



elevate

# Land acknowledgement

Northern Credit Union's footprint spans the territories of many First Nations in Ontario, Quebec, and Manitoba and includes territories subject to Treaty 3, the Robinson Superior Treaty of 1850, Robinson Huron Treaty of 1850, Treaty 9, the Saugeen Tract Purchase of 1836 and Unceded Algonquin Territories. We would like to acknowledge all nations whose territories host our branches and thank them for welcoming us to their territories. As settlers, this recognition of the contributions and historic importance of Indigenous peoples must be clearly and overtly connected to our collective commitment to make the promise of Truth and Reconciliation real in our communities.

# contents

04

## Leadership report

Message from the Chair .....	5
Message from the CEO .....	7

09

## Elevating from within

Our communities & impact.....	10
Our team making a difference .....	13
Our people .....	15

16

## Organizational highlights

18

## Governance

Governance philosophy .....	19
Structure & leadership .....	20
About the leadership team.....	21
Directors 2025-26 .....	22
Board diversity report.....	24
Board remuneration .....	25
Board training & development.....	26
Audit committee report & board meeting attendance .....	27

28

## Financial report for 2025

Audited financial statements.....	29
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2025 Annual Report

Leadership

report

Message from the

# Chair



This year's annual report is guided by a single theme: Elevate — reflecting how Northern Credit Union approached a year of change by strengthening its foundation and raising expectations for the future.

Northern Credit Union navigated a year of significant change, emerging stronger, more capable, and better positioned to serve its members and communities. Throughout the year, the organization strengthened its foundation, setting clear direction for what comes next.

A defining milestone was the successful merger that brought two strong organizations together into a single, more resilient Northern Credit Union. The merger expanded Northern's capacity to serve members across its regions, strengthened the balance sheet, and increased flexibility to respond to evolving member needs.

The year also delivered Northern's strongest financial results to date, reinforcing the stability and confidence members expect from their credit union.

As it is every year, the Board's role was to ensure that change translates into tangible benefits. Choices related to integration, investment, and growth were shaped by how effectively they supported members in making informed financial decisions and accessing reliable advice. Making a Difference in People's Lives is what motivates our credit unions. For the Board, this means steady guidance, local presence, and long-term relationships, and that purpose informs strategic direction and day-to-day priorities. This approach also guides decisions around community investment, and in this Annual Report, you will read about Northern initiatives that reinvested \$352,912 to deliver practical, local impact.

The year also marked a significant leadership transition. The Board of Directors is pleased to welcome Phil Taylor as Northern's new President and CEO. His appointment followed the successful merger and reflects the next phase of Northern Credit Union's development.

Phil brings deep sector experience and a strong understanding of cooperative values, performance, and organizational culture. The Board also extends its sincere thanks to Richard Adam and Dennis Alvestad, who recently concluded their roles as co-CEOs. Their leadership and stewardship were instrumental in guiding Northern through a period of growth and integration and in building the organization it is today.

Members rely on Northern in important financial moments. The financial services environment continues to evolve, shaped by changing consumer expectations, advancing technology, and increasing regulatory and competitive complexity.

Members expect clarity, consistency, and advice they can rely on, delivered in ways that reflect how they manage their financial lives. Whether saving, borrowing, or planning for the future, they want Northern to be straightforward, dependable, and present when decisions matter. The Board's focus is on ensuring Northern continues to meet those expectations as it grows. Priorities include strengthening consistency in advice, improving service delivery across channels, and making it easier for members to engage.

The progress made this year, including mergers, leadership transitions, financial performance, and community investment, has created a stronger, more resilient Northern Credit Union. The organization is well-positioned to continue growing with intention, serving with care, and delivering lasting value.

Looking ahead, the Board remains focused on readiness and long-term resilience. Working closely with management, we are committed to ensuring Northern remains responsive to change while staying anchored in what matters most to its members and communities. Thank you for your continued trust and partnership. It is an honour to serve as Board Chair.

Respectfully submitted,



Max Liedke



“ Northern initiatives reinvested \$352,912 to deliver practical, local impact. ”

# Message from the President & CEO

Joining Northern Credit Union at this moment is both a terrific opportunity, as well as an important responsibility. From my earliest conversations with the Board, the leadership team, and employees across the organization, it was clear that Northern enters its next chapter from a position of strength, with the scale, stability, and commitment required to move forward with confidence.

The past year delivered exceptional results. Northern achieved record profitability of \$15.9 million, grew to \$2.6 billion in assets, and maintained a strong capital position of 16.57%.

These outcomes reflect disciplined decision-making, sound governance, and a financially resilient organization. This also provides the capacity to invest deliberately, in our people, our technology, our branches, and in the members and communities we serve. Equally important is the culture behind these results. Across Northern, I have seen a high level of engagement, pride, and accountability.

Employees understand their role in supporting members and communities, and they care deeply about the impact of their work. That commitment is one of Northern's most important strengths and a foundation upon which we will continue to build.

**\$15.9 M**  
in record profitability

**\$2.6 B**  
in total assets

**16.57%**  
in maintained capital



I would like to acknowledge and personally thank Richard Adam and Dennis Alvestad for their leadership and stewardship. Their foresight and dedication guided Northern through a period of growth and integration, helping position the organization well for what comes next.

Today, members navigate more complex financial decisions and have higher expectations of their financial institutions. Northern's response is clear: to be present, to listen, and to provide advice that is reliable, practical, and easy to understand. We will continue to support members with guidance they can trust and services that reflect how people manage their financial lives, whether saving, borrowing, or planning for the future.

The concept of "Elevate" is more than the theme of this Annual Report covering 2025. It is a commitment to raising standards across the organization in 2026. It means continuing to uplift members, delivering advice they can rely on, creating straightforward, personal experiences, and showing up consistently across the communities we serve. Whether in our branches or through our digital channels, our focus is on making financial services easier to navigate and more meaningful at every stage of life. Elevate is also about investing in our people and the environment where employees do their best work.

I am proud to take on this role at a time when Northern is strong, focused, and ready for what lies ahead. With a committed team and a clear sense of purpose, and a vision for the future that will guide and inspire our teams to achieve more. I look forward to continuing to build on the legacy of this outstanding organization.

Respectfully submitted,



Phil Taylor





2025 Annual Report

# elevating

from within

Our

communities &

# impact

Ultimately, elevation is measured by the impact we make in the communities we call home. It is reflected in how Northern shows up—not just as a financial institution, but as a community partner. Through local donations and sponsorships, employee

volunteerism, community partnerships, and support for small businesses and families, we invest in the places where our members live and work. When we strengthen our leadership, align our structure, and foster a strong culture, it

enables us to give back in more meaningful ways. Members experience trust, employees feel pride in contributing beyond their roles, and communities benefit from a credit union that is present, engaged, and committed to making a lasting difference.

## We're strongly committed to Making a Difference in People's Lives.



**\$352,912**  
invested back into our communities



We donated  
**\$194,092**

Monetary Equivalent of  
Total Volunteer Hours: **\$24,890**

**1,395**  
recorded  
volunteer hours



**\$158,820**  
in sponsorships

**284**  
separate initiatives  
& causes supported

We are proud to stand alongside local organizations that are creating opportunity, supporting families, and strengthening the places we all call home. Their work inspires us, and we are honoured to play a small part in helping it continue. We asked some of our community partners to share what our partnership has meant to them. Their words speak to the power of working together:



Thank you for your generous donation to our 200 Larch programs. Your support will make a meaningful difference for the individuals in our shelter and residential programs. Because of your kindness, we can provide extra items to brighten their Christmas and help meet their needs throughout the winter season.

We truly appreciate the generosity of the Northern Credit Union family. Wishing you and yours a joyful holiday season!

*Patty,  
Canadian Mental Health Association, Sudbury/Manitoulin District*

The 2025 Flour Mill Community Farm season has now wrapped up, and we are deeply thankful to Northern for helping us to continue serving the Flour Mill community. This year brought unexpected challenges, including the cancellation of the core government program that previously supported our operations. In a year when the future of the farm was uncertain, your support made all the difference. Because of sponsors like Northern Credit Union, we were able to:

- Serve more than 300 members at our year-end BBQ, hosted in partnership with Myths & Mirrors
- Provide meaningful summer employment for two local youth from the Flour Mill neighbourhood
- Run 10 “pay-what-you-can” markets, helping residents access fresh produce
- Grow an estimated 1,625 pounds of vegetables, directly supporting food security in a community where healthy food options are limited

Your generosity didn't just keep the farm running, it kept food on plates, young people employed, and a neighbourhood gathering place alive. On behalf of all of us at reThink Green, thank you for believing in this work and helping us continue to grow community, resilience, and good food in the Flour Mill.”

*Adam Churchard, Development Coordinator, ReThink Green*

On behalf of everyone at First Step Options Pregnancy Resource Centre, I want to extend our heartfelt thanks for your generous “Giving for Good” Christmas donation of \$2500.00 in support of our programs and services. Your gift will have a direct and meaningful impact on the lives of women, men, and families in our community. We are 100% community funded and in 2024 were provided a remarkable \$42,000.00 worth of material supports to families in the community. Things like diapers, formula, baby food & snacks, clothing and small baby equipment. The need is great for low-income families. As we look to the future, we consider it a privilege to serve our community at fragile times in their lives. Together, we are making a difference. Even when we cannot always put into statistics what we are accomplishing, this difference is measurable in the lives of those we serve.

*Donalee Loback, Executive Director, First Step Options Pregnancy Resource Centre*

# Giving for Good

Giving for Good reflects how Northern understands its role in the communities it serves. As a local cooperative, performance is measured not only in financial results, but in local presence and participation. This community initiative ensures that support reaches communities in visible and meaningful ways, particularly during the holiday season when needs are heightened and community organizations face increased demand.

Each year, employees across our footprint identify organizations within their communities where support can make an immediate difference. The impact is local and direct. Team members deliver donations personally, strengthening relationships with the people they serve.

In 2025, that commitment reached its largest impact to date. **Northern donated \$130,000 across 25 communities, supporting 57 charities focused on social wellness, mental health, and youth physical activity.** From putting food on the table and warm clothes under the tree, to strengthening access to healthcare and creating opportunities for children to thrive, these contributions made a meaningful difference in many lives.

For Northern employees, the campaign reflects both shared purpose and personal connection. Giving for Good demonstrates that elevation is not theoretical. It is visible in how resources are

directed, in the ability to contribute locally and to local teams, and in the strength of the communities Northern helps sustain. When our communities elevate, Northern Credit Union elevates with them.



Giving back is part of who we are year-round, but there's something especially meaningful about running our Giving for Good campaign during the holiday season. This time of year, needs become more visible, pressures increase, and community connection matters more than ever. Each donation is a step toward a brighter future for people in our communities, and we are proud to play a role in that.

*Jessie Wright, Communications and Community Investment Specialist*

# Our team making a difference



Since 2022, Northern has proudly supported Coldest Night of the Year, a nationwide initiative that raises funds for local charities serving people experiencing hurt, hunger, and homelessness. As a Challenge Partner, Northern has mobilized employees and community members to step up, walk, and give back in meaningful ways. Through fundraising efforts and active participation, Northern has helped raise more than \$23,000 in support of individuals and families facing housing insecurity, demonstrating our ongoing commitment to showing up for our communities when it matters most. In 2025, 54 employees participated across 8 of our communities.



## Do some good

For members, trust in a credit union is built over time. It begins with sound financial advice and consistent returns and deepens as the organization shows up for its communities. At Northern Credit Union, **Do Some Good** began as a way to encourage employees to become more involved in the causes that matter most to them. Over time, it has grown into something even more meaningful. Through this program, employees are given time to volunteer and give back to organizations they are passionate about. In turn, Northern provides donations to support those same causes—amplifying the impact in our communities.

What started as a volunteer initiative has become part of who we are. By empowering employees to support their passions, we strengthen our communities, deepen relationships, and live out our commitment to making a difference beyond banking.

### Program Success 2021 – 2025

3,680 volunteer hours → \$51,680+ donations provided



## Stacey's Story

Sault Youth Soccer  
Administration, Sault Ste. Marie

Volunteering as a soccer coach for a team of energetic and determined 8 year old girls has been one of the greatest joys of my year. Since September, these young athletes have shown up to every practice ready to learn, work hard, and cheer each other on. Watching their confidence grow alongside their skills has been incredibly rewarding. Being part of their journey, seeing friendships form, teamwork develop, and self-belief take root, is one of the most meaningful ways I know to give back to our community.

I'm especially proud that Northern Credit Union supports me through the **Do Some Good** program, giving me the opportunity to volunteer my time and contribute to a cause I care deeply about. Through this program, Northern also made a donation that helped ensure more children had the opportunity to play, removing financial barriers for families and making the game accessible to those who might not otherwise have participated.

That kind of support truly makes a difference, not just for the program, but for each young athlete who steps onto the field feeling included, supported, and inspired.

## Krystal & Destiny's Story

Paws for Love  
Red River Road Branch, Thunder Bay

Volunteering with Paws for Love Dog Rescue was a truly rewarding experience. We had the opportunity to help at a puppy meet-and-greet, assisting these adorable animals in finding their forever homes. Spending the afternoon cuddling puppies, engaging with visitors, and even selling 50/50 tickets reminded us of how small acts of support can make a big difference.

I'm especially grateful to Northern Credit Union for supporting me through the **Do Some Good** program. Through this initiative, Northern not only allowed me to volunteer my time, but also made a donation to Paws for Love, helping the organization continue its vital work of rescuing and rehoming dogs in need.

It was incredible to see firsthand how a little time, care, and community support can create meaningful impact. Together, we're helping animals find loving homes and strengthening the bonds that make our community stronger.



# Our people

At Northern, elevating our organization starts with elevating our people. In 2025, we invested in leadership development, strengthened skills, and empowered employees to take ownership of their growth. By creating opportunities for learning, collaboration, and innovation, we ensured our teams were equipped to deliver their best every day.

Our employees responded with dedication, focus, and a genuine commitment to supporting members—building strong relationships, enhancing

service, and driving meaningful impact in our communities. These efforts demonstrate that when we elevate our people, we elevate the experiences we provide to members.

Looking ahead, Northern Credit Union will continue to grow our talent, foster development, and empower employees to lead with confidence, ensuring that our people remain the foundation of every success and the driving force behind our continued progress.

## Supporting Professional Development

At Northern, we invest in our employees' growth, through training, mentorship, certifications, and leadership programs giving them the tools and support to reach their potential and succeed.

Leaders advanced their skills in leadership, coaching, and strategic alignment, earning 56 certificates in applied leadership, through our partnership with the eLeadership Academy. These efforts empower our teams and elevate the experiences we deliver to members.

At Northern, employees learn from each other through our mentorship program. They connect with experienced leaders, explore new areas of the business, and grow their skills together.

Investing in our employees through Northern Verified, our employee development program, ensures they're equipped to deliver their best. In 2025, 82% completed the program, proof of their commitment to excellence, authenticity, and member-focused service.

## Notable Achievements

92%

of team members see how department goals contribute to the success of Northern

56

certificates in applied leadership earned

5,948

total recorded staff training hours

93%

of employees' personal values are aligned with Northern Credit Union's core values

Organizational

Highlights

## Corporate scorecard results

Pillar	Key results	Key performance indicator	Actual	Target
Member focused	Improve member satisfaction	Member net promoter score	<b>80.3</b>	70
	Grow business with members	Member loan growth	<b>3.83%</b>	5.29%
	Grow business with members	Member deposit growth	<b>5.89%</b>	3.67%
	Strengthen member financial lives	Grow in net wealth investors	<b>7</b>	175
High performing employees	Employee engagement	Employee engagement survey	<b>73</b>	70
	Coaching one on one time	Individual dialogues	<b>79.00%</b>	60.00%
Financial strength	Strengthen the credit union	Return on assets	<b>0.59%</b>	0.23%
	Add value to members	Efficiency ratio	<b>74.50%</b>	89.04%



**\$2.6B**

Total assets



**\$15.9M**

Net income

**\$352,912** Donated to our communities

**82,560** Total number of loyal members



**307**

Team members

Total training dollars invested **\$159,602**



**29**

Branches



2025 Annual Report

# Governance

## Governance

# philosophy

The Credit Union recognizes the critical role that effective governance plays in Northern'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, 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.

Northern Credit Union's Board of Directors, operating as a policy board, approves a set of comprehensive Board policies that provide 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 that resources are allocated to support the organization's strategic purpose and to monitor progress toward achieving its goals.

# Structure

& leadership



# About the Leadership team



**Phil Taylor**  
*President & CEO*

Phil Taylor is a seasoned senior executive with deep experience leading sales, marketing, and operations across the financial services sector. A confident and values-driven leader, Phil is a graduate of the Richard Ivey Business School and a Fellow of the Institute of Canadian Bankers.

Phil brings the ability to align vision with execution, build and inspire high-performing teams, and lead with clarity through change. He is well positioned to guide Northern into its next phase of growth by strengthening relationships, unlocking organizational potential, and delivering sustainable results for members, employees, and communities.



**Tammy Buchanan**  
*SVP, Corporate Risk & Interim SVP of People & Culture*

Tammy has been with Northern Credit Union for over 20 years. Her prior experience in leadership roles within Loss Prevention and Finance at a major retail chain in Toronto has equipped her with a diverse skill set.

Tammy holds a Bachelor of Science from Lake Superior State University with a major in Criminal Justice and minor in Loss Prevention. She is also a Chartered Professional Accountant (CPA) designation holder and has completed the CUES CEO Institutes to become a Certified Chief Executive.



**Abid Khawaja**  
*SVP, Credit Risk*

Abid brings over 30 years of diverse business, banking, and regulatory experience to Northern Credit Union, joining the team in early 2021. His journey spans various industries across the US, UAE, and Canada, including a significant tenure with a leading Canadian bank.

Abid holds an MBA from the Richard Ivey School of Business and a BBA from the University of Central Oklahoma.



**Liisa Woolley**  
*SVP, Strategic Initiatives*

Liisa Woolley brings three decades of experience in leadership, organizational transformation and strategic execution. Liisa has successfully led mergers, technology implementations, and change management strategies that align with member and employee needs.

Liisa is a graduate of degree and leadership programs from the University of Windsor, Athabasca University, Royal Roads University, and York University and holds a Credit Union Leadership and Coaching Designation and a Chartered Marketing Designation, among other credentials.



**Marry Gunaratnam**  
*SVP, Information Technology*

With over 20 years of experience in the technology sector, Marry has held senior leadership roles at global institutions, including JP Morgan, before advancing into executive leadership within Canada's financial services industry. She holds a doctoral degree in Engineering, an Executive MBA, and a Master of Engineering, and is a licensed Professional Engineer (P.Eng), Project Management Professional (PMP), and Lean Six Sigma Black Belt.

Dr. Gunaratnam is an active thought leader, contributing to national conversations on fintech, digital transformation, and ethical AI.



**Matt Hitchens**  
*SVP, Finance*

Matt has 23 years of experience managing various accounting teams in multiple industries across Canada, Australia and the UK. Joining Copperfin in 2015, he brings a strong foundation of expertise to the credit union system.

Matt is a member of the Institute of Chartered Accountants of Australia and New Zealand and holds a Bachelor of Commerce (Accounting and Finance) degree from the University of Queensland.



**Steve Marquis**  
*SVP, Member Experience*

Steve brings over 20 years of dedicated service to the credit union system, and has held various roles spanning commercial services, project management, organizational effectiveness, and member experience leadership.

Steve holds a Business Diploma from Confederation College, a Certificate in Executive Sales Management from Schulich, and most recently has completed the CUES CEO Institutes to become a Certified Chief Executive.

# Directors 2025-26



**Max Liedke**  
*Board Chair*

Max Liedke is an Accredited Canadian Credit Union Director (ACCUD) and has been a credit union Board member since 2019, sitting on multiple committees during this time. Mr. Liedke is a Certified Public Accountant (CPA) and retired as Senior Vice President and Chief Operating Officer at Health Sciences North. He currently practices as an Executive Consultant in the C-Suite for health care organizations.



**Amber Aird-Williams**  
*Vice-Chair*

Amber Aird-Williams is an ACCUD and was first elected as a credit union Board member in 2022. She is a CPA, currently employed as the CFO of a manufacturing company in Cambridge, Ontario. She also has an MBA and a Bachelor of Mathematics, and Information Systems Management.



**Colt German**  
*Director*

Colt German has been a credit union Board member since 2021, completing the CUDA program during this time. Mr. German is a CPA currently working as Chief Financial Officer at Kenora Chiefs Advisory.



**Robert Jankovic**  
*Director*

Robert Jankovic served eleven non-consecutive years on a credit union Board, including a term as Board Chair in 2024. Mr. Jankovic has completed the Audit Committee Effectiveness and HR & Compensation Committee Effectiveness courses through the ICD and earned his ICD.D designation. He is a Certified Human Resources Leader (CHRL) and is presently working as a Human Resources Manager for an Indigenous organization in northern Ontario.



**Suzanne Klatt**  
*Director*

Sue Klatt is an ACCUD who has been on a credit union Board since 2014, serving as Vice Chair from 2022-2024. Ms. Klatt has worked in municipal government since 2002, currently in the position of CAO/Clerk. Sue has acquired her Certified Municipal Officer Diploma in Municipal Administration and Accredited Ontario Municipal Clerk accreditation. Sue is an active member of the Association of Managers, Clerks, Treasurers of Ontario, is a mentor for CMO applicants, and is active in her community as a volunteer on several other committees and groups.



**Daniel McCoy**  
*Director*

Daniel McCoy has been a credit union Board member since November 2020 and has achieved his ACCUD designation. Mr. McCoy is a lawyer licensed to practice law in Ontario, currently working as an associate lawyer at Nahwegahbow, Corbiere Genoodmagejig Barristers & Solicitors, based on Rama First Nation. His law practice exclusively represents First Nations' governments, businesses, and individuals.

<b>Term Expiry</b>	2027	2029	2028	2027	2029	2027
<b>Committees</b>						
<b>Audit &amp; Finance</b>		Member	Chair			
<b>Governance, HR &amp; Nominating</b>	Member			Member	Member	Chair
<b>Risk &amp; Integration</b>						

# The Board of Directors spearhead a number of committees dedicated to creating a dynamic & successful credit union.



**Janet McCutchon**  
*Director*

Janet McCutchon has been a credit union Board member for over 20 years. Mrs. McCutchon has completed the CUDA program and participated in the Audit Committee Effectiveness and the Art and Science of Chairing training programs offered by the ICD. She was a licensed pharmacist in Thunder Bay for more than 40 years.



**Cameron Ross**  
*Director*

Cameron Ross has been a credit union Board member since 2021, receiving his Institute of Corporate Directors (ICD), Canadian Risk Management (CRM), and ACCUD designations. Mr. Ross was the President and CEO of Algoma Mutual Insurance Company for 26 years until June 2025. He is an active member of his community.



**Piyush Shukla**  
*Director*

Piyush Shukla has served as a credit union board member since 2024. He holds a Bachelor of Science in Engineering and is employed at Algoma Steel Inc., where he leads enterprise risk management, strategy, market intelligence, and government relations. Mr. Shukla supports executive leadership in risk governance, strategic planning, and major capital programs, with a focus on disciplined oversight, long-term value creation, and organizational resilience.



**Kevin Squissato**  
*Director*

Kevin Squissato has been a credit union Board member since 2020, serving as Vice Chair and receiving his ACCUD and ICD.D designations during his time. Mr. Squissato served 22 years in the Canadian Armed Forces, operationally deployed throughout the Middle East and Canadian Arctic. Mr. Squissato holds an MBA and is a CPA, presently employed as the Director of Finance/Accounting at Manroc Developments.



**Rejean St-Amour**  
*Director*

Reg St-Amour has been a credit union Board member since 2022, receiving his ACCUD designation in this time. Previously, Mr. St-Amour served on the Sault Area Hospital Board filling several progressive roles including Board Chair. He established StAmour Consulting, which provides organizations with strategic executive leadership services related to business transformation and information technology.



**Chris Thorne**  
*Director*

Chris Thorne has been a credit union Board member since 2022, receiving his Accredited Canadian Credit Union Director (ACCUD) designation and completing the ICD-Rotman Directors Education Program (ICD.D). Mr. Thorne is a Chartered Professional Accountant (CPA) and Partner and Vice President at Para Partners, a multi-family office with holdings across Northwestern Ontario and Manitoba. He is active in his community as a member of the Finance Committee for the Kenora & Lake of the Woods Community Foundation.

<b>Term Expiry</b>	2027	2028	2029	2028	2028	2029
<b>Committees</b>						
<b>Audit &amp; Finance</b>	Member					Member
<b>Governance, HR &amp; Nominating</b>						
<b>Risk &amp; Integration</b>		Member	Member	Member	Chair	

# Board diversity report

In fiscal 2025, Northern Credit Union's Board composition consisted of qualified individuals with a diverse range of education, experience, and expertise.

Northern Credit Union is committed to promoting diversity, equity, and inclusion in all aspects of our work, including within our Board of Directors. We believe that a diverse and inclusive board is essential for effective governance and for ensuring that our organization serves all stakeholders equitably and responsibly.

Our commitment to board diversity is demonstrated by our efforts to recruit and retain board members with varied backgrounds, experiences, and perspectives.

We believe that a board that represents the diversity of our communities and stakeholders brings a variety of perspectives and experiences to decision-making and better informs our strategic priorities.

Northern Credit Union considers diversity of thought, experience, and background important in building a balanced board that has complementary expertise, skills, and perspectives.

We recognize that achieving diversity and inclusion is an ongoing process, and we are committed to regularly reviewing and updating our practices to ensure that we are making progress toward our goal. We believe that by working together, we can create a board that truly reflects the diversity of our communities and is better equipped to serve their needs.

↗ **75%**  
of board members are male

↗ **25%**  
of board members are female

↗ **17%**  
of board members are black, indigenous, and/or people of colour (BIPOC)

↗ **20%**  
of chairpersons are female

# Board remuneration & evaluation

It is the policy of the Credit Union that Directors receive fair financial compensation for their services to Northern Credit Union commensurate with the size and complexity of the Credit Union. The primary objective of the Credit Union is to serve the membership. It is this commitment that guides the leadership of the Credit Union, and any reimbursement is intended to offset expenses, and to a reasonable measure, the Directors' time dedicated to the Credit Union business.

To ensure an ongoing objective approach to compensation, the Board seeks external credit union comparator information to benchmark against. Board member compensation is guided by the principles of fairness, member first accountability, and sustainability. To ensure that compensation levels do not fall behind the market, comprehensive compensation reviews are conducted every three years. Per Finance, board expenses for 2025 were:

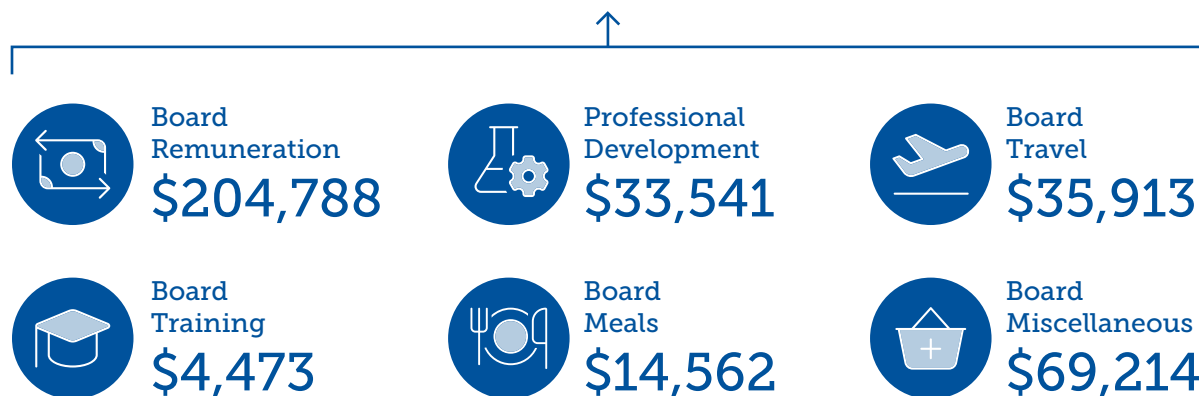
The Board is committed to ensuring effective performance and competency requirements of all Directors.

A comprehensive Director Assessment and Evaluation process is completed on an annual basis and each Director participates in this process to assess the effectiveness of the Board as a whole, each of the Committees, Chair of the Board, Audit Committee Chair, Committee Chairs, and their peers.

In conjunction with an annual skill and competency assessment against twelve core competencies, individual development plans are designed to address any gaps in skill set and experience. As well, overall Board competency gaps for focused recruitment along with a robust endorsement process are embedded into the nomination process.

This supports continuous improvement in the Board profile and prioritizes succession planning and diversity.

**\$157,703** Total expenses (excluding remuneration)



*Board Miscellaneous would include any consulting costs.*

# Training

## & development

The Board of Directors plays a critical role in guiding the direction and strategy of a credit union, and it is essential that the Board continuously learns and develops key skill sets to effectively fulfill this role. Board learning aligns with Northern's strategic objectives by ensuring that the Board has the knowledge, skills, and expertise necessary to make informed, effective decisions that support Northern's mission and goals. Directors participate in ongoing training and development that includes Director development courses to maintain their accreditation, and other structured and nonstructured learning opportunities that close competency gaps while keeping them abreast with industry changes.

## Types of training

### Informal:

Autonomous, industry-relevant learning through scholarly articles, educational videos, podcasts, social media, or guest speakers.

### Formal:

Board participation includes scheduled self-directed courses, new Director and Audit Committee orientations, development conferences, webinars, seminars, or workshops that are relevant to the credit union industry.

### Mentorship:

Formal coaching and guidance are provided for new Directors with the intention to expedite their ability to conduct their fiduciary role. A formal Mentorship program is an integral piece of our new Directors' orientation curriculum. The Mentorship program ensures that new Directors have a valuable resource to guide them through the necessary Director requirements, duties, and responsibilities in their first year of governance.

The program is reviewed on an annual basis with feedback from the participants which is used to enhance the program.

### Accreditation:

The Accredited Canadian Credit Union Director (ACCUD) accreditation guarantees that Directors understand, meet, and maintain appropriate competency levels in credit union corporate governance through a certified designation. Northern Credit Union Directors are required to complete three levels of credit union governance courses through the CCUA's Credit Union Director Achievement (CUDA) Program within their first term of service. Through CUDA, Directors develop a deeper understanding of the foundations, risks, strategies, and applications associated with credit union governance. CUDA graduates who have served on a credit union board for two years are eligible to write a qualifying exam for their ACCUD designation. As of the end of 2025, nine Directors have successfully completed their ACCUD accreditation with three Directors in-process.

# Audit Committee report

Northern Credit Union Limited's Audit Committee is a committee of the Board of Directors pursuant to Section 104 of the Credit Unions and Caisses Populaires Act, 2020 and Section 36 of Ontario Regulation 105/22.

The committee consisting of four directors has adopted a mandate that comprises all of the duties specified to be performed by Audit Committees in the Regulations to the Act. The Audit Committee is pleased to report to the members of Northern Credit Union that it is functioning pursuant to the requirements of the Act, and that it has fulfilled its annual mandate.

The Audit Committee held five meetings during the year and completed the following significant activities:

- **Served as the liaison between the Board of Directors and the external auditors.**
- **Reviewed and recommended to the Board of Directors, the terms of engagement for the external auditors and their remuneration.**
- **Reviewed and approved the external auditors' scope and audit plan.**
- **Reviewed the audited financial statement of the Credit Union and recommended their acceptance to the Board of Directors.**
- **Served as the liaison between the Board of Directors and the internal auditors.**
- **Received and reviewed and approved the internal audit scope and plan.**
- **Received and reviewed all Internal Auditor activities and reports.**
- **Received and reviewed reports of regulatory compliance audits, including the Credit Union's response and progress on management's action plans.**
- **Held in camera sessions with both the external and internal auditors.**
- **Reviewed the committee's mandate and annual workplan to ensure compliance with our responsibilities.**

Based on its findings, the Audit Committee issues reports and makes recommendations to the Board of Directors or Senior Management, as appropriate, with respect to the matters outlined above, and follows up to ensure that the recommendations are considered and implemented.

The Committee received full co-operation and support from the Co-CEOs and Management enabling it to play an effective role in improving the quality of financial reporting to the members and enhancing the overall control structure of Northern Credit Union. The Audit Committee demonstrated a respectful and professional relationship with all parties. There are no significant recommendations made by the Audit Committee that have not been either implemented or are in the process of being implemented. In addition, there are no matters the Audit Committee believes should be reported to the members, nor are there any further matters that are required to be disclosed pursuant to the Act or the Regulations.

Respectfully submitted,



Colt German

## Director Meeting Attendance (2025-26)

Director	Term Expiry	Held	Joined
Amber Aird Williams	2029	41	41
Colt German	2028	39	38
Robert Jankovic	2027	32	26
Sue Klatt	2029	34	31
Max Liedke	2027	37	37
Daniel McCoy	2027	37	36
Janet McCutcheon	2027	34	33
Cameron Ross	2028	39	36
Piyush Shukla	2029	37	27
Kevin Squizzato	2028	39	36
Reg St-Amour	2028	42	34
Chris Thorne	2029	36	34



2025 Annual Report

# Financial

report for 2025

# Financial statements for 2025

## Management's responsibility for financial information

Management is responsible for the preparation, presentation and consistency of the summarized financial statements and the complete financial statements of Northern Credit Union Limited and all the information in this Annual Report. The summarized financial statements are derived by management from the complete financial statements. The complete financial statements have been prepared by Management in accordance with International Financial Reporting Standards. Management has prepared the financial information contained in the Annual Report and has ensured that it is consistent with the complete financial statements. Management maintains the necessary system of internal controls to provide reasonable assurance that transactions are authorized, assets safeguarded, and proper records maintained. This system of internal controls provides reasonable assurance that financial records are reliable and are a proper basis for preparation of the financial statements.

The Audit Committee, in carrying out their responsibility, has reviewed and approved the complete financial statements. KPMG LLP, the independent external auditors appointed by the members of the Credit Union, have examined the complete financial statements in accordance with Canadian generally accepted auditing standards.



*P. Taylor*

**Phil Taylor**  
President & CEO



*M. Hitchens*

**Matt Hitchens**  
SVP, Finance

## Statement of Financial Position

As at December 31, 2025, with comparative information for 2024

In thousands of Canadian dollars	2025	2024 Restated
<b>Assets</b>		
Cash	\$ 59,701	\$ 42,200
Investments	258,944	170,445
Loans receivable	2,264,867	1,665,856
Accrued interest receivable	5,948	4,004
Other assets	19,670	14,020
Property and equipment	15,855	10,595
Computer software	544	69
<b>Total assets</b>	<b>\$ 2,625,529</b>	<b>\$ 1,907,189</b>
<b>Liabilities</b>		
Member deposits	\$ 2,227,061	\$ 1,582,631
Accrued interest payable	17,587	17,046
Other liabilities	17,950	10,294
Securitization liabilities	159,333	160,540
Membership shares	413	1,644
<b>Total liabilities</b>	<b>2,422,344</b>	<b>1,772,155</b>
<b>Members' Equity</b>		
Share capital	49,727	49,141
Retained earnings	81,177	61,600
Contributed surplus	71,160	19,134
Accumulated other comprehensive income	1,121	5,159
<b>Total Members' equity</b>	<b>203,185</b>	<b>135,034</b>
<b>Total liabilities and members' equity</b>	<b>\$ 2,625,529</b>	<b>\$ 1,907,189</b>

## Statement of Income

As at December 31, 2025, with comparative information for 2024

In thousands of Canadian dollars	2025	2024
Interest income		
Loans receivable	\$ 107,798	\$ 76,476
Investments	8,763	7,592
	<b>116,561</b>	<b>84,068</b>
Interest expense		
Member deposits	42,173	39,545
Interest on borrowing	6,367	5,953
	<b>48,540</b>	<b>45,498</b>
Net interest income	68,021	38,570
Provision for loan losses	5,000	3,104
Net interest income after provision for loan losses	63,021	35,466
Other income	16,889	12,125
Net interest income and other income	79,910	47,591
Operating expenses		
Salaries and benefits	28,473	19,673
Administrative expenses	20,561	15,395
Insurance	2,378	1,800
Occupancy	3,547	2,704
Board costs	362	254
Depreciation and amortization	1,968	1,623
	<b>57,289</b>	<b>41,449</b>
Income before distributions	22,621	6,142
Distribution to members	(2,994)	(1,533)
Income before income taxes	<b>19,627</b>	<b>4,609</b>
Provision for income taxes		
Current	4,074	921
Deferred	(385)	(591)
	3,689	330
<b>Net income</b>	<b>\$ 15,938</b>	<b>\$ 4,279</b>

## Statement of Comprehensive Income

As at December 31, 2025, with comparative information for 2024

In thousands of Canadian dollars	2025	2024
Net income	\$ 15,938	\$ 4,279
Other comprehensive (loss) income		
Defined benefit plan actuarial losses	(868)	(452)
Losses on cash flow hedges	(39)	(55)
Unrealized gain on investments	133	1,867
Recovery of (provision for) income taxes	205	(360)
Other comprehensive (loss) income	(569)	1,000
<b>Total comprehensive income</b>	<b>15,369</b>	<b>5,279</b>



# elevate

*is about investing in our people and the environment where employees do their best work.*