



*Kaagapay ng Komunidad sa Maginhawang Pamumuhay*



Republic of the Philippines)  
Makati City ) S.S.

## SECRETARY'S CERTIFICATE

I, **ATTY. MELANIE B. VALENCIANO**, Acting Board Secretary of the Social Housing Finance Corporation, with principal office at 5th Floor, BDO Plaza, 8737 Paseo De Roxas, Makati City, after having been duly sworn to according to law, do hereby certify that in the 14-2020 Board Meeting held on 10 December 2020 via videoconference conducted through forum and videoconference in San Jose del Monte, Bulacan, wherein a quorum was existent, the following resolution was approved and adopted, to wit:

### **BOARD RESOLUTION NO. 908, SERIES OF 2020 APPROVAL OF SHFC'S WHISTLEBLOWING POLICY AND JURISDICTION**

**WHEREAS**, in the Governance, Policy and Nomination meeting held on 12 August 2020, the Management presented the proposed Whistle Blowing policy of SHFC;

**WHEREAS**, the Management presented the pertinent details of the policy, to wit:

#### Basis and Purpose

This Policy is issued in compliance with the GCG [1] Memorandum Circular No. 2016-02, otherwise known as "Revised Whistleblowing Policy for the GOCC Sector", which mandates GOCCs and GFIs "*to establish their own whistleblowing systems, duly approved by their Governing Boards*";

The purpose of this Whistleblowing Policy is to enable any concerned individual to report and provide information (anonymously if he/she wishes), and even testify on matters involving the actions or omissions of the directors, officers and employees of the Corporation that are illegal, unethical, violate good governance principles, are against public policy and morals, promote unsound and unhealthy business practices, are grossly disadvantageous to the Corporation and/or the Government;

#### Scope

- a. Violation of laws, rules and regulations, particularly those "reportable conditions" as defined in this Policy;
- b. Violation of corporate governance standards, rules and regulations; and
- c. Offenses covered by the SHFC's existing Code of Conduct or other similar disciplinary policy;

#### Applicability

This Policy shall be applicable to all directors, officers (whether corporate or otherwise) and employees of SHFC.

## Concepts

*“Whistleblowing”* – is the disclosure of and/or giving of evidence to information that a Whistleblower reasonably believes constitute graft and corrupt practices.

*“Whistleblower”* – refers to any concerned individual who reports and provides information, anonymously if he/she wishes, and who testifies on matters covered under this Policy.

*“Whistleblowing Complaint/Report”* – refers to a disclosure or a complaint regarding illegal or unethical conduct. It is the procedural device which sets forth the allegations of the Whistleblower. SHFC or the Governance Commission shall act promptly on complaints filed in *any* form or manner against any SHFC director, officer, or employee (which shall be referred to as *“respondent”*) concerning the latter’s act or omission which appears to be illegal, unjust, improper, or inefficient, or which may be subject of a reportable condition.

Procedurally speaking, *“report”* is the generic term employed for those concerns submitted to the Governance Commission, while *“complaint”* is used for those filed with SHFC. In substance, however, these terms are essentially the same and may be used interchangeably;

**WHEREAS**, the management continued the presentation with the enumeration of sample whistleblowing cases and the cardinal principles, to wit:

### General Policies (Cardinal Principles)

- 1) Confidentiality;
- 2) Anonymity;
- 3) Protection from retaliation;
- 4) Protection from Baseless Complaints/ Reports or Malicious Allegation;

### Whistleblowing Cases

1. Reportable conditions, including but not limited to:

- a. Abuse of Authority;
- b. Bribery;
- c. Conflict of Interest;
- d. Destruction/manipulation of Records;
- e. Fixing;
- f. Inefficiency;
- g. Making False Statements;
- h. Malversation;
- i. Misappropriation of Assets;
- j. Misconduct;

2. Violation of corporate governance standards, rules and regulations;

3. Offenses covered by the SHFC’s existing Code of Conduct or other similar disciplinary policy;

**WHEREAS**, the process of the complaint investigation and protection against retaliation are described herein below, to wit:

Where to file Whistleblowing Complaints

1. Social Housing Finance Corporation (The Whistleblowing Rules substantially follow procedure in the Proposed Rules on Complaints Handling. The key feature however of Whistleblowing Cases is confidential and anonymous reporting); or
2. Governance Commission for Government-Owned or –Controlled Corporations (GCG);

Protection against retaliation

Should there be perceived or actual retaliatory acts directed against the Whistleblower, by reason of the Whistleblowing Complaint/Report, he may likewise file a “*Complaint on Retaliation*”;

Complaints involving the investigating officers themselves

- Complaints involving the head or hearing officers of CRCDC / IED

If subject of the Whistleblowing Complaint (or Complaint on Retaliation) is the head or any of the hearing officers of CRCDC or IED, the complaint shall be filed with the Compliance Officer who shall proceed to investigate, hear and determine the matter;

- Complaints involving the Compliance Officer

In the event that the Compliance Officer himself is the person complained of or is the subject of the Whistleblowing Complaint (or Complaint on Retaliation), the Whistle-blower shall file his complaint directly with the Board of Directors of SHFC. It is the Board which shall hear and determine the matter. For this purpose, the Board may create an ad hoc Investigating Committee to look into the matter and submit its findings and recommendations to the Board;

In both instances above-mentioned or in case there is no other remedy available in SHFC, the Whistle-blower may directly report to the Governance Commission;

**WHEREAS**, the Management presented the summary of jurisdiction, and these are as follows:

I. Customer Relations and Complaints Division (CRCDC)

If the subject of the Complaint/Case arises out of, or is connected with, or refers/relates to:

1. Matters or complaints submitted to, filed before, or received by the Information and Public Assistance Desk (IPAD), shall be taken cognizance of in the first instance by the CRCDC.
2. Matters or complaints submitted to, or directly filed with the CRCDC involving cases not falling under the jurisdiction of any other department or division of SHFC.
3. Matters or disputes involving community-associations, member-beneficiaries, which only require for its resolution mediation proceedings or investigation and fact-finding proceedings by the CRCDC or IED.

II. Human Resource Department (HRD)

If the subject of the Complaint/Case arises out of, or is connected with, or refers/relates to offenses covered by the SHFC’s Code of Conduct and other similar disciplinary policies.

*N.B. The HRD may investigate, mediate and resolve cases on its own according to its rules, but may also tap the assistance of IED if the case requires formal investigation.*

### III. Compliance Department

If the subject of the Complaint/Case arises out of, or is connected with, or refers/relates to:

1. Reportable conditions as defined and enumerated in the Whistleblowing Policy.

Examples: Bribery and Money Laundering

2. Cases involving violation of, or non-compliance by SHFC with the laws, rules and regulations of regulatory agencies.

Examples: Non-compliance with GCG standards or SEC requirements.

Violation of Data Privacy Act and other confidentiality laws.

3. Cases involving violation of, or non-compliance by SHFC with the Corporation's corporate governance rules, policies and standards.

Examples:

Non-compliance or insufficient compliance with corporate targets, outputs or deliverables.

In case of taken out projects, deviation from or non-observance with SHFC procedures.

4. Questionable auditing or accounting matters.

Examples:

Gross violation of generally accepted auditing or accounting principles.

Lack of proper documents to support accounting entries.

### IV. Investigation and Enforcement Division (IED)

If the subject of the Complaint/Case arises out of, or is connected with, or refers/relates to:

1. Any matter where the IED may conduct *motu proprio* investigation (**general investigatory function**).

2. Any matter recommended by the CRCD, HR, Legal Department or any other SHFC department, division, body, or personnel for IED's formal investigation (**special investigative function**).

3. Any offense mentioned in *CMP Corporate Circular No.19-052, Series of 2019* (In this instance, the IED and the Partner Relations Division exercise confluent jurisdiction. Please see next row).

### V. Legal Department

If the subject of the Complaint/Case arises out of, or is connected with, or refers/relates to:

1. Complaints in the nature of Grievance/Request for Assistance seeking redress or relief concerning an act or omission of SHFC officers and employees which do not amount to administrative offenses;

2. Administrative complaints filed by any person or juridical entity involving the employees and officers of SHFC; and

3. Violations and offenses committed by the CMP-M/HDH Partner as embodied in the Corporate Circular No. 12-021 or the “Guidelines for the Accreditation of Community Mortgage Program-Mobilizer (CMP-M)” approved on 22 June 2012 and its Implementing Rules and Regulations (IRRs) under Corporate Circular No. 13-025 approved on 9 July 2013.

*N.B. Since the IED is now under the Legal Department, the former is the latter’s investigating arm.*

**VI. Partner Relations Division (PRD)**

If the subject of the Complaint/Case arises out of, or is connected with, or refers/relates to any offense mentioned in ***CMP Corporate Circular No.19-052, Series of 2019***

*Note: In these cases, the PRD exercises jurisdiction concurrently with the IED. The IED investigates these cases and makes reports and recommendations to the Enforcement Committee (ENCOM) for the latter’s resolution. The ENCOM’s resolution/order shall then be transmitted to the PRD which shall issue the order to the partners and other parties to case.*

**VII. Enforcement Committee**

Original jurisdiction over cases formally recommended and submitted for decision by IED in the exercise of the latter’s general investigatory function.

Original jurisdiction over cases formally recommended and submitted for decision by IED in the exercise of the latter’s special investigative function.

Original jurisdiction over cases formally recommended and submitted for decision by IED involving CMP-Ms whether applicant or accredited, builders, contractors, as well as Partner-LGUs, among other stakeholders.

*Note: Decisions and resolutions of the Enforcement Committee may be appealable to the Board of Directors within fifteen (15) days from receipt thereof. The Board’s decision over the subject in issue shall be final and executory.*

Composition of the Enforcement Committee

<b>Position in ENCOM</b>	<b>SHFC Officer or Personnel</b>
<b>Chairperson</b>	Executive Vice President
<b>Vice-Chairperson</b>	To be chosen from among the permanent members.
<b>Permanent Members:</b>	<ol style="list-style-type: none"> <li>1. Senior Vice President for Operations</li> <li>2. Senior Vice President for Corporate Governance</li> <li>3. Vice President for Program Development and Enhancement</li> <li>4. Vice President for Planning and Policy</li> <li>5. Vice-President for Human Resources Department</li> </ol>
<b>Regular Members:</b>	<ol style="list-style-type: none"> <li>1. Representative from the managerial/supervisory employees (to be determined by the same managerial/supervisory group; shall</li> </ol>

	<p>be regular members only for a period of two years).</p> <p>2. Representative from SOHEAI (to be determined by the SOHEAI; shall be regular members only for a period of two years).</p>
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**WHEREAS**, in the same discussion, the Management recommended that for Corporate Officers from Vice-President position and above, disciplinary measures, if warranted, shall be subject to the authority of the Board;


**NOW THEREFORE**, be it resolved as it is hereby resolved, that the Board approves as it has hereby approved, the Whistleblowing Policy of SHFC and jurisdiction of cases;

**RESOLVED FURTHER**, that the OIC Vice-President for Legal Affairs and the OIC Senior Vice President for Legal, Asset Management and Partners, shall be excluded from membership of the Enforcement Committee;

**RESOLVED FURTHERMORE**, that the Management is authorized to promulgate its own rules or procedures for the investigation of the administrative cases;


**RESOLVED FURTHERMOST**, that all other Corporate Circulars, Office Orders or parts thereof inconsistent with any provisions hereof, shall be deemed modified or repealed accordingly;

**IN WITNESS WHEREOF**, I have hereunto set my hand on this 04 MAY 2021 in Makati City.

  
 ATTY. MELANIE B. VALENCIANO  
 Acting Board Secretary

SUBSCRIBED AND SWORN to before me on this 04 MAY 2021 2021, affiant exhibiting to me her SHFC Employee ID No.A1506264

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 ATTY. LEO B. DEOCAMPO  
 NOTARY PUBLIC  
 UNTIL  
 RULE NO. 49042  
 BP LIFETIME NO. 08659 / 01-06-10 / PASIG CITY  
 MCLE COMPLIANCE NO. VI-0018250  
 PTR NO. 8135852 / 1-14-2020 / MAKATI CITY