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

BAGONG PILIPINAS

31 JULY 2026

ROBERTO U. TEO
Member, Board of Directors
LBP LEASING AND FINANCE CORPORATION (LBP-LFC)
15/F Sycip Law Center, 105 Paseo de Roxas, Legaspi Village Makati City

ACKNOWLEDGEMENT RECEIPT

LETTER DATE: **30 JULY 2026**

RE: **[E] LETTER FROM LLFC TO GCG RE LLFC PES QUARTERLY MONITORING REPORT - 2ND QUARTER CY 2026**

The said document was officially received by the Governance Commission on 31 July 2026 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: **0-0445-31-07-2026-021614.**

THIS RECEIPT IS COMPUTER GENERATED AND DOES NOT REQUIRE SIGNATURE.

Received by:

Signature over Printed Name

Date and Time

PRIVACY NOTICE*: Any or all personal data you provided will only be used to process your transaction with the GCG and for other compatible purposes. All collected data will be kept secure and confidential, unless otherwise authorized by law. They will be disposed of as soon as the purpose for their use has been achieved. Only aggregate or anonymized data shall be subject to further processing. We respect your rights under the Data Privacy Act. Should you wish to invoke any such rights in relation to our processing of your personal data, or have questions or clarifications relative to privacy and data protection, you may contact the GCG – Data Privacy Team at* SULY DF\#JFSJK<JRXYD\ORG\JHKU FRPSODLQW RU VXEPLW DQ LQFLGHQW UHSRUW IRUP LQ WKH VDPH HPDLO DGGUHVV

TÜVRheinland CERTIFIED
Management System ISO 9001:2015
www.tuv.com ID 9105080109

July 30, 2026

Atty. Marius P. Corpus
Chairperson, Governance Commission for GOCCs
3rd Flr., Citibank Plaza, 8741 Paseo de Roxas St.,
Makati City

RE: LLFC PES QUARTERLY MONITORING REPORT – 2nd QUARTER CY 2026

Dear **Chairperson Corpus**:

As required, we are submitting herewith the LBP Leasing and Finance Corporation's Quarterly Monitoring Report for the 2nd Quarter of 2026. Also attached are the following supporting documents:

1. **Accomplished PES Form 4 for the 2nd Quarter of 2026**
2. **Board Resolution of the 2nd Quarter PES Accomplishment**
3. **SM 1: Total Net Portfolio**
   a. Schedule of Total Portfolio as of June 30, 2026
   b. Reported Asset Quality as of June 30, 2026
4. **SM 2: Non-Performing Loan (NPL) Rate**
   a. Non-Performing Loans Computation as of June 30, 2026
   b. Reported Asset Quality as of June 30, 2026
5. **SM 3: Net Income After Tax**
   a. Reported Results of Operations as of June 30, 2026
   b. Prudential Balance Sheet as of June 30, 2026
   c. Prudential Income Statement as of June 30, 2026
6. **SM 5: Budget Utilization Rate (BUR)**
   a. Budget Utilization Report as of June 30, 2026
7. **SM 6: Percentage of Total Portfolio allocated to Priority Sector**
   a. Priority Sector Portfolio Computation as of June 30, 2026
   b. List of Account Balances included in Priority Sector
8. **SM 7: Average Processing Time of Credit Approvals**
   a. Credit Approvals Monitoring Sheet – 2nd Quarter 2026
   b. Account Monitoring Sheets
   c. Committee/Board Resolutions approving the Credit Facilities

We hope these submissions satisfactorily meet your requirements.

Thank you.

Very truly yours,

[redacted]

ROBERTO U. TEO
President/CEO

LBP LEASING AND FINANCE CORPORATION

PES Form 4
Quarterly Monitoring Report - 2nd Quarter 2026

COMPONENTS					Modified Target 2026	2nd Quarter (April to June)				As of June 30, 2026 (in millions)	% of Accomplishment vs. 2026 Modified Target
		Objective/Measure	Weight	Rating System		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 8.150 Billion	P 7.791 Billion	₱ 7,320.25	(P471.0 Million)	93.95%	₱ 7,320.25	89.82%
	SM 2	Non-Performing Loan (NPL) Rate	15%	1-[(Actual - Target) / Target) x Weight	20%	20%	28.39%	8.39%	58.05%	28.39%	58.05%
	SM 3	Net Income After Tax	15%	(Actual / Target) x Weight	P 105.00 Million	P 26.25 Million	₱ 20.29	(P5.96 Million)	77.30%	₱ 37.78	35.99%
	SM 4	Budget Utilization Rate (BUR)	5%	(Actual / Target) x Weight	90%	45%	31.93%	(13.07%)	70.96%	31.93%	35.48%
		SUB-TOTAL	**50%**								
CUSTOMER/ STAKEHOLDERS	SO 2	**Provide financial products that are inclusive and accessible**									
	SM 5	Percentage of Portfolio Level allocated to priority sectors	15%	Actual / Target	91%	91%	92.77%	1.77%	101.95%	92.77%	101.95%
	SO 3	**Enhance customer satisfaction through responsive service delivery**									
	SM 6	Percentage of Satisfied Customers	5%	(Actual / Target) x Weight; 0% = If below 80%	90%	N/A	**Ongoing.** To be done by 3rd party service provider	N/A	N/A	**Ongoing.** To be done by 3rd party service provider	N/A
	SM 7	Percentage of Credit Approvals Processed within the Applicable Time	10%	(Actual / Target) x Weight	100%	100%	100%	0%	100%	100%	100%
		SUB-TOTAL	**30%**								
INTERNAL PROCESSES	SO 4	**Develop organizational infrastructures that is sustainable, disaster-resilient, and accessible**									
	SM 8	Percentage of ISSP Projects Completed	5%	All or nothing	100%	N/A	**Ongoing.** IT Unit is actively working on the completion of various ISSP Projects intended for the year 2026.	N/A	N/A	**Ongoing.** IT Unit is actively working on the completion of various ISSP Projects intended for the year 2026.	N/A
	SO 5	**Embed a culture of efficiency and quality across all levels of the organization.**									
	SM 9	Compliance with Quality Standards (ISO QMS)	5%	All or nothing	Pass 1st Surveillance Audit	N/A	**Ongoing.** 1st Surveillance Audit is scheduled in the 4th Quarter of 2026.	N/A	N/A	**Ongoing.** 1st Surveillance Audit is scheduled in the 4th Quarter of 2026.	N/A
		SUB-TOTAL	**10.0%**								
LEARNING AND GROWTH	SO 6	**Strengthen organizational knowledge, skills and competencies**									
	SM 10	Percentage of Employees Meeting Required Competencies	5%	All or nothing	Improvement from the 2025 baseline	N/A	**Ongoing.** Trainings and Coachings are continuously being done	N/A	N/A	**Ongoing.** Trainings and Coachings are continuously being done	N/A
	SO 7	**Institutionalize a culture of sustainability, resilience, and inclusion**									
	SM 11	Development and Implementation of Disaster Risk Reduction and Management (DRRM) Plan	5%	Actual / Target	100% Implementation of PSCP	N/A	**Ongoing.** To be done by 4th Quarter of 2026	N/A	N/A	**Ongoing.**	N/A
		SUB-TOTAL	**10.0%**								
		TOTAL	**100.0%**								
BONUS STRATEGIC MEASURES											
FINANCIAL		Gender and Development (GAD) Budget Utilization	1%	All or nothing	5% of Total Budget	2.50%	**Ongoing.** P34.55 Million or 41.62% of the P83.01 Million Budget have been utilized	N/A	N/A	**Ongoing.** P34.55 Million or 41.62% of the P83.01 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	Ongoing	N/A	N/A	Ongoing	N/A

Prepared by:

[redacted]
ANGELIQUE D. JAVIER
Compliance Specialist I

Reviewed by:

[redacted]
RIZA M. HERNANDEZ
VP/Head - Account Servicing Group

[redacted]
RAIZZA L. GONZALES
VP/Head - Corporate Services Group

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

Noted by:

[redacted]
ROBERTO U. TEO
President and CEO

LBP LEASING AND FINANCE CORPORATION

PES Form 4
Quarterly Monitoring Report - 2nd Quarter 2026

COMPONENTS					Modified Target 2026	2nd Quarter (April to June)		
		Objective/Measure	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	15%	(Actual / Target) x Weight	P 8.150 Billion	P 7.791 Billion	₱ 7,320.25	(P471.0 Million)
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	SM 3	Net Income After Tax	15%	(Actual / Target) x Weight	P 105.00 Million	P 26.25 Million	₱ 20.29	(P5.96 Million)
	SM 4	Budget Utilization Rate (BUR)	5%	(Actual / Target) x Weight	90%	45%	31.93%	(13.07%)
		SUB-TOTAL	**50%**					
CUSTOMER/ STAKEHOLDERS	SO 2	**Provide financial products that are inclusive and accessible**						
	SM 5	Percentage of Portfolio Level allocated to priority sectors	15%	Actual / Target	91%	91%	92.77%	1.77%
	SO 3	**Enhance customer satisfaction through responsive service delivery**						
	SM 6	Percentage of Satisfied Customers	5%	(Actual / Target) x Weight; 0% = If below 80%	90%	N/A	**Ongoing.** To be done by 3rd party service provider	N/A
	SM 7	Percentage of Credit Approvals Processed within the Applicable Time	10%	(Actual / Target) x Weight	100%	100%	100%	0%
		SUB-TOTAL	**30%**					
INTERNAL PROCESSES	SO 4	**Develop organizational infrastructures that is sustainable, disaster-resilient, and accessible**						
	SM 8	Percentage of ISSP Projects Completed	5%	All or nothing	100%	N/A	**Ongoing.** IT Unit is actively working on the completion of various ISSP Projects intended for the year 2026.	N/A
	SO 5	**Embed a culture of efficiency and quality across all levels of the organization.**						
	SM 9	Compliance with Quality Standards (ISO QMS)	5%	All or nothing	Pass 1st Surveillance Audit	N/A	**Ongoing.** 1st Surveillance Audit is scheduled in the 4th Quarter of 2026.	N/A
		SUB-TOTAL	**10.0%**					
LEARNING AND GROWTH	SO 6	**Strengthen organizational knowledge, skills and competencies**						
	SM 10	Percentage of Employees Meeting Required Competencies	5%	All or nothing	Improvement from the 2025 baseline	N/A	**Ongoing.** Trainings and Coachings are continuously being done	N/A
	SO 7	**Institutionalize a culture of sustainability, resilience, and inclusion**						
	SM 11	Development and Implementation of Disaster Risk Reduction and Management (DRRM) Plan	5%	Actual / Target	100% Implementation of PSCP	N/A	**Ongoing.** To be done by 4th Quarter of 2026	N/A
		SUB-TOTAL	**10.0%**					
		TOTAL	**100.0%**					

LBP LEASING AND FINANCE CORPORATION

PES Form 4
Quarterly Monitoring Report - 2nd Quarter 2026

COMPONENTS					Modified Target 2026	2nd Quarter (April to June)		
		Objective/Measure	Weight	Rating System		Target	Actual	Over(Under)
BONUS STRATEGIC MEASURES								
FINANCIAL		Gender and Development (GAD) Budget Utilization	1%	All or nothing	5% of Total Budget	2.50%	**Ongoing.** P34.55 Million or 41.62% of the P83.01 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	Ongoing	N/A

Prepared by:

[redacted]

ANGELIQUE D. JAVIER
Compliance Specialist I

Reviewed by:

[redacted]

RIZA M. HERNANDEZ
VP/Head - Account Servicing Group

[redacted]

RAIZZA L. GONZALES
VP/Head - Corporate Services Group

[redacted]

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

Noted by:

[redacted]

ROBERTO U. TEO
President and CEO

LBP LEASING AND FINANCE CORPORATION
(A LANDBANK SUBSIDIARY)

BOARD RESOLUTION NO. 26-176

In the special meeting of the Board of Directors of LLFC held on 22 July 2026 via Face-to-Face meeting and Zoom video-conferencing, during which a valid quorum was present, the following resolution was adopted by the Board:

Bd. Res. No. 26-176: GCG QUARTERLY MONOTPORING REPORT – 2ND QUARTER CY 2026
- Approved

RESOLVED, as it is hereby resolved, that the GCG Quarterly Monitoring Report – 2nd Quarter CY 2026, the details of which were contained in the Memorandum for the Board dated July 15, 2026, be, as it is hereby, APPROVED.

[redacted]

ATTY. MAXIMILLIAN KING Z. FERNANDEZ
Corporate Secretary

BAGONG PILIPINAS

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