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

30 OCTOBER 2026

EDWARD JOHN T. REYES
President/CEO
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 OCTOBER 2026**

RE: **[E] LETTER FROM LLFC TO GCG RE LLFC PES QUARTERLY MONITORING REPORT - 3RD QUARTER CY 2026**

The said document was officially received by the Governance Commission on 30 October 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: **0-0153-30-10-2026-028350.**

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 privacy@gcg.gov.ph. You may lodge your complaint or submit an incident report form in the same email address.*

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LBP LEASING AND FINANCE CORPORATION
(A LANDBANK SUBSIDIARY)

October 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 – 3rd QUARTER CY 2026

Dear **Chairperson Corpus**:

As required, we are submitting herewith the LBP Leasing and Finance Corporation's Quarterly Monitoring Report for the 3rd Quarter of 2026. Also attached are the following supporting documents:

1. **Annex A: Accomplished PES Form 4 for the 3rd Quarter of 2026**
2. **Annex B: Supporting documents for the applicable Strategic Measures**
    a. **SM 1: Total Net Portfolio**
        - Schedule of Total Portfolio as of September 30, 2026
        - Reported Asset Quality as of September 30, 2026
    b. **SM 2: Non-Performing Loan (NPL) Rate**
        - Non-Performing Loans Computation as of September 30, 2026
        - Reported Asset Quality as of September 30, 2026
    c. **SM 3: Net Income After Tax**
        - Reported Results of Operations as of September 30, 2026
        - Prudential Balance Sheet as of September 30, 2026
        - Prudential Income Statement as of September 30, 2026
    d. **SM 5: Budget Utilization Rate (BUR)**
        - Budget Utilization Report as of September 30, 2026
    e. **SM 6: Percentage of Total Portfolio allocated to Priority Sector**
        - Priority Sector Portfolio Computation as of September 30, 2026
        - List of Account Balances included in Priority Sector
    f. **SM 7: Average Processing Time of Credit Approvals**
        - Credit Approvals Monitoring Sheet – 3rd Quarter 2026
        - Account Monitoring Sheets
        - Committee/Board Resolutions approving the Credit Facilities
3. **Annex C: Request For Recalibration of CY 2026 PES Targets**

The corresponding Board Resolution covering the Third Quarter PES Monitoring Report shall be submitted separately upon its availability.

We hope these submissions satisfactorily meet your requirements.

Very truly yours,

[redacted]

EDWARD JOHN T. REYES
President/CEO

LBP LEASING AND FINANCE CORPORATION

PES Form 4
Quarterly Monitoring Report - 3rd Quarter 2026

	COMPONENTS					Modified Target 2026	3rd Quarter (July to September) amount in millions		
		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 8.150 Billion	P 7.971 Billion	₱ 7,035.98	-₱ 935.02
	SM 2	Non-Performing Loan (NPL) Rate	NPL Amount (Past Due Amount add Other Classified Accounts less Accounts with less than 90 days Past Due) ÷ Total Net Portfolio	15%	1-[(Actual - Target) / Target) x Weight	20%	20%	31.72%	11.72%
	SM 3	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 105.00 Million	P 26.25 Million	₱ 22.98	-₱ 3.27
	SM 4	Budget Utilization Rate (BUR)	Total Disbursements ÷ Board-approved COB (both net of PS)	5%	(Actual / Target) x Weight	90%	67.50%	45.93%	-21.57%
		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	Total amount of portfolio allocated to priority sector ÷ Total portfolio at the end of the year	15%	Actual / Target	91%	91%	93.08%	3.08%
	SO 3	**Enhance customer satisfaction through responsive service delivery**							
	SM 6	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 7	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		**30%**					
INTERNAL PROCESSES	SO 4	**Develop organizational infrastructures that is sustainable, disaster-resilient, and accessible**							
	SM 8	Percentage of ISSP Projects Completed	Total Number of Attained Deliverables Due for 2026 / Total Number of Deliverables Due for 2026 (based on the DICT-apporved/ endorsed ISSP)	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 9	Compliance with Quality Standards (ISO QMS)	Actual accomplishment	5%	All or nothing	Pass 1st Surveillance Audit	N/A	N/A	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	Plantilla Employees Meeting Required Competencies ÷ Total Filled Plantilla as of Year-end	5%	All or nothing	Improvement from the 2025 baseline	N/A	N/A	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	Total Number of Exercises/Drills/Tests Conducted in 2026 over Total Number of Exercises/Drills/Tests Scheduled in 2026	5%	Actual / Target	100% Implementation of PSCP	N/A	N/A	N/A
		SUB-TOTAL		**10.0%**					
		TOTAL		**100.0%**					
BONUS STRATEGIC MEASURES									

LBP LEASING AND FINANCE CORPORATION

	COMPONENTS			Modified Target 2026	3rd Quarter (July to September) amount in millions		
	Objective/Measure	Formula	Weight		Target	Actual	Over(Under)
BONUS STRATEGIC MEASURES							
FINANCIAL	Gender and Development (GAD) Budget Utilization	Actual Disbursement for GAD - related Activities / Total COB	1%	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%	ISO 14001:2015 or ISO 22301:2019 Certification	N/A	N/A	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]

EDWARD JOHN T. REYES
President and CEO

LBP LEASING AND FINANCE CORPORATION

PES Form 4
Quarterly Monitoring Report - 3rd Quarter 2026

	COMPONENTS			Modified Target 2026	3rd Quarter (July to September) amount in millions				As of September 30, 2026 (in millions)	% of Accomplishment vs. 2026 Modified Target
		Objective/Measure	Weight		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%	P 8.150 Billion	P 7.971 Billion	₱ 7,035.98	-₱ 935.02	88.27%	₱ 7,035.98	86.33%
	SM 2	Non-Performing Loan (NPL) Rate	15%	20%	20%	31.72%	11.72%	41.40%	31.72%	41.40%
	SM 3	Net Income After Tax	15%	P 105.00 Million	P 26.25 Million	₱ 22.98	-₱ 3.27	87.54%	₱ 60.77	57.87%
	SM 4	Budget Utilization Rate (BUR)	5%	90%	67.50%	45.93%	-21.57%	68.04%	45.93%	51.03%
		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%	91%	91%	93.08%	3.08%	102.29%	93.08%	102.29%
	SO 3	**Enhance customer satisfaction through responsive service delivery**								
	SM 6	Percentage of Satisfied Customers	5%	90%	N/A	N/A	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%	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%	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 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%	Pass 1st Surveillance Audit	N/A	N/A	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%	Improvement from the 2025 baseline	N/A	N/A	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%	100% Implementation of PSCP	N/A	N/A	N/A	N/A	**Ongoing.**	N/A
		SUB-TOTAL	**10.0%**							
		TOTAL	**100.0%**							

LBP LEASING AND FINANCE CORPORATION

	COMPONENTS		Modified Target 2026	3rd Quarter (July to September) amount in millions				As of September 30, 2026 (in millions)	% of Accomplishment vs. 2026 Modified Target
		Objective/Measure	Weight	Target	Actual	Over(Under)	% of Accomplishment for the Quarter		
BONUS STRATEGIC MEASURES									
FINANCIAL	Gender and Development (GAD) Budget Utilization		1%	5% of Total Budget	N/A	N/A	N/A	N/A	**Ongoing.** P55.37 Million or 66.70% 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%	ISO 14001:2015 or ISO 22301:2019 Certification	N/A	N/A	N/A	N/A	Ongoing	N/A

Prepared by:

[redacted]

ANGELIQUE D. JAVIER
Compliance Specialist I

Reviewed by:

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