PNSLAI

PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC.

(Authorized by the Bangko Sentral ng Pilipinas)

ANNUAL REPORT 2024

REFLECTING ON PROGRESS, INSPIRING THE FUTURE

PNSLAI is regulated by the Bangko Sentral ng Pilipinas

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COMPANY PROFILE

The **PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC. (PNSLAI)** is an established financial institution that has humble beginnings as a “paluwagan” among the personnel of the Philippine Navy Finance Center (PNFC) at Bonifacio Naval Station (BNS), Fort Bonifacio, City of Taguig.

It was organized on April 01, 1987, during the incumbency of CAPT NARCISO M LISTON PN (GSC), the Commander of PNFC at the time. It was initially named PNFC Savings and Loan Association (PNFCSLA).

On August 04, 1993, it was registered with the Securities and Exchange Commission (SEC) under Registration No. ANO-93-003407, with the new business name- PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC. (PNSLAI). On September 17, 1993, the Bangko Sentral ng Pilipinas (BSP) issued the Certificate of Authority to operate under Registration No. NS-093.

From fifty (50) members and with an initial investment of about Sixty Thousand Pesos (₱ 60,000.00), it grew into a multi-billion-peso Savings and Loan Association.

By the end of CY 2024, it served 47,826 members belonging to a well-defined group of Philippine Navy (Sailors and Marines) and qualified Philippine Coast Guard personnel, both active and retired, and their dependents, civilian employees, and honorary members.

For 38 years, PNSLAI has maintained its status as one of the industry's best-performing savings and loan associations. Under the leadership of Chairman of the Board, TRUSTEE EDUARDO T. DOMINGO, and President, TRUSTEE EUGENIO N. CLEMEN, PNSLAI operates in eleven (11) Branch Offices, nine (9) Satellite Offices, and seven (7) Mobile Desks, providing quality and efficient financial services to valued members throughout the country.

The main office is located at the PNSLAI Corporate Center, Lot 12 Block 54 Phase 4, Diego Silang Street, AFP Officer’s Village, Western Bicutan, City of Taguig.

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MESSAGE OF THE FLAG OFFICER IN COMMAND

On behalf of the Philippine Navy, I extend our profound congratulations to the Philippine Navy Savings and Loan Association, Inc. (PNSLAI) on another remarkable year. For almost four decades, PNSLAI has proven to be an indispensable partner to our organization.

PNSLAI's exemplary financial services and Corporate Social Responsibility (CSR) programs have significantly enhanced the welfare and morale of our Sailors, Marines, Civilian Human Resources, and their families. Your unwavering commitment to their financial well-being has created a foundation of stability that allows our personnel to focus on their critical missions with peace of mind.

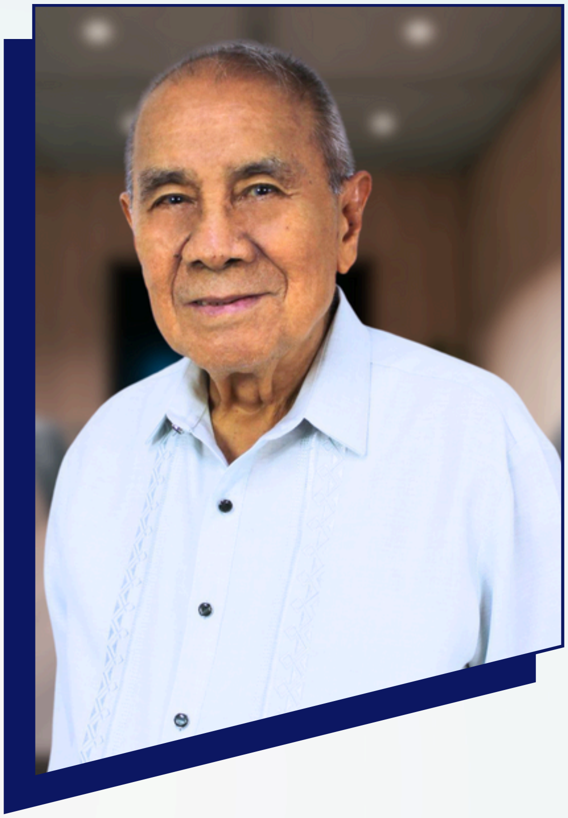
Our enduring partnership with PNSLAI has yielded tangible benefits for the Philippine Navy, empowering our transformation into a modern, multi-capable naval force. Your support has been instrumental in our journey toward operational excellence and organizational advancement.

We eagerly look forward to strengthening this productive alliance. Together, we will continue to enhance the quality of life for our Navy personnel, stakeholders, and the wider Filipino community.

Congratulations once again on your achievements! May PNSLAI continue to flourish and serve as a beacon of financial stewardship. Mabuhay ang PNSLAI!

JOSE MA AMBROSIO Q EZPELETA
Vice Admiral PN

MESSAGE OF THE CHAIRMAN



As we close another remarkable year, it is my pleasure to present the **PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC. (PNSLAI) ANNUAL REPORT AND FINANCIAL STATEMENTS for the year ended December 31, 2024**. This report highlights our key achievements, borne of our collective efforts to provide efficient financial services to our valued members. It outlines our financial performance, operational milestones, and strategic vision for the future of our Association.

This report reflects PNSLAI's unwavering commitment to empowering our members' dreams and securing their financial futures through products and services tailored to their needs, while remaining acutely aware of the current economic landscape. For 38 years, we have enabled affordable access to credit while rewarding thrift and discipline. In 2024, we continued offering the lowest loan interest rates in the industry, ensuring members could access funds without undue burden. Simultaneously, we maintained competitive high-yield deposit rates to reward trust and cultivate a culture of saving. This balance is not merely a strategy—we pledge to foster opportunity and security for every member.

Sustaining a complex savings and loan association is no small feat, yet we remain steadfast in safeguarding our ₱9.83 billion in assets for the benefit of nearly 50,000 PNSLAI members. We achieve this through diligent management, equitable operations, and strict adherence to the rules and regulations of the Bangko Sentral ng Pilipinas (BSP).

These accomplishments belong to us all. Together, we stand as proof that a savings and loan association that started as a humble "paluwagan" can achieve enduring success by making the welfare of its members the cornerstone of every decision and innovation.

Your success is not just our goal—it is our driving force for progress.

COMMO EDUARDO T DOMINGO AFP (Ret)
Chairman of the Board, PNSLAI

MESSAGE OF THE PRESIDENT

Every day I come to work, I am filled with profound gratitude for the unwavering trust and confidence you have placed in the **PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC. (PNSLAI)**. For nearly four decades in the savings and loan industry, PNSLAI has stood as a beacon of resilience, driven by our mission to improve the lives of our members within the naval community.

In 2024, we navigated an ever-evolving financial landscape marked by competitive market dynamics, economic fluctuations, and the changing needs of our valued stakeholders. The past year underscored our steadfast focus on dismantling barriers and creating pathways to prosperity. With renewed dedication to innovation — including continuous improvements to our digital capacity and initiatives like promotional campaigns to reward borrower loyalty— we actively pursued opportunities to strengthen our Association.

Beyond enhancing financial products, we prioritized community-building and financial inclusion through expanding access through satellite offices and mobile service desks, fortifying our online platforms for seamless member engagement, and maintaining rigorous risk management practices to safeguard savings. These efforts embody our core philosophy: true progress is rooted in SERVICE, EXCELLENCE, and ACCOUNTABILITY.

Looking ahead, I am energized by the overwhelming support of our members. Together, let us continue forging a future where financial security is not a privilege but a reality for all.

Your stories of PNSLAI's role in your growth-
from funding education to building homes to financing worthwhile investments-
inspire us daily in reinforcing the groundwork for our collective success.

BGEN EUGENIO N CLEMEN AFP (Ret)
President

The PRESIDENT'S REPORT

FINANCIAL REVIEW AND OPERATIONAL HIGHLIGHTS

	2024	2023	2022	2021	2020
Membership	47,826	49,637	47,476	48,941	51,800
Loan Production	3.99B	3.87B	3.78B	3.68B	2.82B
Collection Efficiency	99.91%	99.97%	99.93%	99.96%	99.09%
Total Assets	9.83B	9.75B	9.76B	9.46B	9.37B
Capital Contribution	4.65B	4.64B	4.59B	4.59B	4.65B
Gross Income	0.89B	0.87B	0.84B	0.86B	1.01B
Expenses	378.46M	344.53M	331.89M	334.99M	372.26M
Net Income	516.40M	528.40M	509.70M	529.70M	633.90M
Dividends Paid	544.87M	564.68M	582.24M	581.55M	449.10M
Dividend Rate Declared	12%	12.50%	13%	13%	10%

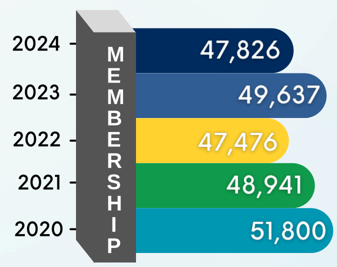
The Association reaffirms its steadfast commitment to delivering efficient financial services, underscored by our ability to maintain a competitive annual dividend rate of 12%.

Amidst intense market competition, we retained a laser-sharp focus on providing responsive financial solutions and sustaining industry-leading low loan interest rates to empower our valued members. Through the strategic guidance of the Board of Trustees and the dedicated execution by Management and Staff, these efforts have fostered member loyalty and satisfaction, reinforcing PNSLAI's position as a trusted partner in financial growth.

The culmination of these achievements, marked by operational discipline, member-centric innovation, and prudent financial stewardship, has ensured the Association's strong performance throughout Calendar Year 2024, culminating in a SATISFACTORY operational outcome.

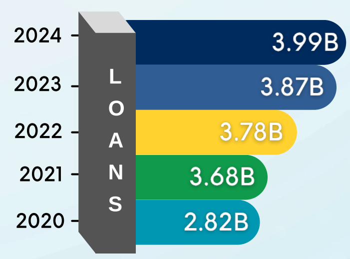
MEMBERSHIP

By the close of Calendar Year 2024, the Association's total membership stood at 47,826, reflecting the addition of 2,805 new members during the year. This net adjustment in membership aligns with our proactive measures to optimize our membership registry and membership profile updates, in adherence to our well-defined group regulatory compliance, ensuring our mission to serve a membership base that actively engages with our services.



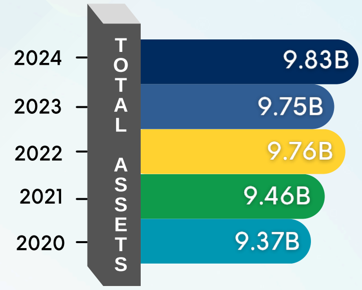
LOAN PRODUCTION

The Association recorded an increase in loan production for Calendar Year 2024, with total releases rising to ₱3.99 billion from ₱3.87 billion in the previous year. This growth was driven by the strong uptake of promotional loans with the lowest add-on interest rates of 5%–7% per annum. These loans represented ₱3.74 billion (93.73%) of total loan production, demonstrating their critical role in meeting member demand and strategically aligning with PNSLAI's mission to deliver accessible, value-driven financial solutions.



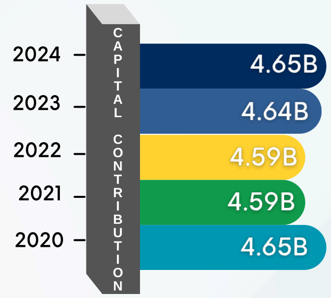
TOTAL ASSETS

The Association's financial standing as of December 31, 2024, was exceptionally strong, with total assets reaching ₱9.83 billion. This figure marks a significant increase, demonstrating the organization's financial acumen and strategic management. Specifically, this represents a rise of ₱86.23 million (0.99%) compared to the previous year. This growth can be attributed to the substantial increase in bank balances, highlighting the Association's ability to not only sustain but also enhance its financial stability.



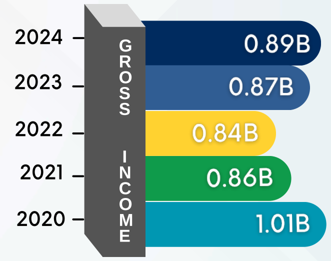
CAPITAL CONTRIBUTION

The Capital Contribution of the Association reached an impressive ₱4.65 billion by the end of this year. This notable milestone is a clear testament to the unwavering trust and sustained engagement of our regular members. The significant increase can be primarily attributed to the steady flow of monthly remittances from these dedicated members of the Association, whose contributions have collectively fortified the financial foundation of our organization.



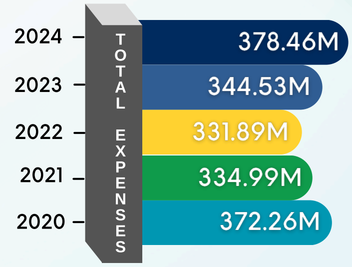
GROSS INCOME

The Association achieved a gross income of ₱894.86 million in CY 2024, reflecting significant growth from the prior year. The income increase can be primarily attributed to a significant rise in interest income derived from Loans and Receivables. Additionally, the interest accrued on amounts due from banks contributed positively to this financial uplift. The Association's diligent efforts in optimizing its financial operations and strategic investment decisions have played a crucial role in achieving this commendable performance. The sustained focus on enhancing service offerings and prudent financial management has ensured a stable and robust financial position for the Association as it continues to serve its members effectively.



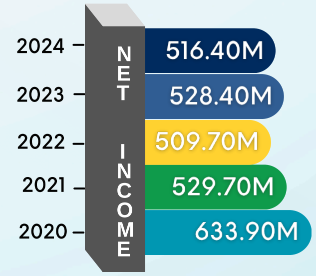
TOTAL EXPENSES

The Association reported total expenses of ₱378.46 million for CY 2024, which is ₱33.93 million higher than the previous year. This increase is primarily due to higher interest payments to depositors' saving accounts. Additionally, PNSLAI has effectively managed its past-due loans by providing allowances, which are higher than last year's provision. However, this year's operational and administrative expenses are lower. These measures demonstrate that the Association continues to operate in a cost-effective manner while maintaining financial stability and high service standards.



NET INCOME

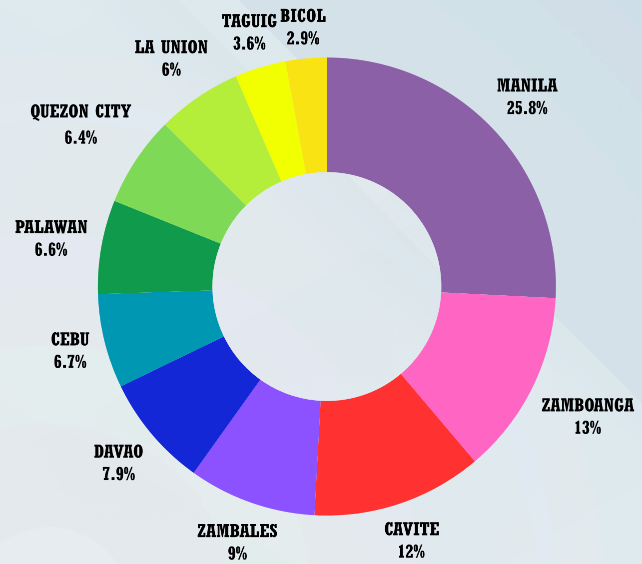
PNSLAI reported a net income of ₱516.40 million for 2024, reflecting a modest decline of 2.27% (₱12 million) compared to the prior year. This adjustment is attributed to prudent risk management, including increased allowances for past-due loans to safeguard long-term portfolio health. Notably, the Association achieved a reduction in operational expenses to ₱1.8 million, driven by targeted cost-optimization strategies that maintained operational efficiency. This disciplined approach underscores PNSLAI’s ability to balance fiscal responsibility with sustained service excellence, ensuring resilience in a dynamic financial landscape.



REVIEW OF OPERATIONS

LOAN PRODUCTION- BRANCH OFFICES

BRANCH	LOAN PRODUCTION
Manila	₱ 1,031.64M
Zamboanga	520.60M
Cavite	481.56M
Zambales	360.24M
Davao	317.26M
Cebu	266.44M
Palawan	264.65M
Quezon City	256.17M
La Union	239.88M
Taguig	143.79M
Bicol	115.91M
TOTAL	**₱ 3.99 B**



The overall loan production for Calendar Year 2024 totaled ₱3.99 billion, marking a ₱120 million (3.1%) increase compared to the previous year's output of ₱3.87 billion. This growth was driven by the collective efforts of the eleven (11) branch offices, spearheaded by the Manila Branch, which accounted for 25.8% (₱1.03 billion) of total loan releases. The Zamboanga Branch followed with a 13% share (₱520.60 million), trailed by the Cavite Branch at 12% (₱481.56 million) and the Zambales Branch at 9% (₱360.24 million).

Class A Branches—Manila, Cavite, Zamboanga, and Davao—collectively generated ₱2.35 billion in loan releases, representing 58.8% of total production. Meanwhile, Class B Branches (Zambales, Cebu, Palawan, Quezon City, La Union, Taguig, and Bicol) contributed ₱1.65 billion, or 41.2% of the annual output, underscoring the balanced performance across our service units.

SATELLITE OFFICES AND MOBILE DESKS

SATELLITE OFFICE	LOAN PRODUCTION
NAVRESCOM	₱ 58.58M
Iloilo	59.39M
General Santos City	36.69M
Cotabato	136.04M
Tawi-Tawi	91.75M
Lapu-Lapu City	27.11M
TOTAL	**₱ 409.55M**

MOBILE DESK	LOAN PRODUCTION
PMA- Baguio City	₱ 10.52M
Sta. Ana, Cagayan	44.43M
Burgos, Ilocos Norte	64.33M
Roxas, Palawan	26.92M
Sofronio Española, Palawan	36.79M
Macarascas	40.33M
NOB, Subic	151.66M
Tacloban City	8.33M
TOTAL	**₱ 383.31M**

In line with its commitment to advancing financial inclusion, the Association has expanded access to financial services through strategically activated satellite offices and mobile desks across diverse locations. These initiatives have proven instrumental in driving growth: satellite offices contributed ₱409.55 million to loan production, accounting for 10.24% of total releases, while mobile desks generated ₱383.31 million, representing 9.59% of the period's aggregate output. Combined, these channels emphasize the Association's innovative approach to broadening reach and inclusivity.

MARKETING CAMPAIGNS

Calendar Year 2024 marked a year of proactive outreach for PNSLAI's branch offices nationwide, as they prioritized bringing the Association's financial solutions and services closer to both existing and prospective members. Service units spearheaded targeted information campaigns, on-site visitations, and community-driven initiatives across key locations, fostering stronger connections with active and retired military and civilian personnel.

These efforts were met with enthusiastic participation, reflecting the trust and engagement of members. By bridging accessibility gaps and deepening relationships, PNSLAI reinforced its commitment to member-centric innovation and service excellence.

BRANCH OFFICE	UNIT VISITED
MANILA BRANCH	• Info drive at Marine Barracks Rudiardo Brown (MBRB) Fort Bonifacio, Taguig City- MBC Class 503rd - 506th, 507th - 509th, 510th - 512th • Info drive at Fort Magsaysay,Palayan City, Nueva Ecija - Special Operations Command • Info drive at Malacañang Park, Manila - Presidential Security Command • Info drive at BTDC, Fort Bonifacio, Taguig City - SBC Clas 66th - 69th • Info drive at Nagtahan, Manila - Retirees Happy Life – MBTC Class 1978 (Class 64th – 66th) and BSC Class 1979 (Class 107th – 108th) • Info drive at PNFC, Fort Bonifacio, Taguig City - Financial Institutions Caravan organized by PNFC • Info drive at HPN, Roxas Blvd., Manila - PN Civilian Human Resource Trade Fair 2024 • Info drive at MBRB Fort Bonifacio, Taguig City (MCFC One Stop Shop Caravan) - Senior NCO's Clubhouse • Info drive at MBRB Fort Bonifacio, Taguig City (PMC Grandstand) - Marine Veterans Homecoming Fiesta 2024 • Info drive at TAWS, Ternate, Cavite - MANCOLN / Basic Course
CAVITE BRANCH	• Info drive at NBHA Sangley Point Cavite City, Cavite - Naval Sea System Command (NSSC) • Info drive at NBHA Sangley Point Cavite City, Cavite - Fleet Training & Doctrine Center (FTDC) • Info drive at NBHA Sangley Point Cavite City, Cavite - Naval Special Operations Command (NAVSOCOM) • Info drive at NIC, NBHA Sangley Point Cavite City, Cavite - Naval Installation Command (NIC) • Info drive at ARESCOM Camp Col. E. Riego de Dios, Tanza, Cavite - AFP Pension and Gratuity Management Center (AFPPGMC) Pension Caravan • Info drive at Los Caviteños Philippine Marine Association Inc. - 74th Philippine Marines Birthday Celebration • Visitations to Sangley Point, Cavite City- Philippine Fleet, FTDC, LCF, NAVSOCOM, NBC, NAW, NRC, NICTC, and NWCBDE • Visitation to Fort San Felipe, Cavite City- NASSCOM, NLC, NAVSHIP, NAVMETOC, Port Facility, PSU, and SUBMARGRP
ZAMBOANGA BRANCH	• Info drive at Universidad De Zamboanga - MBLT – 11 • Info drive at HCSBDE, NSRE, Zamboanga City - Combat Support Brigade • Info drive at WESMINCOM, Bagong Calarian, Zamboanga City - MTMBN & AFPGMC • Visitations to Naval Station Romulo Espaldon, WESMINCOM, Bagong Calarian, Zamboanga City- NFSU, NW-NIF, NAVFORWEM, Combat Support Brigade, CMOUG, MTMBN, NAVSOUG, and 1st Boat Attack Division • Visitations to Cabatangan, Zamboanga City- MCFC, SSBN, MBAA, and AABN • Visitations to Rio Hondo, Zamboanga City- MBLT-11 • Visitations to Sanga-Sanga, Bongao, Tawi-Tawi- 2nd Marine Brigade • Visitations to Panglima Sugala, Tawi-Tawi- MBLT-1
DAVAO BRANCH	• Info drive at Old Driving Range, RH-XI, Cotabato City - MBLT 5 • Info drive at Brgy. Nituan, Parang, Maguindanao - MBLT 2 • Visitation to NAVFOREM, NSFA, Panacan, Davao City, Davao del Sur- NISG-EM • Visitation to Sitio Talao, Brgy. Karim, Buldon, Maguindanao del Norte- 2MC, MBLT-2

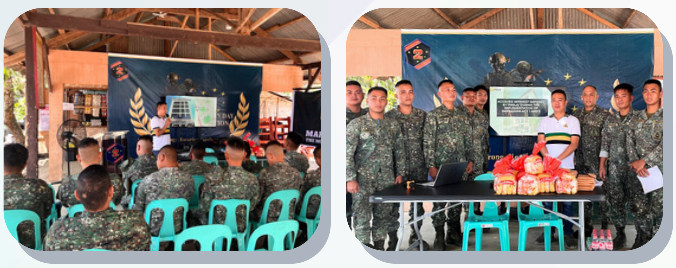
BRANCH OFFICE	UNIT/S VISITED
ZAMBALES BRANCH	• Info drive at NOB-Subic, Cawag, Subic, Zambales - BRP Antonio Luna (FF151) • Info drive at NOB-Subic, Cawag, Subic, Zambales - PHILFLEET NOB-Subic • Info drive at NOB-Subic, Cawag, Subic, Zambales - BRP Gregorio Vasquez (AGR 702) • Info drive at NETDC, San Antonio, Zambales - Philippine Navy Officer Candidate School (PNOCS) • Info drive at NETDC, San Antonio, Zambales - Naval Officers Schools Center (NOSC) • Info drive at Bootcamp, NETDC, San Antonio, Zambales - Sailor Basic School (SBS) • Info drive at Herma Shipyard, Mariveles, Bataan - BRP Gregorio Del Pilar (PS15) • Visitations to NSLG, NETDC, San Antonio, Zambales- Naval Installation Facilities (NIF) • Visitations to NOB-Subic, Cawag, Subic, Zambales - NOB-Subic Admin Office • Visitations to NETDC, San Antonio, Zambales- Naval Education, Training and Doctrine Command (NETDC) Headquarters
CEBU BRANCH	• Info drive at Camp Lapu-Lapu Basketball Court, Lahug, Cebu City - AFP Pensioners – Central Visayas • Info drive at Barangay Mansasa covered court in Tagbilaran City, Bohol - Bohol Pensioners Association • Info drive at Naval Base Rafael Ramos, Brgy. Looc, Lapu-Lapu City, Cebu - Activation of Lapu-Lapu City Satellite Office in Naval Base Rafael Ramos
PALAWAN BRANCH	• Info drive at Naval Station Apolinario Jalandoon (NSJA), San Miguel, Puerto Princesa City- • Naval Forces West • Info drive at Camp Daypo, Brgy. Abo-Abo, Sofronio Española, Palawan- HSC MBLT-7 • Info drive at 2LT Lagare Pier, Parola Compound, Brgy. Masipag, Puerto Princesa City- NAVSOU4, NAVSOCOM • Info drive at Brgy. Libertad, El Nido, Palawan- Joint Task Force Malampaya • Info drive at Brgy. Corong-Corong, El Nido, Palawan- 311MC, MBLT-11 • Info drive at Brgy. New Agutaya, San Vicente, Palawan- HSC MBLT-11 • Visitation to Brgy. Tagusao, Quezon, Palawan- 37MC, MBLT-7 • Visitation to Brgy. Aribungos, Brooke's Point, Palawan- 27MC, MBLT-7
QUEZON CITY BRANCH	• Info drive at Camp General Emilio Aguinaldo, Quezon City- AFP Finance Center (AFPFC) • Info drive at Camp General Emilio Aguinaldo, Quezon City- AFP Reserve Command (AFPRESCOM) • Info drive at Camp General Emilio Aguinaldo, Quezon City- Camp Security Management Group (CSMG) • Info drive at Camp General Emilio Aguinaldo, Quezon City- AFP Logistic Support Command (AFPLSC)
LA UNION BRANCH	• Info drive at Camp Cape Bojeador, Burgos, Ilocos Norte – 4th Marine Brigade • Info drive at Sitio Liwliwa, Brgy. Burayoc, Pagudpud Ilocos Norte – 28 MC & 58 MC of MBLT-8 • Visitations at Gueset, Dagupan City, Pangasinan – Naval Detachment Bonuan and Calaocan Manaoag, Pangasinan – PGMC • Visitations to Brgy. Bobon, Burgos Ilocos Norte – 4th Marine Brigade, and PVAO FSEO 1, Batac Ricarte National Shrine, Brgy. Ricarte, City of Batac, Ilocos Norte – PGMC
BICOL BRANCH	• Info drive at Pili, Camarines Sur - AFPPGMC Pension Caravan • Visitations to Naval Station Julhasan Arasain, Rawis, Legazpi City- NAVFORSOL and NIF-SL • Visitation to Rawis, Legazpi City- CGS Albay • Visitation to tabaco City, Albay- CGSS- Tabaco
TAGUIG BRANCH	• Info drive at Zone 6, AFP Housing, Bulihan, SIlang, Cavite- Silang Armed Forces of the Philippines Retirees Association, Inc. (SAFPRAI)

Team Cavite conducts an information drive at Naval Sea System Command, San Felipe, Cavite City
January 18, 2024

Team Zambales conducts an information drive at BRP Antonio Luna (FF151), NOB Subic
January 26, 2024

Team Manila conducts an information drive at Marine Barracks Rudiardo Brown (MBRB), Fort Bonifacio
February 14 & March 01, 2024

Meeting with Philippine Marines Finance Center and other Financial Institution representatives
Feb 16, 2024



Team Davao conducts an information drive MBLT-2, Brgy. Nituan, Parang, Maguindanao
April 19-21, 2024

Team Zamboanga conducts an information drive at Combat Support Brigade, HCSBDE, NSRE, Zamboanga City
April 23, 2024

Team La Union conducts an information drive at MBLT-10, Magapit Lal-lo, Cagayan
May 17, 2024

Team Cebu conducts an information drive at Bohol Pensioners Association, Tagbilaran City, Bohol
June 29, 2024

Team Quezon City conducts an information drive at AFP Reserve Command (AFPRESCOM), Camp Gen. Emilio Aguinaldo, Quezon City
July 16, 2024

Team Palawan conducts an information drive at Joint Task Force Malampaya, El Nido Palawan
October 3, 2024

STRATEGIC INITIATIVES

Rooted in a member-centric culture and a proactive response to the dynamic needs of our members, PNSLAI implemented the following strategic initiatives for Calendar Year 2024:

- ***Establishment of the following Satellite Offices and Mobile Desk:***

Satellite Office	Location	Activation Date	Supervising Branch
LAPU-LAPU CITY	Naval Base Rafael Ramos (NBRR) Brgy Looc, Lapu-Lapu City, Cebu	October 2, 2024	Cebu Branch
NABUA	Paloyon Proper St., Brgy. Santiago Young, Nabua, Camarines Sur	December 12, 2024	Bicol Branch

Lapu-Lapu City Satellite Office Activation

Nabua Satellite Office Activation

Mobile Desk	Location	Activation Date	Supervising Branch
BURGOS	4th Marine Brigade, Brgy. Bobon, Burgos, Ilocos Norte	January 18, 2024	La Union Branch

Burgos Mobile Desk Activation

STRATEGIC INITIATIVES

- ***Introduction of Free Membership Program for CY 2024***

Launched to attract untapped PN military and civilian personnel (including active service members and PN/PMAR pensioners), the **FREE MEMBERSHIP PROGRAM (FMP)** aims to expand PNSLAI's membership base while boosting loan production. As of December 31, 2024, the program has successfully recruited 545 new members, with 326 members (60% of new recruits) already accessing loans totaling ₱83.66 million. This initiative not only strengthens engagement with underserved segments of the PN community but also demonstrates the program's dual success in broadening membership and increasing loan production.

- ***Launching of engaging raffle promotions- the "PNSLAI Monthly Surp-Rice!" (Rice Raffle Promo) and "Loan to Win It" (Christmas Raffle Promo)***

On its 37th Founding Anniversary last April 01, 2024, PNSLAI "surprised" its dear members with the simultaneous launching of promotional activities, the **"PNSLAI Monthly Surp-RICE!"** rice raffle promo, and **"Loan to Win It"** Christmas raffle promo.

For the **PNSLAI Monthly Surp-RICE!** (with DTI Fair Trade Permit No. FTEB-190003 Series of 2024), 45 lucky winners of 1 sack of 25kg rice were drawn monthly from all qualified borrowers availing of any loan package with ₱50,000 of net loan proceeds. The promo ran from April 01, 2024 – December 31, 2024 (with raffle draws every 5th working day of the following month).

A total of 405 lucky winners received their prizes from all PNSLAI offices nationwide during the promo's 9-month run.

Some of the lucky winners of the PNSLAI Monthly Surp-RICE! Raffle Promo

The PNSLAI's Christmas raffle promo for 2024, **"LOAN TO WIN IT"** (per DTI Fair Trade Permit No. FTEB-190007 Series of 2024) concluded with a successful raffle draw last December 20, 2024 at the PNSLAI Corporate Center in Taguig City. Seventeen (17) lucky winners, including 1 grand prize winner of Honda ADV motorcycle, were electronically drawn from over 50,000 e-raffle entries, supervised by a DTI representative. The lucky winners had the liberty to choose between their respective raffle prize or its monetary conversion.

On January 30, 2025, grand prize winner, SGT JEFFREY CALFOFORO PN(M), a valiant Marine assigned at MBLT-2 in Parang, Maguindao, made a quick visit to the PNSLAI Main Office where he was warmly welcomed by his fellow Marine, PNSLAI President, Trustee EUGENIO N CLEMEN. His winning entry was from his transaction with the Cotabato Satellite Office under the supervision of PNSLAI Davao Branch. All winners have claimed their prizes, facilitated by various PNSLAI branch offices nationwide.

"LOAN TO WIN IT" Grand Winner, SGT JEFFREY CALFOFORO PN(M), excitedly receives his prize from PNSLAI President, TRUSTEE EUGENIO N. CLEMEN during his visit at the PNSLAI Main Office.

STRATEGIC INITIATIVES

- ***Promotional Loan Packages: Driving Growth and Competitiveness***

To attract both existing and prospective members—particularly newly commissioned/called-to-active-duty officers, newly recruited enlisted personnel, and pensioners—the Association launched five (5) promotional loan packages: MAXIM, EASY “2”, MPSPL “2”, JULIAN, and SANCHO. Designed to incentivize loan account transfers and ensure competitiveness with other financial institutions, these packages featured reduced interest rates:

- **EASY “2”, MPSPL “2”, SANCHO: Flat add-on rate of 5.00% per annum.**
- **MAXIM, JULIAN: Add-on rates ranging from 5.50% to 6.70% per annum**.

These initiatives proved highly successful, generating ₱3.74 billion in loan releases—93.57% of the Association’s total CY 2024 loan production. The packages not only strengthened member loyalty but also positioned PNSLAI as a preferred financial partner for tailored, cost-effective solutions.

PROMOTIONAL LOAN PACKAGES OFFERED IN CY 2024

Description	Term	Add-on Interest Rate P.A.	Effective Interest Rate P.A.	Loanable Amount
Multi-Purpose Loan to **A**ccomodate your **X**’mas **I**nvestment and for your **M**obility **(MAXIM)**	12 24 36 48 60	5.50% 5.50% 5.83% 6.25% 6.70%	11.81% 11.54% 12.05% 12.81% 13.67%	With minimum loanable amount of P100,000.00 and maximum loanable amount of ₱1,000,000.00
Economical **A**ssistance for the **S**ustenance of your **Y**earnings “**2**” **(EASY “2”)**	12 24 36 48 60	5%	9.70% 9.88% 9.95% 9.98% 10.00%	With minimum loanable amount of ₱25,000.00 and maximum loanable amount of ₱250,000.00.
Multi-**P**urpose **S**pecial **P**romotional **L**oan **“2”** **(MPSPL “2”)**	12 24 36 48 60	5%	10.56% 10.38% 10.31% 10.27% 10.25%	With minimum loanable amount of ₱25,000.00 and maximum loanable amount of ₱250,000.00.
Just and **U**nequivocal **L**oan **I**ntended to **A**ccommodate your **N**ecessities **(JULIAN)**	12 24 36 48 60	5.50% 5.50% 5.83% 6.25% 6.70%	12.69% 12.05% 12.43% 13.12% 13.93%	With minimum loanable amount of P100,000.00 and maximum loanable amount of ₱1,000,000.00
Special **A**ccommodation **N**ecessary this **C**hristmas **H**olidays and **O**nwards **(SANCHO)**	12 24 36 48 60	5%	10.56% 10.38% 10.31% 10.27% 10.25%	With minimum loanable amount of P15,000.00 and maximum loanable amount of ₱100,000.00

STRATEGIC INITIATIVES

PROMOTIONAL LOAN PACKAGES OFFERED IN CY 2024

M*ulti-Purpose loan to* ***A****ccommodate your*
X*'mas* ***I****nvestment and for your* ***M****obility*
(MAXIM)
January 01 - June 30, 2024

E*conomical* ***A****ssistance for the* ***S****ustenance of*
your ***Y****earnings* ***"2" (EASY "2")***
October 01 - March 31, 2024

M*ulti-Purpose* ***S****pecial* ***P****romotional* ***L****oan* ***"2"***
(MPSPL "2")
April 01 - September 30, 2024

J*ust and* ***U****nequivocal* ***L****oan* ***I****ntended to*
A*ccommodate your* ***N****ecessities* ***(JULIAN)***
July 01 - December 31, 2024

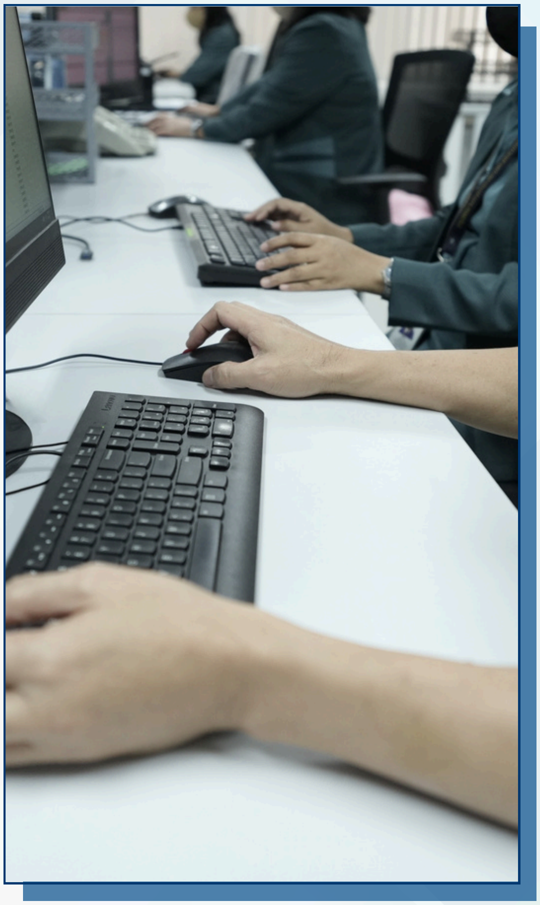
S*pecial* ***A****ccommodation* ***N****ecessary this*
C*hristmas* ***H****olidays and* ***O****nwards*
(SANCHO)
October 01 - December 31, 2024

INTERNAL AFFAIRS

HUMAN RESOURCE MANAGEMENT

At PNSLAI, Human Resources serves as the strategic cornerstone of our growth in an increasingly competitive financial landscape. By cultivating a workforce where every employee thrives—not just within their roles but as catalysts for our shared vision—HR ensures alignment between individual aspirations and organizational success. Through targeted talent acquisition, purposeful engagement, and fostering a culture of collaboration and purpose-driven performance, HR champions an environment where innovation and productivity flourish.

This year, HR focused on enhancing employee capabilities, prioritizing well-being, and implementing innovative solutions to elevate organizational performance. Moving forward, we remain committed to empowering our workforce—our greatest asset—as we continue to pursue excellence in alignment with PNSLAI's vision.



MANPOWER

PNSLAI's achievements are powered by a collaborative force of 170 skilled professionals, whose diverse expertise and unwavering dedication propel our mission forward. United by a shared vision, this dynamic team navigates industry challenges with agility, transforms obstacles into opportunities, and pioneers innovative solutions that align seamlessly with our strategic objectives. Their relentless drive for excellence not only sustains PNSLAI's leadership in a competitive financial landscape but also reinforces our commitment to empowering our members. Together, we forge ahead—turning ambition into action and ensuring lasting impact in an ever-evolving industry.

HEALTH AND WELLNESS: FOSTERING A THRIVING WORKFORCE

At PNSLAI, we firmly believe that investing in employee well-being is not just a priority—it's a cornerstone of sustainable success. This year, we introduced a holistic well-being strategy anchored in three pillars: mental health support, workplace safety enhancements, and physical fitness empowerment. Through initiatives like mindfulness workshops, ergonomic workspace redesigns, and subsidized fitness partnerships, we're cultivating a culture where employees thrive personally and professionally.

PRIORITIZING MENTAL HEALTH: CULTIVATING A SUPPORTIVE WORKPLACE

Mental well-being is essential to maintaining a positive and engaged workforce. We implemented the following initiatives to promote mental health and provide ongoing support for our employees:

- ***Mind Your Mental Health Well-Being:*** The Admin & HRMD staff attended a seminar focused on mental health awareness, equipping them with strategies to manage their well-being in the workplace. The positive feedback revealed a strong desire for continuous mental health programs.

- ***First Response Employee Counseling for Better Mental Health:*** Supervisors and Branch Heads participated in a webinar that trained them in the basics of first-response counseling. This empowered them to provide immediate support to team members and escalate concerns as necessary.

- ***Navigating Customer Complaint Handling: Stress Management & PNSLAI's FCPAM Approaches:*** This in-house seminar for frontline staff and department employees addressed key concerns in Customer Service operations. It not only focused on handling customer complaints but also emphasized stress management during member interactions, offering practical tools to maintain emotional balance in challenging situations.

CREATING A SAFE AND SECURE ENVIRONMENT: PROTECTING OUR PEOPLE

Ensuring the safety and security of our workforce is paramount. This year, we focused on enhancing workplace safety protocols:

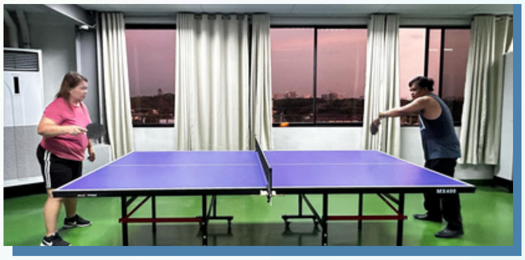
- ***Annual Physical Examination (APE):*** Conducted from March 9–23, 2024, in partnership with Hi-Precision Diagnostics, the APE provided comprehensive health assessments for our employees. This annual initiative supports early health intervention and fosters peace of mind.

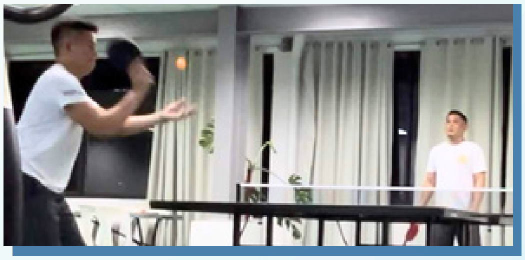
- ***Re-Orientation on Key Control Policy and Fire Extinguisher Demo:*** We reinforced key control policies and provided fire extinguisher training to ensure employees are prepared for emergency situations, promoting a safer workplace environment.

FUELING PHYSICAL FITNESS AND PRODUCTIVITY: ENERGIZING OUR WORKFORCE

Physical fitness contributes to both well-being and increased productivity. To promote a healthy lifestyle, we introduced several initiatives at the PNSLAI Corporate Office:

- ***Zumba Day:*** "Tuesday is Zumba Day" became a fun, energizing tradition that not only promoted physical fitness but also fostered team bonding and work-life balance. What started as an idea has grown into an integral part of our workplace culture.





- ***Mini Sports Area:*** To further promote physical well-being and focus, we introduced a mini sports area with table tennis and darts. These activities offer employees a chance to practice concentration, relieve stress, and engage in friendly competition.

- ***Mini Gym:*** Understanding the importance of physical health, we created an in-office gym equipped with fitness tools to encourage employees to prioritize their health and maintain an active lifestyle.

2024 TRAINING & DEVELOPMENT PROGRAM: BUILDING EXPERTISE, LEADERSHIP, AND COMPLIANCE

This year's Training and Development Program was strategically crafted to equip employees with advanced skills, cultivate future-ready leaders, and ensure rigorous adherence to regulatory standards. Adopting a blended approach of outsourced expert-led seminars and targeted in-house workshops, the program delivered impactful learning experiences, including:

OUTSOURCED WEBINARS/SEMINARS

Compliance with Anti-Money Laundering Act (AMLA)

- Anti-Money Laundering/Counter-Terrorism Financing Fundamentals
- AMLC Registration and Reporting Guidelines
- Targeted Financial Sanctions

Compliance with Bangko Sentral ng Pilipinas (BSP)

- Basic Non-Stock Savings and Loan Associations Operations Course (Batch 1 and 2)

Internal & Risk Management

- Audit Planning and Analytical Procedures

Occupational Safety & Health Standards

- Basic Occupational Safety and Health Training for S01
- Standard First Aid and Basic Life Support Seminar

Leadership & Upskilling

- Signature Verification and Forgery Detection Program
- Training for Executive Assistants
- Training the Trainers
- Mind your Mental Health Well-being
- PICPA MMR Tech Summit 2024
- High Potential Leadership Development
- Leadership for Supervisors
- Transformational Leadership Communication
- First Response Employee Counseling for Better Mental Health in the Workplace
- Leading the Z Generation
- Customer Complaint Handling
- Digital Marketing Plan
- Office Inventory and Supplies Management
- Complete Staff Work
- Office Files and Records Management
- Effective Presentation Skills

IN-HOUSE SEMINARS

In 2024, PNSLAI's in-house seminars leveraged a hybrid model of internal and external expertise to deliver tailored training programs aligned with the Association's unique operational priorities. These sessions focused on critical areas such as risk management, compliance protocols, and customer service excellence, ensuring employees gained actionable skills directly applicable to their roles.

- Basic Non-Stock Savings and Loan Associations Operations Course
- Payroll Processing & Leave Monitoring Updates
- Orientation to Frontliners
- Re-orientation on Underwriting Guidelines of Group Loan Redemption Insurance
- Navigating Customer Complaint Handling: Stress Management and PNSLAI's FCPAM Approaches (Batch 1)

PNSLAI's unwavering dedication to employee development serves as a strategic bridge between individual advancement and organizational success. Through continuous, targeted training initiatives, we equip our workforce to navigate evolving challenges, unlock their full potential, and drive innovation across all levels of the Association. By cultivating a future-ready team, we ensure alignment with our core objectives—transforming ambition into measurable impact.

AWARDS AND RECOGNITIONS

At PNSLAI, we recognize that our employees are the heartbeat of our success. Each year, we proudly celebrate the extraordinary individuals whose talent, innovation, and unwavering commitment elevate our mission to empower military and uniformed personnel communities. The CY 2024 awards ceremony served as a testament to the dedication and passion of our team, celebrating the achievements that continue to propel PNSLAI forward.

Branch of the Year

BRANCH OF THE YEAR CY 2024
CLASS A Category
(96.00% Overall Rating)

CAVITE BRANCH

Under the visionary leadership of Ms. Estelita Alvez, the PNSLAI Cavite Branch has solidified its reputation as a benchmark of operational excellence, consistently surpassing key performance indicators across loan production, member engagement, and financial stewardship.

A recipient of multiple Branch of the Year award, Cavite Branch reaffirmed its dominance in 2024 by outperforming three other Class A branches. This accolade underscores its unparalleled ability to innovate, execute strategic priorities, and deliver measurable value to the Association.

BRANCH OF THE YEAR CY 2024
CLASS B Category
(92.00% Overall Rating)

ZAMBALES BRANCH

Strategically based at the Naval Education, Training & Doctrine Command (NETDC) within Naval Station San Antonio, the PNSLAI Zambales Branch continues to set the standard for quality performance. Spearheaded by Branch Head Mr. Romeo Torres and supported by a dedicated team—including the NOB-Subic Mobile Desk—the Branch delivered financial service tailored to the needs of members across Central Luzon.

Zambales Branch has prioritized accessibility, efficiency, and trust, culminating in the prestigious Branch of the Year award, a testament to its ability to maintain the highest standards of financial stewardship and member satisfaction.

Cavite Branch Manager, Ms. Estelita Alvez (left) and Zambales Branch Head, Mr. Romeo Torres (right) gracefully receive the Branch of The Year award for their respective branches from PNSLAI bosses during the awarding at the PNSLAI Christmas Party last December 13, 2024.

Employee of the Year

EMPLOYEE OF THE YEAR CY 2024
(Main Office)
MS. ALMA DIAZ
Operations Department

Ms. Alma E. Diaz has been instrumental in driving success within the Operations Department. Throughout the year, she consistently stepped up during staff shortages, leading with adaptability and resilience. As the senior staff member, she became the go-to resource for colleagues and branch offices, offering guidance and maintaining seamless operations despite increased responsibilities.

Beyond her technical expertise, Ms. Diaz excels in cross-level communication, fostering collaboration between teams and ensuring exceptional service to members. Her dedication, organizational prowess, and ability to uphold high standards—even under pressure—set a benchmark for excellence, inspiring others to follow her example.

EMPLOYEE OF THE YEAR CY 2024
(Branch Office)
MS. ANDREA NICOLE QUILANTANG
Operations Staff (Loan Processor - Davao Branch)

Ms. Quilantang earned the title of Branch Office Employee of the Year, standing out among five nominees—all Loan Processors. The selection committee streamlined its evaluation using Internal Audit reports assessing regulatory compliance in loan processing, AMLA reporting, and branch performance, alongside glowing feedback from her immediate superior.

A key factor in her win was her flawless attendance and punctuality—she had zero unscheduled leaves or disciplinary issues, a record unmatched by other nominees. Her dedication not only ensured seamless operations but also significantly boosted her unit's productivity, cementing her role as an indispensable contributor to the branch's success.

Employee of the Year awardees deliver inspiring thanksgiving speeches as their hard work and dedication were given recognition during the PNSLAI Christmas Party last December 13, 2024.

SERVICE AWARDEES CY 2024

This year, PNSLAI proudly honored its 2024 Service Awardees, recognizing employees whose unwavering dedication, outstanding work ethic, and transformative contributions have driven the Association's success. These individuals exemplify the heart of our mission, reflecting their enduring commitment to PNSLAI's growth and member-centric vision.

25 Years Service Awardee

JOCELYN SALON

The lone 25 Years Service Awardee has been dedicatedly serving the Association since 1999.

20 Years Service Awardee

JENNYLYN GADO

ARMIE DELA CRUZ

GRACE MOLINA

The 20 Years Service Awardees have been faithfully serving the Association since 2004.

15 Years Service Awardee

DUBHE LYNN CORPUZ

IRENE PENIONAL

AMELITA PATANAO

The 15 Years Service Awardees have been giving loyal service to PNSLAI since 2009.

10 Years Service Awardee

MARY ROSE MARCIAL

BENJIE DELGADO

JEFFERSON ROMERO

ROY JAY BIV FALALIMPA

The 10 Years Service Awardees have been faithfully serving the Association since 2014.

5 Years Service Awardee

MARIA CORINA MONTERDE

MARICEL MAISA

IRENE CRIS VERSOZA

INDIRA MARIE COLINA

ERICK DAGON

MARIE PHIE PERALTA

The 5 Years Service Awardees have been giving loyal service to PNSLAI since 2019.

EVENTS AND HAPPENINGS

PNSLAI 37TH ANNIVERSARY

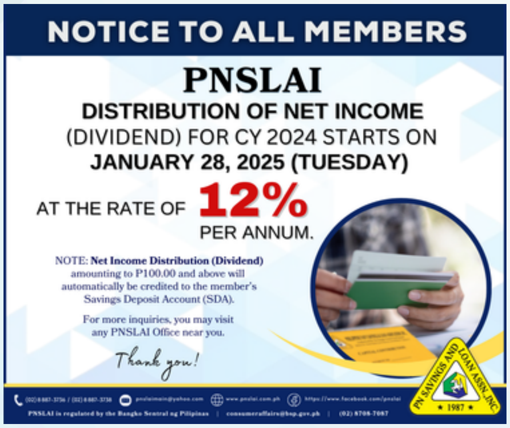
The PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC. (PNSLAI) commemorated its 37th Founding Anniversary with gratitude as its Board of Trustees, Management, and employees gathered at the PNSLAI Corporate Center roof deck on 01 April 2024 to attend the Thanksgiving Mass, graced by Reverend Fr. MAJ RICHARD BUSACO, CHS as Mass presider.

The solemn yet joyous occasion was a celebration of the Association's 37-year success as one of the key players in the savings and loan industry. This success story was retold by PNSLAI President, TRUSTEE EUGENIO N CLEMEN during his inspirational message after the homily. Chairman of the Board, TRUSTEE EDUARDO T. DOMINGO closed the brief program with an anecdote expressing appreciation for another year's blessings amidst challenges.

The voices of the PNSLAI Chorale filled the air, and the celebration was extra special with the launching of a string of activities to give back to its loyal patrons- the Free Membership Program, and the "PNSLAI Monthly Surp-RICE!" and "LOAN TO WIN IT" raffle promos, and the reintroduction of Multi-Purpose Special Promotional Loan "2" (MPSPL "2").

NET INCOME DISTRIBUTION

The PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC. (PNSLAI) successfully declared and distributed dividends for CY 2024 on January 28, 2025, at an annual rate of 12%, released seamlessly to members through all PNSLAI branches nationwide.



Online announcement of the net income distribution for CY 2024.

Previously on July 16, 2024, the Board of Trustees approved the release of Cash Advance (AID) for Capital Contribution accounts at the rate of 12% per annum, or 6% for the 1st Semester of CY 2024. This allowed the members to receive an equivalent amount of a portion of their dividend for the year and gave them the option to withdraw it for their immediate needs or save it for future use.

Loyal members in PNSLAI offices during the net income distribution for CY 2024.

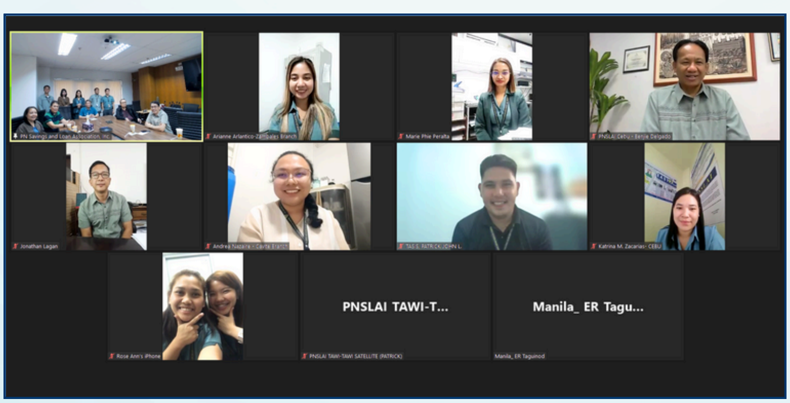
ANNUAL GENERAL MEMBERSHIP MEETING & REFERENDUM 2024

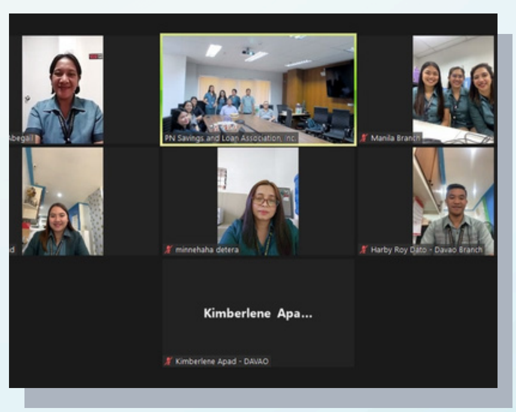
The Annual General Membership Meeting and Referendum of the PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC. (PNSLAI) was held on April 27, 2024, at the CPO's Clubhouse, Naval Station Jose Francisco, Fort Bonifacio, Taguig City. The event was a success, featuring engaging discussions followed by an open forum for attendee participation. The meeting concluded with the oath-taking and wine toast for the newly elected independent trustees, marking a significant moment in PNSLAI's continued growth.

BUILDING CONNECTIONS: MONTHLY BIRTHDAY MEET & GREETS

To foster a supportive workplace culture, PNSLAI's Admin & HRMD team hosts monthly Birthday Meet & Greets where employees celebrate with leadership in a relaxed, hybrid format. In-person attendees (from the Main Office) and branch staff (via Zoom) enjoy informal chats, followed by an inspiring message from the PNSLAI President to strengthen teamwork and belonging.

These sessions highlight PNSLAI's focus on inclusivity, bridging gaps between the PNSLAI leadership and workforce. Future events will build on this success, deepening engagement across the organization.





HEARTS IN HARMONY:
A VALENTINE'S DAY CELEBRATION IN POETRY

To mark Valentine's Day, the Admin & HRMD Department organized a Spoken Poetry Contest—a creative initiative to boost team spirit and celebrate PNSLAI's tagline: "Ang inyong kaagapay sa pagsubok sa buhay tungo sa tagumpay" ("Your partner in life's challenges toward success"). Five employees delivered heartfelt, original poems that touched the audience, blending artistry with PNSLAI's mission. The event highlighted unity and self-expression, showcasing how creativity strengthens workplace bonds. Its success reflects PNSLAI's ongoing dedication to nurturing a culture where employees feel valued and connected.

PNSLAI FUN GAMES 2024:
CHAMPIONING WELLNESS, TEAMWORK, & STRATEGIC EXCELLENCE

Held from October 24–26, 2024, the PNSLAI Fun Games united employees nationwide in a dynamic celebration of wellness, camaraderie, and healthy competition. Designed to foster collaboration and strategic thinking, the event featured:

- *Mental Agility:* Scrabble and Chess tournaments challenging critical thinking.
- *Precision & Focus:* Competitive Darts and Table Tennis matches.
- *Team Synergy*: A high-energy Amazing Race and creative Cheer Presentations on the final day.

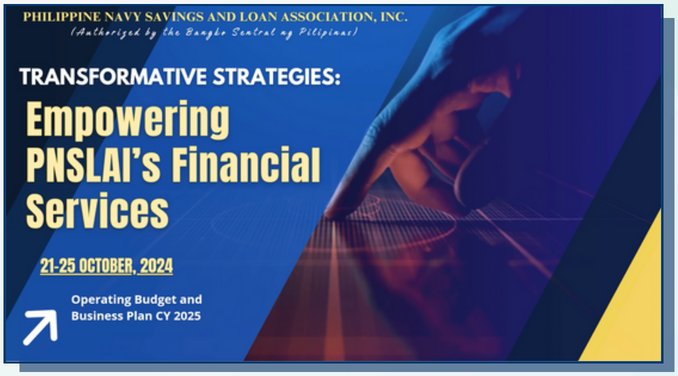
Winners were celebrated in a lively awards ceremony, but the true victory lay in the strengthened bonds across departments and branches. By blending physical, mental, and strategic challenges, the games underscored PNSLAI's commitment to a holistic work culture that prioritizes well-being and work-life balance.

OPERATING BUDGET AND BUSINESS PLAN FOR CY 2025

The 5-day planning session for the PNSLAI Business Plan and Operating Budget for CY 2025 wrapped up on October 25, 2024, with the business road map for the coming year carefully laid down.

The activity, which commenced on October 21, 2024 with the theme, **"Transformative Strategies: Empowering PNSLAI's Financial Services"**, brought together the collective wisdom and vision of the PNSLAI Board of Trustees headed by Chairman, TRUSTEE EDUARDO T. DOMINGO, the Management led by President, TRUSTEE EUGENIO N. CLEMEN, and all the leaders of different PNSLAI branches nationwide. The highlights of the 5-day event include the presentation of operational achievements for the 1st Semester-CY 2024 of the 11 branch offices, the brainstorming on business plans, and the discussion on the scheduled programs for the coming year.

Concluding the planning session is the symbolic submission of the Operating Budget and Business Plan for CY 2025 by President CLEMEN to Chairman DOMINGO, representing the seal of approval by the Board of Trustees.



PNSLAI CHRISTMAS CELEBRATION 2024: A PARISIAN HOLIDAY EXTRAVAGANZA

On December 13th, the PNSLAI family embraced the magic of the season with a glamorous twist at its annual Christmas Party, themed “Paris Fashion Show: Weird and Wonderful.” Transforming the venue into a chic Parisian wonderland, employees dazzled in avant-garde outfits, blending festive cheer with the elegance of the City of Light.

The evening began with a sparkling wine toast led by PNSLAI President TRUSTEE EUGENIO N. CLEMEN, whose heartfelt message honored the year’s achievements and set a jubilant tone for the night. Attendees then enjoyed a vibrant lineup of activities- the Annual Excellence & Service Awards, dazzling performances of new employees who lit up the stage with energetic dance routines, Zumba showdown that brought infectious energy to the crowd, and the competitions, Branch Wellness Hataw Sayaw and The Biggest Loser.

Chairman TRUSTEE EDUARDO T. DOMINGO closed the program with inspiring remarks, applauding the collective effort that drove PNSLAI’s 2024 success. He emphasized unity and relentless excellence as pillars for success, rallying the team toward shared goals. As the night ended with laughter, dancing, and camaraderie, the 2024 Christmas Party stood as a testament to PNSLAI’s vibrant culture—a blend of purpose, creativity, and joy. The event not only strengthened bonds but also reignited the team’s drive to soar higher in 2025.

CORPORATE SOCIAL RESPONSIBILITY

At the **PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC. (PNSLAI)**, Corporate Social Responsibility (CSR) is deeply woven into our institutional DNA. We measure success not only by financial performance but by our ability to uplift the lives of the naval community, protect our environment, and uphold the highest ethical standards, with the following pillars of impact:

- *Empowering the Naval Community*- we prioritize initiatives that elevate the welfare and living standards of Philippine Navy personnel and their families. Through targeted programs in education, healthcare, and financial literacy, we address critical needs while fostering long-term resilience.

- *Championing Sustainability*- PNSLAI is committed to minimizing its environmental footprint by:
    - Adopting energy-efficient technologies and renewable energy solutions.
    - Reducing waste through paperless transactions and eco-conscious practices.
    - Partnering with conservation projects to safeguard natural resources.

- *Ethical Excellence*- Integrity guides every decision. We ensure strict compliance with laws and regulations while cultivating a culture of transparency, accountability, and anti-corruption across all operations

Our CSR initiatives are more than obligations—they are a reflection of our core identity. By driving transformative change in the communities we serve, protecting our planet, and operating with unwavering ethics, we honor our role as a trusted partner to the Philippine Navy and a steward of sustainable progress.

The Headquarters Philippine Navy (HPN) and headquarters Support Group (HSG) received two (2) units of Teleprompter and three (3) units of Air Condition from PNSLAI President, Trustee EUGENIO N. CLEMEN on May 08, 2024.

The AFP Pension and Gratuity Management Center received one (1) unit of Laptop from PNSLAI President, Trustee EUGENIO N. CLEMEN on February 19, 2024.

The Los Caviteños Philippine Marines Association, Inc. (Bulihan Chapter) received one (1) set of Desktop Computer and one (1) unit of Printer from PNSLAI President, Trustee EUGENIO N. CLEMEN on March 08, 2024.

The Filipino War Veterans Foundation (FILVETS), Inc. received one (1) unit Washing Machine from PNSLAI President, Trustee EUGENIO N. CLEMEN on March 11, 2024.

The Naval Finance Service Unit Manila received seven (7) units of Clerical Chair from PNSLAI President, Trustee EUGENIO N. CLEMEN on March 25, 2024.

The Bureau of Fire Protection NCR Taguig City - Fire District IV received one (1) unit of LCD Monitor and one (1) unit of CPU from PNSLAI President, Trustee EUGENIO N. CLEMEN on July 29, 2024.

The Headquarters Marine Corps Force Development Center received two (2) units of Stand Fan from PNSLAI President, Trustee EUGENIO N. CLEMEN on December 4, 2024.

The Philippine Navy Finance Center received one (1) Washing Machine, one (1) Microwave oven, one (1) Air fryer and one (1) Stand fan from PNSLAI President, Trustee EUGENIO N. CLEMEN on December 4, 2024.

The Pamahalaang Barangay ng Western Bicutan received two (2) Stand Fan from PNSLAI President, Trustee EUGENIO N. CLEMEN on December 09, 2024.

The Motor Transport and Maintenance Batallion - Headquarters 561st Marine Company received one (1) Air fryer and one (1) Stand fan from PNSLAI President, Trustee EUGENIO N. CLEMEN on November 28, 2024.

The Office of Reservist and Retiree Affairs received two (2) units of Air fryer on December 9, 2024.

STAKEHOLDER RELATIONS

At the **PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC. (PNSLAI)**, our success is deeply intertwined with the trust, collaboration, and shared vision we cultivate with our stakeholders. Stakeholder relations are not merely a business function—they are the foundation of our accountability, growth, and ability to create lasting value for all who depend on and contribute to our mission.

Over the past year, we prioritized meaningful engagement with our diverse stakeholders—from members, employees, and investors to regulators, community partners, and the environment. By actively listening to their needs, aligning our strategies with their expectations, and fostering transparent communication, we have strengthened relationships that drive mutual progress.

ANSLI CONVENTION 2024

The Association played a pivotal role in the successful execution of the 2024 Alliance of Non-Stock Savings and Loan Institutions, Inc. (ANSLI) Convention, Annual General Membership Meeting, and Election. Held at the Sampaguita Ballroom, Taal Vista Hotel in Tagaytay City from June 28–29, 2024, the event brought together industry leaders to advance collaborative governance and innovation.

PNSLAI's delegation included five (5) registered attendees, who actively engaged in critical discussions on sectoral challenges and opportunities. Additionally, eight (8) PNSLAI personnel served on the Registration Committee, ensuring seamless logistics and fostering a welcoming environment for all participants. This dual contribution—strategic participation and operational excellence—highlighted PNSLAI's commitment to strengthening the non-stock savings and loan sector while reinforcing its leadership within the ANSLI network.

PNSLAI Chairman, TRUSTEE EDUARDO DOMINGO and ANSLI Chairman and President, ATTY. LUCAS MANAGUELOD

PNSLAI President, TRUSTEE EUGENIO CLEMEN and Vice-Chairman, TRUSTEE DANIEL DELGADO

PNSLAI Delegation supervised by VP for Admin & HRMD, Ms. EMELDA MANANGAN, CPA, REB

PNSLAI Delegation during the luau-themed Fellowship Night

STAKEHOLDER RELATIONS

FINANCIAL LITERACY LECTURES: EMPOWERING COMMUNITIES THROUGH EDUCATION

In line with its mission to promote financial inclusion and empowerment, officers of the PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC. (PNSLAI) were invited as resource speakers at multiple high-profile events in 2024, sharing expertise on financial literacy with diverse audiences. These engagements showcase PNSLAI's role as a thought leader in financial education, equipping individuals and communities with the tools to achieve economic resilience.



PNSLAI Trustee, ENS GREGORIO E GALAS PN(Ret) received accolades from the men and women of the Navy Personnel Management Center (NPMC) after an engaging lecture on financial literacy on 14 June 2024 at Naval Station Jose Francisco, in line with NPMC's pre-anniversary activities. Along with him was Mr. MICHAEL AVILLA, VP for Treasury, whose interesting overview of savings and loans and discussion on the benefits of PNSLAI membership were well-received.

PNSLAI Davao Branch Manager, Mr. LLOYD COLASITO, MBA, delivered an insightful lecture on financial literacy to an enthusiastic audience composed of NISG-EM military and civilian personnel at Naval Forces Eastern Mindanao, Naval Station Felix Apolinario, Panacan, Davao City on July 24, 2024.


PNSLAI Palawan Branch Head, Ms. DUBHE LYNN CORPUZ, gladly received the invitation from NFW to conduct a lecture on financial literacy and management. The highly successful lecture held on August 28, 2024 was aimed to equip attendees, composed of junior enlisted PN personnel, with practical tools for managing personal finances, building wealth, and securing a stable financial future.

INTERNAL CONTROL

The Association received an **UNQUALIFIED OPINION-** the best possible assessment given by the external auditors- based on the result of the audit conducted by Alas Oplas & Co., CPAs for the year 2024. This indicates that the financial statements of PNSLAI are presented fairly in accordance with Philippine Financial Reporting Standards.

COMPLIANCE

On 15 April 2024, the Bangko Sentral ng Pilipinas (BSP) conducted the regular examination of PNSLAI with reference date of 31 March 2024. The examination focused on the identified significant activities of the Association to determine the overall financial condition and operating results, effectiveness of Board and Management oversight functions, adequacy of internal control, policies and procedures, quality and independence of self-assessment functions and adequacy of infrastructures and operations, as well as implementation of IT system.

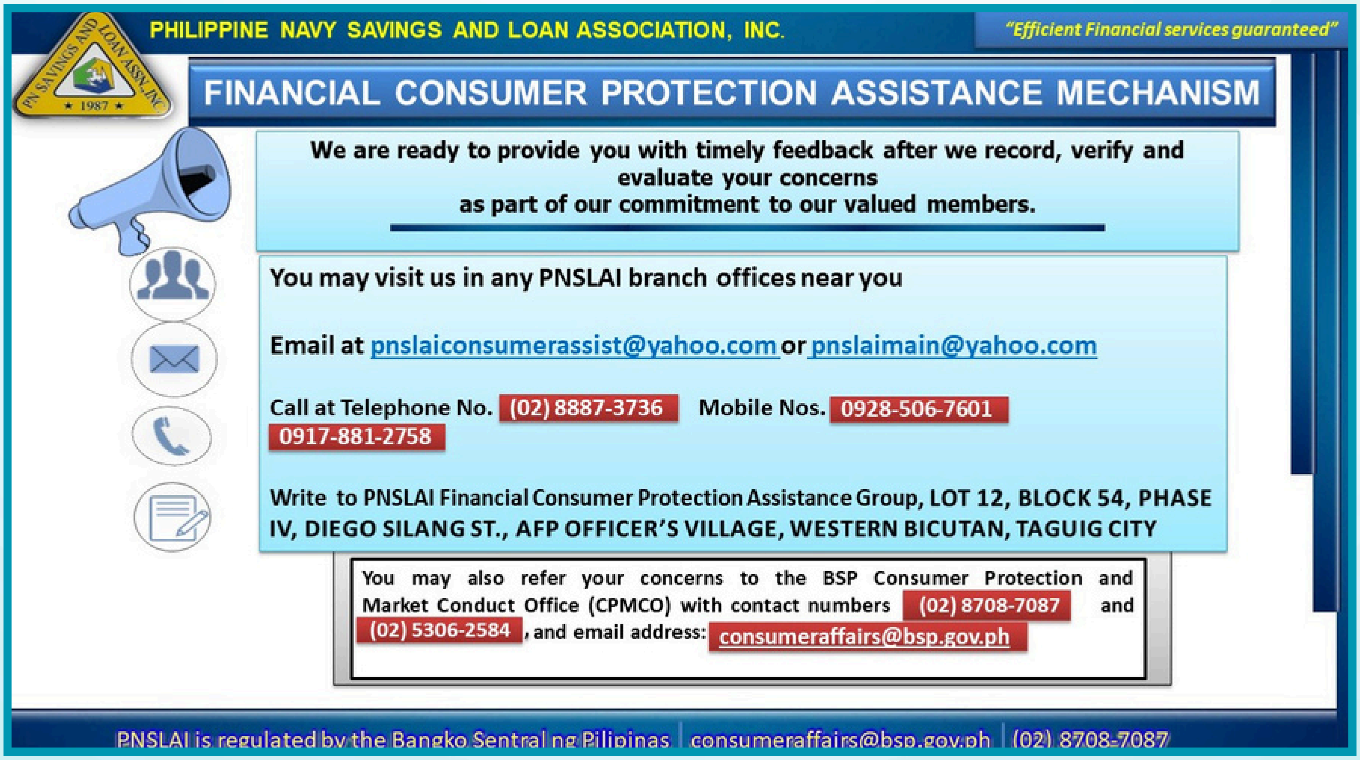
Based on the Report of Examination (ROE) which was completed on 15 May 2024, PNSLAI had a composite rating of 3 which signifies that the Association is "STABLE", with “MODERATE” overall net risk and an "ACCEPTABLE" institutional level of support. The overall financial condition is consistently acceptable, and risks are adequately managed. The Board and Management demonstrated an active oversight as evidenced by the positive outcome of the most of the significant activities of the Association.

PNSLAI continuously adheres to the laws, rules and regulations of all the regulatory bodies.

CONSUMER PROTECTION

Consumer protection is regarded as a core function complementary to BSP’s prudential regulation and supervision, financial stability, financial inclusion, and financial education agenda.

Personnel undergoes related seminars on consumer relations and investigation to enhance their knowledge and skills in the proper handling of consumer complaints/requests.



PROTECTION OF MEMBERS' INFORMATION

PNSLAI is committed to protecting the privacy of its members, borrowers, and employees on personal information according to the provisions of Republic Act No. 10173 or the Data Privacy Act of 2012, and its implementing Rules and Regulations.

All employees, including the Board of Trustees, Management, and officers, are enjoined to comply with and to share in the responsibility to secure and protect personal information collected and processed by PNSLAI.

PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC.
(Authorized by the Bangko Sentral ng Pilipinas)
PNSLAI Corporate Center, Lot 12 Block 54 Phase 4, Diego Sllang Street, AFP Officer's Village, Western Bicutan, City of Taguig
Telephone Nos.: (02) 8 887-3736; (02) 8 887-3738 Email: pnslaimain@yahoo.com

PNSLAI Privacy Notice

This Privacy Notice applies to personal information and sensitive personal information (collectively, "personal data") collected, used, disclosed or processed by the Philippine Navy Savings and Loan Association Inc. (PNSLAI) as personal information controller (PIC). PNSLAI process personal data to fulfill its legal rights and obligations, comply with regulatory requirements, and for purposes reasonably necessary to conduct its business and other legitimate interests.

What information we collect

We will only collect your information in line with relevant regulations and law. We will collect it from you at time of your membership with PNSLAI and conducting other financial transactions like applying for loan, deposit, withdrawal, application for advances for dividend and others.

The information we collect will include:

- Personal information, e.g. full name, gender, date and place of birth, civil status, gender, nationality, name of spouse or parent, address of spouse or parent
- Contact information, e.g. address, email address, contact numbers;
- Government ID details, e.g. TIN No./SSS/GSIS No., National ID, AFP serial number
- Service, Employment or Business information, e.g. branch of service, status of employment, pay jurisdiction, employment status, employer/business name, employer/business contact number, occupation/position
- Financial information, e.g. source of wealth or income, range of monthly gross income, list of banks, list of companies where you are a director or stockholder;
- Proof of identity and/or certifications/order, e.g. IDs, birth certificate, marriage contract. Appointment Order, Certificate of Employment; photo
- Specimen signature;
- Beneficiaries information. e.g. name of beneficiary, relationship, date of birth and address;
- If our relationship arises out of loan granting, we will also collect Information regarding date of entry to military service or employment, optional or compulsory retirement, CAD/Reenlistment order authority, status of employment for civilian employee;
- images via CCTV and other similar recording devices and processes which may be observed when visiting our offices and/or using our other facilities;

Updating of Personal Data. We will require you to regularly update your personal data every three (3) years or whenever necessary.
Personal Data Relating to a Third Party. If you provide us with any Personal Data relating to a third party (for example, information of your spouse, children, or parents), by submitting such information to us, you represent to us that you have obtained the consent of the third party to you providing us with his/her Personal Data for the respective purposes.
PNSLAI website does not collect personal data (visitors filling in web forms. feedback forms, etc), or information that can be traced back to an individual (email address, IP addresses, use cookies or web beacons.)

Purpose of processing your personal data

The purposes for which PNSLAI shall process personal data related to you include:

- Verifying your identity and customer due diligence;
- Maintenance or termination of your account;
- Managing or carrying out any of your transactions, e.g. deposit, withdrawal, loan availment; cash advance application, dividend payout
- Loan management billing and collection;
- Respond to requests. queries and complaints. and improve how we interact with you;
- Fulfilling legal compliance and regulatory obligations. and requests for disclosures. reportorial requirements under relevant laws;
- Implementing internal credit. risk and control management administrative, operational audit and compliance function, programs. policies and procedures;
- Operating, enhancing or upgrading the PNSLAI internal systems and processes:
- Prevention and detection of fraud and crime, investigation and prosecution;
- Perform other such activities permitted by law or with your consent.

How long we'll keep your information

Personal Information shall be retained only for as long as necessary for the fulfillment of the purposes for which data was obtained and as required by existing laws and regulations. Your personal data are retained by PNSLAI locally and within its authorized facilities and equipment

The following are the purposes for which PNSLAI shall retain your personal information:

- For the fulfillment of the declared, specified and legitimate purpose, or when the processing relevant to the purpose has been terminated;
- For the establishment, exercise or defense of legal claims;
- For legitimate business purposes, which must be consistent with standards followed by the applicable industry or approved by appropriate government agency;
- And in any case provided by law.

If we don't need to retain information for this period of time, we shall dispose or discard them in a secure manner that would prevent further processing, unauthorized access, or disclosure to any other party or public, or prejudice your interests.

Your rights
In all cases where PNSLAI processes personal data, we wilt uphold your rights under RA. No. 10173 or the Data Privacy Act of 2012 and its IRR, and adhere to general data privacy principles and requirements of lawful processing.
You can exercise your rights by contacting us. Likewise, you may file complaints with, and/or seek assistance from the National Privacy Commission.

Access and Correction
You have the right to ask for a copy of any personal Information we hold about you, as well as to ask for it to be corrected if you think it is wrong. To do so, please contact Operations Department - Corporate Office at telephone no. (02) 887-3739.

Disclosure of Personal Data
Subject to the provisions of any applicable law, your Personal Data may be provided, only to the extent necessary, and through secure means to third parties such as government regulatory agencies like the BSP, AMLC and CIC, Finance Centers to effect billing and collection of loans, collecting agent/s for assistance of delinquent accounts, banks if relevant as it relates to checks and other instructions from you, insurance agencies when loans are subjected to coverage, professional advisers such as auditors and lawyers.

Data Protection Officer
PNSLAI has appointed its Data Protection Officer who may be reached at:

DATA PROTECTION OFFICER
PNSLAI Corporate Center
Lot 12 Block 54 Phase 4, Diego Silang Street,
AFP Officer's Village, Western Bicutan,
City of Taguig
Telephone No. (02) 8 887-3736 / (02) 8 887-3738
Email: pnslai.compliance@yahoo.com

Changes to Our Privacy Notice
We may modify or amend this Privacy Notice from time to time to keep up with any changes in relevant laws and regulations applicable to us or how we collect, use, or process your personal information. You acknowledge and agree that it is your responsibility to review this privacy notice periodically and become aware of modifications.

CORPORATE GOVERNANCE

Corporate governance essentially refers to maintaining a level of commitment to balancing the interests of stakeholders and the proper running of the business. It involves the processes of willful disclosure and transparency to provide regulators and stakeholders with precise and accurate information about the Association's financial and operational aspects.

The PNSLAI Board of Trustees acts as the governing body of the Association, leading the organization in the right direction, especially in these trying times. Their primary goal is to protect the Association's integrity by ensuring that the management acts on their behalf and that the set objectives are met. Performing duties and taking responsibility in providing sound and prompt decisions and directions, the PNSLAI Board of Trustees is composed of ten (10) dignified and trustworthy men whose service for the glory of the country is exemplary and remarkable.

The esteemed trustees are elected to office during the Annual General Membership Meeting on April 29, 2023, and have satisfactorily steered the Association to its continued success. The Board of Trustees may delegate some of its functions, but not its responsibilities, to board-level committees.

The PNSLAI Board of Trustees

The PNSLAI BOARD OF TRUSTEES

TRUSTEE EDUARDO T. DOMINGO
CHAIRMAN

TRUSTEE DANIEL T. DELGADO
VICE CHAIRMAN

TRUSTEE EUGENIO N. CLEMEN
MEMBER

TRUSTEE RICARDO P. SILVA
MEMBER

TRUSTEE JULIAN L. ADVINCULA
MEMBER

TRUSTEE MAXIMO D. PANERIO
MEMBER

TRUSTEE MARGARITO V. SANCHEZ JR
MEMBER

TRUSTEE GREGORIO E. GALAS
MEMBER

TRUSTEE QUIRICO S. SUMABONG
MEMBER

TRUSTEE ANTONIO O. LIMITARES
MEMBER

CORPORATE SECRETARY AND LEGAL COUNSEL

ATTY. MARIA CRISTINA C. DAMASCO

PNSLAI BOARD OF TRUSTEES

TRUSTEE EDUARDO T. DOMINGO

CHAIRMAN, BOARD OF TRUSTEES

(16 terms as PNSLAI Trustee)

Trainings / Seminars:

- Good Corporate Governance (Refresher)
- Implementing Rules and Regulations (IRR) of the Financial Institutions Strategic Transfer (FIST) Act Lecture
- Accounting for Trustees Lecture
- Seminar- Workshop on Strategic Plan
- Anti- Money Laundering/ Countering Financing of Terrorism (AML/CFT) Lecture
- Board of Directors' Guide for Audit Committee
- Best Practices on Strategic Planning & Preparing Strategic Action Plans
- Risk Management for Non-Stock Savings and Loan Institutions
- Targeted Financial Sanctions (TFS) Course
- Financial Management Essentials for Board Members and Officers

Trainings / Seminars:

- Good Corporate Governance (Refresher)
- Seminar-Workshop on Strategic Plan
- Risk Management Foundation Training Course (RMS) based on Principles of ISO 31000
- Anti-Money Laundering Act (AMLA)
- Corporate Governance and Risk Management Program
- Financial Management Essentials for Board Members and Officers

TRUSTEE DANIEL T. DELGADO

VICE-CHAIRMAN, BOARD OF TRUSTEES

Chairman, Good Corporate Governance Committee

(14 terms as PNSLAI Trustee)

PNSLAI BOARD OF TRUSTEES

Trainings / Seminars:

- Good Corporate Governance (Refresher)
- Implementing Rules and Regulations (IRR) of the Financial Institutions Strategic Transfer (FIST) Act Lecture
- Accounting for Trustees Lecture
- Seminar-Workshop on Strategic Plan
- Anti-Money Laundering/Countering Financing of Terrorism (AML/CFT)Lecture
- Basic Training Course on NSSLA
- Anti-Money Laundering Act (AMLA)
- NSSLA Financial Report and Trustees' Role in Good Corporate Governance
- Targeted Financial Sanctions (TFS) Course
- Financial Management Essentials for Board Members and Officers

TRUSTEE EUGENIO N. CLEMEN

MEMBER

(7 terms as PNSLAI Trustee)

TRUSTEE RICARDO P. SILVA

MEMBER

(12 terms as PNSLAI Trustee)

Trainings / Seminars:

- Good Corporate Governance (Refresher)
- AML/CFT Fundamentals
- Accounting for Trustees Lecture
- Seminar-Workshop on Strategic Plan
- Anti-Money Laundering Act (AMLA)
- Financial Management Essentials for Board Members and Officers

PNSLAI BOARD OF TRUSTEES

TRUSTEE MAXIMO D. PANERIO

MEMBER

(16 terms as PNSLAI Trustee)

Trainings / Seminars:

- Good Corporate Governance (Refresher)
- AML/CFT Fundamentals
- Liquidity Risk Management
- Anti-Money Laundering Act (AMLA)
- Fund Accountable Officer
- Targeted Financial Sanctions (TFS) Implementation
- Financial Management Essentials for Board Members and Officers

TRUSTEE GREGORIO E. GALAS

MEMBER

(12 terms as PNSLAI Trustee)

Trainings / Seminars:

- Good Corporate Governance (Refresher)
- AML/CFT Fundamentals
- Accounting for Trustees Lecture
- Seminar-Workshop on Strategic Plan
- Pro Management Labor Seminar
- Good Corporate Governance Best Practices: Board of Directors' Guide for Audit Committee
- NSSLA Financial Report and Trustees' Role in Good Governance
- Liquidity Risk Management
- Anti-Money Laundering Act (AMLA)
- Targeted Financial Sanctions (TFS) Implementation
- Financial Management Essentials for Board Members and Officers

PNSLAI BOARD OF TRUSTEES

Trainings / Seminars:

- Good Corporate Governance (Refresher)
- AML/CFT Fundamentals
- Risk Management Seminar
- Risk Management Foundation Training Course (RMS) Based on Principles of ISO 31000
- Corporate Governance and Risk Management Program
- Anti-Money Laundering Act (AMLA)
- Basic Training Course on NSSLA
- Financial Management Essentials for Board Members and Officers

TRUSTEE JULIAN L. ADVINCULA

MEMBER

Chairman, Membership Committee

(16 terms as PNSLAI Trustee)

TRUSTEE QUIRICO S. SUMABONG

MEMBER

Chairman, Audit and Compliance Committee

(13 terms as PNSLAI Trustee)

Trainings / Seminars:

- Good Corporate Governance (Refresher)
- AML/CFT Fundamentals
- Risk Management Seminar
- Risk Management Foundation Training Course (RMS) based on principles of ISO 31000
- Accounting for Trustees
- Seminar-Workshop on Strategic Plan
- International Monetary Fund (IMF) Regional Economic Outlook for Asia Pacific
- New Corporation Code
- Anti-Money Laundering Act (AMLA)
- Liquidity Risk Management
- Junior Executive for NSSLA
- Financial Management Essentials for Board Members and Officers

PNSLAI BOARD OF TRUSTEES

TRUSTEE MARGARITO V. SANCHEZ JR.

MEMBER

Chairman, Risk Oversight Committee

(3 terms as PNSLAI Trustee)

Trainings / Seminars:

- Good Corporate Governance (Refresher)
- Implementing Rules and Regulations (IRR) of the Financial Institutions Strategic Transfer (FIST) Act Lecture
- Risk Management Seminar
- Basic NSSLA Course
- Accounting for Trustees Lecture
- Seminar-Workshop on Strategic Plan
- On-Boarding/Orientation for First-Time Trustees
- Anti-Money Laundering/Countering Financing of Terrorism (AML/CFT) Lecture
- Targeted Financial Sanctions (TFS) Implementation
- Financial Management Essentials for Board Members and Officers

TRUSTEE ANTONIO O. LIMITARES

MEMBER

Chairman, Credit and Loan Committee

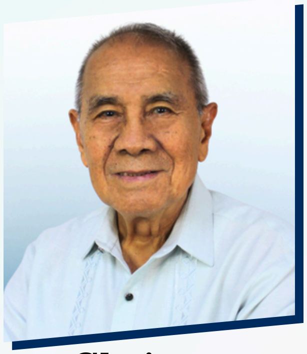
(2 terms as PNSLAI Trustee)

Trainings / Seminars:

- Good Corporate Governance (Refresher)
- Implementing Rules and Regulations (IRR) of the Financial Institutions Strategic Transfer (FIST) Act
- Basic NSSLA Course
- Financial Literacy
- Pre-Membership Education Seminar
- Financial Management Essentials for Board Members and Officers

THE BOARD COMMITTEES

GOOD CORPORATE GOVERNANCE COMMITTEE



Chairman

Members

Chairman : Trustee Eduardo T. Domingo
Members : Trustee Daniel T. Delgado
Trustee Margarito V. Sanchez Jr.

PURPOSE

The Good Corporate Governance Committee is tasked to assist the Board of Trustees in the performance of its corporate governance responsibilities and ensuring consistency and satisfactory delivery of all the Trustees duties and responsibilities.

ACCOMPLISHMENTS

- Good Corporate Governance Committee Report on List of Official Candidates for PNSLAI Election of Independent Trustees 2024 dated 08 April 2024

RISK OVERSIGHT COMMITTEE

Chairman

Members

Chairman : Margarito V. Sanchez Jr.
Members : Trustee Eugenio N. Clemen
Trustee Quirico S. Sumabong

PURPOSE

The Risk Oversight Committee shall possess a range of expertise and adequate knowledge on risk management issues and practices. It shall have access to independent experts to assist it in discharging responsibilities.

ACCOMPLISHMENTS

- None

MEMBERSHIP COMMITTEE

Chairman




Members

Chairman : Trustee Eduardo T. Domingo

Members : Trustee Julian L. Advincula
Trustee Ricardo P. Silva
Trustee Maximo D. Panerio
Trustee Gregorio E. Galas

PURPOSE

The Committee shall be responsible for activities that promote membership growth, address members' welfare, and encourage the retention of existing members.

ACCOMPLISHMENTS

- Monthly Membership Committee Report for CY 2024 (January – December)

CREDIT AND LOAN COMMITTEE

Chairman



Members

Chairman : Trustee Julian L. Advincula

Members : Trustee Maximo D. Panerio
Trustee Gregorio E. Galas
Trustee Antonio O. Limitares

PURPOSE

The Credit Committee shall assist the Board of Trustees in fulfilling its oversight function on credit operation of the Association.

ACCOMPLISHMENTS

- Monthly Credit Report for CY 2024 (January – December)
- Committee Report on for Write-off Accounts dated 26 June 2024
- Committee Report on Writing-off of Deceased and Delinquent Borrowers dated 09 December 2024

AUDIT AND COMPLIANCE COMMITTEE

Chairman

Members

Chairman : **Trustee Quirico S. Sumabong**

Members : **Trustee Margarito V. Sanchez Jr.**
Trustee Antonio O. Limitares

PURPOSE

To assist the Board of Trustees in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process and the Association's process for monitoring compliance with laws and regulations and the code of conduct.

ACCOMPLISHMENTS

- Committee Report - Compliance Program CY 2024 dated 24 January 2024
- Committee Report - Internal Audit Program CY 2024 dated 28 February 2024
- Committee Report - Internal Audit Activities (4^{th} Qtr CY 2023) dated 25 March 2024
- Committee Report - Internal Audit Activities (January – April 2024) dated 29 May 2024
- Committee Report – New Acting Internal Auditor dated 29 May 2024
- Committee Report - Report on Examination (ROE) dated 13 August 2024
- Committee Report - Revised Financial Consumer Protection Manual dated 21 August 2024
- Committee Report - Revised Risk-Based Internal Audit (RBIA) Plan/Programs dated 25 September 2024
- Committee Report - Compliance on Testing Plan on Loans and Compliance Program CY 2025 dated 11 November 2024
- Committee Report - Audit of Branch Offices dated 13 November 2024
- Committee Report – Routine Audit of All Branch Offices including the Main Office dated 09 December 2024

GOOD CORPORATE GOVERNANCE

REMUNERATION

In accordance with the provisions outlined in the Association's by-laws, the PNSLAI Board of Trustees is entitled to receive allowances and compensation commensurate with their respective roles, responsibilities, and positions within the organization.

For the calendar year 2024, the total remuneration allocated to the Board of Trustees amounted to ₱13.69 million, distributed equitably based on their individual contributions, scope of duties, and governance responsibilities. The breakdown of remuneration is structured as follows:

NAME OF TRUSTEE	COMPENSATION	PER DIEM	TOTAL REMUNERATION
TRUSTEE EDUARDO T. DOMINGO	1,264,180.52	161,000.00	1,425,180.52
TRUSTEE DANIEL T. DELGADO	1,240,712.74	135,000.00	1,375,712.74
TRUSTEE EUGENIO N. CLEMEN	1,239,998,10	140,000.00	1,379,998.10
TRUSTEE RICARDO P. SILVA	1,223,284.68	194,000.00	1,417,284.68
TRUSTEE MAXIMO D. PANERIO	1,218,693.22	243,000.00	1,461,693.22
TRUSTEE GREGORIO E. GALAS	1,228,017.48	248,000.00	1,476,017.48
TRUSTEE JULIAN L. ADVINCULA	1,131,061.33	248,000.00	1,379,061.33
TRUSTEE QUIRICO S. SUMABONG	1,054,214.30	179,500.00	1,233,714.30
TRUSTEE MARGARITO V. SANCHEZ JR.	1,053,377.72	147,000.00	1,200,377.72
TRUSTEE ANTONIO O. LIMITARES	1,108,663.98	234,500.00	1,343,163.98
	11,762,204.07	1,929,500.00	13,691,704.07

MEETINGS AND ATTENDANCE

A Regular Board Meeting and a Special Board Meeting are held at least once a month to examine, consider, and approve the Association's financial performance and highlights, as well as management's strategies, recommendations, policies, and regulations related to the internal and external operations.

By the end of the Calendar Year 2024, the Board held a total of twenty-seven (27) meetings, consisting of twelve (12) Regular Board Meetings and fourteen (14) Special Board Meetings, and one (1) Election/Organizational Meeting. Illustrated below is the attendance table of individual trustees for the period of January to December 2024.

NAME	NO. OF MEETINGS	MEETINGS ATTENDED	PERCENTAGE
TRUSTEE EDUARDO T. DOMINGO	27	25	93%
TRUSTEE DANIEL T. DELGADO	27	26	96%
TRUSTEE EUGENIO N. CLEMEN	27	27	100%
TRUSTEE RICARDO P. SILVA	27	27	100%
TRUSTEE MAXIMO D. PANERIO	27	26	96%
TRUSTEE GREGORIO E. GALAS	27	27	100%
TRUSTEE JULIAN L. ADVINCULA	27	27	100%
TRUSTEE QUIRICO S. SUMABONG	27	25	93%
TRUSTEE MARGARITO V. SANCHEZ JR.	27	24	89%
TRUSTEE ANTONIO O. LIMITARES	27	27	100%

ASSESSMENT PROGRAM

The Board of Trustees undertake an annual self-evaluation of their respective performance and that of its Committee. A summary of the evaluation of their performance is indicated below together with the criteria used in the evaluation.

Regular evaluation of the performance of the Board of Trustees highlights the strengths and weaknesses of the Board as a whole and offers a platform for suggestions on how Trustees can improve their performance.

ASSESSMENT GUIDE			
Qualitative Assessment	**Qualitative Rating**		
POOR	20.00%	to	29.80%
FAIR	30.00%	to	44.80%
AVERAGE	45.00%	to	74.80%
GOOD	75.00%	to	89.80%
VERY GOOD	90.00%	to	100%

COMMITTEE EVALUATION

Governance Anchors	Good Corporate Governance Committee	Risk Oversight Committee	Audit and Compliance Committee	Credit and Loan Committee	Membership Committee
Goals or Purpose of Committee	94.29%	95.24%	95.24%	98.89%	100%
Support for the Committee	94.29%	95.71%	95.71%	100.00%	100%
Time and Location of Meetings	92.86%	90.00%	95.71%	100.00%	100%
Attendance	92.86%	92.86%	98.57%	100.00%	100%
Reports	92.86%	94.29%	94.29%	100.00%	100%
Membership	95.71%	97.86%	98.57%	100.00%	100%
OVERALL ASSESSMENT OF QUALITY OF GOVERNANCE	**93.81%**	**94.33%**	**96.35%**	**99.81%**	**100%**
QUALITATIVE DESCRIPTION	**VERY GOOD**	**VERY GOOD**	**VERY GOOD**	**VERY GOOD**	**VERY GOOD**

THE PNSLAI MANAGEMENT TEAM

Management plays a pivotal role in driving an organization's success, serving as the strategic nucleus that orchestrates decision-making, resource optimization, and collaborative efforts to achieve defined objectives. By harnessing material, human, and financial resources with precision, management cultivates operational efficiency and fosters a streamlined organizational architecture. This framework ensures clarity in role delineation, with tasks systematically cascaded from senior leadership to operational units, minimizing ambiguity and maximizing accountability.

Effective management further establishes robust governance through sound policies, balanced authority, and clearly defined accountability frameworks. By aligning individual responsibilities with institutional goals, management ensures that every officer operates in harmony with the organization's vision. This equilibrium between duty and oversight not only propels progress but also fortifies the organization's adaptability, enabling sustainable growth and resilience in evolving landscapes.

The PNSLAI Management Team stands as a testament to these principles. Composed of highly qualified professionals with decades of collective expertise, the team has consistently delivered exceptional stewardship, embodying the ethos of SERVICE, EXCELLENCE, and ACCOUNTABILITY. Their unwavering dedication to strategic innovation and ethical governance has cemented the Association's reputation as a beacon of integrity and operational excellence, ensuring its continued leadership in fulfilling its mission.

The MANAGEMENT TEAM *and* KEY PERSONNEL

TRUSTEE EUGENIO N. CLEMEN
President

TRUSTEE RICARDO P. SILVA
Executive Vice President and General Manager

TRUSTEE MAXIMO D. PANERIO
SVP for Financial Management & Operations Group

TRUSTEE GREGORIO E. GALAS
SVP for Asset Management Group

MICHAEL E. AVILLA
VP for Treasury and Acting VP for Operations

EMELDA G. MANANGAN, CPA, REB
VP for Admin and HRMD

RAQUEL G. PEREZ
Manager
Compliance Office and Data Protection Officer

ANALIZA O. ANILLO
Manager
Treasury Department

ALMARIE C. OLERMO
Manager
Operations Department

JHONA V. RAMOS, MBA
Manager
Admin and HRMD Department

MAY ANN V. COLIMA, CPA
Manager
Accounting Department

ALVIN D. MAYNES
Manager
Information Technology Office

EDIELYN M. NABOR
Acting Internal Auditor

JULIET B. GAPERO
Supervisor
Corporate Planning Office

IAN JAY D. DOMINGO
Supervisor
Corporate Affairs Office

KATHLEEN ANNE C. MANANTAN
Supervisor
Compliance Office

ARMIE G. DELA CRUZ
Supervisor
General Accounting

ROMEO T. TAMIDLES JR.
Supervisor
Management Service

CARLO R. NAPOLES
Supervisor
Supply and Property Management

JOHN PAUL C. REFANI, MBA
Supervisor
Human Resource
Management and Development

DANILO Y. AMADO
Supervisor
Manila Branch

MACRINA S. CALIBUSO
Supervisor
Cash & Investment Management

IRENE B. PENIONAL
Supervisor
Billing and Collection

BRANCH MANAGERS

ERWIN R. TAGUINOD
Branch Manager
Manila Branch

ESTELITA I. ALVEZ
Branch Manager
Cavite Branch

ARIEL CEAZAR P. CAGUNTAS
Branch Manager
Zamboanga Branch

LLOYD B. COLASITO, MBA
Branch Manager
Davao Branch

ROMEO TORRES
Branch Manager
Zambales Branch

BRANCH HEADS

ROTELCOR M. LAMDAGAN
Branch Head
Cebu Branch

JENNYLYN C. GADO
Branch Head
Quezon City Branch

NIKO B. MACABUHAY
Branch Head
La Union Branch

MINNEHAHA R. DETERA
Branch Head
Bicol Branch

DUBHE LYNN G. CORPUZ
Branch Head
Palawan Branch

MELISA T. ROQUE
Branch Head
Taguig Branch

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management of **PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC.** is responsible for the preparation and fair presentation of financial statements including the schedules attached therein, for the years ended December 31, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

The Board of Trustees is responsible for overseeing the Association's financial reporting process.

The Board of Trustees reviews and approves the financial statements including the schedules attached therein, and submits the same to the members of the Association.

Alas, Oplas & Co., CPAs, the independent auditor appointed by the members for the years ended December 31, 2024 and 2023, has audited the financial statements of the Association in accordance with Philippine Standards on Auditing, and in its report to the members, has expressed its opinion on the fairness of presentation upon completion of such audit.

COMMO EDUARDO T DOMINGO AFP (Ret)
Chairman of the Board

BGEN EUGENIO N CLEMEN AFP (Ret)
President

MICHAEL E. AVILLA
VP for Treasury

Signed this 26th day of February 2025

Alas Oplas & Co., CPAs

Alas Oplas & Co., CPAs
7/F Philippine AXA Life Centre
1286 Sen. Gil Puyat Avenue
Makati City, Philippines 1200
Phone: (632) 7116-4366
Email: aocheadoffice@alasoplas.com
Website: www.alasoplascpas.com

Independent Member of
B K R International

INDEPENDENT AUDITORS' REPORT

To the Members and the Board of Trustees
PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC.
PNSLAI Corporate Center, Lot 12 Blk 54 Phase IV,
Diego Silang St. AFP Officers Village
Western Bicutan 1630 Taguig City NCR, 4th District Philippines

Opinion

We have audited the financial statements **PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC**. (the "Association") which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of comprehensive income, statements of changes in member's equity and statements of cash flows for the years then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, the *Code of Ethics for Professional Accountants in the Philippines*, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 5 to the financial statements which describes the basis used by the Association in setting up allowance for credit losses. As stated in Bangko Sentral ng Pilipinas (BSP) Circular 1046, BSP-supervised financial institutions with credit operations that may not economically justify adoption of simple loan loss estimation methodology that is compliant with PFRS 9, shall, at a minimum, be subject to regulatory guidelines in setting up allowance for credit losses prescribed under Appendix S-8 of the Manual of Regulations for Non-Bank Financial Institutions (MORNBFI). Following the guidance of BSP Circular 1046 in adopting PFRS 9 impairment requirements, the Association assessed the ECL in accordance with the said standard and based on management judgement, it was determined that the amount recognized as allowance based on Appendix S-8 of the MORNBFI is reasonable. Our opinion is not modified in respect of this matter.

Alas Oplas & Co., CPAs

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with Philippine Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Alas Oplas & Co., CPAs

The Supplementary Information Required under Bangko Sentral ng Pilipinas (BSP) Circular No. 1075 and Revenue Regulation No. 15-2010

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under BSP Circular No. 1075 in Note 34 and Revenue Regulation No. 15-2010 on taxes, duties and license fees paid or accrued during the taxable year in Note 33 are presented for purposes of filing with the BSP and Bureau of Internal Revenue, respectively, and is not a required part of the basic financial statements. Such information is the responsibility of the management of **PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC.** The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

ALAS, OPLAS & CO., CPAs
BOA Registration No. 0190, valid from November 28, 2024, to February 18, 2028
BIR A.N. 08-001026-000-2024, issued on January 5, 2024; effective until January 4, 2027
SEC A.N. (Firm) 0190-SEC, Group A, issued on October 21, 2021; valid for 2021 to 2025 audit period
TIN 002-013-406-000

By:

RYAN A. SABUG
Partner
CPA License No. 0111183
BOA Registration No. 0190/P-004, valid from November 28, 2024, to February 18, 2028
BIR A.N. 08-001026-004-2023, issued on February 9, 2023; effective until February 8, 2026
SEC A.N. (Individual) 111183-SEC, Group A, issued on February 4, 2021; valid for 2020 to 2024 audit period
TIN 232-158-286-000
PTR No. 10466283, issued on January 2, 2025, Makati City

February 26, 2025
Makati City, Philippines

AUDITED FINANCIAL STATEMENTS

PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC.
(A Non-Stock Savings and Loan Association)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023
In Philippine Peso

	Notes	**2024**	2023
ASSETS			
Cash and Cash Equivalents	9	**2,582,845,309**	2,464,563,565
Investment securities at amortized cost	10	**360,000,000**	380,000,000
Loans and other receivables – net	11	**6,517,817,663**	6,525,023,746
Investment property – net	12	**1,504,153**	6,715,820
Property and equipment – net	13	**225,635,158**	231,565,506
Other assets	14	**144,710,897**	138,410,454
TOTAL ASSETS		**9,832,513,180**	9,746,279,091
LIABILITIES AND MEMBERS' EQUITY			
LIABILITIES			
Savings deposits	15	**3,910,769,021**	3,841,020,029
Accrued expenses and other liabilities	16	**407,429,016**	355,295,409
Retirement payable	17	**–**	–
Total Liabilities		**4,318,198,037**	4,196,315,438
MEMBERS' EQUITY			
Capital contribution	18	**4,650,245,190**	4,637,613,821
Surplus reserves	19	**292,450,581**	292,197,954
Surplus free	20	**571,619,372**	620,151,878
Total Members' Equity		**5,514,315,143**	5,549,963,653
TOTAL LIABILITIES AND MEMBERS' EQUITY		**9,832,513,180**	9,746,279,091

See Notes to Financial Statements.

**The Audited Financial Statements*
are accessible in full (including the Notes to Financial Statements)
through our official website, www.pnslai.com.ph
or by scanning the QR code below:

PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC.
(A Non-Stock Savings and Loan Association)
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
In Philippine Peso

	Notes	2024	2023
INTEREST INCOME			
Loans receivable	11	**731,741,453**	724,183,639
Cash in banks	9	**95,052,628**	72,075,227
Investment securities at amortized cost	10	**19,213,542**	21,117,659
		846,007,623	817,376,525
INTEREST EXPENSE			
Savings deposits	15	**(107,502,305)**	(105,445,212)
NET INTEREST INCOME		**738,505,318**	711,931,313
PROVISION FOR CREDIT AND IMPAIRMENT LOSSES	28	**(55,612,963)**	(21,941,220)
NET INTEREST INCOME AFTER PROVISION OTHER		**682,892,355**	689,990,093
INCOME			
Fees and commissions		**41,839,727**	48,218,079
Recovery on charged-off assets	24	**2,208,379**	1,943,928
Miscellaneous	25	**4,808,903**	5,392,803
		48,857,009	55,554,810
OPERATING EXPENSES			
Compensation and fringe benefits	21	**(147,214,462)**	(147,622,853)
Management and other professional fees	12,13	**(14,617,320)**	(14,934,154)
Depreciation		**(14,783,603)**	(14,307,670)
Fuel and lubricants		**(4,203,224)**	(3,976,370)
Power, light and water		**(3,782,491)**	(3,456,729)
Information Technology Expense		**(74,628)**	–
Postage, telephone, cable and telegrams		**(3,148,225)**	(3,205,366)
Security, messengerial, and janitorial services		**(3,351,153)**	(3,203,880)
Rent expense	22	**(2,882,558)**	(2,791,339)
Repairs and maintenance		**(2,278,903)**	(2,609,962)
Stationaries and supplies used		**(2,338,425)**	(2,439,290)
Advertising and publicity		**(2,306,276)**	(2,196,449)
Representation and entertainment		**(1,985,002)**	(1,893,435)
Taxes and licenses		**(946,773)**	(1,759,020)
Insurance expense		**(1,119,050)**	(1,079,594)
Travelling expenses		**(796,424)**	(866,019)
Periodicals and magazines		**(150,866)**	(152,860)
Membership fee and dues		**(153,353)**	(136,223)
Donations and charitable contributions		**(59,483)**	(84,032)
Fines, penalties, and other charges		**(19,000)**	(11,300)
Miscellaneous	23	**(9,133,761)**	(10,417,917)
		(215,344,980)	(217,144,462)
INCOME BEFORE TAX		**516,404,384**	528,400,441
INCOME TAX EXPENSE	26	**–**	–
INCOME AFTER TAX		**516,404,384**	528,400,441
OTHER COMPREHENSIVE INCOME		**–**	–
TOTAL COMPREHENSIVE INCOME		**516,404,384**	528,400,441

See Notes to Financial Statements.

PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC.
(A Non-Stock Savings and Loan Association)
STATEMENTS OF CHANGES IN MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
In Philippine Peso

	Capital contribution (Note 18)	**Surplus reserves** (Note 19)	**Surplus free** (Note 20)	**Total**
Balance at December 31, 2022	4,591,022,338	341,266,124	624,924,559	5,557,213,021
Comprehensive income				
Income for the year	–	–	528,400,441	528,400,441
Transactions with members				
Additional contribution	1,237,713,191		–	1,237,713,191
Withdrawals	(1,191,121,708)		–	(1,191,121,708)
Reversal of appropriation	–	(50,000,000)	50,000,000	–
Appropriation	–	931,830	(931,830)	–
Dividend declaration	–	–	(582,241,292)	(582,241,292)
Total transactions with members	46,591,483	(49,068,170)	(533,173,122)	(535,649,809)
Balance at December 31, 2023	4,637,613,821	292,197,954	620,151,878	5,549,963,653
Comprehensive income				
Income for the year	–	–	516,404,384	516,404,384
Transactions with members				
Additional contribution	1,240,580,674	–	–	1,240,580,674
Withdrawals	(1,227,949,305)	–	–	(1,227,949,305)
Reversal of appropriation	–	–	–	–
Appropriation	–	252,627	(252,627)	–
Dividend declaration	–	–	(564,684,263)	(564,684,263)
Total transactions with members	12,631,369	252,627	(564,936,890)	(552,052,894)
Balance at December 31, 2024	**4,650,245,190**	**292,450,581**	**571,619,372**	**5,514,315,143**

See Notes to Financial Statements.

PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC.
(A Non-Stock Savings and Loan Association)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023
In Philippine Peso

	Notes	**2024**	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before tax		**516,404,384**	528,400,441
Adjustments for:			
Interest income on cash in banks	9	**(95,052,628)**	(72,075,227)
Interest income on investment securities at amortized cost	10	**(19,213,542)**	(21,117,659)
Depreciation	12,13	**14,783,603**	14,307,670
Provision for retirement fund	17,21	**3,885,362**	–
Provision for credit and impairment losses	28	**55,612,963**	21,941,220
Operating cash flows before working capital changes		**476,420,142**	471,456,445
Decrease (increase) in operating assets:			
Loans and other receivables		**(45,207,159)**	107,692,416
Other assets		**(9,500,162)**	3,750,668
Increase (decrease) in operating liabilities:			
Savings deposits		**69,748,992**	1,993,962
Accrued expenses and other liabilities		**52,133,607**	(11,791,693)
Cash generated from operating activities		**543,595,420**	573,101,798
Interest received		**114,266,170**	89,527,334
Contributions to retirement fund	17,21	**(3,885,362)**	(1,683,344)
Net cash generated from operating activities		**653,976,228**	660,945,788
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of investment securities at amortized cost	10	**(50,000,000)**	(50,000,000)
Proceeds from redemption of matured investment securities at amortized cost	10	**70,000,000**	150,000,000
Acquisition of property and equipment	13	**(3,641,590)**	(22,524,331)
Net cash generated from investing activities		**16,358,410**	77,475,669
CASH FLOWS FROM FINANCING ACTIVITIES			
Additional capital contribution	18	**1,240,580,674**	1,237,713,191
Withdrawal of capital contribution	18	**(1,227,949,305)**	(1,191,121,708)
Payment of dividends	20,27,29	**(564,684,263)**	(582,241,292)
Net cash used in financing activities		**(552,052,894)**	(535,649,809)
NET INCREASE IN CASH		**118,281,744**	202,771,648
CASH AT BEGINNING OF THE YEAR		**2,464,563,565**	2,261,791,917
CASH AT END OF THE YEAR	9	**2,582,845,309**	2,464,563,565

see Notes to Financial Statements.

PRODUCTS AND SERVICES

SAVINGS PRODUCTS

CAPITAL CONTRIBUTION (CAPCON)

Capital Contribution (Capcon/ CC) refers to the individual amount, contributed by the members, which forms the capital of the Association.

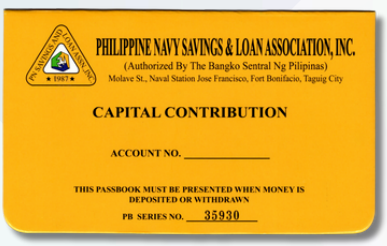
A minimum amount of ₱1,000.00 should be maintained to earn income in the form of dividend. The dividend is computed based on the Lowest Quarterly Balance (LQB) and distributed annually.

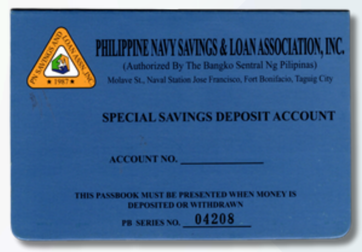
SAVINGS DEPOSIT ACCOUNT (SDA)

Savings Deposit Account (SDA) is a savings product with a minimum initial deposit of ₱100.00 that earns interest at the rate mandated by the Board of Trustees (BOT) computed based on the Lowest Monthly Balance (LMB) compounded and/or distributed monthly.

SPECIAL SAVINGS DEPOSIT ACCOUNT (SSDA)

Special Savings Deposit Account (SSDA) is a savings product earning a higher interest rate than savings deposit account that earns interest at the rate mandated by the Board of Trustees (BOT) computed based on the Lowest Monthly Balance (LMB) compounded and/or distributed monthly.





Note: Dividend / Interest Rates

- **Dividend at the rate of 12% P.A. for CY 2024**
- **Interest rate of 2% P.A. for Savings Deposit Account effective June 1, 2025**
- **Interest rate of 5% P.A. for Special Savings Deposit Account effective March 12, 2025**

LOAN PACKAGES

LOAN TYPE	Term	Add-on Interest Rate P.A.	Effective Interest Rate P.A.	Loanable Amount
BACK-TO-BACK LOAN (BBL) A loan against capital contribution or deposit account of a regular and honorary member	Minimum maturity period of fifteen (15) days/ maximum of one (1) year.	Latest Dividend / Interest Rate +2%	Capital Contribution 15.87% Savings Dep. Acct. 5.29% Special Savings Dep. Acct. 8.82%	**Capital Contribution -up to 85% of his/her withdrawable CC** **SDA/ SSDA -up to 90% of his/her savings deposit accounts.**
MULTI-PURPOSE LOAN (MPL) A loan granted to regular and honorary members for the purpose of home improvements, educational and medical requirement, business financing and other purposes.	36 months - 60 months	9.33% - 9.80%	18.63% - 19.68%	**₱30,000.00 up to ₱500,000.00**

LOAN TYPE	Term	Add-on Interest Rate P.A.	Effective Interest Rate P.A.	Loanable Amount
SALARY LOAN A new loan granted to regular and honorary members primarily to support your various financial requirements, replacing the regular loan package termed as 'VALUE"	12 months - 60 months	7.10% - 7.50%	15.30% - 15.49%	**₱30,000.00 up to ₱1,500,000.00**
PENSION LOAN A loan granted to retired PN/PN(M) personnel, beneficiaries, and qualified PCG pensioners for the purpose of medical requirements and other financial needs computed based on the monthly pension of the member	12 months - 60 months	9.25% - 9.80%	18.32% - 19.68%	**maximum of ₱300,000.00**
RETIREES LOAN A loan granted to PN/PN(M) military personnel who are due for retirement and those who have just retired from the service while waiting for the release of the proceeds of their commutation of unused leave credits.	12 months only	0.58% monthly or 7% per annum	8.35%	**Maximum amount shall not exceed 50% of the proceeds of his/her commutation of unused leave credits.**
PROMOTIONAL LOAN 1 A loan granted to regular and honorary members for specific period at lower interest rates.	12 months- 60 months	5.50% - 6.70%	11.81% - 13.67%	**₱100,000.00 to ₱1,000,000.00**
PROMOTIONAL LOAN 2 A loan granted to regular and honorary members for specific period at lower interest rates.	12 months- 60 months	5.00%	10.25% - 10.56%	**₱25,000.00 to ₱250,000.00**

NOTES:

- **Rates of interest are subject to change without prior notice.**
- **Advance Admin Fee (AAF) is collected in advance.**
- **Principal loan amount exceeding ₱250,000.00 is subject to documentary stamp tax.**
- **Loanable amount, except for BBL, is subject to Single Borrower's Limit (SBL)**

PNSLAI *at your service!*

11 BRANCHES

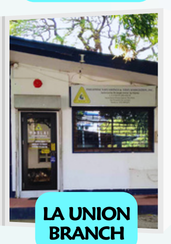
9 SATELLITE OFFICES

7 MOBILE DESKS

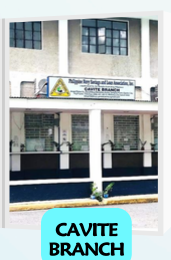
MAIN OFFICE/ TAGUIG BRANCH

MANILA BRANCH

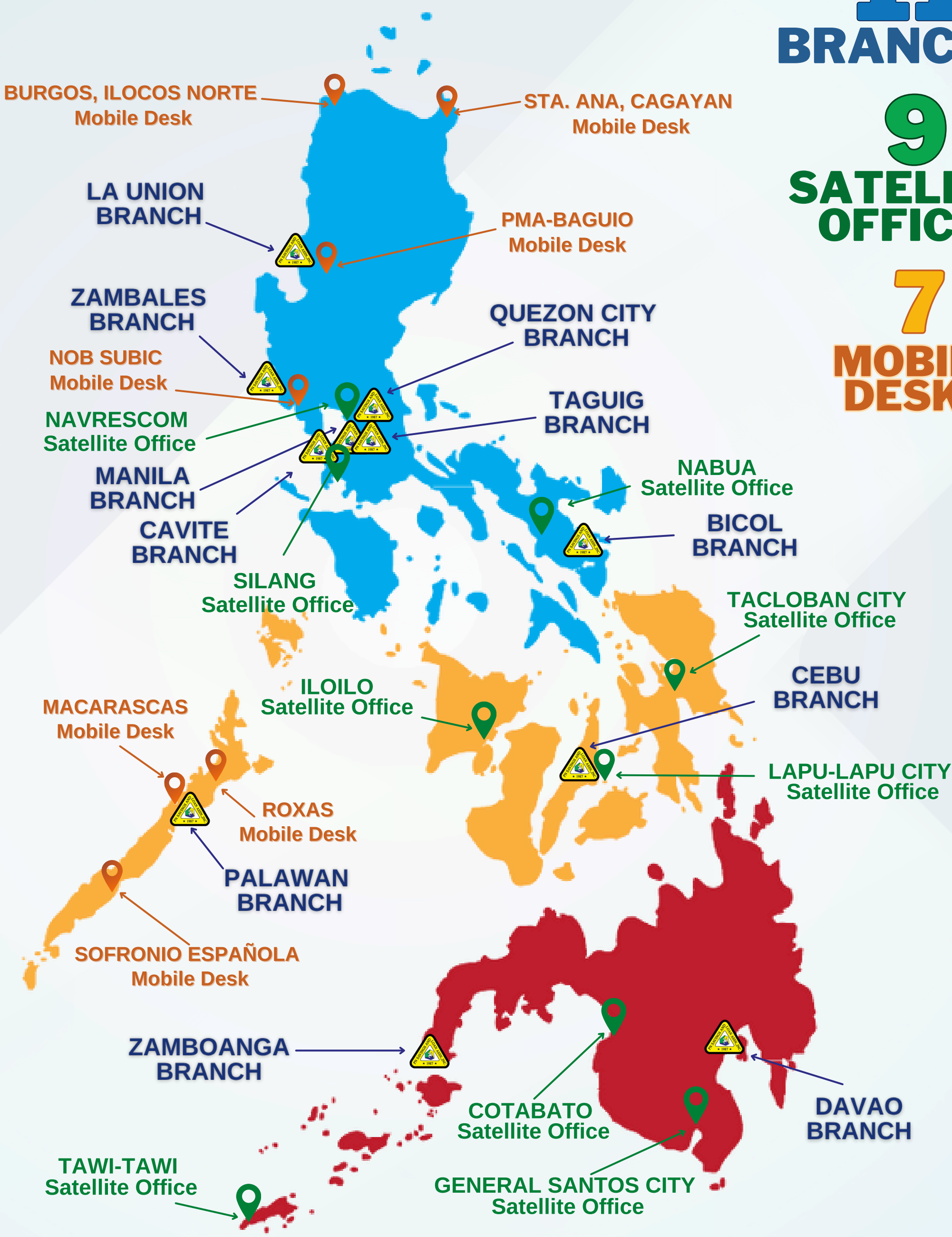
QUEZON CITY BRANCH



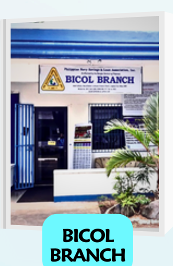
LA UNION BRANCH



CAVITE BRANCH



ZAMBALES BRANCH



BICOL BRANCH

PALAWAN BRANCH

CEBU BRANCH

ZAMBOANGA BRANCH

DAVAO BRANCH

Efficient Financial services guaranteed!

Your PNSLAI since 1987

Main Office

PNSLAI Corporate Center, Lot 12 Blk 54 Phase 4, Diego Silang Street, AFP Officer's Village, Western Bicutan, City of Taguig
(02) 8 887-3736 / (02) 8 887-3738
E-mail Address: pnslaimain@yahoo.com

Branch Offices

LUZON

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Email address: pnslai_aguinaldo@yahoo.com

CAVITE BRANCH
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Email address: pnslaicavite@gmail.com

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VISAYAS

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MINDANAO

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DAVAO BRANCH
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Email address: pnslai_davao@yahoo.com

Satellite Offices

Note: Satellite Offices may be activated and/or deactivated depending on the deployment of PN/PN(M) forces and projection on the financial needs of the members

LUZON AREA

NAVRESCOM Satellite Office
Address: HQS Naval Reserve Command,
Cabildo Street, Intramuros, Manila
Contact number: 0908-1603500

Nabua Satellite Office
Address: Paloyon Proper St., Brgy. Santiago
Young, Nabua, Camarines Sur
Contact number: 0939-9164564

Silang Satellite Office
Address: Zone 6, Bulihan I, Silang, Cavite
Contact number: 0962-7857330

VISAYAS AREA

Iloilo Satellite Office
Address: 2nd Floor, Unit 4 Masonic Bldg.,
JM Basa St., Brgy. Ortiz, Iloilo City
Contact numbers: 0926-3494140 / (033) 333-2653

Lapu-Lapu Satellite Office
Address: Naval Base Rafael Ramos (NBRR),
Brgy Looc, Lapu-Lapu City, Cebu
Contact numbers: 0939-916-4561 / 032-254-3499 436

Tacloban Satellite Office
Address: Naval Station Dioscoro Papa,
Brgy. San Jose,Tacloban City, Leyte
Contact number: 0927-6982074

MINDANAO AREA

General Santos City Satellite Office
Address: #27 Sampaguita St.,
Brgy. Dadiangas East, General Santos City
Contact Numbers: 0917-9867546 / 0949-3556415

Cotabato Satellite Office
Address: Door No. 4, G/F F&A Bldg., Sinsuat Ave.,
Rosary Heights 13, Cotabato City
Contact numbers: 0945-1092091/ 0956-4458395

Tawi-Tawi Satellite Office
Address: 2nd Marine Brigade HQS, Brgy. Sanga-Sanga,
Bongao, Tawi-Tawi
Contact numbers: 0926-0462415 / 0967-2900457

Mobile Desks

Note: Mobile Desks may be activated and/or deactivated depending on the deployment of PN/PN(M) forces and projection on the financial needs of the members

PMA-Baguio City Mobile Desk
Address: Concessionaires' Area,
Philippine Military Academy (PMA),
Fort Del Pilar, Baguio City
Contact number: 0949-6928636

Sta. Ana, Cagayan Mobile Desk
Address: Naval Base Camilo Osias,
San Vicente, Sta. Ana, Cagayan
Contact number: 0928-8092493

Burgos Mobile Desk
Address: 4th Marine Brigade, Brgy. Bobon,
Burgos, Ilocos Norte
Contact number: 0960-3688191

Sofronio Española, Palawan Mobile Desk
Address: National Highway, Brgy. Abo Abo,
Sofronio Española, Palawan
Contact number: 0927-6689892

Roxas, Palawan Mobile Desk
Address: Camp Bato, Brgy. Minara,
Roxas, Palawan
Contact number: 0927-6689892

Macarascas Mobile Desk
Address: Naval Station Carlito Cunanan,
Brgy. Macarascas, Puerto Princesa City, Palawan
Contact number: 0927-6689892

NOB Subic Mobile Desk
Admin Office, HQS Naval Operating Base
(NOB) Subic, Brgy. Cawag, Subic, Zambales
Contact number: 0977-2345-803

CORPORATE PHILOSOPHY

S *- Service*
E *- Excellence*
A *- Accountability*

VISION

To be the preferred financial institution
in the savings and loan industry.

MISSION

To provide responsive financial and allied services
in order to enhance the quality of life
of the members and their dependents.

CORE VALUES

Values are the guiding ethics and standards for institutional action and direction.
Each and every staff of PNSLAI is expected to show
the essence of core values in delivering services to our members.

Our core values are as follows:

Professionalism – We uphold excellence, competence, and honor in the performance of our mandate of providing timely and satisfactory service to our members.

Navy Oriented – We exist for the Navy Community, with a deep understanding of its culture and traditions upon which our personalized service is anchored.

Selfless Service – We are wholeheartedly committed to prioritizing our members and serving them beyond the call of duty.

Leadership – We influence and inspire our people by empowering them with the right motivation and proper guidance.

Accountability and Transparency– We maintain transparency and correctness in our work, and we take responsibility and hold accountability for all our actions.

Integrity – We value the trust and confidence given to us, and we reciprocate it with the highest regard of honest and quality service.

PN SAVINGS AND LOAN ASSN.,INC.

★ 1987 ★

PHILIPPINE NAVY SAVINGS AND LOAN ASSOCIATION, INC. (PNSLAI)

(Authorized by the Bangko Sentral ng Pilipinas)

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DATE PUBLISHED: APRIL 2025