

75
YEARS



PEOPLE HELPING PEOPLE

since
1951

2025

ANNUAL REPORT

Sudbury Credit Union
Community Banking Services





75
YEARS

PEOPLE HELPING PEOPLE

since
1951

GROWTH COMES FROM STRONG ROOTS.

Like the roots of a tree, our roots ground and support us, providing a strong foundation on which to grow and thrive. Our credit union has grown from 75 years of history - from the vision of our founders, from the expertise of each credit union who joined us throughout the years, and from the loyalty of every member who fills our branches. True growth comes from the strongest roots.

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BUILDING A STRONGER COMMUNITY

As a community-minded financial co-operative, Sudbury Credit Union is committed to the well-being of our employees, our members and our community. Each year we strive to give back 5% of our pre-tax profits as sponsorships and donations to local organizations and charities whose work strengthens our community and enriches the lives of all who live here. In 2025, we provided \$216,433 in financial support to 85 local organizations and charities.

1. A \$2,000 donation to L'Arche Sudbury to assist with repairs to their vans.
2. The grand opening of the revitalized Lo-Ellen Park outdoor rink, sponsored by SCU.
3. A \$1,000 donation to Camping for Cans in support of the Sudbury Food Bank.
4. A \$2,500 donation to the Greater Sudbury Ringette Association.
5. Six student bursaries of \$600 each were given to SCU members who were enrolled in a post-secondary program as of September 2025. Four of the six bursary recipients are pictured.
6. Nora proudly wore her SCU jersey as a player in the Walden Minor Soccer Association.
7. A \$1,000 donation to the House of Kin's holiday campaign on Giving Tuesday.
8. The newly built shade structure at the Kinsmen Sports Complex in Lively, sponsored by SCU.
9. Scott and Mike represented SCU at the Healthy Aging Fair, hosted by the City of Greater Sudbury's Older Adult Advisory Panel.
10. A \$5,000 donation to the Hot 93.5 Pay for Play in support of the Health Sciences North Foundation.
11. SCU sponsored two youth members to attend the Co-operative Young Leaders camp.
12. A \$2,000 donation to the Sudbury Women's Centre's holiday campaign on Giving Tuesday.

01



02



03



04



05



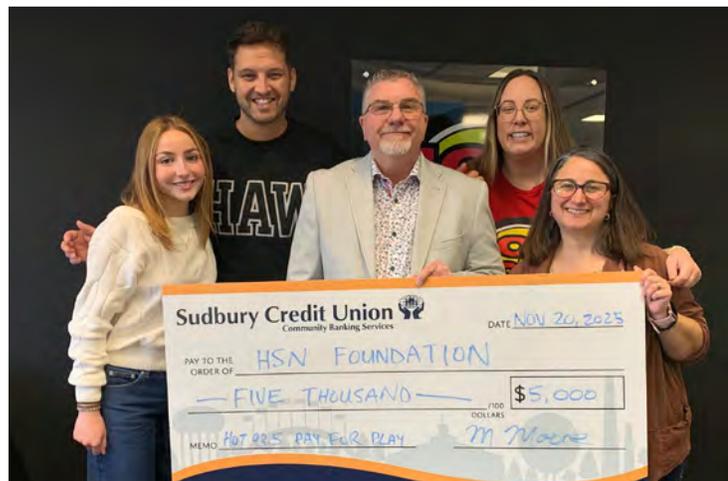
09



06



10



07



11



08



12



THE 2025 SUDBURY CREDIT UNION HIKE FOR HOSPICE

The 2025 Sudbury Credit Union Hike for Hospice, in support of Maison McCulloch Hospice, was held on Sunday, May 4th. Event attendees gathered to hike in memory of their loved ones, and to support hospice care in our community. An incredible \$130,000 was raised – surpassing the goal of \$100,000!

Sudbury Credit Union has been so honoured to be a part of the Hike for Hospice for the past 6 years and we are very excited to announce that we will continue to be the title sponsor of the event for the next three years!



Maison
McCulloch
Hospice



La Fondation
de la Maison de soins palliatifs de
Sudbury Hospice Foundation





A MESSAGE FROM OUR CHIEF EXECUTIVE OFFICER

From our humble beginnings in 1951, to 75 years later, one thing has not changed: our commitment to members.

With the vision of 24 people, Sudbury Credit Union started in 1951 as Copper Cliff Community Credit Union. Those 24 people believed that the people living in their neighbourhood deserved a financial institution that was about more than dollars and cents so they began with one simple value — ‘people helping people.’ This value has remained a constant throughout our history and resonates today as much as it did then.

In an annual report to the membership in 1953 the President, W.M. Morden noted:

“One disappointing feature of our year’s operation has been that we have not been able to completely contact that group of persons who need us most, - the persons who are paying a high rate of interest to various personal finance companies.”

It was evident then, as it is today, that our mission is to identify and fulfill the financial needs of those in our community.

Some excerpts below taken from the book, *To The Credit Of The People*, by Ron Kenyon, demonstrate the humble beginnings:

The “Office” of the new Copper Cliff Credit Union was in Jake Gallagher’s kitchen. Gallagher was the treasurer. Volunteers used to canvass members on pay day, collecting savings and loan repayments from their homes. By the time they were finished the banks would be closed, so the money had to repose in a shoe box under the Gallaghers’ bed, which left Jake, and especially his wife, in constant dread of being robbed.

The book goes on to state:

There is a story about Gallagher that reveals the kind of relationship the credit unions had with members. Gallagher and his wife were asleep in bed when the phone rang at 2am. The caller was

a distraught member saying his father was dying in British Columbia and he needed his savings to go to his father’s bedside. Gallagher slipped on a robe and opened up his “office” immediately, paying the man back his savings.

Volunteers were indispensable to the success of the organization. They gave not only their time, but their homes as well. The President noted in the 1954 report:

“The Treasurer’s house is invaded, necessarily, without doubt, each evening by members transacting business; the officers constantly must transact business on the street, at home, and wherever they happen to be when share or loan payments are offered.”

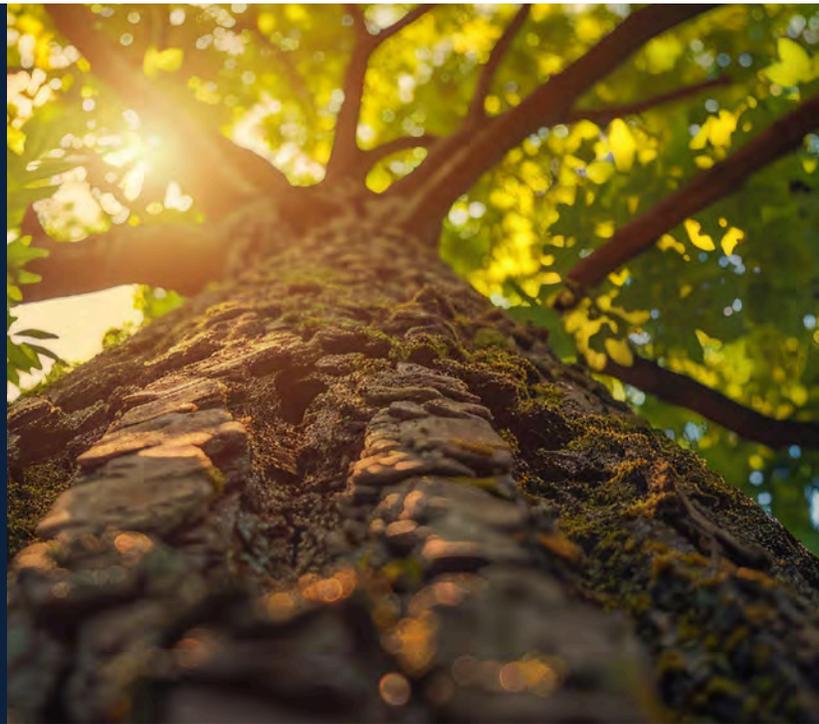
(Long before online banking, the Credit Union was offering service anytime, anywhere!)

Recognizing that was not sustainable, they arranged for office space. Monthly rent: \$35.00. According to the President’s report, that decision was made with, and I quote “mental-anguish, soul-searching, and biting-of-fingernails”. We are grateful for their foresight.

In 1955 the credit union moved from volunteers only, to paid employees, with the hiring of 2 part-time people. Mrs. Margaret Gallagher and Mrs. Pearl King. Wages totaled one thousand and five dollars for the year. January 6, 1962 they officially opened a newly erected building to house Copper Cliff Community Credit Union. While the building has been renovated and added to over the years, it still proudly houses our corporate office and branch.

By the end of 1975, the credit union had reached \$16 million in assets, with two locations and 23 staff. 1975 was also the year the credit union converted from manual posting to a ‘sophisticated computer programmed system’.

Fast forward to the 50th anniversary, when the credit union’s assets had grown to \$109 million. The President of the Board noted that the first priority



of the organization is to ensure its viability through solid financial results.

Today as we celebrate 75 years, our Board of Directors continue to understand the need for solid financial results, and stable, profitable growth. The strategic direction they set for our Credit Union ensures the fulfillment of our obligation to our members, our employees and to our community. We know how fortunate we are to be led by a Board of Directors who is committed to being Sudbury's credit union. They are devoted to keeping this organization strong for years to come.

We are also fortunate to have a remarkable group of employees. Our SCU family work diligently and enjoy the role they have in looking after each other, and the financial health of our members. Whether working in the back office or member facing, they are a dedicated group whose focus is helping members, and I am sincerely grateful for their hard work.

We continue to rely on the support of our membership, as our members make all of this possible. We are only stronger when someone decides to open an account, and have their financial products and services with Sudbury Credit Union. Every decision has a consequence. Each purchase choice has an impact to our community. We all live in the Greater Sudbury area. We rely

on our hospital, our hospice, our food bank, the community outdoor rinks, the many sports teams, the music festivals, the arts. Sudbury Credit Union has become an integral part of all of those and more.

We are stronger together. One person, one organization, one step at a time – all makes a positive difference. It is all about people helping people. It remains that simple. We sincerely thank our members. Thank you for referring your friends and family to access products and services at Sudbury Credit Union. Collectively, we are making positive changes.

We owe so much to the founders of Copper Cliff Community Credit Union. Like those who plant a tree, knowing they won't benefit from its shade, the founders likely did not know that 75 years later, this organization would be looking after the financial health of thousands of people, providing meaningful careers, and giving generously to many, many community organizations....all of which make this place we call home, even better.

Mimi Regimbal
Chief Executive Officer

A MESSAGE FROM OUR BOARD CHAIRPERSON

Dear fellow Members of Sudbury Credit Union,

I am honored to provide you with the Chairperson's report for the year ending 2025. Firstly, I want to recognize and acknowledge the accomplishments of your Board of Directors. Directors of Sudbury Credit Union are tasked with the responsibility of protecting and safeguarding the entirety of your Credit Union. This is accomplished through various streams of actions. The Board governs the organization by directly aligning all strategic decisions with our core Mission, Vision, and Values.

Last fall, the Board and Senior Management met to review and assess our Strategic Plan (a living document) to ensure that it is still relevant and appropriate, while referencing all the external pressures being placed on our organization. I am happy to report that we are staying the course of our strategic direction. Namely: Information and Member Protection, Operational Resilience, Member and Community Engagement, Organizational Resilience and Employee Engagement.

Prior to the Planning Session we engaged MNP to lead a discussion on Risk Management. With the ever-increasing focus from our regulator (FSRA – the Financial Services Regulatory Authority), the session provided your Board and management with insight on the increasing complexity, speed,

and the need for an integrated approach to risk management. This means a greater integration and analysis of risk from the Board through to the front-line staff. We must integrate risk management into all operational layers and clearly communicate these values to ensure every employee embodies our corporate risk culture.

Throughout the year, your Directors participated in educational courses, workshop seminars, regulatory training and engaged in fulsome discussions with applicable regulatory bodies. Your Directors come to Board and Committee meetings well prepared. They ask the tough questions, and challenge Senior Management on all information being presented on how it affects our Mission, Vision and Values, and the Credit Union's strategic direction. Again, I am happy to state the Board is very pleased and appreciative of Senior Management and all employees for the Credit Union's positive results.

Lastly, I thank the Board for their dedication, commitment and steadfast outlook on making Sudbury Credit Union the best financial institution in the Sudbury area.

Lindsay Liske
Board Chairperson

OUR MISSION

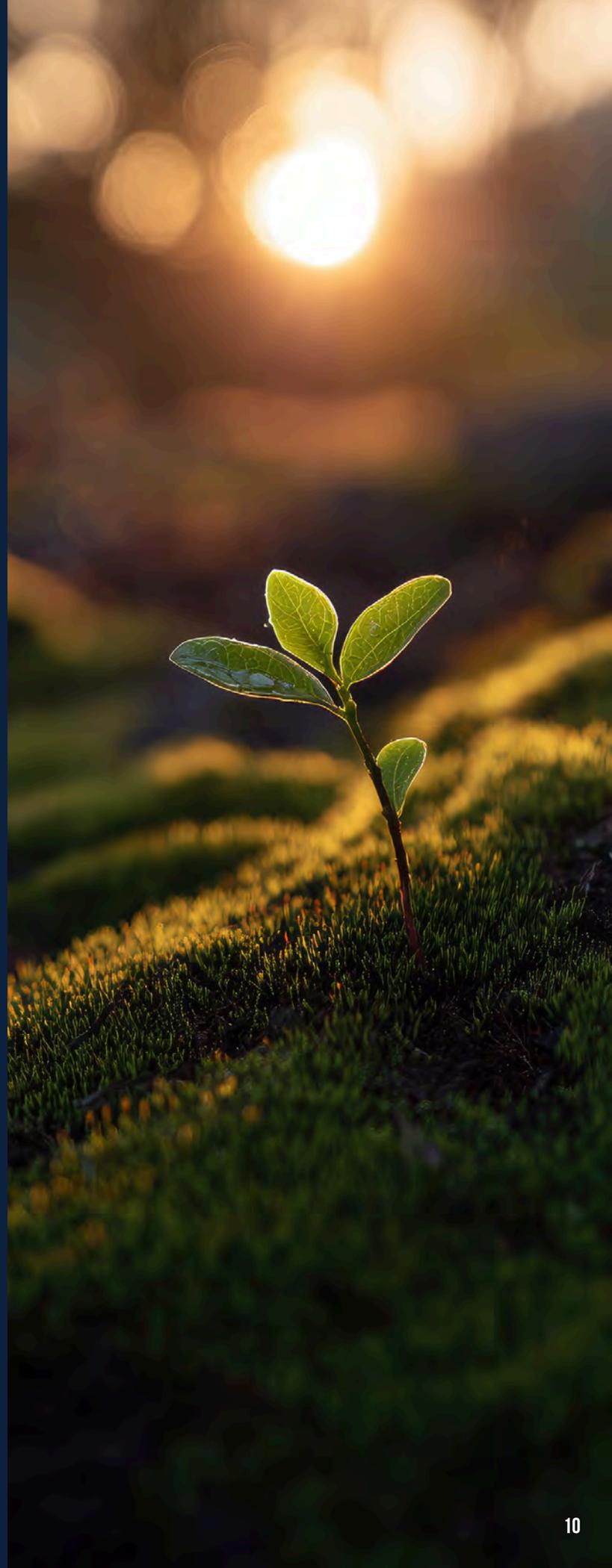
With pride and excellence, Sudbury Credit Union is dedicated to identifying and fulfilling your financial needs and those of our community.

OUR VISION

Committed to the well-being of our employees, our members and our community.

OUR VALUES

We are approachable; dependable; fair; ethical; professional; trustworthy... we are people helping people.



MEET OUR BOARD OF DIRECTORS



Lindsay Liske
Chairperson



Angie Gaudette
Director



Jamie Conroy
Vice Chairperson



Brandon Martel
Director



David Vares
Past Chairperson



Grace Navarro
Director



Lise Roy
Secretary



Leo Racette
Director



Michael Bellmore
Director

As per the Credit Union and Caisses Populaires Act, 2020, section 103: "The board of every credit union shall report annually on the gender diversity of the board."

Sudbury Credit Union Board of Directors includes three female and six male directors.

2025

MEETING ATTENDANCE

DIRECTOR

BOARD & COMMITTEE MEETINGS ATTENDED

Michael Bellmore	13/14
Jamie Conroy	18/18
Angie Gaudette	7/9
Lindsay Liske	16/16 + 5 as Ex-Officio
Brandon Martel	8/10
Grace Navarro	15/15
Leo Racette	16/16
Lise Roy	18/19
David Vares	17/17 + 3 as Ex-Officio

DIRECTOR ANNUAL REMUNERATION

The 2025 honorarium by role is as follows:

ROLE	HONORARIUM
Chairperson	\$6,662.50
Vice Chairperson	\$5,125.00
Secretary	\$5,125.00
Audit Committee Chair	\$5,637.50
Director	\$4,100.00

In addition to the honorarium noted above, directors receive \$200 for each meeting attended.

A LOOK AT OUR KEY FINANCIAL RESULTS

Balance Sheet

Total assets reached \$623 million at the end of 2025, an increase of \$14.3 million from \$608 million in 2024, representing growth of 2.3%. Results reflect a year focused on expanding the lending portfolio and supporting member borrowing.

Assets (in millions)



Member Loans

Loans to members increased by \$30.1 million, or 6.9%, primarily due to a strong demand for retail mortgages. This growth highlights the focus on utilizing historically high levels of cash and investments for member lending, ensuring that more assets directly benefit members.

Member Deposits

Member deposits increased \$9.5 million, or 1.7%. Slower growth reflects a lower interest rate environment and inflationary pressures affecting member savings. The portfolio remains strong and continues to reflect members' trust in Sudbury Credit Union.

Members' Equity and Regulatory Capital

Members' equity increased by \$4.0 million, supported by net income of \$3.3 million retained within equity. Regulatory capital increased \$3.4 million to \$59.2 million, or 22.4% of risk weighted assets. Capital remains well above minimum requirements, supporting continued growth and long-term financial resilience.

Regulatory Capital Ratios

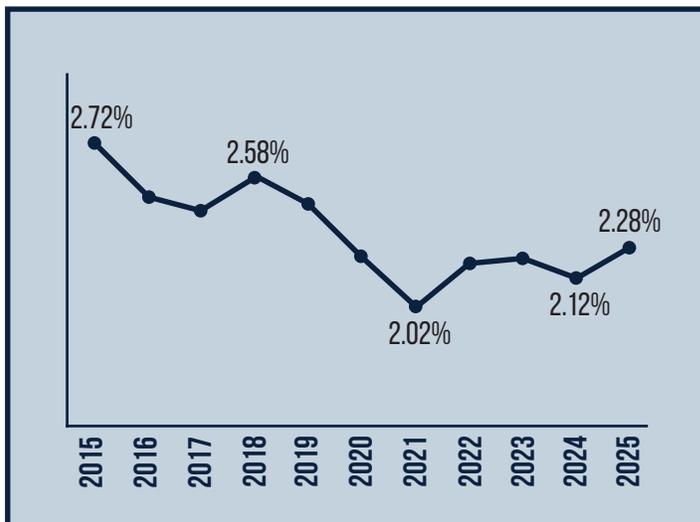
	YEAR END 2025	REGULATORY MINIMUM
Total Capital	21.9%	8.0%
Capital Leverage	9.0%	3.0%

Income Statement

Net Interest and Non-Interest Revenue

Net interest income totaled \$14.0 million in 2025, representing 2.28% of average assets, compared with 2.12% in the previous year.

Net Interest Income



Strong loan growth early in the year increased revenue from member lending. Lower investment income offset much of this increase, resulting in little overall change to total interest revenue. Interest expense declined as higher-rate member term deposits repriced in a lower interest rate environment. As a result of steady revenue and decreased expense, financial margin improved.

Non-interest income increased by \$244 thousand to \$2.3 million.

Provision for Credit Losses

Loan loss expense totaled \$367 thousand. After several years of low credit losses, economic conditions have started to create challenges for some borrowers. Loan write-offs increased modestly during the year, and the allowance for expected future credit losses was increased to reflect ongoing economic uncertainty.

Operating Expenses

Operating expenses increased \$522 thousand, or 4.7%, reflecting increased technology investment and inflationary pressure on all operating costs. Management remains focused on cost control and operational efficiency as these pressures continue.

Net Income

Net income for the year was \$3.3 million, resulting in a return on average assets of 0.53%, up from 0.47% in 2024.

Return on Assets



\$623M
TOTAL ASSETS

\$30.1M
INCREASE IN
MEMBER LOANS

\$9.5M
INCREASE IN
MEMBER DEPOSITS

\$3.3M
NET INCOME

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of Sudbury Credit Union Limited was established in accordance with the Credit Unions and Caisses Populaires Act, 2020 (Ontario) (“the Act”). The committee, which consists of members of the Board of Directors, holds primary responsibility for overseeing the Credit Union’s financial reporting, risk management, ethics, and compliance activities. The committee’s objectives, duties, and operations are governed by written terms of reference.

Throughout the year, the committee held five meetings. At these meetings, the committee engaged with senior management, internal auditors KPMG LLP and external auditors MNP, to ensure that the Credit Union’s financial activities were well-managed and compliant.

The Audit Committee undertook the following key actions in 2025:

- 1. External Audit Review:** The committee selected new auditors, reviewed and made recommendations to the Board regarding the annual external audit engagement letter, the audit scope, and the overall audit plan.
- 2. Approval of Financial Statements:** The committee carefully reviewed the audited financial statements and accompanying notes before their final approval by the Board of Directors.
- 3. Internal Audit Oversight:** The committee approved the Annual Internal Audit Plan and examined the Internal Audit reports, focusing on key areas of internal controls to safeguard the Credit Union’s assets.
- 4. External Audit Assessments:** The committee reviewed all audits conducted by external parties and approved the Management responses to address any identified risks.

- 5. Risk Management Review & Controls:** The committee thoroughly examined the Credit Union’s risk management policies and related assessments, ensuring that appropriate processes were in place to measure, monitor, and mitigate significant risks.

These activities were carried out with the objective of ensuring the safeguarding of the Credit Union’s financial and operational integrity.

The Audit Committee remains satisfied with the progress made in addressing all identified recommendations. All suggestions from the committee have either been fully implemented or are in the process of being executed by management. Based on its ongoing reviews, the Audit Committee confirms that there are no outstanding issues requiring disclosure under the Act or its regulations.

Conclusion

The Audit Committee continues to function effectively, in full compliance with the Act. Through the ongoing cooperation and support from Credit Union management, the committee continues to play a vital role in ensuring the quality of the Credit Union’s financial reporting, risk management processes, ethics management and adherence to compliance requirements, thereby enhancing overall operational control of the Credit Union.

Respectfully submitted on behalf of the Audit Committee,

Jamie Conroy (Chair)
David Vares
Grace Navarro
Lise Roy
Lindsay Liske (Ex-Officio)

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the Members of Sudbury Credit Union:

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2025, and the summary statements of financial position, income and other comprehensive income, changes in members' equity for the year then ended, and related notes, are derived from the audited financial statements of Sudbury Credit Union (the "Credit Union") for the year ended December 31, 2025.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with International Financial Reporting Standards.

Summary Consolidated Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated March 5, 2026.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary financial statements in accordance with the International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards (CAS) 810, Engagements to Report on Summary Financial Statements.



Chartered Professional Accountants
Licensed Public Accountants

Burlington, Ontario
March 5, 2026

STATEMENT OF FINANCIAL POSITION

YEAR ENDED DECEMBER 31, 2025, WITH COMPARATIVE INFORMATION FOR DECEMBER 31, 2024

	2025	2024
Assets		
Cash and cash equivalents	\$ 42,528,867	\$ 37,632,258
Loans to members	462,932,042	432,867,509
Investments	109,034,536	130,163,331
Pension asset	2,793,900	1,750,300
Other assets	753,401	1,020,779
Property, equipment and intangibles	4,509,332	4,832,949
Total assets	\$ 622,552,078	\$ 608,267,126
Liabilities and Members' Equity		
Members' deposits	\$ 558,274,661	\$ 548,781,078
Accounts payable and accrued liabilities	1,933,312	1,330,810
Deferred income taxes	460,003	328,404
Lease liabilities	902,383	1,017,256
Liabilities qualifying as regulatory capital	6,439,572	6,242,229
Total liabilities	568,009,931	557,699,777
Members' equity:		
Contributed surplus	5,484,655	5,484,655
Retained earnings	46,898,358	43,637,501
Accumulated other comprehensive income	2,159,134	1,445,193
Total members' equity	54,542,147	50,567,349
Commitments and contingencies		
Total liabilities and members' equity	\$ 622,552,078	\$ 608,267,126

STATEMENT OF INCOME

YEAR ENDED DECEMBER 31, 2025, WITH COMPARATIVE INFORMATION FOR DECEMBER 31, 2024

	2025	2024
Revenue:		
Interest		
- Non-mortgage loans	\$ 2,163,889	\$ 2,618,104
- Mortgage loans	18,439,350	17,231,984
Investment income	5,147,966	5,868,376
	<hr/> 25,751,205	<hr/> 25,718,464
Cost of financing:		
Interest		
- Demand deposits	464,661	472,896
- Term deposits	5,262,188	6,092,920
- Registered accounts	5,735,735	6,383,505
Interest on external borrowings and lease liabilities	38,507	41,651
Dividends on investment shares	252,658	292,111
	<hr/> 11,753,749	<hr/> 13,283,083
Net interest income	13,997,456	12,435,381
Provision of credit losses	367,436	(10,391)
Net interest income after recovery of credit losses	<hr/> 13,630,020	<hr/> 12,445,772
Non-interest revenue	2,270,139	2,025,916
	<hr/> 15,900,159	<hr/> 14,471,688
Operating expenses:		
Salaries and employee benefits	6,509,946	6,165,387
General	3,494,781	3,394,562
Occupancy	723,785	697,268
Organization	251,215	242,549
Insurance	644,034	602,357
	<hr/> 11,623,761	<hr/> 11,102,123
Income before income taxes	4,276,398	3,369,565
Income taxes	987,099	628,887
Net income for the year	\$ 3,289,299	\$ 2,740,678

STATEMENT OF OTHER COMPREHENSIVE INCOME

YEAR ENDED DECEMBER 31, 2025, WITH COMPARATIVE INFORMATION FOR DECEMBER 31, 2024

	2025	2024
Net income for the year	\$ 3,289,299	\$ 2,740,678
Other comprehensive income:		
Items that may be subsequently reclassified to net income:		
Net gain on financial assets measured at FVOCI:		
Unrealized gains in fair value of investments	(17,024)	587,039
Income tax expense	4,511	(155,565)
	(12,513)	431,474
Reclassification of realized (gains) losses to the statement of income	-	647
Income tax expense (recovery)	-	(171)
	-	476
	(12,513)	431,950
Items that will not be reclassified subsequently to net income:		
Actuarial (loss) gain related to defined benefit pension plan	947,700	406,700
Income tax recovery (expense)	(251,163)	(107,764)
	696,537	298,936
Total other comprehensive income for the year	684,024	730,886
Total comprehensive income for the year	\$ 3,973,323	\$ 3,471,564

STATEMENT OF CHANGES IN MEMBERS' EQUITY

YEAR ENDED DECEMBER 31, 2025, WITH COMPARATIVE INFORMATION FOR DECEMBER 31, 2024

	2025	2024
Contributed surplus:		
Balance, as at January 1 and December 31	\$ 5,484,655	\$ 5,484,655
Retained earnings:		
As at January 1	43,637,501	40,896,823
Reclass net gain (loss) on disposal of equity investment	(28,442)	-
Net income	3,289,299	2,740,678
Balance, end of year	46,898,358	43,637,501
Accumulated other comprehensive income:		
As at January 1	1,445,193	714,307
Net change in fair value of available-for-sale financial assets, net of tax	29,917	-
Other comprehensive income	684,024	730,886
As at December 31	2,159,134	1,445,193
Members' equity, end of year	\$ 54,542,147	\$ 50,567,349

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2025

1. Basis of Presentation

The summary financial statements are derived from the audited financial statements, prepared in accordance with International Financial Reporting Standards, as at December 31, 2025 and for the year then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be reflected in them so that they are consistent in all material respects with, or represent a fair summary of, the audited financial statements. The summary financial statements do not include the statement of cash flows, summary of material accounting policies or notes to the financial statements.

The complete audited financial statements of Sudbury Credit Union are available upon request by contacting the credit union.

OUR STAFF



