

2025 ANNUAL REPORT



Board of Directors

Lynda Kay	Chair	2027
Rob O'Neil	Vice Chair	2027
Michael Riseley	Director/Audit Chair	2027
Patricia Maguire	Director/ Governance Chair	2028
Darlene Robertson	Corporate Secretary	2026*
Steven Goodman	Director	2028
Ron Wiebe	Director	2026**
Cathy Timlin	Intern Director	2026*
Warren Denomme	Intern Director	2026*

* Up for re-election

** Retiring



REPORT OF THE CHAIR

On behalf of the Board of Directors, I am pleased to present our Annual Report and reflect on the past year.

Once again, management delivered a strong operating performance. 2025 has been a year of continued strength, resilience, and meaningful progress for our credit union. In an environment shaped by economic uncertainty and evolving member needs, we remained focused on what matters most, serving you, our members, with integrity, stability, and a steadfast commitment to your financial well-being.

Throughout the year, the Board worked closely with management to ensure strong governance, effective risk oversight, and alignment with our long-term strategic priorities as outlined in the Credit Union's 2025–2027 Strategic Plan. We are pleased with the organization's performance, which reflects disciplined decision-making and a continued focus on sustainable growth.

Our success continues to be grounded in our cooperative values. Supporting our members, investing in our communities, and fostering meaningful relationships remain at the core of everything we do. We further strengthened those connections while exploring new ways to enhance the member experience and deliver greater value.

As we look ahead, the Board remains confident in the direction of the credit union. We will continue to focus on prudent governance, innovation, and ensuring we are well positioned to meet the changing needs of our membership.

On behalf of the Board, I would like to thank our management team and staff for their dedication and professionalism, and my fellow Directors for their commitment and thoughtful leadership. Most importantly, thank you to our members for your continued trust and support.

Cooperatively yours,

A handwritten signature in black ink that reads "Lynda Kay". The signature is written in a cursive, flowing style.

Lynda Kay,
Board Chair



REPORT OF THE CEO

It is my pleasure to present our Annual Report and reflect on a year of progress, strength, and member-focused achievement at Ganaraska Financial Credit Union.

In 2025, we continued to navigate a dynamic economic environment while maintaining a steadfast commitment to serving our members. Thanks to the dedication of our team and the support of our Board, we delivered strong results, maintained financial stability, and advanced key strategic initiatives that directly benefit you.

Highlights from this past year include:

- **Community Engagement:** We continued to invest in local initiatives, strengthening partnerships and supporting programs that make a meaningful difference in the communities we serve.
- **Awards and Recognition:** Our efforts were honoured this year with several prestigious awards, including the Spirit Award for Best Financial Institution, a Civic Award from the Municipality of Port Hope, and the Northumberland Chamber of Commerce Chair's Award. We also proudly celebrated our 80th anniversary, marking this milestone with celebrations and recognition throughout the year.
- **Governance and Mentorship:** Our Board launched a Mentorship Program for aspiring Directors, fostering leadership development and reinforcing our cooperative values.
- **Financial Strength:** Through prudent management, we maintained a strong and stable loan portfolio, achieved responsible asset growth, and enhanced our ability to support our members' financial goals.

As we move into 2026, we are excited about opportunities to grow our membership and extend the benefits of our credit union to more people in our communities. Your recommendations make a difference, referring friends, family, and colleagues helps strengthen our cooperative, broaden our impact, and ensure we continue delivering the personalized service our members value.

We are also focused on strategic investments that will drive sustainable, long-term growth:

- **Enhanced Accessibility:** New ATMs will be installed in June 2026 to improve convenience and service for our members.
- **Modernized Loan Processing:** A new Loans Origination System is being implemented to streamline approvals and enhance the member experience.
- **Digital Transformation:** We have vetted and secured a new Online Banking system provider, planned for launch in 2027/28, which will provide a modern, user-friendly digital experience for our members.

Our broader priorities for 2026 include strengthening organizational effectiveness by making the member experience seamless and convenient, empowering our employees to develop their skills, and inspiring our teams with purpose. We will continue to deepen our connections within the communities we serve, guided by a strong social purpose and a commitment to making a meaningful difference in people's lives.

I would like to extend my sincere appreciation to our dedicated employees for their professionalism and commitment, and to the Board of Directors for their guidance and oversight. Most importantly, thank you to our members for your continued trust, loyalty, and engagement. Together, we are building a credit union that reflects our shared values and commitment to community.

Finally, I would like to express my heartfelt gratitude to Ron Wiebe on his retirement from the Board after 12 years of service. Over that time, Ron held several key roles and brought valuable insight and leadership to the organization. We are grateful for his many contributions and his deep understanding of the important role credit unions play within the financial services sector. His experience and dedication will be greatly missed.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'K Foster', with a stylized flourish at the end.

Kathy Foster,
Chief Executive Officer



REPORT OF THE AUDIT COMMITTEE

The Audit Committee is established by the Board of Directors and is composed of members appointed by the board from among its directors. The Committee meets, at minimum quarterly and is an integral part of the overall framework of corporate governance and oversight. Together with Senior management, internal and external auditors, the Audit Committee provides oversight that fosters an environment where:

- Risks are assessed and adequately mitigated
- Reporting is accurate, timely and relevant
- Assets and member interests are safeguarded, and
- Positive ethics are upheld

The Audit Committee has a mandate that includes, but is not limited to, all of the tasks specified for Audit Committees in the *Credit Unions and Caisse Populaires Act, 2020*, the associated regulations and the Ganaraska Audit Committee Terms of Reference. The Audit Committee met four times during the 2025 fiscal year to complete its responsibilities including:

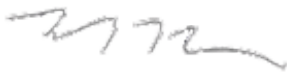
- Reviewed the financial statements and results of the year end audit with the external auditor and recommended for Board approval the audited 2025 audited financial statements and notes, along with other year end reporting requirements.
- Reviewed Management's response to the audit findings and oversaw resulting actions, if any, and recommended both to the board.
- Met with the External Auditor, Tinkham, LLP (without Management present) and reviewed the performance of the external auditor.
- Reviewed the external auditor engagement letters for the 2025 year-end audit.
- Reviewed the internal audit charter and annual internal audit plan and recommended both to the board for approval.
- Met with the Internal Auditor, Jones & O'Connell, LLP (without Management present), to review the performance of internal audit activities, internal audit reports, Management actions to implement recommendations and to confirm the internal Auditors independence. Ensured that regulatory filings were submitted on time.
- Reviewed results of regulatory and other third-party examinations and oversaw resulting actions.
- Reviewed the Credit Union's applicable policies, procedures, and controls for legislative compliance, ensuring an effective compliance program is in place.

- Recommended the Credit Union’s risk appetite and risk tolerance limits to the Board.
- Monitored the adherence of Directors, Officers, and Employees with the Credit Union’s policies and Code of Conduct.
- Reviewed Management’s business continuity planning including timely and effective responses to incidents, the effectiveness of the Credit Union’s cyber security and the information system availability for members.
- Completed a self-assessment on the effectiveness of the Committee and reviewed the performance of the Committee Chair.

Management has implemented all Committee recommendations and there are no matters which the Committee believes should be reported to the members or which are required to be disclosed pursuant to the Act or the regulations.

I would also like to take this opportunity to express my appreciation to the committee members for their diligence and attention in the significant work the committee completed throughout the past year.

Respectfully submitted,



Michael Riseley, Committee Chair

Committee Members: Steven Goodman, Ron Wiebe



REPORT OF THE GOVERNANCE COMMITTEE

The Governance Committee is established by the Board of Directors and is composed of members appointed by the board from among its directors. The Committee meets quarterly and is an integral part of the overall framework of corporate governance and oversight. The committee is responsible for assisting the Board in providing appropriate governance for the Credit Union and fulfills this responsibility by making recommendations to create, promote, monitor, and enhance policies and programs for:

- Corporate governance
- Board succession planning
- Board and committee composition
- Director education, knowledge, skills, and abilities

The Governance Committee met four times in 2025. Key activities included:

- Provided oversight for the Board, Committee, and Director self-assessment process.
- Analyzed results and recommended direction to the Nominating Committee on skill gaps to be filled in 2026.
- Provided oversight for the new Director Orientation Program and new committee member orientation.
- Monitored legislation and regulatory developments impacting Ganaraska's operating procedures, policies, or By-laws.
- Monitored Directors' compliance with the mandatory education program and ensured Directors received annual training on anti-money laundering, privacy legislation and information security/cyber security.
- Reviewed and made recommendations to the Board regarding Director remuneration, term limits.
- Board diversity, and training priorities.
- Conducted a review of the CEO performance and compensation structure.
- Completed the annual review of the Corporate Governance Policy and Market Conduct Code Policy and recommended updates to the Board.

I want to thank the Committee members for their diligence and attention to detail in the important tasks the Committee completed over the past year

Respectfully submitted,



Patricia Maguire, Committee Chair

Committee Members: Steven Goodman, Rob O’Neil, Darlene Robertson, Lynda Kay (ex-officio)

Retirements

Thank You For Your Service

Long-time board director Ron Wiebe is retiring. GFCU recognizes and thanks him for his commitment and dedication. Wishing you all the best in your retirement.



GFCU Diversity Information



96%

Of our workforce
is women



100%

Of our leadership
positions are held by
women



44%

Of our Board of
Directors positions
are held by women

Governance

The Credit Union recognizes the critical role that effective governance plays in Ganaraska's success, as it sets the foundation for effective decision making and oversight. The role of the Board is to represent the interests of stakeholders, provide strategic direction that is aligned with our purpose, and create a vibrant, dynamic, and successful credit union. The Credit Union is committed to achieving high standards of effective governance, striving to become compliant and challenging itself to move beyond compliance and to govern with excellence. It recognizes that the Board is responsible for governance and that what the Board does, and how it does it, is fundamental to achieving good governance. Ganaraska Financial Credit Union's Board of Directors, operating as a policy board, approves a comprehensive set of Board policies that provides broad direction and delegates authority to Management for the operations of the Credit Union, to ensure consistency with those Board policies. The Board oversees Management decisions to ensure that sound and prudent practices are supported by effective organizational and procedural administrative systems. Effective internal controls are established to ensure compliance with applicable laws, regulations, rules, and established policies. In carrying out the Board policies, Management develops its own operational policies and practices. The Board's commitment to the organizational purpose involves a deep understanding of the organization's mission, values, and goals. It also involves ensuring that these values and goals are reflected in all aspects of the organization's decision-making processes. The Board works closely with Management to ensure resources are allocated to support the organization's strategic purpose and to monitor progress toward achieving its goals

Remuneration

Remuneration is fair and competitive with salaries of similar positions at credit unions of approximately equal asset size used as comparators. GFCU actively participates in compensation surveys to ensure alignment with the market.



REPORT OF THE NOMINATION COMMITTEE

The Nomination Committee is pleased to present its report for the 2026 year.

The Committee's mandate is to support strong governance by identifying, assessing, and recommending qualified candidates for election or appointment to the Board of Directors. This process ensures the Board maintains an appropriate balance of skills, experience, and diversity to effectively guide the credit union.

Over the past year, the Committee reviewed the Board's competency matrix to identify current strengths and any gaps in expertise. Recruitment efforts were aligned with these identified needs to ensure the continued effectiveness of the Board.

The Committee received several applications from members interested in serving as Directors. Each candidate was carefully evaluated against established criteria, including professional experience, governance knowledge, community involvement, and alignment with the credit union's values. Selected candidates participated in a structured interview process, and references and mentor feedback were also considered.

Based on this thorough process, the Nomination Committee recommended the following candidates to fill the Board vacancies:

- Darlene Robertson for a one-year term
- Warren Denomme for a three-year term
- Cathy Timlin for a three-year term

The Committee is confident that these individuals bring valuable skills and perspectives that will contribute positively to the Board's oversight and strategic direction.

The Committee would like to thank all members who expressed interest in serving on the Board. The level of engagement reflects the strength and commitment of our membership.

Respectfully submitted,

A handwritten signature in black ink that reads "Rob O'Neil". The signature is written in a cursive, slightly slanted style.

Rob O'Neil, Committee Chair

Committee members: Steven Goodman, Lynda Kay, Patty Maguire

Management Responsibility

The accompanying financial statements of Ganaraska Credit Union Ltd. and all information contained in this Annual Report are the responsibility of management. The financial statements have been prepared using the appropriate accounting policies that are in accordance with International Financial Reporting Standards. Management is also responsible for the integrity and fairness of the information presented, which include certain amounts that are based on estimates and judgements. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material aspects. Ganaraska management has developed and maintains a system of internal accounting and administrative controls. The systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate for preparation of financial statements and that assets are properly accounted for and are safeguarded. The Board of Directors is responsible for ensuring that Management fulfils its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board of Directors carried out its responsibilities for the financial statements through its regular review of financial results and operations and through its Audit Committee. The Audit Committee is appointed by the Board. The Committee meets periodically, as per regulations, with Management, the external auditors and reviews quarterly third-party internal audit reports. Internal controls, the financial reporting process, auditing matters and overall financial reporting issues are reviewed and discussed to satisfy itself that each party is properly discharging their responsibilities. The financial statements have been audited by Tinkham LLP, our member appointed external auditors and their report is shown as part of the summarized financial statements.

Kathy Foster

A handwritten signature in black ink, appearing to read 'K Foster', with a stylized flourish at the end.

Chief Executive Officer

D C Tinkham FCPA FCA CMC LPA
P J Brocklesby CPA CA LPA
M Y Tkachenko CPA CA
M W G Rooke CPA CA LPA
A C Callas CPA CA LPA
G P Kroeplin CPA
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REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Members of
Ganaraska Credit Union Ltd.

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2025 and the summary statement of comprehensive income for the year then ended, and note to the summary financial statements are derived from the audited financial statements of Ganaraska Credit Union Ltd. ("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 on the basis described in the note to the summary financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting 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 summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated February 27, 2026.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements on the basis described in the note to the summary financial statements.

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 Standard 810, Engagements to Report on Summary Financial Statements.

TORONTO, Ontario
February 27, 2026

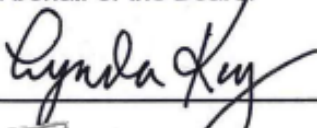


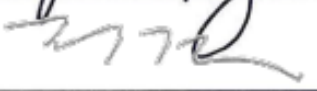
Licensed Public Accountants

GANARASKA CREDIT UNION LTD.
 Summary Statement of Financial Position

As at December 31	2025	2024
Assets		
Cash	\$ 10,865,413	\$ 8,317,033
Investments	14,736,937	14,271,791
Loans to members	181,219,059	177,133,106
Prepaid expenses and other assets	850,104	924,187
Property and equipment	1,273,407	1,271,759
	\$ 208,944,920	\$ 201,917,876
Liabilities and Members' Equity		
Liabilities		
Accounts payable and other liabilities	\$ 163,769	\$ 158,080
Members' deposits	197,570,327	190,532,658
Members' share capital	1,712,241	1,796,408
	199,446,337	192,487,146
Members' equity		
Members' share capital	6,704,357	7,197,713
Retained earnings	2,794,226	2,233,017
	9,498,583	9,430,730
	\$ 208,944,920	\$ 201,917,876

On behalf of the Board:


 _____ Director


 _____ Director

A full set of audited financial statements is available from the Credit Union.

GANARASKA CREDIT UNION LTD.
Summary Statement of Comprehensive Income

Year ended December 31	2025	2024
Financial income		
Interest on loans to members	\$ 8,833,896	\$ 8,874,546
Investment income	729,666	1,098,023
	9,563,562	9,972,569
Financial expense (recovery)		
Interest on members' deposits	5,237,728	5,765,379
Provision for (recovery of) expected credit losses on member loans	27,358	(71,840)
	5,265,086	5,693,539
Financial margin	4,298,476	4,279,030
Add: Other income	956,045	866,524
Deduct: Operating expenses	4,381,109	4,098,865
Net comprehensive income before provision for income taxes	873,412	1,046,689
Provision for income taxes	91,514	113,968
Net comprehensive income for the year	\$ 781,898	\$ 932,721

A full set of audited financial statements is available from the Credit Union.

GANARASKA CREDIT UNION LTD.
Note to the Summary Financial Statements
December 31, 2025

The summary financial statements are derived from the audited financial statements, prepared in accordance with IFRS Accounting 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 included to ensure they are consistent in all material respects with, or represent a fair summary of, the audited financial statements.

Management prepared these summary financial statements using the following criteria:

- (a) The summary financial statements include a statement for each statement in the audited financial statements, except the statement of members' equity and statement of cash flows, which can be obtained from the complete set of audited financial statements;
- (b) Information in the summary financial statements agrees with the related information in the audited financial statements;
- (c) Major subtotals, totals and comparative information from the audited financial statements are included; and
- (d) The summary financial statements contain the information from the audited financial statement dealing with matters having pervasive or otherwise significant effect on the summary financial statements.

A full set of audited financial statements is available from the Credit Union.

GFCU In the Community

A credit union relies on its community for success, and we truly believe we can play a large part in making our communities better, stronger, and more vibrant. Ganaraska Financial Credit Union knows the power of working together to accomplish a goal, and we are proud of our corporate donations, sponsorships, staff fundraising, Board & Staff volunteerism and financial education. Donations assist other organizations in reaching their financial goals and help them provide services we rely on. Our staff understands giving back is another important way to show we care about the members we serve.

In 2025 we helped many community organizations through our community investment program and in branch fundraising.

- Northumberland United Way
- Ganaraska Trail Public School
- Sound of the Next Generation (SONG)
- Canadian Firefighter Museum
- Art Gallery of Northumberland
- Cobourg Air Cadets 598 Sabre Squadron
- Northumberland Youth Wellness Hub
- FareShare Food Bank
- Big Brothers Big Sisters
- Ed's House
- Hamilton Township Community Works Food Bank
- Tammie's Jammies
- Down Syndrome Society of Northumberland
- Port Hope Walk-in-clinic
- The Rose Quest
- Northumberland YMCA
- Cornerstone Family Violence



Seminars and Workshops

In 2025, we at Ganaraska Financial Credit Union continued our efforts in promoting financial literacy and fraud awareness in our community. We offer a range of seminars and workshops targeted towards young people, including kids and teenagers. Our financial literacy seminars are designed to help young people understand important concepts like budgeting, saving, and investing. We also offer fraud awareness seminars for seniors that help people understand how to identify and avoid scams, as well as how to protect their personal information online. We believe that by providing these resources, we can help set our community up for a lifetime of financial success and security.

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