

*Together, we'll emerge as*





# Board *Report*

*Steve Boucouvalas,  
Board Chair*

On behalf of the six men and six women that make up FirstOntario Credit Union's Board of Directors, it's my pleasure to look back at 2024 and reflect on progress, growth and an overall feeling of strength.

Together with the senior leadership team and guided by the voices of our members – our owners – we collaborated on our commitment to deliver quality products and services, financial guidance and ongoing community support for those who need it. While we cannot control everything that impacts us financially, such as inflation, the cost of groceries, taxes, tariffs, etc., we can provide the products and services members need to help mitigate those circumstances.

We completed another successful merger, this time with Momentum Credit Union. The board would once again like to welcome Momentum members to the FirstOntario family. Mergers like this add even more strength and stability to our credit union, solidifying our growth and maintaining our trajectory of success.

The benefits of our success in 2024 include our ability to continue giving back to our communities. These details are highlighted in the Community Impact report, but I would like to mention a few examples that stand out. The FirstOntario 1Awards gave \$200,000 in cash and professional services to four different winning entrepreneurs as part of the 2024 small business competition. This puts our ongoing investment into our local small business network at \$2.3 million over the last 12 years, with thanks to our 1Awards partners whose support of this program is key to its longevity.

Food insecurity and youth health and wellness are priority areas for our organization, and to help address the incredible need in those areas we were pleased to make financial donations to organizations working hard to address these issues.

We contributed \$250,000 to the organizations that run crucial local student nutrition programs in elementary schools in our communities. This marked the tenth consecutive year we have financially supported these important programs. I'm also pleased to report that our employees, through our popular Blue Wave program, support these programs by assisting with food preparation and packaging on a weekly basis throughout the school year.

The second component of our donation consisted of giving \$120,000 to 19 different local agencies and food banks who are experiencing unprecedented demand. This is a wonderful example of like-minded organizations working together for the greater good – to increase the impact we can make and to use the benefits of what our membership has built together to help others.

This financial support combined with these foundational relationships, along with our Blue Wave employee volunteer team, all play a big role in how we execute initiatives as part of the three pillars we've identified in our community impact strategy: student nutrition/food support, affordable housing/homelessness and financial literacy. A sincere thank you to all the volunteers, partners and members who together make this all possible.

In keeping with the positive outlook, I must acknowledge a significant milestone in 2024, and that was celebrating 85 years of service to our members. It's our privilege to

continue to offer the tools, products and services our members need while they navigate through their own milestones on their life-long financial journey.

There are plenty of reasons to be grateful for the year we've had and there is a great deal of optimism looking ahead. We have reached the half-way mark of our four-year strategic plan, and the confidence in our board, in its committees, senior leadership, growth trajectory and overall financials is leading the charge on our path forward into 2025 and beyond.







## CEO Report

*Lloyd Smith,*  
CEO

Through the unwavering support of our members and employees, and guided by our strategic plan, FirstOntario Credit Union achieved remarkable growth in 2024. As we enter the third year of our four-year plan, we remain focused on six strategic pillars that remain essential for our success: operational excellence, corporate relevance, stakeholder experience, digital capabilities, ESG and being purpose driven.

We have made significant enhancements to our operations to better insulate FirstOntario from the unpredictability of the financial markets. After a challenging year in 2023, we returned to a strong position of profitability, recording a net income after tax of \$18.7 million in 2024. This success enables us to continue investing in our communities and delivering the products and services our members expect. Our lending portfolio is healthy, with annualized growth in funds under management increasing by 9.5%.

FirstOntario remains a well-capitalized and profitable organization. The future looks even brighter, with income growth projected to be even stronger in 2025 and beyond. Financial strength is always crucial, especially during these unsettled times.

At the writing of this report, Canada is facing a potentially damaging trade war with the United States. The U.S. administration has announced significant tariffs on Canadian goods, and the Canadian government plans to respond with increased tariffs of their own. Trade wars have no winners, and it is unfortunate that this may occur.

Canada and the U.S. have enjoyed a mutually beneficial trade relationship for decades, and we hope a prolonged disagreement can be avoided. This is a fluid situation that will be closely monitored by FirstOntario's management.

In response to this trade conflict, we are implementing a four-point plan to ensure we remain strong and able to provide the products and services our members require:

- 1. Procurement:** Focusing on purchasing Canadian as much as possible and with non-U.S. companies.
- 2. Community Assistance Program (CAP):** Offering financial assistance to members, such as mortgage and loan deferrals, administered on a case-by-case basis.
- 3. Continued focus on our 2025 business plan.**
- 4. Stress testing:** Assessing the financial impact of tariffs on our plans, with results demonstrating that the potential impact is manageable.

Our 2025 business plan can absorb any impacts from a potential trade war, thanks to our prudent investment strategy, balance sheet management to guard against interest rate fluctuations and diligent expense management. We are proud to be a Canadian company for more than 85 years. Our business and member service has proven to be successful through many economic challenges over the years and will continue to do so. We believe in taking control of those things that we can control.

Despite the challenges ahead, we remain focused on making it easier for our members to bank with us. Significant achievements were made throughout the year, including the introduction of a new suite of retail chequing products, designed specifically for members and their banking needs. Members continued to rely on our branches for support, with deposits growing by \$549 million in 2024, an 11% increase compared to 2023.

FirstOntario's Niagara Business Center was expanded to provide additional resources to serve our business members. Commercial loans grew by 22% and commercial deposits achieved 256% of target. New sales through outbound calls increased by 57% and mortgage/loan renewals were up 41%. Overall, we saw growth in all our lines of business.

As a financial institution, we know the importance of continually improving and investing in our digital capabilities, ensuring the services we offer are user-friendly, effective, and accessible. For business members, we successfully piloted corporate capture, a digital cash management service for large volume cheque deposits. We automated the onboarding process to make it easier and member friendly. We also completed the necessary due diligence on our overall digital services, setting the stage for a major digital transformation in the coming year. We selected Temenos, a leader in the industry, as our partner for this transformation.

We were pleased to welcome members and employees of Momentum Credit Union into our family following a successful merger in the fall. I would like to thank the teams who worked tirelessly behind the scenes to make the operational close seamless. We believe FirstOntario is a leader in the Canadian credit union system, and we are always available to work and support our fellow credit unions, whether through participation on system committees or collaborating directly with individual credit unions.

Saven Financial, a division of FirstOntario Credit Union, continues to see growth as our separately branded digital deposit savings platform. We have added several new products to the platform to help provide additional savings options for our members.

Creative Arts Financial, a division of FirstOntario Credit Union, continues to proudly serve the arts and entertainment community, forging strong relationships and raising awareness of their brand and product and service offerings. We have also refreshed this brand.

Embedding purpose through our many community-focused initiatives is always a priority, particularly in youth health and wellness, financial literacy, affordable and sustainable housing, and food insecurity. A significant initiative in 2024 saw FirstOntario facilitate the purchase of two affordable housing complexes in Hamilton, retaining the availability of 29 affordable housing units in the community and to help keep tenants in their homes.

We continue to review our environmental, social and governance journey and are laying the groundwork to ensure we follow good governance, make positive contributions to sustainable communities, and respect the environment.

FirstOntario regularly surveys members, both on the quality of their interactions with us and their overall perceptions of our credit union. Results of our 2024 annual brand awareness survey validated our belief that we are making progress in the areas members care about most. Overall, member satisfaction with FirstOntario is high at 85%, with 84% of respondents recognizing FirstOntario for being active in the community and using profits for a higher purpose in supporting community initiatives.

We also strive to be a respected employer that attracts and retains talent. Our people ultimately deliver on our plans and provide the services and advice our members need and value. This past year, we placed an even greater emphasis on employee health and wellness through a variety of programs and incentives. We continue to emphasize the importance of these activities and our support of work-life balance.

I feel fortunate to lead FirstOntario and am very optimistic about the future of our credit union. We are advancing an innovative culture, which is important in the ever-evolving financial sector. Our staff consists of many unsung heroes who continually go above and beyond to deliver products and services to our members. They do an amazing job on behalf of our members. I appreciate our staff's efforts, and I thank them for it.

My thanks to FirstOntario's Board of Directors, leadership teams, employees and our members for their ongoing commitment and support. Together, with a shared purpose, we will continue to be successful in growing FirstOntario Credit Union.





## *Working Together for a Greater Impact*

At FirstOntario, we recognize the power of connection. By fostering strong relationships that support our employees, members, and communities, we engage with causes and individuals to amplify our collective impact, create positive change and encourage others to action.

We strive to be an active contributor beyond donations and sponsorships. FirstOntario supports initiatives, programs and collaborations designed to improve the lives of our members and strengthen our communities because we believe in the importance of creating meaningful connections and support that fosters healthy, vibrant and collaborative communities.

# 2024 *Highlights*

**\$250,000**

*provided to student nutrition programs*

**\$120,000**

*given to food insecurity*

**\$3,000**

*for three recipients of inaugural Kitty Jackson  
Memorial Education Award*

**\$7,000**

*to support 14 students through  
Education Awards*

**\$4,500**

*for three FirstOntario youth recipients of  
CU Succeed Education Bursary*

**1,617**

*Blue Wave volunteer hours in 2024*

**\$22,500**

*to support United Way*

**\$200,000**

*in prizes and in-kind support for  
small businesses – 1 Awards*

**\$41,800**

*to support housing and homelessness, fighting hunger  
and youth health and wellness on behalf of Saven Financial  
Raising the Roof | Feed Ontario | Children's Mental Health Ontario*



## *Making a Difference, One Volunteer Hour at a Time*

We are committed to actively engaging in our communities and celebrating the meaningful contributions and many achievements of our Blue Wave employee volunteers.

FirstOntario's employee-led Blue Wave volunteer program demonstrates our hands-on contributions and how we can make a difference beyond traditional forms of community support. In 2024, our volunteerism provided invaluable assistance to organizations, events and initiatives across our communities and was instrumental in how we were able to give back. We also continued our annual Blue Wave milestone achievements that recognize employee volunteers who've volunteered 96 hours or more, celebrating nine volunteers and making donations totalling \$6,500 to organizations important to each volunteer.





**1,617**  
*Hours*



**324**  
*Volunteers*



**91**  
*Events*

**88**  
*Schools*

*hands on support of  
student nutrition programs*





# *Connections That Empower, Communities That Thrive*

FirstOntario is about more than just providing financial services. We believe in working with like-minded community organizations and through our collective skills, knowledge, and commitment, we can create strong communities and support meaningful change.



*Student Nutrition and  
Food Support*



*Youth, Health  
and Wellness*



*Affordable Housing and  
Homelessness Awareness*



*Financial  
Literacy*



## Nutrition and Food Support

Student nutrition programs and access to healthy food and snacks at school remain an important part of successful learning. Since 2014, we've ensured support of this valuable program with \$2.6 million in funding. The need continued to grow in 2024 with an average of 101,827 students participating in the program. Blue Wave volunteers consistently support the delivery of programming through regularly delivered local fruit and produce and weekly in-school support on a rotating basis.



**2.6 million**  
*in support since 2014*

**\$250,000**  
*donated in 2024*



**101,827**  
*students helped across all our communities*



**81**  
*schools supported with regular delivery of local fruit and produce*

*Seven in-school programs supported by 19 volunteers every week*

## Agencies We Support





# *Affordable Housing and Homelessness Awareness*

FirstOntario is committed to playing an active role raising awareness about the challenges of affordable and sustainable housing and homelessness awareness and supporting initiatives designed to address these issues. Through innovative work we've connected with organizations to support unique partnerships that support the dream of home affordability and ownership.



### *Hamilton East Kiwanis Non-Profit Homes Inc.*

This year we partnered with Hamilton East Kiwanis Non-Profit Homes Inc. and the City of Hamilton, Hamilton Community Foundation and Home Ownership Alternatives to help reduce the barriers of affordability through a Pilot Affordable Homeownership Initiative. Kiwanis Homes has been providing affordable housing in Hamilton since 1982 and is focused on raising capital for additional housing by helping current renters become homeowners. Each partners' investment creates a shared appreciation mortgage pool, an innovative way to assist the buyers in qualifying for a first mortgage, one of the most significant barriers to homeownership for low to middle income people. When the initial mortgage matures, owners can opt to sell their homes or renegotiate, with the partners sharing the appreciation.

### *Rental Rescue*

Rental Rescue is a pioneering shared services company dedicated to empowering nonprofits in acquiring and preserving affordable rental housing in Hamilton. With our collaboration, RentalRescue successfully acquired their first property consisting of eight crucial affordable housing units. Through this partnership, we are able to create a unique housing solution that secures properties and maintains affordable rents in the community. This milestone, accomplished in collaboration with FirstOntario, marks a significant step towards addressing the city's housing challenges.

### *Caroline Street Co-op*

A tenant-led initiative established a new non-profit housing co-op in Hamilton when they learned the landlord was planning on selling the building. The tenants came together in 2024 to acquire the property in order to maintain the affordability of the units. FirstOntario, together with key partners such as New Market Funds Inc. (NMF), arranged the financing for the co-op. NMF is a not-for-profit organization that partners with non-profit and co-operative operators to acquire properties.



# *Financial Literacy and Learning*

Tools and information are key to making important financial decisions with confidence. FirstOntario understands that knowledge is power and is committed to helping build a foundation of financial literacy across our communities.



## *Literacy and Wellness Programs*

- Through Each One, Teach One and FirstOntario's customized financial literacy sessions, we delivered 35 sessions in 2024 on topics such as: basic budgeting, investing, retirement readiness, debt smarts, identity theft and fraud prevention, Registered Retirement Savings Plans (RRSPs) and Tax-Free Savings Accounts (TFSA's), home ownership, and much more.
- Our Finance Friday segments on CHCH television's "Morning Live" program highlights FirstOntario as a resource for financial insights, providing a better understanding so viewers can make important financial decisions. In 2024 we introduced an additional focus on small business-related topics in an effort to reach local entrepreneurs and the significant contributions they make to our communities.
- The Wealth Wednesday financial literacy segment includes timely topics for viewers about helpful wealth strategies. Once a month, our FirstOntario experts discuss wealth and investment topics and tips on CHCH television's "Morning Live" program.





**\$7,000**  
*in scholarships in 2024*

*FirstOntario has recognized 122 students and awarded more than \$150,750 to support continuing education since 2005.*



### *Financial Literacy and Support for Students*

We wrapped up the final year of our partnership with Brock University and the Goodman School of Business, supporting the Goodman Lemonade program. This year our participation allowed for grade 4 students from three area schools to learn financial concepts and how to brainstorm, design and market a lemonade stand business, including the importance of giving back to the community. Students put their learnings into practise by working in teams to set up their own lemonade stand on Brock's campus. The top three teams earned over \$1,100 in sales that was funded back to the winning schools.

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### *Post-Secondary Bursaries*

FirstOntario supports continuing education and funding for post-secondary education across our communities with McMaster University, Mohawk College, Brock University, Niagara College and Fanshawe College.

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### *Kitty Jackson Memorial Award*

In memory of long-time FirstOntario employee Kitty Jackson and her 51 years of service, the Kitty Jackson Memorial Award was created to honour her commitment to the credit union system and support of students. In its inaugural year, summer students returning to school in September were eligible to apply for the award. Three community-oriented students were the recipients of \$1,000 each to support their continuing education.



## *Collaboration and Community Support*

Building relationships and working together makes a difference in the strength, growth and resilience of a community. Throughout 2024, this was a key driver in the initiatives we supported including some of the following.

### *United Way*

Supporting United Way through employee donations and community efforts such as the United Way Plane Pull resulted in \$20,000 being raised towards this important organization. In support of this year's Sleepless in our Cities, \$2,500 was also donated as part of Hamilton Tiger-Cats players Coulter Woodmansey and Brandon Revenburg's participation in the event that saw them sleep in their cars overnight to raise awareness about the interconnected issues surrounding poverty.



## Season of Giving

Focussing on community by giving our time through Blue Wave volunteerism was an important part of our support. In addition, FirstOntario donated \$120,000 to local food banks to help address food insecurity and assist key community agencies and partners in their efforts.

## CHCH Toy Drive

FirstOntario's support of the CHCH Toy Drive remains an important way we can make a difference by accepting in branch and e-transfer monetary donations leading up to the holidays. In 2024, more than \$41,000 was collected and 1,550 toys donated across Hamilton, Halton and Niagara. Since 2020 when FirstOntario became involved in the initiative, more than \$130,000 has been donated by community members to ensure a bright holiday season for children.

## Kemp Care Network Fundraiser

FirstOntario partnered with the Hamilton Tiger-Cats to promote the sale of the Heritage long-sleeved shirt to raise funds for the Kemp Care Network and their Capital Campaign for Keaton's House – Paul Paletta Children's Hospice. A total of 881 shirts were sold, with \$5 from each purchase going towards the campaign, ultimately raising \$4,405.







## *Homelessness, Safe and Affordable Housing Initiatives*

- Hope in Every Step Walk - Halton Women's Place
- Coldest Night of the Year - Neighbour to Neighbour (Hamilton)
- Coldest Night of the Year - Norfolk County Youth Unlimited (Simcoe)
- Coldest Night of the Year - Start Me Up Niagara (St. Catharines)
- Coldest Night of the Year – Operation Sharing (Woodstock)
- Coldest Night of the Year – NeighbourhoodLink Chatham-Kent (Chatham-Kent)
- Empty Bowls Fundraiser - Bethlehem Housing
- Sleepless in our Cities - United Way Halton & Hamilton



## *Food Insecurity Programs and Agencies \$120,000 was donated to individual food banks across our regions.*

- Bethlehem Housing – Holiday celebration
- Burlington Food Bank
- Cayuga Food Bank
- Chatham Outreach for Hunger
- Community Care St. Catharines & Thorold
- Fare Share Food Bank Oakville
- Food4Kids Niagara
- Food4Kids Hamilton
- Food for Life Burlington
- Good Shepherd
- Hamilton Food Share and Priority Food Project
- Neighbour to Neighbour
- Out of the Cold Dinners
- Performing Arts Lodge
- Project Share Niagara Falls
- Salvation Army - Woodstock/Norwich/Ingersoll
- Simcoe Caring Cupboard Food Bank
- The AFC
- The Hope Centre Welland
- Tillsonburg Helping Hand Food Bank





### *Youth, Health, and Wellness*

- Brant Community Healthcare System Foundation
- Cancer Assistance Program
- Charity of Hope
- Chatham-Kent Health Alliance Foundation
- Hamilton Health Sciences Foundation
- Hotel Dieu Shaver - Hope in Motion
- Imagine in the Park
- Joseph Brant Hospital Foundation
- Kemp Care Network
- Living Rock – Soupfest
- Niagara College
- St. Joseph's Healthcare Foundation
- South Gate Centre
- Why Not Us
- YMCA of Chatham-Kent – Chatham Celebration of Youth



### *Caring for Communities*

- Alliance of Canadian Cinema, Television and Radio Artists (ACTRA)
- Big Brothers and Big Sisters of Oxford County
- Burlington Community Foundation
- CHCH Christmas Toy Drive
- Hope in Motion - Hotel Dieu Foundation
- Ontario Credit Union Foundation
- Runanthropic
- The AFC
- Wesley
- Woodstock Cowapoolooza
- World Rowing Championship and Fan Festival supporting FEED Niagara





## *Collaboration on Local Business*

In support of entrepreneurs who make our communities unique, FirstOntario, together with our 1Awards partners, has invested more than \$2.3 million into the local business landscape. Celebrating 12 years in 2024, FirstOntario's 1Awards shines a spotlight on small businesses in the Hamilton, Halton, Brant, Niagara and surrounding regions. Winners share cash and in-kind services so they can continue to grow their businesses across our communities.

*Over \$2.3 million  
in cash and in  
kind services,  
since 2012*

*\$200,000 cash  
and in-kind  
services awarded  
in 2024*

*58 applicants,  
10 finalists*

*4  
Winners*





*Barton Lettuce (Hamilton)*



*DSRT Company Ltd (Hamilton)*

2024  
winners



*Nonno's Butcher (Hamilton)*



*Speech Hens (Simcoe)*



## *Supporting Culture and Recreation*

Everyone benefits when FirstOntario engages with our partners to make meaningful connections and support like-minded community organizations. That's why cultural enrichment and program support is a big part of our commitment. Through ongoing investment in the naming rights of facilities across our communities and engaging with partners in unique ways, we connect local organizations to add value and deepen relationships.



- Over the course of the 2024 season, over 840 students participated in eight BeFit sessions. The sessions were brought to schools in Hamilton and for the first time, Niagara, expanding the reach of this program and FirstOntario's connection to it. Additionally, another 800 students from eight schools participated in the FirstOn the Field program. Students joined 15 Ticats players at their home stadium to learn the importance of physical activity and fun through flag football. Through both of these programs, 18 Blue Wave employee volunteers gave their time to help run drills and ensuring an impact on the students.
- Hosted three key community partners in the FirstOntario Community Lounge at Hamilton's home field to support engagement with the local community and Ticats fans during the regular season. During these games the partners were provided space to set up their activations and information tables. This provided additional engagement and community outreach with fans visiting the lounge and we received positive feedback on the value of this opportunity. We look forward to continuing to provide this opportunity next season.
- Our partnerships provide an opportunity to offer tickets to events and games and, throughout this year, nearly 900 tickets were offered to members, community partners and employees through contests and as donations to support community partner fundraising.



*These are just a few ways we strengthened relationships and contributed to our communities through our important partnerships.*



*FirstOntario makes a difference by reinvesting a portion of our profits into the neighbourhoods where our members work and play.*



Brantford Bulldogs and  
Bulldogs Foundation



Hamilton  
Tiger-Cats



*FirstOntario Concert Hall, Hamilton*



*FirstOntario Performing Arts Centre, St. Catharines*



*FirstOntario Arts Centre, Milton*





## 2024 World Rowing Championships

FirstOntario Credit Union was a proud sponsor of the 2024 World Rowing Championships in St. Catharines, serving as one of the Food Sustainability Program partners. Blue Wave volunteers greeted visitors to the free four-day Mega Worlds Fan Festival that took place during the competition and helped to raise awareness for FEED Niagara, a network of 10 food banks in the region.

Attendees were encouraged to make a non-perishable food donation at the entrance of the event at Rennie Park or make a financial donation to support food insecurity using quick tap technology that FirstOntario made available for use. Non-perishable food donations were also collected at our Niagara-based locations with donations exchanged for a ticket for a free ride on the Mega Worlds Ferris Wheel. As a result, FirstOntario was able to help raise 590 pounds of non-perishable food donations and \$5,500 in cash and non-cash donations for the food banks.



# 2024 Annual *ESG Progress Report*

Environmental, Social, and Governance (ESG) is an important strategic pillar for FirstOntario and we continued to make progress this past year.

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## *Establishment of ESG Policy and Governance Framework*

This year, FirstOntario introduced a new ESG policy that outlines our commitment to sustainable practices. This policy serves as a foundation for our governance framework, which defines interested party responsibilities and oversight related to our ESG initiatives. By enhancing our governance structure, we aim to ensure effective management of our ESG commitments.



## *Commitment to Climate Action*

In alignment with our sustainability goals, FirstOntario became a signatory to the Partnership for Carbon Accounting Financials (PCAF) this year. By joining PCAF, we have affirmed our commitment to a unified framework for measuring and disclosing greenhouse gas emissions linked to our financial activities. This partnership enhances our accountability and enables FirstOntario to set science-based emissions reduction targets that align with the Paris Climate Agreement, promoting sustainable financing practices.

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## *ESG Engagement and Prioritization Framework*

To ensure continuous engagement with interested parties, FirstOntario developed an ESG engagement and prioritization framework. This framework outlines how we will solicit feedback and prioritize ESG issues as they evolve over time, allowing us to stay aligned with emerging best practices and interested parties' concerns.

As we reflect on our achievements in the realm of ESG this past year, FirstOntario is motivated to continue advancing our initiatives. By prioritizing material issues, refining our strategies, and strengthening our governance efforts, FirstOntario is committed to creating a positive impact on our environment and society.



## *Co-operation that builds on strength, trust and working together*

Our financial co-operative is founded on solid values and a deep commitment to our members. Through the dedication of our employees, we continue to emphasize the importance of relationships and understanding what matters most to our members. We are committed to working collaboratively with local partners and communities and are dedicated to providing support in unique ways that create meaningful impact, foster growth and make a measurable difference.

A man with short brown hair and glasses, wearing a dark grey sweater over a white shirt with a geometric pattern, is seated at a desk. He is looking at a laptop screen which displays a dashboard with a pie chart, a bar chart, and several tables of data. His hands are resting on a stack of papers on the desk, one of which features a bar chart with orange and blue bars. The scene is lit with warm, soft light, creating a professional and focused atmosphere.

# *Financial Highlights*

## Overview

- FirstOntario Credit Union (“FirstOntario”) is a member-driven co-operative, focused on our members’ financial well-being. As a leading local employer, we use our financial strength for the benefit of both members and our communities.
- FirstOntario’s financial model is diversified to have many different sources of revenue. This focus on diversifying revenues continues to enhance our ability to generate profitability over the long-term and helps to safeguard the Credit Union as our capital levels increase.
- FirstOntario’s portfolio of alternative investments enables the Credit Union to grow other income, commonly referred to as non-margin income, affording the Credit Union additional income to provide expanded financial services to our members. This diversification also allows FirstOntario to consistently support the membership, our communities, and partners, through member service initiatives, providing competitive rates, financial products, ongoing financial support, as well as much needed student nutrition programs, donations and sponsorships.
- Momentum Credit Union (“Momentum”) joined FirstOntario on July 31, 2024, and completed its branch integration and member banking system conversion on October 21, 2024. Momentum served members through branches in Hamilton and Oakville. FirstOntario assumed liabilities totaling \$134.7 million and received assets of \$140.3 million. The merger provided an additional \$8 million of Member’s equity to FirstOntario.
- As a result of our diversified revenue sources, and management of expenses, FirstOntario continues to generate positive net income, ending 2024 in a strong financial position along with strong regulatory capital ratios.

### TOTAL ASSETS



**\$6.6B**

*growth of 8.7%*

### MEMBER LOANS, DEPOSITS AND INVESTMENTS



**\$12.2B**

*growth of 9.5%*

### CAPITAL



**\$439M**

*growth of 6.4%*

### NET INCOME



**\$18.7M**

*0.30% return on average assets*

## Net Income - Pre-tax income \$16.4 million (2023, \$5.5 million)

- FirstOntario continued to strategically navigate an evolving uncertain global economic environment and actively implemented strategies to protect our members and maintain profitability.
- Targeted initiatives continue to lead FirstOntario to participate in programs to protect margin, expand counterparty relationships, and actively manage interest rate risk.
- The key drivers resulting in an increase in 2024 net income include:
  - o Net interest income increase of \$9.1 million
  - o Operational income increase of \$0.8 million
  - o Alternative income increase of \$10.0 million
  - o Loan losses in the period net year-over-year change of \$4.3 million
  - o Operating expense increase of \$4.7 million
- Ontario’s economy is expected to see modest improvements in 2025, with falling interest rates projected to ease financial pressures and accelerate consumer spending, key drivers in the forecast include:
  - o Ontario GDP is projected to grow by 1.7%
  - o Average unemployment rate to decline to 6.6%
  - o Near-term inflation to average 2% over the next two years
- The economic forecasts above are contingent on the evolving situation of ongoing U.S. trade policy discussions, particularly involving tariffs, which present downside growth risks in 2025. The potential tariffs, along with retaliatory tariffs by the Canadian government, could lead to lower economic growth in Ontario, and higher unemployment.

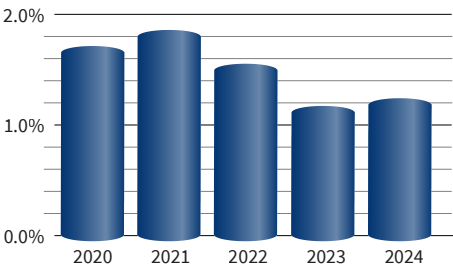


*Net Interest Income - \$78.5 million (2023, \$69.4 million)*

- Net interest income grew during the year due to increases in lending of 8%, and the continuation of our active hedging program.
- During the year, the Bank of Canada decreased their benchmark overnight interest rate by 175 basis points (2023 – increase of 75 bps) throughout the year. The decrease in interest rates in 2024 lowered the variable interest rates attached to FirstOntario’s lending and deposit products. Since 2023, FirstOntario implemented continuous hedging of interest rate risk, sustaining consistent, positive net interest income year after year. Therefore, our overall net interest margin was largely unaffected by changes in interest rates.
- The interest earned on loans and advances increased from \$237.1 million in 2023 to \$287.8 million, and the interest paid to members on deposits increased from \$159.5 million to \$204.1 million. These increases were a result of higher interest rates in the year until the Bank of Canada resumed its policy decreases in mid-2024, along with an overall organic growth in both FirstOntario’s loans and deposit portfolios combined with the merger of Momentum.

YEAR END 2024  
**\$78.5 million**  
**OF NET INTEREST INCOME**

NET INTEREST INCOME  
(% of Average Assets)



*Other Income - Operations and Alternative Initiatives*

*Total Other Income*

- Total Other Income \$47.2 million (2023, \$36.4 million)
  - Return on average assets of 0.75% (2023, 0.62%).
  - As a percentage of net interest and other income, other income is 38% (2023, 34%)

*Alternative Income*

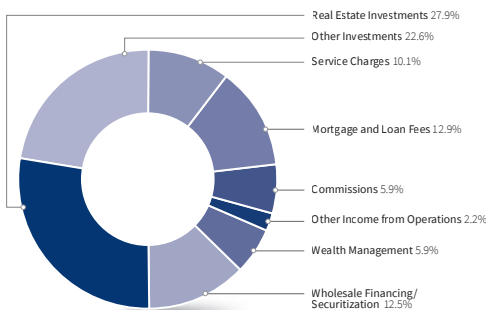
- Increased by \$10.0 million to \$32.5 million (2023, \$22.5 million). This increase was attributed to increased operating results of the joint ventures, increases in fair market values of investments in real estate and investment funds as well as expanded volumes within the Credit Union’s securitization programs.

*Operational Income*

- Increasing in 2024 from \$13.9 million to \$14.7 million (5.5% increase), with increases in mortgage and loan fees, securitization income, commissions, and service charges.

YEAR END 2024  
**\$47.2 million**  
**OF OTHER INCOME**

OTHER INCOME  
12 months ended December 31, 2024



## Operating Expenses - \$107.1 million (2023, \$102.4 million)

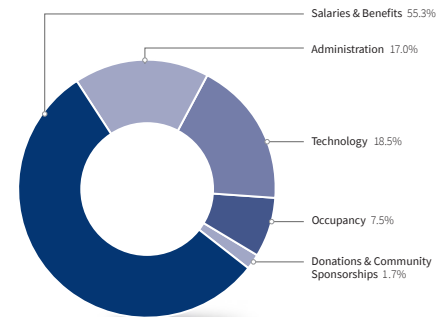
- Salaries and benefits increased by \$3.3 million, technology costs increased by \$1.4 million and remaining expenses increased by \$0.1 million.
- Employee salaries and benefits for 2024 were \$59.2 million (2023, \$56.0 million).
  - Salaries and post-employment benefits increased by 6.4% (2023, 6.3%) as a result of inflationary merit rate increases and internal restructuring costs.
  - Employee benefit costs increased by 3.9% (2023, 4.8%) with supplemental group benefits driving the increase.
  - As a percentage of average assets, FirstOntario's employee salaries and benefits expenses were 0.94% (2023, 0.95%).
- Other operating expenses were \$47.9 million (2023, \$46.4 million), an increase of 3.1%. This increase was mainly due to increases in technology expenses, and administrative costs. As a percentage of average assets, FirstOntario's other expenses were 0.76% (2023, 0.79%).
- Financial institutions also measure operating expenses as a percentage of average assets. As financial institutions grow their assets, expenses assessed as a percentage of average assets should decline. During the year, FirstOntario's operating expenses as a percentage of average assets amounted to 1.69% (2023, 1.73%).

### 2024 OPERATING EXPENSES

**\$107.1 million**

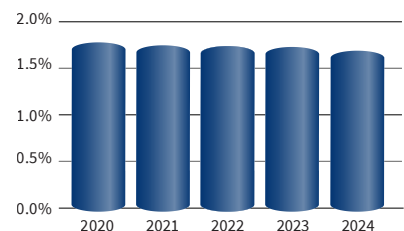
#### NON-INTEREST EXPENSES

12 months ended December 31, 2024



#### NON-INTEREST EXPENSES

(% of Average Assets)



## Lending Loan Portfolio

The following chart summarizes FirstOntario's total loans including on-balance sheet and off-balance sheet securitized loans. Growth is the percentage of period-over-period increase, and the Portfolio Mix is the ratio of a category to the total loan portfolio:

In Thousands of Dollars	December 31, 2024		December 31, 2023	
<b>Total Loan Portfolio</b>	<b>\$ 6,064,136</b>		<b>\$ 5,614,442</b>	
	<b>Growth</b>	<b>Portfolio Mix</b>	<b>Growth</b>	<b>Portfolio Mix</b>
Personal Loans	18.5%	3.1%	25.5%	2.9%
Residential Mortgage Loans	3.0%	70.5%	0.2%	73.9%
Commercial Loans	22.8%	26.4%	27.2%	23.2%
<b>Total</b>	<b>8.0%</b>	<b>100.0%</b>	<b>6.1%</b>	<b>100.0%</b>

### Residential mortgage loans

- FirstOntario's residential mortgage loans increased slightly in the year, and mainly as a result of the Momentum merger transitioning \$102.8 million of mortgages to FirstOntario.
- Approximately \$26.9 million (2023, \$18.8 million) in residential mortgages was securitized in 2024, and additionally \$246.7 million (2023, \$232.3 million) packaged into new mortgage-backed security pools and held on balance sheet as part of our liquidity needs (high quality liquid assets). Securitization levels are dependent upon targeted liquidity metrics, funding available from deposits, and the availability of insured and insurable mortgages.

### Commercial loans

- The commercial loan portfolio increased by 22.8% (2023, 27.2%).
- FirstOntario's commercial loans are generally secured by mortgages on land and buildings. The geographic and industry diversification within FirstOntario's commercial loan portfolio continues to improve.
- As of December 31, 2024, 17% (2023, 17%) of the on-balance sheet loan portfolio is associated with five of our largest commercial members.
- Commercial loans are well secured with average outstanding loan balances at 44.33% of the value of security as determined by qualified appraisers.

## Allowance for Expected Credit (Loan) Losses

FirstOntario uses an advanced data analytics model, as required by IFRS 9, which utilizes FirstOntario's detailed loan level historical data, industry data, and macro-economic data to calculate the allowance. Watch List accounts, delinquencies, credit quality and member bankruptcies are used by the model. The provision for ECL is monitored to ensure compliance with Board policy and regulatory requirements.

- FirstOntario's gross impaired loans increased to \$58.1 million (2023, \$32.2 million) and this increase was noted throughout commercial loans, personal loans, and residential mortgages. FirstOntario holds security related to these loans in the amount of \$55.1 million (2023, \$30.3 million). The remaining commercial loan portfolio continues to hold a low 0.95%, 30-day delinquency (2023, 0.0%). The overall 90-day delinquency has remained at relatively low levels of 0.43% (2023, 0.25%).
- FirstOntario uses an internal risk-rating grid to assess and monitor the loan portfolio, as well as new loans, both retail and commercial. The majority of FirstOntario's retail loan portfolio, 90% (2023, 90%), has a risk rating of "B" or better.
- The commercial portfolio has 98% (2023, 99%) of loans rated as Satisfactory or Superior. These measures and the performance of the loan portfolio indicate FirstOntario has a very strong lending operation.
- Net provisions for commercial loan losses increased by \$0.6 million (2023, \$3.2 million decrease). The prior year decrease was mainly attributed to the release of one commercial stage 3 loan as a result of full member repayment of the term loan payout. Over the past five years, FirstOntario's commercial loan write-offs averages 10.1% (2023, 12.22%) of the impaired commercial loan portfolio.
- Throughout 2024, FirstOntario continued to establish the year-end expected credit loss provision with a prudent view that considers the potential impact of economic pressures on borrowers.
- FirstOntario continues to monitor its loan portfolio and underwrite its new loans with appropriate due diligence.
- Our loan portfolio continues its strong performance, with low delinquency levels and write-offs during the year. Easing inflation and decreasing overnight interest rates have provided gradual relief to borrowers that may have experienced financial difficulties.

Amounts in Thousands	Dec. 31, 2024	Dec. 31, 2023
On Balance Sheet Loan Portfolio	\$5,892,243	\$5,466,113
<b>Allowance for ECL</b>		
Stage 3	\$2,956	\$1,897
Stage 1 and 2	7,610	7,431
	\$10,566	\$9,328
<b>Annual provision (recovery) for ECL</b>	\$2,167	(\$2,138)
<b>Net Write-offs</b>	\$929	\$310
<b>Impaired loans net of related security</b>		
Impaired loans	\$58,056	\$32,194
Related security less expected costs	55,100	30,297
	\$2,956	\$1,897
<b>Delinquency &gt; 90 Days</b>	0.43%	0.25%
<b>% of Loan Portfolio</b>		
<b>Allowance for ECL</b>		
Stage 3	0.05%	0.03%
Stage 1 and 2	0.13%	0.14%
	0.18%	0.17%
<b>Provision (recovery) for impaired loans</b>	0.04%	(0.04%)
<b>Net Write-offs</b>	0.02%	0.01%
<b>Impaired Loans</b>	0.99%	0.59%





## Investments

FirstOntario's investment portfolio is divided in two main categories:

### Alternative non-margin income investments

- Managed funds are a diversified portfolio of investments actively managed by external investment advisors.
- Real Estate Joint Ventures - FirstOntario has various agreements to jointly own and develop multi-tenant residential, commercial, and industrial properties in our communities. In the year, joint ventures investments remained relatively consistent as cashflow distributions of \$15.7 million (2023, \$8.6 million) were received offsetting the net incremental changes in fair values and operating earnings recorded.
- Retained rights are associated with wholesale financial market transactions involving securitized insured mortgages.

### Liquidity, and other statutory investments

- These investments consist of marketable securities and are required to ensure FirstOntario meets regulatory liquidity guidance expectations.
- FirstOntario is a member of Central 1 Credit Union. Central 1's primary function is to provide access to the Canadian payments system and offer digital banking platform services for use by its member credit unions.
- Included in other investments are longer term guaranteed investment certificates held with another financial institution.

## Deposit Portfolio

- FirstOntario grew its deposit base by 11.0% (2023, 5.6%).
  - Term deposit accounts increased by 17.1%.
  - Savings accounts declined by 10.4%
  - Chequing accounts increased by 7.7%
  - Registered plans increased by 16.5%.
- The current average cost of member deposits is 4.18% (2023, 4.24%). As of December 31, 2024, 25.5% (2023, 27.1%) of deposits were sourced from deposit brokers with the portfolio having 58.1% (2023, 65.9%) of deposits maturing beyond the next 12 months.

### Secured Borrowing and Securitization Liabilities

- Secured borrowings and securitization liabilities decreased by \$69.3 million (2023, \$72.4 million) to \$448.2 million (2023, \$517.4 million) as a result of decreases in outstanding securitization balances in the period offset by an increase in secured borrowing at year-end.

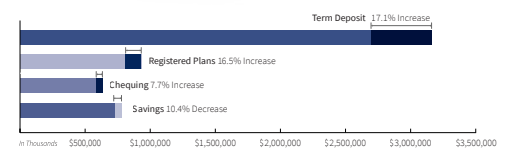
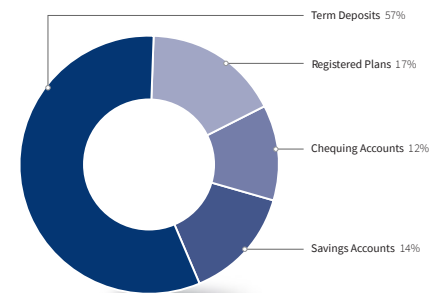
### Members' Equity

- Members' equity increased to \$428.7 million (2023, \$402.8 million), a growth of \$25.9 million (6.44%). Retained earnings, contributed surplus, and accumulated other comprehensive income make up 62% (2023, 60%) of members' equity.
- The increase in members' equity in 2024 were the result of net earnings, equity obtained from Momentum in the form of contributed surplus, investment and patronage shares and an increase in our Accumulated Other Comprehensive Income (AOCI) related to hedging and employee benefit changes.

Amounts in Thousands	2024	2023
<b>Alternative Investments</b>		
Managed Funds and Other	\$196,923	\$161,731
Real Estate Joint Ventures	146,187	146,582
Loans	3,576	539
Retained Rights - loan securitizations	59,474	37,324
	<b>406,160</b>	<b>339,765</b>
<b>Liquidity and Statutory Investments</b>		
Marketable Securities	126,909	139,044
Shares - Central 1	6,233	5,645
	<b>133,142</b>	<b>144,689</b>
<b>Other Investments</b>		
	28,502	2,142
	<b>\$567,804</b>	<b>\$486,596</b>

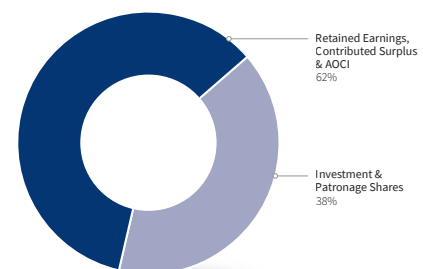
## DEPOSITS

December 31, 2024



## MEMBERS' EQUITY

December 31, 2024



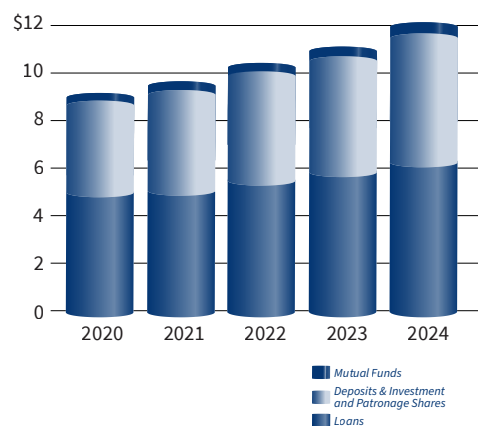


## Funds Under Management

A key indicator of our success is the total loans, deposits, and investments members have with us. These are called our Funds Under Management (FUM).

- Our FUM growth was 9.5% (2023, 6.4%), increasing to \$12.2 billion, continuing a multi-year trend of growing FUM and involvement with our members.
- FUM includes credit, deposit, and investment services.
- Members entrusted us with an additional \$1.1 billion (2023, \$0.7 billion) in loans, deposits, and investments in 2024.
  - FirstOntario's loan portfolio increased by \$449.7 million (2023, \$321.3 million) or 8% throughout the year. Loans are funded by member deposits and external funding partners. As at the date of acquisition, \$105.5 million is attributable to Momentum loan balances.
  - Member deposits, investment and patronage shares grew by \$553.6 million (2023, \$312.7 million) or 10.8%. As at the date of acquisition, \$129.3 million is attributable to Momentum deposit balances.
  - Members' mutual fund holdings increased by \$54.0 million (2023, \$37.6 million) or 13.7%.

**FUNDS UNDER MANAGEMENT**  
(in billions of dollars)



## Risk Management

FirstOntario's Board of Directors is responsible for the oversight of FirstOntario's risk management function. The Board sets FirstOntario's philosophy, policies, procedures, and controls to manage operational risk. The Risk Committee of the Board oversee the following risk management responsibilities:

- The development and monitoring of controls to support the Enterprise Risk Management Framework
- The review of enterprise risk reports issued to the Board
- The management of risk and controls related to the safeguarding of assets and financial reporting

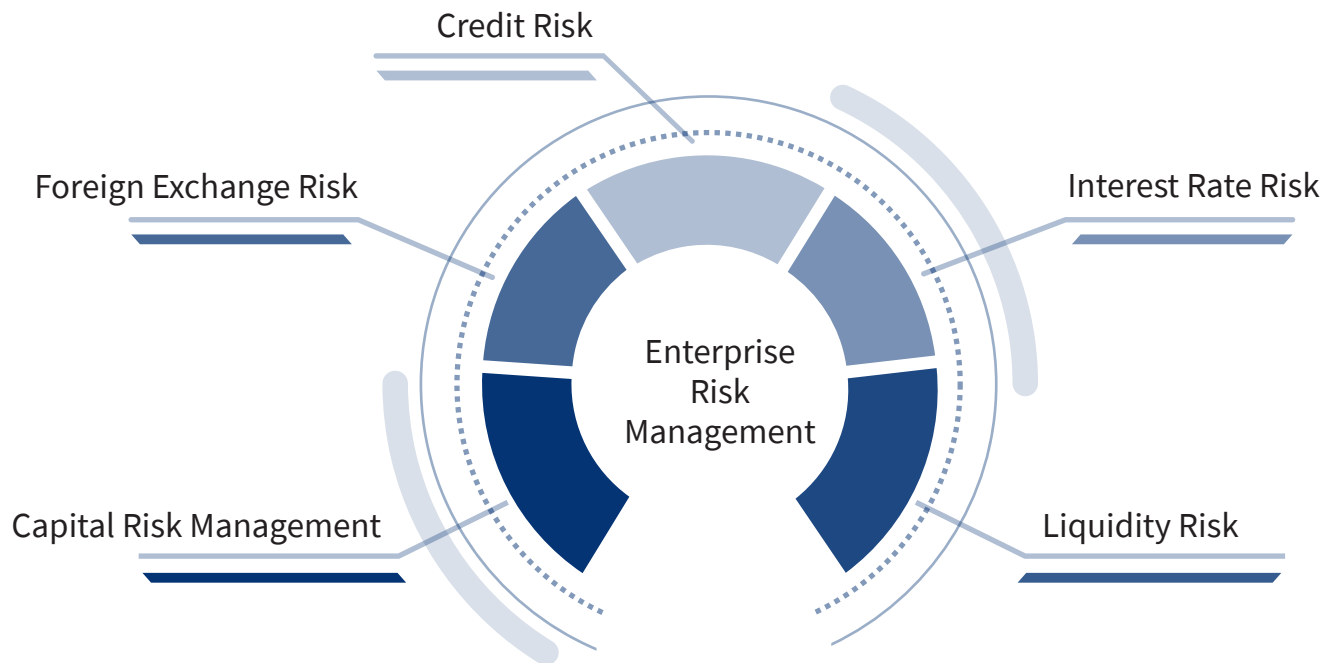
All FirstOntario employees have a role in risk management. Our Risk Management Division includes a Chief Risk Officer, a Senior Vice President, Risk, and a team of professionals, who together oversee all risk management activities throughout FirstOntario.

## Enterprise Risk Management

Enterprise Risk Management (ERM) provides a process to identify, measure, treat, and report on significant risks within FirstOntario. ERM is a discipline that helps FirstOntario achieve its strategic objectives within the risk appetite and tolerances set by FirstOntario's Board of Directors.

During 2024, the Risk Committee reviewed and discussed FirstOntario's complete inventory of risks, paying special attention to significant and emerging risks. The Audit Committee also reviewed the process management went through to document and rate the effectiveness of the controls in place to reduce inherent risks within the Credit Union.

FirstOntario's approach to managing and mitigating specific risks are as follows:



## Credit Risk

Credit risk is the risk of financial loss to FirstOntario should a borrower, co-borrower, obligor, or guarantor fail to meet payment obligations in accordance with agreed terms. This risk primarily arises from FirstOntario's loans and advances to members. FirstOntario's lending philosophy is established by its Board-approved Credit Risk Management Policy.

The Credit Risk Management Policy provides detailed guidance to Management that includes:

- Creating operational credit policies covering eligible purposes of loans, collateral requirements, credit assessment, risk rating and reporting and compliance with regulatory requirements
- Establishing a lending authority structure for the approval and renewal of member loans
- Set limits on concentrations of exposures related to members, industries, and geographic locations





## Interest Rate Risk

Interest rate risk is the risk to net interest income associated with changing interest rates on FirstOntario's interest-bearing loans and investments and interest-bearing deposits and other debt obligations.

FirstOntario is required by legislation to measure and manage interest rate risk. We comply with this requirement through a Board- approved Structural Risk Management Policy. FirstOntario uses sophisticated industry standard tools and techniques to aid in monitoring and controlling interest rate risk within sensible limits. An Asset & Liability Committee, made up of senior management, reviews FirstOntario's interest rate risk on a regular basis.

One of the tools used with interest rate risk is an income simulation model. The purpose of the model is to simulate the 12-month net interest income of the current mix of business considering current and forecasted interest rates (yield curves), growth assumptions on new business (loans and deposits), behaviours of members (impacted by prepayment assumptions), and competitive pricing conditions.

An important interest rate risk measurement is the use of a parallel shock test that is sustained for a 12-month and 24-month period. The purpose of the shock tests is to have a series of tests that will replicate many of the unexpected interest rate risks facing FirstOntario. For this purpose, FirstOntario uses a 1%, 2% and 3% parallel shock rates, increase and decreasing interest rates along the interest rate curve. The Structural Risk Management Policy requires the minimization of earnings instability, resulting in low earnings at risk levels. FirstOntario also measures Duration of Equity, Economic Value of Equity and Key Rate Durations and maintains these metrics within low, targeted ranges to ensure stable net interest income over the expected terms of the financial instruments on the balance sheet.

If management determines the level of interest rate risk to be too high, strategies are developed, evaluated and implemented to address and bring interest rate risk metrics within targeted ranges. FirstOntario engages in the use of interest rate derivatives, primarily where FirstOntario will swap fixed-rate funding for floating rate funding or vice versa. FirstOntario continued to utilize interest rate derivatives to manage interest rate risk, increasing the notional value of interest rate swaps as a percentage of funds under management to 21% (2023, 17%). The use of interest rate swaps is intended to minimize interest rate risk and help FirstOntario achieve higher and more stable net interest income in subsequent years. At year-end, FirstOntario held notional values of \$2.6 billion (2023, \$1.9 billion) in interest rate swaps and \$166.7 million (2023, \$39.7 million) in bond forwards.

## Liquidity Risk

FirstOntario is required by the Credit Unions and Caisses Populaires Act, 2020 to maintain prudent levels of liquidity. Under the regulations, FirstOntario must establish and maintain sensible levels of liquidity that are sufficient to meet its cash flow needs, including deposit withdrawals and all other obligations as they come due. FirstOntario complies with this requirement through its Board-approved Liquidity Risk Management Policy. This policy addresses limits on the sources, quality and the amount of liquid assets needed to meet normal operations, contingency funding for significant deposit withdrawals and regulatory requirements.

To ensure FirstOntario continually maintains the minimum liquidity levels, Management measures and monitors liquidity levels on a regular basis. As set by Board policy, FirstOntario's operational liquidity as a percentage of deposits and borrowings and the next 12 months of securitization liabilities, is to be maintained at a minimum of 8%. Generally, management targets liquidity levels in the 8% to 16% range, allowing FirstOntario to balance liquidity risk and net interest income returns. When liquidity levels decrease or are forecasted to decrease close to minimum levels, steps are taken to restore liquidity levels. Management also prepares detailed monthly and three-month cash flow forecasts. If there is any risk of liquidity dropping below the policy minimum of 8%, a plan for corrective action is developed and implemented. As of December 31, 2024, FirstOntario's liquidity ratio was 11.66% (2023, 12.06%).

To ensure FirstOntario has adequate sources of liquidity, management has developed a liquidity plan, which sets out various liquidity sources. Primary liquidity source comes from member deposits. FirstOntario also has three external liquidity sources. These sources include funding from deposit brokers, securitization of residential mortgage loans through the issuance of Mortgage-Backed Securities and Canada Mortgage Bonds, and the sale of commercial mortgage loans through other credit unions and other credit union affiliated partners.

As part of FirstOntario's contingency liquidity plan, \$343 million is available in operating loan facilities with Central 1 Credit Union/Caisse Centrale Desjardins. On December 31, 2024, the outstanding balance was \$155 million (2023, \$120 million). These loans are generally used for short-term funding needs.

FirstOntario is using the following metrics to manage liquidity risk:

**Liquidity Coverage Ratio ("LCR"):**

to manage and monitor liquidity risk levels. The LCR quantifies the proportion of highly liquid assets held by FirstOntario relative to the riskiness of its modeled deposit and other liability cash flow. The LCR stress-tests the balance sheet over a 30-day period to ensure adequate liquidity is held.

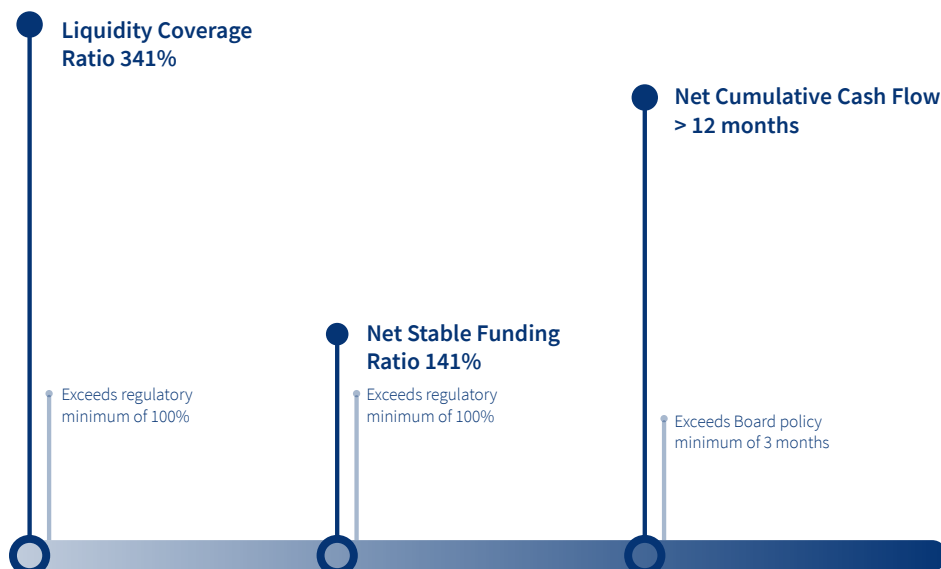
**Net Stable Funding Ratio ("NSFR"):**

to a standard that will require credit unions to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities. A sustainable funding structure is intended to reduce the likelihood that disruptions to a credit union's regular sources of funding will erode its liquidity position in a way that would increase the risk of its failure and potentially lead to broader systemic stress.

The NSFR aims to limit over-reliance on short-term wholesale funding, encourages better assessment of funding risk across all on- and off-balance sheet items, and promotes funding stability. In addition, the NSFR approach offsets incentives for institutions to fund their stock of liquid assets with short-term funds that mature just outside the LCR's 30-day horizon.

**Net Cumulative Cash Flow ("NCCF"):**

to a liquidity metric that measures a credit union's survival horizon based on its net cumulative cash flows. It identifies potential future funding mismatches between contractual inflows and outflows for various time bands up to a 12-month time horizon. It measures a credit union's detailed cash flows, in order to capture the risk posed by funding mismatches between assets and liabilities, after the application of assumptions around the functioning of assets and modified liabilities.



# Foreign Exchange Risk

FirstOntario members have the opportunity to buy and sell U.S. dollars (cash, cheques and drafts). In addition, FirstOntario provides members with U.S. dollar deposits i.e., chequing, savings, and short-term deposits. Through our portfolio of alternative investments, FirstOntario holds a diversified set of investments that are denominated in U.S. dollars, which are similarly exposed to foreign exchange risk. By providing foreign currency services and holding U.S. dollar investments, FirstOntario is exposed to foreign exchange risk, which is the risk to income that could result from changes in U.S. currency rates.

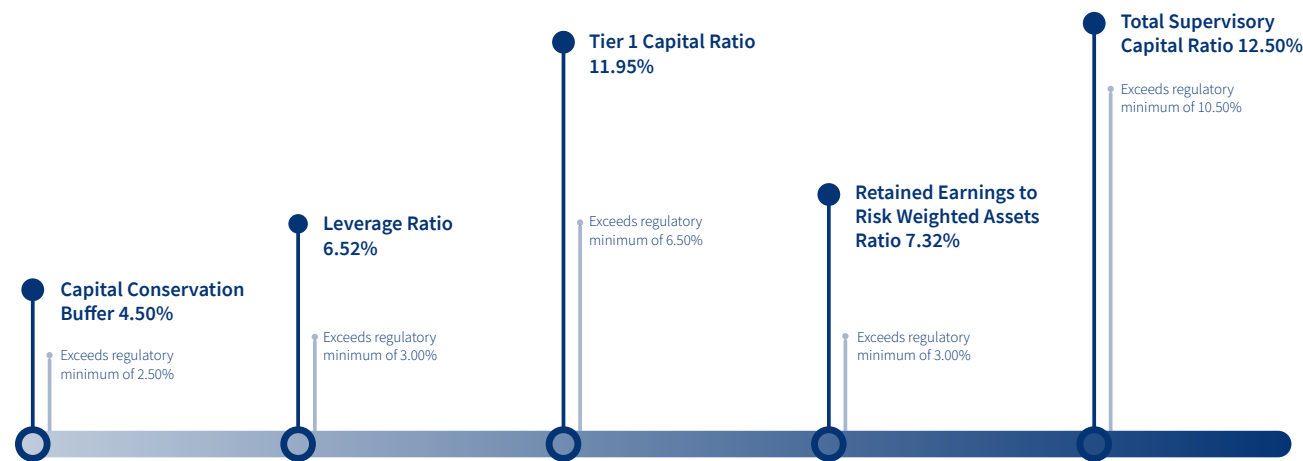
To measure and control FirstOntario’s exposure to U.S. currency risk, the Credit Union tracks the net U.S. position (U.S. dollar assets minus U.S. dollar liabilities) daily. Within our Liquidity Risk Management Policy, the maximum U.S. currency exposure FirstOntario can take is less than or equal to \$500,000 for core banking activity and \$5 million for alternative assets denominated in U.S. dollars.

To ensure we maintain our foreign exchange risk within policy limits, FirstOntario enters various foreign exchange forward contracts. At year end, FirstOntario held notional values of \$189 million (2023, \$157 million). These are contracts to purchase U.S. dollars in the future at an agreed upon exchange rate.

# Capital Risk Management

Capital is monitored monthly on both a capital leverage and a risk-weighted basis. FirstOntario conducts an Internal Capital Adequacy Assessment Process (ICAAP) utilizing industry best practices in evaluating capital considering a financial institution’s risk inventory. In general terms, the ICAAP is an assessment of FirstOntario’s risk profile and determines if FirstOntario has enough capital to support that risk profile. The ICAAP includes a three-year financial forecast and is an important component of the annual planning process. Future capital requirements are based on planned asset growth, alternative investments, and fixed asset acquisition plans. The ICAAP indicates FirstOntario’s capital levels were at a surplus of \$18.1 million above the ICAAP and ERM risk requirements.

The following chart summarizes FirstOntario’s capital position for 2024:



FirstOntario actively manages and monitors its capital metrics to ensure prudent capital levels. As shown in the table above, FirstOntario’s capital levels remain well in excess of regulatory minimums.



## Summarized Consolidated Statement of Financial Position

December 31, 2024 with comparative figures for December 31, 2023 to December 31, 2020

(amounts in thousands)	2024	2023	2022	2021	2020
<b>Assets</b>					
Loans to Members	\$5,906,434	\$5,481,255	\$5,144,955	\$4,594,142	\$4,266,253
Cash	25,977	14,736	16,132	34,638	26,892
Investments	567,804	486,596	526,201	497,932	559,892
Fixed and intangible assets	41,445	43,907	48,530	52,790	56,105
Other assets	30,274	20,412	18,684	14,568	11,079
Derivative assets	13,598	10,619	8,961	5,211	2,140
	<b>\$6,585,532</b>	<b>\$6,057,525</b>	<b>\$5,763,463</b>	<b>\$5,199,281</b>	<b>\$4,922,361</b>
<b>Liabilities and Members' Equity</b>					
Members' deposits and shares	\$5,624,182	\$5,066,759	\$4,765,709	\$4,380,520	\$4,034,238
Secured borrowings and securitization liabilities	448,170	517,443	589,813	421,736	529,999
Other liabilities	62,169	63,056	59,876	80,849	95,491
Derivative liabilities	22,333	7,520	771	1,969	2,582
Investment and patronage shares	164,267	159,663	108,780	110,476	112,293
Retained earnings and contributed surplus	257,330	239,901	237,862	208,896	154,006
Accumulated other comprehensive loss	7,081	3,183	652	(5,165)	(6,248)
	<b>\$6,585,532</b>	<b>\$6,057,525</b>	<b>\$5,763,463</b>	<b>\$5,199,281</b>	<b>\$4,922,361</b>

## Summarized Consolidated Statement of Income

(amounts in thousands)	2024	2023	2022	2021	2020
<b>Interest Income</b>	\$305,507	\$258,736	\$177,026	\$157,779	\$168,942
<b>Interest Expense</b>	227,046	189,341	92,060	64,321	87,800
<b>Net Interest Income</b>	78,461	69,395	84,966	93,458	81,142
(Provision) recovery for ECL	(2,167)	2,138	(1,538)	(786)	(5,970)
Other Income	47,166	36,379	52,314	68,974	38,862
<b>Net Interest and Other Income</b>	123,460	107,912	135,742	161,646	114,034
<b>Operating Expenses</b>					
Salaries and employee benefits	\$ 59,242	55,963	52,885	49,775	48,075
Administrative	18,237	17,383	16,062	14,885	15,224
Technology	19,785	18,422	16,260	14,718	12,825
Occupancy	8,004	8,086	7,931	7,728	8,210
Donations and community sponsorships	1,839	2,551	2,238	1,531	530
<b>Total Operating Expenses</b>	107,107	102,405	95,376	88,637	84,864
<b>Income Before Income Taxes</b>	16,353	5,507	40,366	73,009	29,170
Income tax (recovery) provision	(2,325)	(1,389)	10,108	14,553	4,407
<b>Net Income for the Period</b>	\$18,678	\$6,896	\$30,258	\$58,456	\$24,763

A photograph of a row of blue office chairs in a meeting room. The chairs are arranged in a line, receding into the background. A wooden table is visible on the right side of the frame. The text "Board Remuneration" is overlaid in the center of the image.

# *Board Remuneration*



**Steve Boucouvalas**  
(Board Chair)

**Meeting Attendance:**

Governance Committee: 7/7  
Strategic Oversight Committee: 7/7  
Risk Committee: 6/6  
Audit Committee: 6/6  
Board Meetings: 12/12  
2024 Remuneration: \$67,348



**Dianne MacLean**  
(Governance Committee Chair)

**Meeting Attendance:**

Governance Committee: 7/7  
Risk Committee: 6/6  
Board Meetings: 11/12  
2024 Remuneration: \$34,574



**Sami Sappong**

**Meeting Attendance:**

Governance Committee: 7/7  
Risk Committee: 6/6  
Board Meetings: 10/12  
2024 Remuneration: \$29,096



**Carrie Beltzner**  
(Board Vice Chair)

**Meeting Attendance:**

Governance Committee: 7/7  
Audit Committee: 6/6  
Board Meetings: 11/12  
2024 Remuneration: \$46,289



**Lorri Meulendyks**  
(Audit Committee Vice Chair)

**Meeting Attendance:**

Governance Committee: 7/7  
Audit Committee: 6/6  
Board Meetings: 12/12  
2024 Remuneration: \$38,662



**Carey Smith**  
(Risk Committee Chair)

**Meeting Attendance:**

Strategic Oversight Committee: 7/7  
Risk Committee: 6/6  
Board Meetings: 11/12  
2024 Remuneration: \$35,968



**Julie Fleet**

**Meeting Attendance:**

Governance Committee: 7/7  
Audit Committee: 6/6  
Board Meetings: 12/12  
2024 Remuneration: \$35,708



**Lorie Peacock**

**Meeting Attendance:**

Strategic Oversight Committee: 7/7  
Risk Committee: 6/6  
Board Meetings: 11/12  
2024 Remuneration: \$28,696



**Rick Sroka**  
(Audit Committee Chair)

**Meeting Attendance:**

Strategic Oversight Committee: 7/7  
Audit Committee: 6/6  
Board Meetings: 12/12  
2024 Remuneration: \$45,645



**Carmelina LaVigna**

**Meeting Attendance:**

Strategic Oversight Committee: 7/7  
Audit Committee: 6/6  
Board Meetings: 12/12  
2024 Remuneration: \$34,566



**Otto Penner**  
(Strategic Oversight Committee Chair)

**Meeting Attendance:**

Strategic Oversight Committee: 7/7  
Risk Committee: 6/6  
Board Meetings: 12/12  
2024 Remuneration: \$36,043



**Stu Walker**

**Meeting Attendance:**

Governance Committee: 7/7  
Audit Committee: 6/6  
Board Meetings: 12/12  
2024 Remuneration: \$40,364





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