



Office of the President of the Philippines
GOVERNANCE COMMISSION
 FOR GOVERNMENT OWNED OR CONTROLLED CORPORATIONS
 3/F, BDO Towers Paseo, 8741 Paseo De Roxas, Makati City, Philippines 1226



30 OCTOBER 2025

MICHAEL P. ARANAS
President/CEO
LBP LEASING AND FINANCE CORPORATION (LBP-LFC)
 15/F Syciplaw Center, No. 105, Paseo De Roxas Makati City

ACKNOWLEDGEMENT RECEIPT

LETTER **29 OCTOBER 2025**
 DATE:

RE: **[E] LETTER FROM LLFC TO GCG RE LBP-LFC PES
 QUARTERLY MONITORING REPORT - 3RD QUARTER CY 2025**

The said document was officially received by the Governance Commission on 30 October 2025 and has been forwarded to the responsible GCG Officer for appropriate action.

To follow-up for further action on the document, you may contact us through telephone numbers (02) 5328-2030 or (02) 5318-1000. Please cite the GCG Document Management System (DMS) Barcode Number: **0-1222-30-10-2025-029480.**

THIS RECEIPT IS COMPUTER GENERATED AND DOES NOT REQUIRE SIGNATURE.

Received by:

Signature over Printed Name

Date and Time

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LBP LEASING AND FINANCE CORPORATION

COMPONENTS					3rd Quarter 2025 (July to September)					As of September 30, 2025	% of Accomplishment vs. 2025 Modified Target
	Objective/Measure	Weight	Rating System	2025 Modified Target	Target	Actual	Over (Under)	% of Accomplishment for the Quarter			
FINANCIAL	SO1	Sustain Capital and Financial Growth through the effective and efficient use of resources									
	SM 1	Total Net Portfolio	15%	(Actual / Target) x Weight	P 6.366 Billion	P 6.317 Billion	P 6.506 Billion	P 189.0 Million	102.99%	P 6.506 Billion	102.20%
	SM 2	Net Past Due Rate	7%	(1-(Actual-Target)/Target) x Weight	5.00%	5.00%	9.67%	(4.67%)	6.60%	9.67%	6.60%
	SM 3	Total Asset Size	10%	(Actual / Target) x Weight	P 7.476 Billion	P 7.426 Billion	P 7.905 Billion	P 479.0 Million	106.45%	P 7.905 Billion	105.74%
	SM 4	Increase Net Income After Tax	15%	(Actual / Target) x Weight	P 90.10 Million	P82.98 Million	P32.30 Million	(P50.68 Million)	38.93%	P44.42 Million	49.30%
	SM 5	Budget Utilization Rate (BUR)	5%	(Actual / Target) x Weight	90%	67.50%	53.27%	(14.23%)	53.27%	53.27%	30.00%
		SUB-TOTAL	52%								
CUSTOMER/STAKEHOLDERS	SO 2	Provide financial products that are inclusive and accessible									
	SM 6	Percentage of Portfolio Level allocated to priority sectors	10%	Below 80% = 0% 80% - 89.99% = 5% 90% - 90.99 = 7% 91% and above 10%	91%	91%	91.94%	0.94%	101.03%	91.94%	100.29%
	SO 3	Enhance customer satisfaction through responsive service delivery									
	SM 7	Percentage of Satisfied Customers	5%	(Actual / Target) x Weight; 0% = if below 80%	90%	N/A	N/A	N/A	N/A	Ongoing. To be done by 3rd party service provider	N/A
	SM 8	Percentage of Credit Approvals Processed within the Applicable Time	10%	(Actual / Target) x Weight	100%**	100%**	0%	0%	100%	100%	100%
		SUB-TOTAL	25%								
INTERNAL PROCESSES	SO 4	Develop organizational infrastructures that is sustainable, disaster-resilient, and accessible									
	SM 9	Percentage of ISSP Projects Completed	5%	All or nothing	100%	N/A	N/A	N/A	N/A	Ongoing. IT Unit is actively working on the completion of various ISSP Projects intended for the year 2025.	N/A
	SO 5	Embed a culture of efficiency and quality across all levels of the organization.									
	SM 10	Compliance with Quality Standards (ISO QMS)	5%	All or nothing	ISO 9001:2015 Re-certification	N/A	N/A	N/A	N/A	Ongoing. LLFC has formally requested the certifying body to schedule the recertification audit. The Corporation is currently awaiting confirmation of the final audit schedule tentatively in December 2025	N/A
	SUB-TOTAL	10.0%									

COMPONENTS					3rd Quarter 2025 (July to September)				As of September 30, 2025	% of Accomplishment vs. 2025 Modified Target
	Objective/Measure	Weight	Rating System	2025 Modified Target	Target	Actual	Over (Under)	% of Accomplishment for the Quarter		
LEARNING AND GROWTH	SO 6	Strengthen organizational knowledge, skills and competencies								
	SM 11	Percentage of Employees Meeting Required Competencies	5%	(Actual / Target) x Weight	10% Increase from the 2024 Competency Level (using new formula)	N/A	N/A	N/A	N/A	Ongoing. Continuous training and coaching initiatives are being implemented to support employee development and strengthen organizational capabilities.
	SM 12	Restructuring Plan (RP)	3%	All or Nothing	Complete Submission of RP Requirements to GCG (including supervising agency's endorsement) on or before the deadline set by the Office of the President	N/A	N/A	N/A	N/A	Ongoing. On September 18, 2025, the GCG transmitted to LLFC a copy of its reply recommending the extension of the deadline for the submission of the Corporation's Reorganization Plan until December 31, 2025, to allow adequate time for review and completion.
	SO 7	Institutionalize a culture of sustainability, resilience, and inclusion								
	SM 13	Development and Implementation of Disaster Risk Reduction and Management (DRRM) Plan	5%	All or nothing	Board-approved Public Service Continuity Plan (PSCP)	N/A	N/A	N/A	N/A	Ongoing. To be done by 4th Quarter of 2025
	SUB-TOTAL		13.0%							
TOTAL		100.0%								
BONUS STRATEGIC MEASURES										
FINANCIAL	GAD Budget Utilization	1%	All or nothing	5% of Total Budget	N/A	N/A	N/A	N/A	Ongoing. P71.30 Million or 91.97% of the P77.53 Million Budget have been utilized	N/A
INTERNAL PROCESSES	ISO Certification on Environmental Management System or Business Continuity Management System	1%	All or nothing	ISO 14001:2015 or ISO 22301:2019 Certification	N/A	N/A	N/A	N/A	Ongoing.	N/A

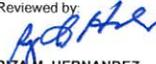
*Based on ARTA Client Satisfaction Measure

**Applicable processing time will be based on LLFC's compliance with Republic Act No. 11032

***The competency baseline of the organization shall pertain to the average percentage required competencies met which can be computed using the formula

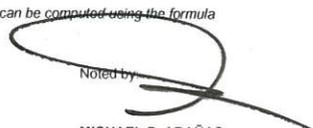
Prepared by

ANGELIQUE D. JAVIER
Administrative Specialist I

Reviewed by

RIZA M. HERNANDEZ
VP/Head - Account Servicing Group


RAIZZA L. GONZALES
VP/Head - Corporate Services Group


PETER PAUL I. RIGOR
VP/Head - Account Management Group

Noted by

MICHAEL P. ARAÑAS
President and CEO

		COMPONENTS				2025 Modified Target	3rd Quarter 2025 (July to September)		
	Objective/Measure	Formula	Weight	Rating System	Target		Actual	Over (Under)	
FINANCIAL	SO1	Sustain Capital and Financial Growth through the effective and efficient use of resources							
	SM 1	Total Net Portfolio	Finance Lease Receivables (Current and Non-current) Add: Loans and Receivables - Others (Current and Non-current) Add: (BIR - Reserves and EOPL, net) Less: Deposit on Lease Contract	15%	(Actual / Target) x Weight	P 6.366 Billion	P 6.317 Billion	P 6.506 Billion	P 189.0 Million
	SM 2	Net Past Due Rate	Total Past Due at the end of the period Less Unearned Leasing Income, Unearned Interest Income and Specific for Loan Loss Provision ÷ Total Net Portfolio	7%	(1-(Actual-Target)/Target) x Weight	5.00%	5.00%	9.67%	(4.67%)
	SM 3	Total Asset Size	Absolute amount of Total Assets by end of year-end	10%	(Actual / Target) x Weight	P 7.476 Billion	P 7.426 Billion	P 7.905 Billion	P 479.0 Million
	SM 4	Increase Net Income After Tax	Net Income After Tax (Before Other Comprehensive Income/Loss) Line Item in the Financial Statements	15%	(Actual / Target) x Weight	P 90.10 Million	P82.98 Million	P32.30 Million	(P50.68 Million)
	SM 5	Budget Utilization Rate (BUR)	Actual Disbursements ÷ Total MOOE, CO, and Financial Expenses as per Board-approved COB	5%	(Actual / Target) x Weight	90%	67.50%	53.27%	(14.23%)
		SUB-TOTAL		52%					
CUSTOMER/STAKEHOLDERS	SO 2	Provide financial products that are inclusive and accessible							
	SM 6	Percentage of Portfolio Level allocated to priority sectors	Total amount of portfolio allocated to priority sector ÷ Total portfolio at the end of the year	10%	Below 80% = 0% 80% - 89.99% = 5% 90% - 90.99 = 7% 91% and above 10%	91%	91%	91.94%	0.94%
	SO 3	Enhance customer satisfaction through responsive service delivery							
	SM 7	Percentage of Satisfied Customers	Number of respondents who gave a rating of at least Satisfactory ÷ Total number of respondents	5%	(Actual / Target) x Weight; 0% = If below 80%	90%	N/A	N/A	N/A
	SM 8	Percentage of Credit Approvals Processed within the Applicable Time	Total Number of Credit Approvals for New and Existing Clients Processed within the Applicable Processing Time ÷ Total Number of Credit Approvals	10%	(Actual / Target) x Weight	100%**	100%**	100%	0%
	SUB-TOTAL		25%						
INTERNAL PROCESSES	SO 4	Develop organizational infrastructures that is sustainable, disaster-resilient, and accessible							
	SM 9	Percentage of ISSP Projects Completed	Number of Deliverable Projects and Systems Completed ÷ Total Number of Deliverable Projects	5%	All or nothing	100%	N/A	N/A	N/A
	SO 5	Embed a culture of efficiency and quality across all levels of the organization.							
	SM 10	Compliance with Quality Standards (ISO QMS)	Actual accomplishment	5%	All or nothing	ISO 9001:2015 Re-certification	N/A	N/A	N/A

COMPONENTS					2025 Modified Target	3rd Quarter 2025 (July to September)			
	Objective/Measure	Formula	Weight	Rating System		Target	Actual	Over (Under)	
	SUB-TOTAL		10.0%						
LEARNING AND GROWTH	SO 6	Strengthen organizational knowledge, skills and competencies							
	SM 11	Percentage of Employees Meeting Required Competencies	Plantilla Employees Meeting Required Competencies ÷ Total Filled Plantilla as of Year-end	5%	(Actual / Target) x Weight	10% Increase from the 2024 Competency Level (using new formula)	N/A	N/A	N/A
	SM 12	Restructuring Plan (RP)	Actual Accomplishment	3%	All or Nothing	Complete Submission of RP Requirements to GCG (including supervising agency's endorsement) on or before the deadline set by the Office of the President	N/A	N/A	N/A
	SO 7	Institutionalize a culture of sustainability, resilience, and inclusion							
	SM 13	Development and Implementation of Disaster Risk Reduction and Management (DRRM) Plan	Actual accomplishment	5%	All or nothing	Board-approved Public Service Continuity Plan (PSCP)	N/A	N/A	N/A
	SUB-TOTAL		13.0%						
	TOTAL		100.0%						
BONUS STRATEGIC MEASURES									
FINANCIAL	GAD Budget Utilization	Actual accomplishment	1%	All or nothing	5% of Total Budget	N/A	N/A	N/A	
INTERNAL PROCESSES	ISO Certification on Environmental Management System or Business Continuity Management System	Actual accomplishment	1%	All or nothing	ISO 14001:2015 or ISO 22301:2019 Certification	N/A	N/A	N/A	

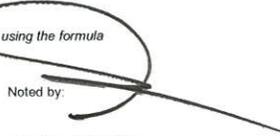
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