GOCC must disclose that each Appointive Director attended at least one (1) training during the year being assessed. If there is an Appointive Director who did not attend at least one (1) training the GOCC will not garner points for this item.	LBP-LFC Board of Directors Training FY 2021 is disclosed in the LLFC website on Corporate Governance Seal	Y	https://www.lbplesing.com/Documents/Corporate%20Governance%20Seal/Board%20Of%20Directors/Orientation%20Programs%20and%20Trainings/2021.pdf	Y	Disclosure found

III	30.a	Is an annual performance assessment conducted of the Board of Directors?	Y	<i>The GOCC should conduct its own Board Appraisal which is different from GCG's internet-Based Performance Evaluation for Directors (IPED). It must be readily apparent when the said Board Appraisal was conducted in order to garner points for this item.</i>	LBP-LFC 2021 Annual Report pg. 6 - Self-Assessment <i>The Board has implemented a process for assessing the effectiveness of the Board as a whole and the contribution by each individual director to the effectiveness of the Board on an annual basis. The members of the Board conduct an annual self-rating to measure the performance of the Board and Management by accomplishing the Board Self-Assessment Questionnaire. Chairman of the Board shall provide parameters for the assessment of the President and CEO.</i>	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Board%20Self-Assessment%202020.pdf	N	Date/Result of 2021 board assessment not found
III	30.b	Does the GOCC disclose the process followed in conducting the Board assessment?	Y	<i>The GOCC must disclose the entire process involved in undertaking the Board Appraisal.</i>	Disclosed in LLFC website under Corporate Governance Seal - General Policy on Performance Assessment	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/BOD%20Self-Assessment.pdf	Y	Disclosure found
III	30.c	Does the GOCC disclose the criteria used in the Board assessment?	Y	<i>The GOCC should clearly state all the criteria that the Board Members used in their Board Appraisal.</i>	Disclosed in LLFC website under Corporate Governance Seal - Board of Directors Self-Assessment Questionnaire	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Board%20Self-Assessment%202020.pdf	Y	Disclosure found
III	31	Is an annual performance assessment conducted of the Board of Directors Committees?	Y	<i>The GOCC should conduct an Appraisal of its Committees' performance during the year being assessed. It must be readily apparent when the said Committee Appraisal was conducted in order to garner points for this item.</i>	Disclosed in LLFC website under Corporate Governance Seal - Board Level Committee Assessment 2021: - Executive Committee - Corporate Governance Committee - Audit Committee - Risk Management Committee - Related Party Transactions Committee	Y	https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/Executive%20Committee/Board-Level%20Committee%20Assessment/2021.pdf https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/CGCNR/Board-Level%20Committee%20Assessment/2021.pdf https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/AuditCommittee/Board-Level%20Committee%20Assessment/2021.pdf https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/RiskCommittee/Board-Level%20Committee%20Assessment/2021.pdf https://www.lbpsleasing.com/Documents/Corporate%20Governance%20Seal/RPTCo	Y	Disclosure found

CORPORATE GOVERNANCE SCORECARD REPORT B

Name of GOCC: LBP LEASING AND FINANCE CORPORATION
 Sector: Government Financial Institutions
 Date submitted: 27-Sep-22
 Year being assessed: 2021

COMPONENT					GOCC SUBMISSION			GCG VALIDATION	
GRP	ITEM	QUESTION	ANS	GUIDE	COMPLIANCE	ANS	REFERENCE LINK/SUPPORTING DOCUMENTS	ANS	REMARKS
II. Disclosure and Transparency									
II	8	Are the annual reports downloadable from the GOCC's website?	Y	Annual reports/Financial statements on the year being assessed must be downloadable from the GOCC's website.	LBP-LFC's Annual Report for the year 2021 is disclosed in the LLFC website, which is downloadable and was uploaded on 30 March 2022 and updated on 8 July 2022.	Y	https://www.lbpleasing.com/Documents/Transparency%20Seal/Annual%20Financial%20Reports/Annual%20Report/2021.pdf	Y	https://www.lbpleasing.com/Documents/Transparency%20Seal/Annual%20Financial%20Reports/Annual%20Report/2021.pdf
II	10.a	Are the audited annual financial report/statement uploaded on the website within 60 days upon receipt from COA?	Y	The GOCC must explicitly state the 1.) date of receipt of the AFS from COA and 2.) the date when the AFS was released/published online. An N/A rating will be given for this item if the COA-audited financial report is not yet available or not yet transmitted to the GOCC, provided that the evidence/ proof of their financial reports have already been submitted for audit and that they disclose their unaudited financial reports instead.	LBP-LFC's Annual Audited Financial Statement for the year 2021 was received from COA on June 23, 2022 and published in the website on June 23, 2022.	Y	https://www.lbpleasing.com/Documents/Transparency%20Seal/Annual%20Financial%20Reports/Audited%20FS/2021.pdf https://www.coa.gov.ph/reports/annual-audit-reports/aar-government-owned-and-or-controlled-corporations/#199-5134-land-bank-of-the-philippines-1649380060	Y	https://www.lbpleasing.com/disclosures/transparency
II	10.b	Is the annual report released within 90 days from release of audited financial report?	Y	The GOCC must explicitly state the 1.) date of receipt of the AFS from COA and 2.) the date when the Annual Report was released/published online	LBP-LFC's Annual Report for the year 2021 is disclosed in the LLFC website, which was released/published on 30 March 2022.	Y	https://www.lbpleasing.com/Documents/Transparency%20Seal/Annual%20Financial%20Reports/Annual%20Report/2021.pdf	Y	https://www.lbpleasing.com/Documents/Transparency%20Seal/Annual%20Financial%20Reports/Annual%20Report/2021.pdf
II	10.c	Is the true and fairness/fair representation of the annual financial statement/reports affirmed by the board of directors/commissioners and/or the relevant officers of the company?	Y	There should be a statement online made by the Directors and/or relevant officers confirming the truth/veracity and fairness of the GOCC's financial statements.	Disclosed in the LBP-LFC's 2021 Annual Report - page 18, "Statement of Management's Responsibility for Financial Statements" signed by the Chairman of the Board, President/CEO and Chief Finance Officer on May 26, 2022.	Y	https://www.lbpleasing.com/Documents/Transparency%20Seal/Annual%20Financial%20Reports/Annual%20Report/2021.pdf	Y	https://www.lbpleasing.com/Documents/Transparency%20Seal/Annual%20Financial%20Reports/Audited%20FS/2021.pdf#page=11

COMPONENT					GOCC SUBMISSION			GCG VALIDATION	
GRP	ITEM	QUESTION	ANS	GUIDE	COMPLIANCE	ANS	REFERENCE LINK/SUPPORTING DOCUMENTS	ANS	REMARKS
III. Responsibilities of the Board									
III	12	Did the GOCC achieve 90% in the PES?	Y	The GOCC must publish the GCG-validated performance scorecard on the year being assessed.	LLFC achieved a rating of 98.79% in the scorecard of which was submitted to GCG on 28 February 2022. No GCG validated performance scorecard was received as of date.	Y	https://www.lbpleasing.com/Documents/Transparency%20Seal/Approve%20Corporate%20Operating%20Budget/Performance%20Scorecard%20and%20Accomplishments/2021.pdf	N/A	Ongoing validation

CORPORATE GOVERNANCE SCORECARD REPORT B

Name of GOCC: LBP LEASING AND FINANCE CORPORATION
 Sector: Government Financial Institutions
 Date submitted: 27-Sep-22
 Year being assessed: 2021

COMPONENT					GOCC SUBMISSION			GCG VALIDATION	
GRP	ITEM	QUESTION	ANS	GUIDE	COMPLIANCE	ANS	REFERENCE LINK/SUPPORTING DOCUMENTS	ANS	REMARKS
IV. Bonus									
IV	1 Stakeholder Relationship	Does the GOCC practice Global Reporting Index (GRI) on its annual reports?	Y	<i>The GOCC must publicly disclose that it has adopted integrated reporting based on the GRI framework for its disclosures.</i>		N		N	GRI is not being practiced
IV	2 Timely release of annual financial report	Is the audited annual financial report/statement released within 30 days upon receipt from COA?	Y	The GOCC must explicitly state the date when the AFS was released from COA and when it was published.	LBP-LFC's Annual Audited Financial Statement for the year 2021 was received from COA on June 23, 2022 and published in the website on June 23, 2022.	Y	https://www.lbpleasing.com/Documents/Transparency%20Seal/Annual%20Financial%20Reports/Audited%20FS/2021.pdf	Y	
V. Penalty									
V	1 Responsibilities of the Board	Are there members of the Board of Directors who hold more than five (5) positions in GOCCs and PLCs?	N	<i>The GOCC must name all the directorships of their Appointive Directors to other GOCCs and PLCs. Should the Director have more than 5 positions in other GOCCs and PLCs, the GOCC will be marked N on this item.</i>		N		N	
V	2 Responsibilities of the Board	Is there non-compliance with Good Governance Conditions?	N	<i>The GOCC must disclose the results of GCG's evaluation of its good governance conditions. Should the GOCC fail to comply with two or more conditions, it will be marked N on this item.</i>		N		N	
Final CGS Rating Equivalent								Outstanding	