

2025 ANNUAL REPORT



**St. Gregor
Credit Union
Limited**



**Saskatchewan
Credit Unions**

saskcu.com



83rd ANNUAL MEETING

2025 ANNUAL MEETING

ST. GREGOR CREDIT UNION LIMITED

TUESDAY, MARCH 17, 2026

ANNAHEIM COMMUNITY HALL

6:00 P.M. REGISTRATION

**6:30 P.M. BANQUET
MEETING**

MEETING AGENDA

- **1. CALL TO ORDER**
- **2. READING AND ADOPTION OF LAST YEARS ANNUAL MEETING MINUTES**
- **3. OFFICIAL NOTICE OF MEETING AND STATEMENT DISCLOSURE**
- **4. BOARD REPORT**
- **5. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**
- **6. AUDITED FINANCIAL STATEMENTS**
- **7. ADOPTION OF REPORTS**
- **8. ELECTION RESULTS**
- **9. APPOINTMENT OF AUDITORS**
- **10. NEW BUSINESS**
- **11. ADJOURNMENT**
- **12. 50th ANNIVERSARY BRANCH CELEBRATION**

ST. GREGOR CREDIT UNION LIMITED

**ANNUAL MEETING
MARCH 18, 2025**

ST. GREGOR COMMUNITY HALL

The 82nd Annual Meeting of the St. Gregor Credit Union Limited:

RE: It's 2024 operations were held Tuesday, March 18, 2025 at the St. Gregor Community Hall.

Registration began at 6:00 p.m. with the banquet following at 6:30 p.m. catered by LiL Grill House out of St. Gregor.

Gail Michel president of the board called the meeting to order at 7:24 p.m. with 82 members and guests being registered at the door.

CONFIRMATION:

Manager, Alan Kiefer, provided confirmation that: adequate notice of the meeting had been provided, that the financial statement was available to the membership within the required time and that a quorum was present for the meeting.

AGENDA:

Calvin Michel moved the Agenda be adopted as set out, seconded by David Hogemann. Carried.

MINUTES:

Manager Alan Kiefer read the minutes of the last Annual Meeting being March 19, 2024. Joel Taphorn moved the minutes be adopted as read. Seconded by Stan Rohel. Carried.

MANAGER AND DIRECTOR REPORTS:

Gail Michel & Alan Kiefer presented the manager and director reports.

Jeff Hoffmann moved the reports be adopted as read. Seconded by Dave Zimmerman. Carried.

AUDITORS FINANCIAL REPORT:

Alan Kiefer presented the Audited Financial Reports. Carol Sommer moved the reports be adopted as put forth. Seconded by Connie Bley. Carried.

Alan also reminded the membership that the financial report presented in the report was a summarized report prepared by MNP, and that there were full financial statements (33 pages) containing the notes to the summarized statement available both at the meeting and in either branch office of St. Gregor Credit Union.

AUDITORS:

Blair Bley moved that MNP llp be appointed auditors for 2025 seconded by Gerard Doepker. Carried.

NEW BUSINESS:

A presentation followed from Barry Bundus, fraud consultant at National Consulting Limited (NCL).

DOOR PRIZE:

A Gift Basket from Heather Crone was won by Lorne Dosch.

A Gift Basket from Wanda Kiefer was won by Darrell Crone.

ADJOURNMENT: Blair Bley/Jeff Hoffmann adjourned the meeting at 7:56 pm.

**ANNUAL MEETING OF THE MEMBERS OF
ST. GREGOR CREDIT UNION LIMITED
MARCH 17th, 2026**

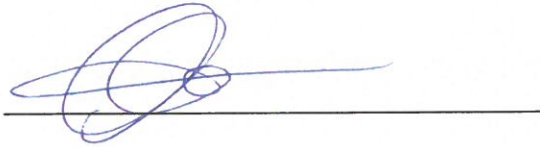
Affidavit of Completion of Reports

I, Alan Kiefer, General Manager of St. Gregor Credit Union, make oath and say that:

The Auditor's Report and Financial Statements were made available to the Membership on March 1st, 2026, which is at least 10 days prior to the Annual Meeting.

Sworn before me at the Village
Of St. Gregor, in the Province
Of Saskatchewan, this 1st day
Of March, 2026.

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)
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A Commissioner of Oaths in and for
the Province of Saskatchewan.
My Appointment expires March 31st, 2027.

**ANNUAL MEETING OF THE MEMBERS OF
THE ST. GREGOR CREDIT UNION LIMITED**

1. Proof of Notice:
CANADA) I, Alan Kiefer
) of the Village of St. Gregor,
) in the Province of Saskatchewan,
) Secretary of the
) St. Gregor Credit Union Limited

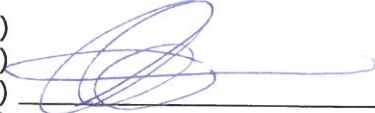
TO WIT:

That I have personal knowledge that the notice of the annual meeting was duly prepared and given to its members, as required by the Bylaws of the Credit Union.

NOTICE was posted in both of the St. Gregor Credit Union offices on February 10th, 2026;

Notice was also published in the Annaheim News About Town in the February and March 2026 edition. Winter/February edition of the St. Gregor Credit Union Newsletter and Facebook page, and the February 12th & 26th & March 12th Edition of the Humboldt Stew

Sworn before me at the Village of
St. Gregor in the Province of
Saskatchewan this 1st day of
March 2026

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A Commissioner of Oaths in and for
The Province of Saskatchewan.
My Appointment expires March 31st, 2027.



Saskatchewan
Credit Unions

Make it Real

Message from the President

I am pleased to present the 2025 Annual Report for St. Gregor Credit Union Limited. Our strong performance in 2025 resembled that of prior years, with an 8% increase in member loans, a 7% growth in both assets and member deposits, and an impressive 10% increase in member equity. With these solid financial results, we are again able to return a patronage allocation of \$150,000 to our members, as well as support our communities and surrounding long term care facilities with significant cash donations. A drop in interest rates and escalating technology costs challenged the bottom line, but the strength of the diversified economy in our area, increased demand for loans and the continued support of our members have all contributed to our success.

Our success is rooted in the continued commitment and expertise of our team of management and staff. Additional regulations and audit requirements, evolving technology, increased cyber risks and system upgrades all add to their workload. Through all this, they are able to provide timely, courteous and face to face service to existing and new members. Excellent internal and external audit results and reports continually confirm the quality of work performed by our employees. Their work quantity is confirmed by their efficiency ratios which exceed all other credit unions in Saskatchewan. We can not thank them enough for all their hard work and dedication to our credit union.

On behalf of the Board of Directors and staff, we again thank our members for their continued support, confidence and loyalty. Our membership grew in excess of 3% in 2025 and almost 25% in the last 5 years. Our strong and diverse membership and communities are vital to the success of our credit union and providing support where we live, work and conduct business is our priority. We strive to exceed expectations and help members achieve their financial goals.

The board is responsible for the strategic oversight, business direction and supervision of management of St. Gregor Credit Union. With retirements on the horizon, additional focus was placed on the succession plan in 2025, as well as increased board training and assessments. We are committed to remaining autonomous but take every opportunity to collaborate with other credit unions to provide value to our members and our business operations. I want to thank my fellow directors for their commitment of time and effort to work together on behalf of the owners, you our members.

Challenged by the uncertainties of interest rates, inflation, tariffs and political posturing, our 2026 budget still reflects continued growth and a strong profit. We look forward to 2026 with optimism for another successful year.

Respectfully,
Gail Michel, CPA, CA
President, St. Gregor Credit Union



ST.GREGOR CREDIT UNION LIMITED

Vision

To effectively provide responsible services and dedicated leadership in our community through co-operative sharing for the benefit of all.

Communities – Not only the geographical areas our branches reside in, but also those groups with common interests we serve (farming, seniors, schools, sporting, youth, etc.)

Mission

Ensuring that our staff and directors are knowledgeable and that our members and potential members are informed, we will work together as well as with other Credit Unions to maintain a stable and viable Credit Union in our community.

Attracting and maintaining sufficient capital, we will maximize the utilization of this capital to manage revenue and expenses in accordance with corporate policy, thus maximizing financial benefit to members.

Effectively market and deliver our full line of financial services, to existing and future members through innovative resource management with other Credit Unions.

Values

Co-operation and Accountability

We are committed to working towards providing our members with the highest quality service. Our strength and development is enhanced by acting co-operatively as a system. We take into account the effect of our actions on each other.

Service Excellence

We strive for the highest quality service in the financial community. We provide all Credit Union members with friendly, knowledgeable and helpful service.

Product Excellence

Our continuous innovations ensure members receive added value. We provide access to a broad range of financial products tailored to meet or exceed member needs.

Financial Performance

Our strong financial performance allows us to fulfill our co-operative principles. We balance our need for financial results with the needs of our members and communities. We earn the confidence of our members and ensure our continued growth and development by providing an unlimited guarantee on member deposits and adhering to sound business practices.

Community Impact

We actively support the development of our communities locally, provincially and beyond. Our communities are stronger because of our Credit Union.

Professional Conduct

Members' financial affairs are conducted with integrity and in a professional manner. Our ethical principles are rooted in the concern for the individual. Confidentiality is integral to the way we do business.

Employee Satisfaction

We respect our employees and their contributions to our success. We encourage employee involvement and participation. We recognize and reward them for their creativity, team work and achieving objectives. We support their development by providing training and educational opportunities. We respect their need to balance personal and professional lives.

Co-operative Principles

As a true co-operative financial institution, St. Gregor Credit Union acts in accordance with internationally recognized principles of co-operation:

Voluntary and Open Membership

Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

Democratic Member Control

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives, members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.

Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

Autonomy and Independence

Co-operatives are autonomous, self-help organizations controlled by their members. If they enter agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, regional, national and international structures.

Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

CODE OF CONDUCT

The Credit Union will annually remind employees, officers and directors of the importance of Market Code. The Credit Union has adopted a Code of Conduct that sets standards for the business and ethical conduct of employees. Annually, employees, officers and directors are required to sign a declaration stating that they have reviewed the Credit Union's Code of Conduct and commit to uphold the principles in the Market Code.

Credit Union Market Code

St. Gregor Credit Union voluntarily adheres to the Credit Union Market Code. This code has been jointly developed by Saskatchewan Credit Unions, SaskCentral and Credit Union Deposit Guarantee to ensure the protection of Credit Union members. The code sets forth guidelines for the following areas:

- **Fair Sales** information that focuses on the differences between preferential pricing and coercive tied selling, risk management and discrimination.
- **Transparency and Disclosure** information that focuses on account opening and notice requirements.
- **Professional Standards** for Employees (employee licensing, training and accreditation where applicable);
- **Privacy** of Personal Information (PIPEDA);
- **Complaint handling** (Problem Resolution); and
- **Low fee accounts** (basic accounts).

Management Discussion & Analysis

Introduction

St. Gregor Credit Union is an independent Saskatchewan Credit Union owned by our members. Under the current Credit Union legislation, St. Gregor Credit Union is able to provide financial services to members and non-members. As at December 31, 2025 St. Gregor Credit Union had 2,829 members and 0 non-members. Non-members do not participate in the democratic processes of the Credit Union nor the patronage program, and therefore to date all people wanting to complete business transactions with St. Gregor Credit Union have chosen to pay the \$ 5 membership fee.

Our membership has increased by 88 memberships in 2025, (116 in 2024) with 185 new memberships and 97 being closed. A large portion of our closed accounts continue to be estate accounts.

Our Credit Union serves the communities of Annaheim and St. Gregor and their surrounding areas through 2 branches, one located in St. Gregor and one in Annaheim. In these communities, we provide a range of financial services including a full range of deposit and lending products.

Strategy

The vision of St. Gregor Credit Union is to effectively provide responsible services and dedicated leadership in our communities through co-operative sharing for the benefit of all. Throughout the year, specific objectives are monitored that support this vision.

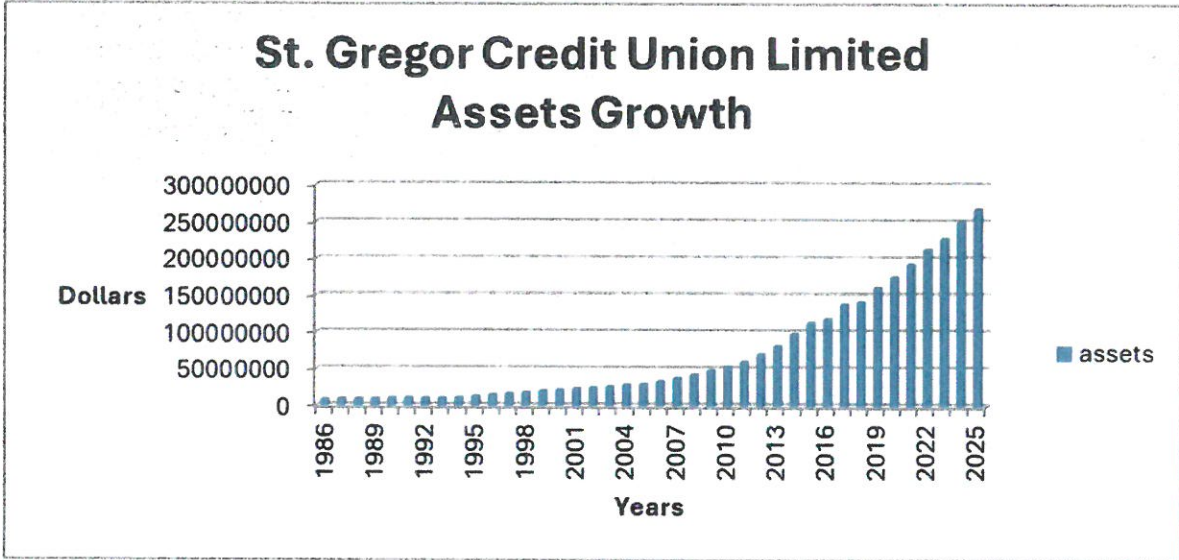
We continued to focus on our key strategic objectives in 2025, one being the growth of the Credit Union while maintaining a fair stream of revenue and customer satisfaction. In an ever growing competitive financial industry, we managed to increase our membership base with the added bonus of strong growth, as you will see by the accompanying report.

Meeting the goal of our vision requires that St. Gregor Credit Union not only attract new members, but more importantly preserving existing memberships as well. To support our objective of increased customer loyalty all employees, whether front line or management, are dedicated to serving the members ongoing needs in a timely matter.

Results

Financial Performance

Following this report, we will be going over the financial statements for the Credit Union. As in previous years, we continue to focus on key or primary areas in the report. The first is growth: This year we experienced average growth in assets. 2025 saw our assets grow by 7.34% compared to 9.57% last year.

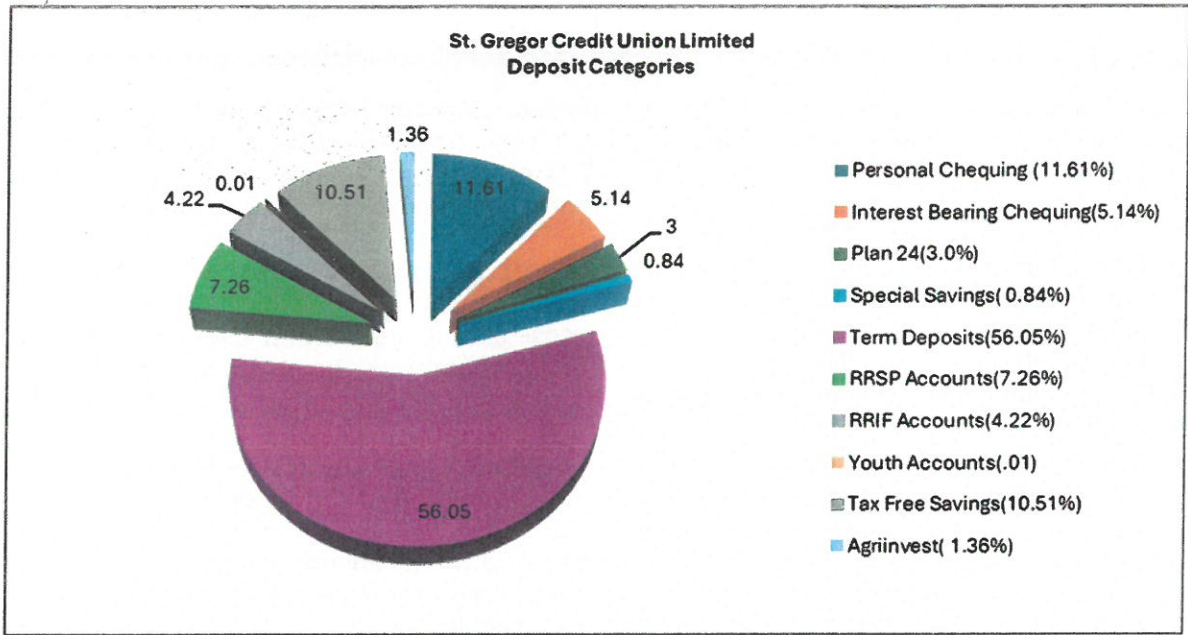


With the increase in assets and strength in the economy, loans increased slightly to 82.19% as a percentage of assets (last year end loans totalled 81.42% of assets). This ratio is calculated on loans to members and includes accrued interest on the loans outstanding to these members. This ratio is monitored closely, as our regulator Credit Union Deposit Guarantee Corporation (CUDGC) does not like the ratio to exceed 80% of assets. The dollar amount of loans has increased by approximately \$ 17,000,707 or 8.29%. This percentage no longer includes any syndication loans, which you will see in a breakdown further on in the report.

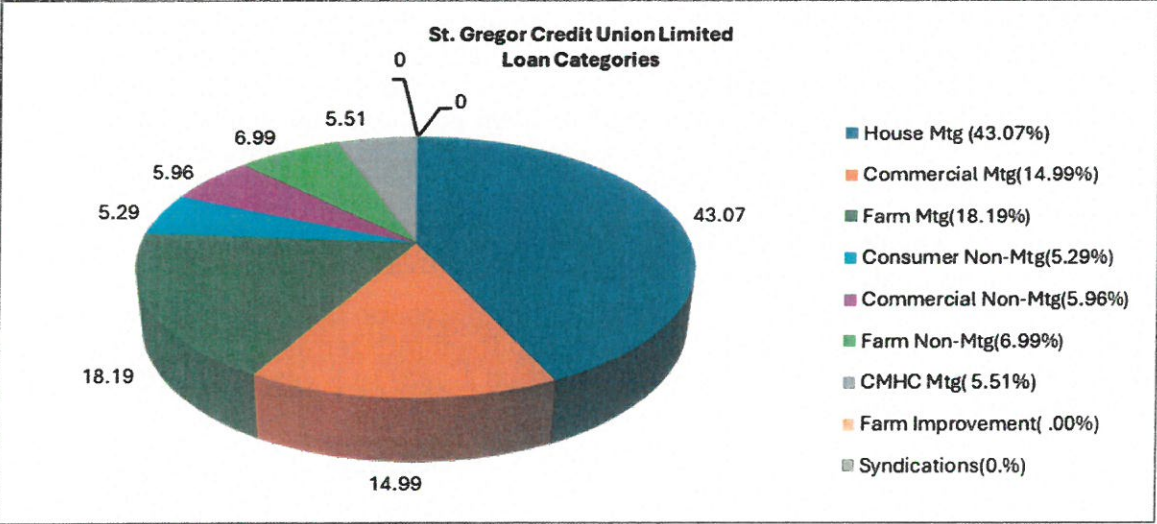
Member deposits increased by approximately 7.18%. Of the \$ 15,561,156 million dollar growth in member deposits, the majority of the growth entered the balance sheet in term deposits and Tax free savings accounts, (TFSA). This is good as it allows us to secure longer term deposits to satisfy our loan demand, however they come at a larger cost to the credit union. Demand deposits did not enjoy the growth as in previous years with farmers holding off on selling grain. If history prevails we should see much larger deposit gains in the coming months.

TFSA accounts which were introduced to the membership in 2010 continued to show significant growth. When we review the balance sheet, you will also note that Member Equity Patronage Accounts form a part of the total member deposits. Each member will receive patronage based on both a percentage of money that they have earned from the Credit Union or money they have paid on loans and lines of credit. As stated earlier, our 2025 profit will again enable the Credit Union to add to your patronage account with a total allocation of \$ 150,000.00. This brings our total patronage allocations since the inception of the program in 1999 to \$ 4,225,000.00

Variable rate or demand deposits represent 21.96% of our total deposits and 78.04% of our deposits are in fixed rate products. This breakdown changes very little from year to year.



Investments have increased apprx. \$ 2.35 million from last year end.
 A summary of lending activity shows that 490 loans, leases, lines of credit applications, line of credit reviews, extensions and amendments in the amounts of \$ 79,951,022.82 were dealt with in 2025, compared to 422 in the amount of \$ 70,785,614 in 2024.
 For interest sake, our loan portfolio consists of the following breakdown in loans at year end:



St. Gregor Credit Union’s loan portfolio can be influenced by excessive concentration in a number of ways: geographic region, type of product, industry, demographic characteristics and associated groups or individuals.

Life as we traditionally knew it has changed our every day lives with the economic turmoil, from work habits to home life. Work places and individuals have changed the way they want to live with regards to where they work and more particularly when and how they want to balance work and family life. Through the introduction of various government assistance

programs individuals were prepared to adapt their daily lives and habits. In 2025 with inflation continuing to decline, declining interest rates, a recession possibly looming in the horizon, the US election and the woes in our our federal politics, businesses and individuals continued to face some serious challenges and the Credit Union was no exception. Through all this activity we have to remember that land values, commodity prices, home values, and personal incomes all have a direct influence on risk in the loan portfolio. In addition, local industries and agriculture community are subject to market and weather conditions and now possible tariffs beyond the control of the Credit Union will be difficult to plan for.

Credit Union Deposit Guarantee Corporation introduced Regulatory Guidance relating to residential mortgage underwriting a few years ago and constantly revisit it. The guideline reaffirms the need for Credit Unions to have a stress-testing regime that considers unlikely, but plausible, scenarios and their impact on the residential mortgage portfolio. Results of these stress tests should be and is considered in the Credit Union's internal capital adequacy assessment process (ICAAP).

Credit Unions perform these stress tests on their capital through the ICAAP process no less than quarterly. The results are then reported to the directors and regulator.

St. Gregor Credit Union loan portfolio is comprised of 53.87% consumer, 20.95% commercial, 25.18% agriculture and 2.23% revolving credit facilities. Keeping this in mind financial institutions still cannot predict the rising costs that we have seen with gas, utilities and technology.

We feel we have limited geographical exposure being we only operate the two branches in central Saskatchewan. We can use limited syndication to diversify our portfolio as well as manage concentration limits or aggregate limits to members.

We continue to manage with the assumption that at any time a dramatic downturn in any industry could impact earnings/capital of the Credit Union. We can attest that this has been tested over the years and may soon happen again.

At year end, our \$ 216.6 million dollar loans portfolio consisted of 5.51% insured residential mortgages and 43.07% uninsured residential mortgages.

Insured mortgages are insured through Canada Mortgage & Housing Corporation (CMHC). Insured mortgages require less of a down payment, usually 5%-10%, however come at a cost of a 4% insurance premium payable by the member to the Government. Historically uninsured mortgages (conventional) required 25% down payment, and more recently 20%. The majority of St. Gregor Credit Union's conventional mortgages would have in excess of 25% equity, and therefore St. Gregor Credit Union does not believe it has any undue risk with the economic downturn in its uninsured mortgage portfolio or underwriting practices and that current risk weighted asset-based concentration provisions in our ICAAP sufficiently address risk in the residential portfolio.

With regards to the terms of residential and CMHC mortgages, on December 31st we held approximately 85.66% of our residential mortgages in fixed rate terms, with the remaining 14.34% in demand or variable. These terms range from 1 year to 5 years. The 85.66% fixed terms breakdown would be:

Under 1 year	23.05%
1-2 Years	17.42%
2-3 Years	12.53%
3-4 Years	13.97%
4-5 Years	18.69%

St. Gregor Credit Union's policy is to not exceed a maximum 25 years on residential mortgage amortizations.

In the past year we have seen the average amortization period across our residential mortgage portfolio increase with new houses, renovation loans and members utilizing equity on their homes for paying other higher cost debts.

St. Gregor Credit Union presently does not have any home equity line of credits or commonly referred to as HELOC's. In line with Residential Mortgage Underwriting guideline standards, the Credit Union will continue to review its mortgage underwriting practices ensuring it continues to meet the guideline standards.

Also, through these reviews the Credit Union has not identified any non-conforming mortgages.

As economies change, our regulators enhance policies and requirements. Credit Unions are definitely not excluded from these changes, and we have continued to see our Residential Mortgage Underwriting Policy (RMUP) guidelines have ongoing changes.

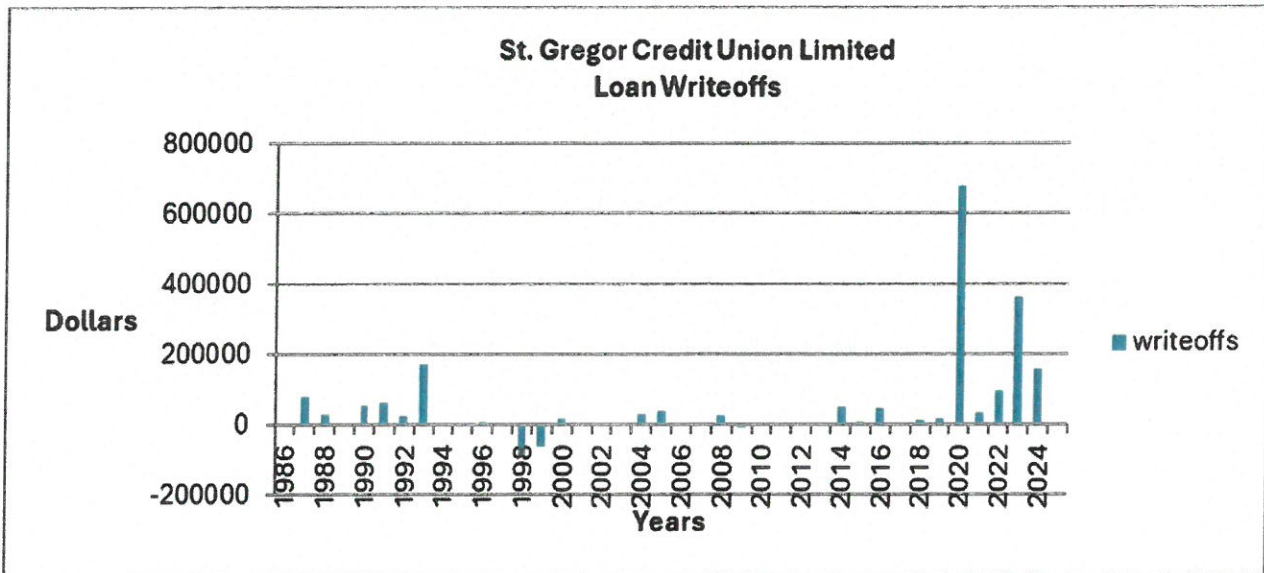
Some of the changes would include stress testing payments (ensuring members can make payments in the case of interest rate increases), more conservative approaches to estimating the property value for loan to value ratios (LTV) where property values have increased rapidly and ensuring the LTV ratio for non-performing mortgages is not exceeded.

Risks

**Credit Risk

The next area is risk. Credit risk is the risk of loss arising from a borrower or counterpart's inability to meet its obligations.

The primary type of risk is associated with loans. We have again established some new loan allowances this year and removed some past allowances. We ended the year with 1 loan (0.01%) on loss exposure which lists all loans that are 90 days delinquent or more. Total delinquency, which includes all loans that are behind in payments 1 day or more accounted for the same 0.01% (\$ 18,343) of total loans, the same loan and percentage from last year's .01%. The average throughout the entire Saskatchewan system was .66% (90 days and over). We had 0 members that contributed to loan write-offs in 2025. We had a very small loan recovery in the amount of \$ 228.67 in 2025. New regulations introduced January 1st, 2018, require Credit Unions to now establish a collective allowance based on previous and historic loan write-offs. This collective allowance will in essence form yet one more tier of capital. We held \$725,000 in collective allowance at year end. This is \$ 125,000 higher than the amount held at last year end.



****Liquidity Risk**

Liquidity is yet another factor, which we monitor. Liquidity risk is the potential inability to meet obligations, such as liability maturities, deposit withdrawals, or funding loans without incurring unacceptable losses. Liquidity risk includes the inability to manage unplanned decreases or changes in funding sources.

Lessons learned from the global economic crisis and the failure of financial institutions in many parts of the world highlighted the need for financial institution to enhance their financial and business practices. The financial crisis revealed that liquidity buffers were inadequate and that the global banking system as a whole was dangerously undercapitalized and overleveraged.

In response, the Basel Committee published the Basel III framework on December 16, 2010. The framework focused on capital and liquidity reforms that intended to result in more resilient Financial Institutions and a sounder financial system during periods of stress. Six key elements make up the scope of the Basel III framework:

- Maintain more and better quality capital
- Achieve Enterprise Risk Management maturity
- Ensure robust and comprehensive stress testing
- Enhance capital adequacy assessment
- Integrate comprehensive and actionable capital and strategic planning
- Hold more and better quality liquidity

As of January 1st 2017, all six elements have been incorporated into the standards of sound business practices and regulatory guidelines for Credit Unions. The last (for now) and sixth element deals with new liquidity risk management principles. Regulatory guidance was published and two new regulatory liquidity ratio requirements were introduced; Liquidity Coverage Ratio (2017) and Net Stable Funding Ratio (2018).

With these new regulated liquidity requirements, the introduction of liquidity monitoring tools and quarterly reporting requirements came into effect January 1, 2017.

St. Gregor Credit Union's liquidity risk management framework recognizes the 13 principles, described in the regulatory guideline, that need to be satisfied in order to make liquidity risk management robust and fully effective. The principles have been used to assess current gaps of the current liquidity risk management program for management and the board's future planning considerations. This regulatory guideline was revisited and revised in January 2022.

Managing liquidity is a fundamental component of sound financial management practices at St. Gregor Credit Union. On and off-balance sheet assets and liabilities must be managed to ensure that cash inflows have an appropriate relationship to approaching cash outflows. Funding requirement analysis reveals that a loan to asset ratio of 80%, diligent management of liquid assets to ensure an appropriate response to the potential of a liquidity event and taking all opportunities to achieve a reasonable return on assets within the risk profile of the Credit Union will contribute to St. Gregor Credit Union's long term financial viability and prosperity.

The purpose of our liquidity management plan is to ensure the optimal level of liquidity is maintained to meet regulatory and operational needs under both normal and emergency conditions. An inadequate amount of liquidity means that the Credit Union may not be able to meet member loan demand or that it will not be able to fulfill member demands for withdrawal of their deposits. A surplus of liquidity means that the Credit Union may not be generating sufficient returns on its funds to achieve an optimum return to its members or depositors.

As at December 31, 2025 St. Gregor Credit Union held \$ 20,546,500 in its statutory liquidity portfolio and this represents 8.65% (8.65% in 2024) of its member liabilities. St. Gregor Credit Union has never had to draw on their statutory liquidity portfolio to fund its liquidity requirements. Adjustments are made to this account 4 times per year (February, May, August and November) based on quarterly financials to ensure the amount in the account remains at or just above 8.65% of member liabilities. Effective January 1, 2023 the regulators changed this limit to 8.65% from the previous 10% limit freeing up some of these funds for credit union use.

As well on December 31st, 2025, the St. Gregor Credit Union's operating liquidity to potential outflow was 134.91% (122.14% in 2024). At each quarter end, St. Gregor Credit Union completes a Credit Union Liquidity Adequacy Report (CULAR) and as of yearend, our CULAR or liquidity coverage ratio (LCO) was 509.46% (758.64% in 2024). Credit Union Deposit Guarantee Corporation (CUDGC) standard on the LCO is 100%.

Finally, St. Gregor Credit Union carries a line of credit with SaskCentral in the amount of \$ 4,500,000 as additional support to our liquidity needs. This credit facility sees minimal usage and as of December 31, 2025, carried a NIL balance.

Over the past 2 years management has learned to keep surplus liquid deposits in the daily overnight account so it is readily available for unexpected draws.

Regarding liquidity management at the provincial level, please note the following: SaskCentral manages liquidity on behalf of Saskatchewan Credit Unions. Through aggregating statutory liquidity deposits, SaskCentral facilitates clearing and settlement, supports daily cash flow management and co-ordinates emergency liquidity support. SaskCentral coordinates emergency liquidity support through emergency funding and centralized coordination.

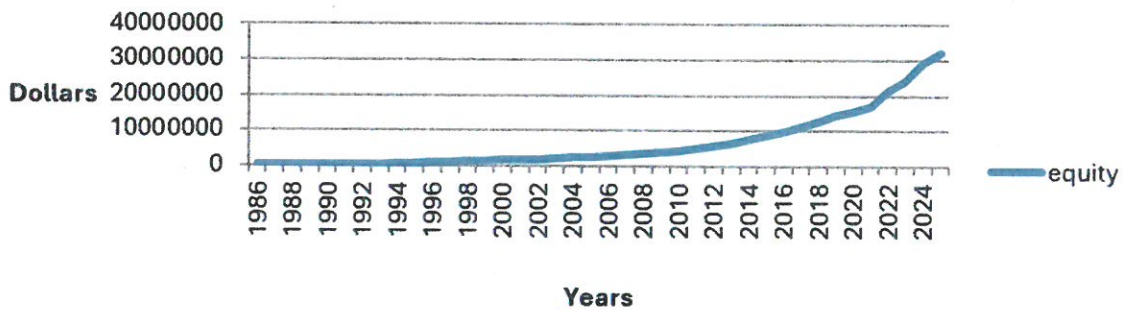
We completed the year in a positive liquidity position: \$ 8,000,305 compared to \$ 5,898,080 last year.

This was with approximately \$ 11.9 million in approved loans not yet disbursed at year end. 2026 has started out slightly below previous years as we have seen in excess of \$ 5 million dollars of deposits enter the balance sheet within the first week of 2026. Without the continued support of member investments in your local Credit Union, our liquidity position could continue to be a concern with the large loan demand we have experienced over the past years.

Equity, the difference of assets and liabilities which is the measure of ownership, remained strong this year. Equity can be measured both as a percentage of assets or as a dollar amount. This year we completed the year with \$ 31,995,662 or 11.93% compared to \$ 29,262,747 or 11.72% last year. CUDGC sets standards for the Credit Unions to follow, one of the standards being that we must have 5% equity in our organization, or we become subject to supervision by CUDGC.

We also rate our equity under the Bank of International Standards (BIS). Under BIS standards we are required to hold 8% equity. We presently hold 21.60% compared to the Saskatchewan Credit Union system average of 16.57%. A new ratio that CUDGC monitors is a leverage ratio. Their standard for this ratio is 5%. We ended the year with a leverage ratio of 11.83% compared to the Credit Union system average of 9.82%.

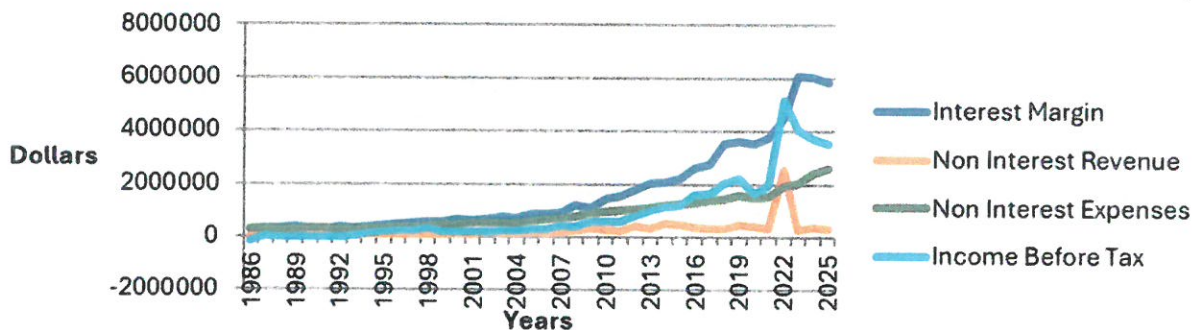
St. Gregor Credit Union Limited Change in Equity Position



A strong equity position comes from good profitability. This year our profitability was \$ 24,775 lower than that of last year. Profit before any tax allocation was \$3,692,440 compared to \$ 3,717,215 last year. This was with allocating \$ 150,000 in member patronage this year and \$ 150,000 in 2024. In 2025 we again made some substantial donations to local organizations. Total donations in excess of \$50,000.00 to the communities of St. Gregor and Annaheim along with larger donations to surrounding long term care facilities. These donations are in addition to multiple other donations and sponsorships to local and surrounding organizations. Our decrease in profitability can be attributed to SaskCentral discontinuing dividend payments, a drop in interest rates and escalating technology costs.

The Credit Union would also like to acknowledge the St. Gregor Community Club and Annaheim Rec Board for using some of the funds for the renovation to the Seniors Halls in both locations, and encourage everyone to stop in for coffee and check them out.

St. Gregor Credit Union Limited Income & Expenses



Productivity

Finally, we will look at Productivity. Productivity remains very competitive with other Credit Unions, considering we have to remember we have two branches to operate. The following chart will show our productivity compared to the provincial average.

PRODUCTIVITY

	ST. GREGOR	PROVINCIAL AVERAGE
Assets/Staff	\$ 29,810,290	\$ 9,550,293
Deposits/Staff	\$ 25,824,556	\$ 8,140,331
Loans/Staff	\$ 24,613,700	\$ 7,312,811
Membership/Staff	314	166
**Personnel Costs/Staff	\$ 133,775	\$ 117,965

**** Personnel costs include training, benefits, pensions etc.**

Like size or peer group Credit Unions are no longer reported by our regulators however, St. Gregor Credit Union does monitor comparisons with like size Credit Unions on a quarterly basis.

Summary

The Credit Union continued to experience growth and a strong profit in 2025 similar to the financial results of 2024. The Credit Union did add some allowances on doubtful loans and to its general allowance in 2025, resulting from a predicted weakened economy, and added to our collective allowance.

Additional non-interest revenue received in the form of items such as SaskCentral dividends over the years are now gone with the sale of Concentra.

While working to balance the many risks related to the financial industry in which it operates, the Credit Union is budgeting to experience average to below average financial results in 2026.

As a financial institution, the Credit Union is essentially in the business of taking on and managing risk on a number of fronts. The Board of Directors and Executive Management team are committed to balancing and managing the various risks of the organization to ensure strength and stability well into the future. A management team with in excess of 90 years of combined financial industry experience works very closely with the Credit Union's Board of Directors to establish policies and procedures to effectively manage the various risks that the organization is exposed to. Regular audits, both internal and external, combined with ongoing monitoring performed by the organization's regulator, the Credit Union Deposit Guarantee Corporation (CUDGC), also provide support to the risk management function of the Credit Union.

The 2025 CUDGC's annual supervisory and examination letter to St. Gregor Credit Union again reported no deficiencies.

Risk is managed on a regular basis, with monthly meetings of the Credit Union's Board of Directors being held and quarterly detailed risk reports being presented to the Board of Directors.

Enterprise Risk Management

Each year our Credit Union spends significant resources measuring and assessing risks and ensuring we are adequately prepared to serve our communities now and in the future. This process is called **Enterprise Risk Management** or **ERM** for short and is a requirement of Credit Unions in Saskatchewan as laid out by Credit Union Deposit Guarantee Corporation. The Board, Management, and Staff continued with **Strategic planning and Enterprise Risk**

Management (ERM) in 2025.

The board and management did confirm our commitment to serving the communities of St. Gregor and Annaheim as an independent Credit Union and working co-operatively with other Credit Unions.

Through this process, the following risks along with **Credit Risk** and **Liquidity Risk** previously listed in the Financial Performance section have been identified risks according to their potential impact on St. Gregor Credit Union.

Strategic Risk

Strategic risk is the risk that adverse decisions, ineffective or inappropriate business plans or failure to respond to changes in the competitive environment, customer preferences, product obsolescence or resource allocation will impact our ability to meet our objectives. This risk is a function of the compatibility of an organization's strategic goals, the business strategies developed to achieve these goals, the resources deployed against these goals and the quality of implementation.

Strategic risks identified by St. Gregor Credit Union in its ERM continues to include:

- Inability to develop and implement new products and services on a timely basis.
- Inability of the strategic plan to be relevant to our members long term needs.

Market Risk

Market risk is the exposure to potential loss from changes in market prices or rates. Losses can occur when values of assets and liabilities or revenues are adversely affected by changes in market conditions, such as interest rate or foreign exchange movement.

Market risks identified by board and management at St. Gregor Credit Union would include:

- Inability to Optimize price/rates to members keeping in mind that market price and rates may be features not just price
- Interest rate risk- arising from market rate changes

Legal and Regulatory Risk

Legal and regulatory risk is the risk arising from potential violation of, or nonconformance with laws, rules, regulations, prescribed practices, or ethical standards.

The main legal & regulatory risk identified by St. Gregor Credit Union is:

- Inability to comply with the Credit Union Act and Regulations
- Inability to comply with our regulator Credit Union Deposit Guarantee Corporation

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or external events. Exposures to this risk arise from deficiencies in internal controls, technology failures, human error, employee integrity or natural disasters. Operational risks are looked at by the board regularly throughout the year as they effect the day to day operations. They include risks such as:

- Inability to acquire/implement and sustain effective technology solutions.
- Inability to hire and retain appropriate skilled people
- Reputation risk
- Inability to meet compliance standards

**** Credit Risks**

Credit risks have been talked about in the financial section but are listed in the ERM framework of the Credit Union as being:

- Inability to realize on loans and security when they become due.
- Inability to assess security values accurately and frequently enough.
- Inability to retain and attract experienced lending personnel.

**** Liquidity Risk**

Liquidity risks have been talked about in the financial section but are listed in the ERM framework of the Credit Union as being:

- Inability to maintain sufficient cash or convertible assets
- Inability to maintain sufficient cash for loans and member drawdowns

Regulatory

Regulatory matters are an ongoing concern of the St. Gregor Credit Union. Presently there are in excess of 20 regulatory bodies in which the St. Gregor Credit Union has to comply with. To mention a few of the more important would include; The Registrar of Credit Unions, The Credit Union Deposit Guarantee Corporation (CUDGC), Office of the Superintendent of Financial Institutions (OSFI), Financial Transactions & Reports Analysis Center of Canada (FINTRAC) the Ombudsman for Credit Unions (OBSI) and Canada Revenue Agency (CRA).

Some of the regulatory matters include safeguarding member deposits, granting loans under programs such as Canada Mortgage and Housing (CMHC) and Canadian Agriculture Loans Act (CALA) and other new regulatory compliance such as chip management on Member cards, etc.

Corporate Structure and Governance

The governance of St. Gregor Credit Union is anchored in the co-operative principle of democratic member control.

Board of Directors

Mandate and Responsibilities

The board is responsible for the strategic oversight, business direction and supervision of management of St. Gregor Credit Union. In acting in the best interests of the Credit Union and its members, the board's actions adhere to the standards set out in *The Credit Union Act 1998*, the *Standards of Sound Business Practice* and other applicable legislation.

Board Composition

The board is composed of 7 individuals elected on a regional basis. Terms are for 3 years. Nominations are made by district. Voting is by paper and election results are announced at the St. Gregor Credit Unions annual general meeting.

As you will note from the list of the Staff and Directors attached Gail Michel from the St. Gregor district and Glenn Ehalt from the Anaheim District, have had their terms of office expire this year.

Nominations were held in both districts from November 2025 to mid-January 2026. At that time nominations ceased, there was one nomination for the St. Gregor District, it was Gail Michel. There was also one nomination for the Anaheim district it was Glenn Ehalt.

Therefore, elections did not need to take place, and by acclamation, the following directors were elected for 3-year terms: Glenn Ehalt for the Anaheim District and Gail Michel for the St. Gregor District.

Alan Kiefer remains as the Credit Union Representative (Delegate) for St. Gregor Credit Union to SaskCentral where he meets with other Credit Union delegates and SaskCentral management on a regular basis.

Board Compensation/ Attendance /Training & Evaluation

St. Gregor Credit Union is fortunate to have competent guidance through the dedicated Management and Board of Directors.

As in past years, the Board of Directors were very busy with regular and committee meetings throughout the year. 12 regular meetings were held as well as 9 other meetings, consisting of 6 Audit and Risk Committee meetings and 3 Special Meetings. Your Credit Union directors had a 85.60% attendance rate compared to 87.30% in 2024 and should be commended for this.

Directors are compensated with a per diem for meetings attended. Out of pocket expenses such as mileage and meal costs are also re-imbursed to directors for expenses incurred from attending meetings and training. Directors attend various meetings and training throughout the year. Some of these include training from Board 360 or regional meetings hosted by Credit Union Deposit Guarantee or SaskCentral.

Board 360 training consists of just under 40 separate online modules relating to Credit Union operations and regulations, etc. Along with the modules, the board has access to online webinars. We are finding the courses to be very worthwhile and educational.

Board Committees

The Board of Directors organizes itself into several committees to ensure that oversight of various aspects of our operations and governance can be dealt with most effectively. The committees of the board are as follows:

> **Executive Committee:** acts on behalf of the Board of Directors between regular or special board meetings on all board matters except those which the board may not, in compliance with legislative requirements, delegate. The 2025 members of the committee were: Gail Michel Pres., Blair Bley 1st Vice Pres., and Connie Bley 2nd Vice Pres. The Executive Committee is elected annually at the re-organization meeting.

> **Conduct Review Committee:** ensures related party transactions comply with legislation, standards of sound business practice as well as Credit Union policies and procedures. Also to review all CEO/General Manager credit requests. 2025 members of this committee were: David Boscher, Blair Bley, Connie Bley & Lori Hodges. The Conduct Review Committee is appointed annually at the re-organization meeting.

- > **Building Committee:** works with management to develop plans and budget relevant to Credit Union facilities. The 2025 members of the committee consisted of the directors for the geographical areas of Annaheim and St. Gregor. The Building Committee is appointed annually at the re-organization meeting.
- > **Nominating Committee:** oversees the nomination and election processes for the elections of Credit Union directors. Committee members are appointed as required by the board of directors at time of elections.
- > **Audit & Risk Committee:** oversees risk management and ensures the integrity of financial reporting, adequacy of internal controls and adherence to relevant legislation, regulations and standards. 2025 members of this committee were: Gail Michel – Chair, Gerard Doepker, Glenn Ehalt & David Boscher. The Audit & Risk Committee is appointed annually at the re-organization meeting.

Executive Management

The Executive Management consists of the General Manager, Branch Advisor and Office Supervisor. As you can see by the attached chart the Executive Management team has in excess of 90 years of combined Credit Union experience. Constant updates and meetings keep the management busy, both attending and reporting back to directors and staff.

The Board of Directors through their organizational structure establishes the Executive Management Team which supports them in the preparation of strategic issues, the handling of significant or fundamental operative matters as well as ensuring internal communications.

The Executive Management Team prepares and guides the development of the Credit Union's processes and business operations. The Management Team handles, in particular, the Credit Union's strategy, budget, major procurements & projects, HR development and issues as well as carrying out procedures that align with board developed policy.

Staff/Employees

St. Gregor Credit Union had no changes to our staff compliment in 2025.

The credit union did advertise for a full time lending position in the latter part of 2025. We were fortunate to fill the position with Ethan Bley accepting the lending position commencing January 2026.

Employees continue to be challenged daily with constant changes to regulations and policies. Each year, staff continues with personal development in the form of training programs. The staff continues to be challenged with changes to our banking(DNA) and General Ledger systems. Most recently, we have been engaged in finding a new platform for our Mobile and Online Banking as our current provider, Forge, will be sunsetting. One has been chosen and an upgrade will start in the new future. Dual authentication was introduced in 2025 adding another layer of protection for our members, as new ways of fraud are emerging at alarming rates. On an annual basis the Credit Union undergoes a number of audits. We have internal audit conducted by Market Solutions or better known as National Consulting out of SaskCentral. This audit conducts a thorough review of our internal practices, policies and procedures. Our external audit function which is conducted by MNP llp comes twice a year, with an interim audit in the fall and again in January to complete our year-end financial report.

As mentioned earlier on in the report we received our CUDGC annual supervisory letter in 2025 with no concerns identified. CUDGC will also perform audits on a 30–36-month rotation. After 3 months of preparation, CUDGC arrived in February 2025 to perform our examination. Our final report back from them was very good with no deficiencies.

On an annual basis, we also have an anti-money laundering audit or review. Our last full FINTRAC audit was in 2016, with an excellent report from them following in 2017. In 2023 we had a review from our Compliance Office Marcy Betts, her report was excellent, with no recommendations. We had a bi-annual review from Marcy Betts in 2025 again with no deficiencies. We had to complete a desk questionnaire to CRA (Fintrac) in 2025 which we have not heard back from. Fintrac has been cracking down with some very large fines.

Additionally, staff also attended seminars, training sessions and on-line courses through ABC training solutions and CuSource, the Credit Union on-line learning site. Kim Stratulat and Tara Stuckel continue to work for us out of the Aviso office shared by Quill Lake and Raymore Credit Union.

ST. GREGOR CREDIT UNION LIMITED
ST. GREGOR, SASKATCHEWAN
INCORPORATED: MARCH 31, 1942 CREDIT UNION CHARTER NO. 42

OFFICERS:

PRESIDENT – GAIL MICHEL
1st VICE-PRESIDENT – BLAIR BLEY
2nd VICE-PRESIDENT- CONNIE BLEY
SECRETARY-TREASURER - ALAN KIEFER

DIRECTORS

NAME	YEARS of SERVICE	OCCUPATION	ADDRESS	TERM EXPIRES
Lori Hodges	2	Grain Merchant Richardson Pioneer	St. Gregor	2026
Connie Bley	8	Owner Operator Farm Corporation	Annaheim	2026
David Boscher	17	Owner Operator Farm Corporation	St. Gregor	2026
Blair Bley	13	Owner Operator Farm Corporation	St. Gregor	2027
Gerard Doepker	4	Trailer Sales Representative	Annaheim	2027
Glenn Ehalt	3	Retired Farmer	Annaheim	2025
Gail Michel	9	Accountant CPA,CA	St. Gregor	2025

NAME	POSITION	YEARS OF CO-OPERATIVE SERVICE
Alan Kiefer	General Manager	45
Wendy Niekamp	Office Supervisor	26.5
Erin Perrot	Branch Advisor	22
Donna Zimmerman	Loans Administration	19.5
Megan Renneberg	MSR/Compliance	16.5
Melanie Blechinger	MSR/ Registered Plans	18
Wanda Taphorn	MSR/Clearing Services	12.5
Ashley Knutson	Member Service Rep	2.5
Liz Sitter	Member Service Rep	1.5

EXECUTIVE COMMITTEE

Gail Michel-President
Blair Bley- 1st Vice
Connie Bley- 2nd Vice
Alan Kiefer- Secretary

AUDIT COMMITTEE

Gail Michel - Chair
Glenn Ehalt
David Boscher
Gerard Doepker
Alan Kiefer- Secretary

CONDUCT REVIEW COMMITTEE

David Boscher
Connie Bley
Blair Bley
Lori Hodges
Alan Kiefer-Secretary

Corporate Social Responsibility (CSR)

St. Gregor Credit Union has always contributed to the well-being of the communities that it serves above and beyond the financial and economic role that financial institutions play. Around the world, companies are putting increased emphasis on corporate social responsibility (CSR) and the concept of a triple bottom line (TBL) that focuses not only on profit but also on people and the planet. We take the steps necessary to have a positive impact on our communities and the environment consistent with our corporate values. The CSR area is typically where an organization lists the activities it has undertaken during the year in support of community, charitable or service-based organizations, as well as financial support provided.

- St. Gregor Credit Union promotes environmental standards by means of programs such as paper recycling, react promotion, reduced printing, electronic statement promotion, etc.
- St. Gregor Credit Unions Human Resource policies focus on the well-being of employees such as the development of a safe and respectful workplace; employee volunteer hours and activities conducted during work hours or otherwise supported by the Credit Union.

Capital Management

St. Gregor Credit Union management and board place a high priority on member service and feel the best way to maintain the existing high level of service is to remain autonomous. In order to retain control of our local Credit Union it is important to manage the capital position of the operation. The Deposit Guarantee Corporation (CUDGC) has set minimum standards for all Credit Unions to adhere to. These standards are listed in the Standards for Sound Business Practice (SSBP) and are as follows:

- Total Eligible Capital / risk-weighted assets = 10.50%
- Tier 1 Capital / risk-weighted assets = 8.50%
- Common equity tier 1 Capital / risk-weighted assets = 7.00%
- Minimum Leverage ratio = 5.00% (talk about moving to 8%)

CUDGC does expect that Credit Unions will not only meet these standards but maintain capital levels appropriate for their individual operation and risk profile. The board of St. Gregor Credit Union has developed its own targets for capital, and these are listed below:

- Total Eligible Capital / risk-weighted assets = 13.00%
- Tier 1 Capital / risk-weighted assets = 10.00%
- Common equity tier 1 Capital / risk-weighted assets = 8.00%
- Minimum Leverage ratio = 6.00%

St. Gregor Credit Union's capital position at the end of 2025 was as follows:

- Total Eligible Capital / risk-weighted assets = 21.60%
- Tier 1 Capital / risk-weighted assets = 19.74%
- Common equity tier 1 Capital / risk-weighted assets = 19.74%
- Minimum Leverage ratio = 11.83%

Compared to the results of the system average (16.57%, 15.93%, 15.93%, 9.82%) St. Gregor Credit Union's capital position is very good and a source of pride for the board and management. St. Gregor Credit Union's ratios continue to be excellent.

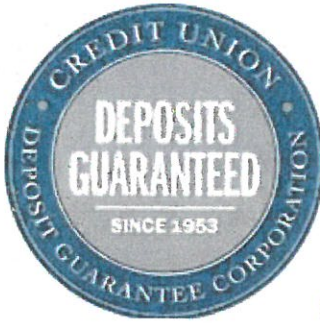
We at St. Gregor Credit Union consider our Credit Union in a capital holding position.

In concluding, Capital management can be very complex and includes 6 areas. These areas are:

- ▶ **Board and Management oversight**
 - Policies are developed
 - i.e. desired capital levels, risk tolerance, capital expenditures
- ▶ **Sound capital assessment and planning**
 - Capital Plans are developed by management and board and reviewed ongoing
- ▶ **Comprehensive assessment of risks**
 - Risks to capital are assessed through processes such as Enterprise Risk management (ERM)
 - i.e. where is the largest concentration of risk to capital (credit/loans)
- ▶ **Stress Testing**
 - On a quarterly basis capital levels are tested for possible erosion
 - Stress testing programs are used to test the ability of the Credit Union to absorb losses
 - i.e. How would rising interest rates effect our capital level
- ▶ **Monitoring and Reporting**
 - Regular reports are prepared for the directors and Credit Union Deposit Guarantee Corporation.
- ▶ **Internal Control Review**
 - Ongoing internal controls and functions along with scheduled internal audits and CUDGC reviews



Saskatchewan
CREDIT UNIONS
"MAKE IT REAL"



CREDIT UNION DEPOSIT GUARANTEE CORPORATION

ANNUAL REPORT MESSAGE 2025

January 2026

Credit Union Deposit Guarantee Corporation (the Corporation) functions as the deposit guarantor for Saskatchewan’s provincially regulated credit unions (Saskatchewan Credit Unions) and serves as the primary regulator for Saskatchewan Credit Unions and Credit Union Central of Saskatchewan (SaskCentral). Collectively, these entities are referred to as Provincially Regulated Financial Institutions or “PRFIs”. The Corporation operates under provincial legislation, namely, *The Credit Union Act, 1998* and *The Credit Union Central of Saskatchewan Act, 2016*. The responsibility for overseeing the Corporation is assigned to the Registrar of Credit Unions with the Financial and Consumer Affairs Authority of Saskatchewan as specified by provincial legislation. Established in 1953, the Corporation holds the distinction of being the first deposit guarantor in Canada, ensuring the safety of deposits against credit union failure. Through the promoting of responsible governance, risk management, and prudent management of capital, liquidity, along with guaranteeing deposits, the Corporation plays a crucial role in fostering confidence in Saskatchewan PRFIs.

For more information about the Corporation’s responsibilities and its role in promoting the strength and stability of Saskatchewan PRFIs, consult the Corporation’s website at www.cudgc.sk.ca.

Quick Facts

(as of December 31, 2025, unless otherwise indicated)

- There are 30 provincial credit unions and one federal credit union in communities across Saskatchewan.
- Provincial credit unions offer financial products and services to more than 455,400 members.
- Saskatchewan provincial credit union assets reached just shy of \$30 billion with revenue of over \$1.47 billion.
- Provincial credit union lending amounts were more than \$22.8 billion.
- There are more than 300 board members who are locally elected by members of each credit union to provide strategic direction to their management teams.
- As independent financial institutions owned and controlled by their members, provincial credit unions are shaped by community needs. Saskatchewan provincial credit unions range in asset size from \$53.1 million to more than \$8.82 billion.
- In 2025, Saskatchewan provincial credit unions returned over \$11.8 million to their members in the form of patronage equity contribution and dividends.
- Provincial credit unions are a major contributor to Saskatchewan's economy, employing over 3,100 people.
- Funds held on deposit in Saskatchewan credit unions are fully guaranteed through the Credit Union Deposit Guarantee Corporation. The full guarantee is made possible through a comprehensive deposit protection regime that is focused on prevention. Read more about the [guarantee](#).

Credit Union Fun Facts

- St. Gregor Credit Union was originally called St. Peters Credit Union. It became insolvent in the late 1930's and was bailed out by the Mutual Aid Board, now referred to as Credit Union Deposit Guarantee Corporation. No member lost money. St. Gregor Credit Union was Incorporated in 1942.
- E-transfers were introduced to St. Gregor members in 2015. Transactions to the end of 2025 have totaled 252434 (sent & received) in the amount of \$ 102,741,331.33. (that's a lot).
In 2025 there were a total of 45194 transactions in the amount of \$21,577,528.16 which was an average of \$ 59,116.51 per day or 123.81 transactions per day.
- Did you know that prior to the Anaheim branch opening in 1975, St. Gregor Credit Union operated 1 day a week in the village of Anaheim out of Doepker Industries Ltd.
- Anaheim Branch has had 6 acting Branch Managers since 1975. Bernard Georget, Kenneth Crowter, Alan Kiefer, Mary Ramler, Sherry Vedress and presently Erin Perrot.
- In 1975, when our Anaheim Branch was opened, there were 357 Credit Unions in Saskatchewan (approx. 700 Branches) with a combined assets of \$1.176 Billion compared to 2025, there are 30 Credit Unions (1 Federal and 193 Branches) with combined assets of \$22.8 Billion.

ANNAHEIM BRANCH, ST. GREGOR CREDIT UNION

From its earliest years, the St. Gregor Credit Union included the St. Gregor and Annaheim district. Annaheim people drove to St. Gregor to do business for many years. It wasn't until 1967 that the volume was big enough to warrant the opening of services to Annaheim within the district. In that year the annual meeting approved the providing of one-half-day per week service, using the little side office in Doepker's Garage.

The 1974 Annual Meeting passed a resolution to build an office in Annaheim. In March of 1975 the Annaheim Branch Office was opened for business. Bernard Georget, formerly of Elrose, was hired as Branch Manager. As volume picked up, Mary Ramler was added to the staff. at the time of opening the assets for the branch office stood at about \$250,000. In late 1979 the assets stand at approximately \$1,500,000.

The official opening was celebrated on July 3, 1975. Mrs. Marie Vanderlinde, wife of the late Harry Vanderlinde, a long-time past president of the credit union, cut the ribbon. Assisting with the ribbon ceremony were Walter Fawcett, first manager of the St. Gregor Credit Union, Anton Zimmerman, and Bill Rossman, signers of the memorandum of association, and John Sarauer, members of the first board of directors.

Present board of directors are: President, Francis Doepker, vice-president, John Prediger, Ronald Schreiner, Lawrence Moellenbeck, Peter Dauk, Alois Wuchner, Werner Yungman.

(Bernard Georget)



Anaheim Credit Union Office.



In partnership with

Providing our members with exceptional service and advice!

Investments ~ Insurance ~ Financial Planning

- RRSP & Spousal RRSP
 - Group RRSP
 - RESP
 - TFSA
- RIF & Spousal RIF
 - PRIF
 - LRIF
 - LIRA
 - LIF
 - RLIF
- Life Insurance
 - Disability
 - Critical Illness
 - Long Term Care
 - Group Benefits
- Personal Health & Dental Benefits
 - Personal Dental Benefits
 - Retirement Planning
 - Farm Succession
 - Business Succession



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Book an appointment with Kim or Tara today!

517 Main Street | Humboldt, SK | 306.682.4332

Mutual funds and other securities are offered through Aviso Wealth, a division of Aviso Financial Inc. Aviso Insurance Inc. offers financial planning, life insurance and investments to members of credit unions and their communities.

St. Gregor Credit Union Limited
Financial Statements
December 31, 2025

St. Gregor Credit Union Limited
Contents

For the year ended December 31, 2025

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Independent Auditor's Report

To the Members of St. Gregor Credit Union Limited:

Opinion

We have audited the financial statements of St. Gregor Credit Union Limited (the "Credit Union"), which comprise the statement of financial position as at December 31, 2025, and the statements of comprehensive income, changes in members' equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Credit Union as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS® Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Credit Union in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Management's Responsibility

To the Members of St. Gregor Credit Union Limited:

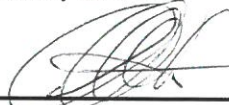
Management is responsible for the preparation and fair presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with IFRS® Accounting Standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors and Audit and Risk Committee are composed entirely of Directors who are neither management nor employees of the Credit Union. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Audit and Risk Committee has the responsibility of meeting with management, internal auditors, and external auditors to discuss the internal controls over the financial reporting process, auditing matters and financial reporting issues. The Committee is also responsible for recommending the appointment of the Credit Union's external auditors.

MNP LLP is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Committee and management to discuss their audit findings.

February 10, 2026



General Manager

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Humboldt, Saskatchewan

February 10, 2026

MNP LLP

Chartered Professional Accountants


MNP LLP

St. Gregor Credit Union Limited
Statement of Financial Position

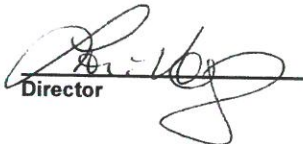
As at December 31, 2025

	2025	2024
Assets		
Cash and cash equivalents (Note 4)	12,576,615	16,739,623
Investments (Note 5)	33,036,469	27,680,616
Member loans receivable (Note 6)	222,234,445	205,115,095
Other assets (Note 7)	73,005	65,389
Deferred tax asset	199,924	171,777
Property, plant and equipment (Note 8)	172,156	185,920
	268,292,614	249,958,420
Liabilities		
Member deposits (Note 10)	236,247,880	220,716,217
Other liabilities (Note 11)	199,072	115,751
Membership shares (Note 13)	14,145	13,705
Equity accounts (Note 13)	2,051,817	1,968,854
	238,512,914	222,814,527
 Commitments (Note 17), (Note 19)		
 Members' equity		
Retained earnings	29,779,700	27,143,893
	268,292,614	249,958,420

Approved on behalf of the Board



Director



Director

The accompanying notes are an integral part of these financial statements

St. Gregor Credit Union Limited
Statement of Comprehensive Income

For the year ended December 31, 2025

	2025	2024
Interest income		
Member loans	11,688,018	11,237,043
Investments	1,332,207	1,724,279
	13,020,225	12,961,322
Interest expense		
Member deposits	7,198,016	6,899,735
Patronage allocation (Note 14)	150,000	150,000
Borrowed money (Note 15)	64	-
	7,348,080	7,049,735
Net interest income	5,672,145	5,911,587
Provision for (recovery of) impaired loans (Note 6)	(46,099)	376,652
Net interest income after provision for (recovery of) impaired loans	5,718,244	5,534,935
Other income	322,576	322,796
Net interest and other income	6,040,820	5,857,731
Operating expenses		
Personnel	1,203,971	1,104,050
Member security	207,002	190,894
Organizational	52,826	47,653
Occupancy	73,805	62,489
General business	960,778	735,430
	2,498,382	2,140,516
Income before provision for (recovery of) income taxes	3,542,438	3,717,215
Provision for (recovery of) income taxes (Note 12)		
Current	934,778	975,783
Deferred	(28,147)	(30,135)
	906,631	945,648
Comprehensive income	2,635,807	2,771,567

The accompanying notes are an integral part of these financial statements

St. Gregor Credit Union Limited
Statement of Changes in Members' Equity
For the year ended December 31, 2025

	<i>Retained earnings</i>	<i>Total equity</i>
Balance December 31, 2023	24,372,326	24,372,326
Comprehensive income	2,771,567	2,771,567
Balance December 31, 2024	27,143,893	27,143,893
Comprehensive income	2,635,807	2,635,807
Balance December 31, 2025	29,779,700	29,779,700

The accompanying notes are an integral part of these financial statements

St. Gregor Credit Union Limited**Statement of Cash Flows**

For the year ended December 31, 2025

	2025	2024
Cash provided by (used for) the following activities		
Operating activities		
Interest received from member loans receivable	11,568,578	11,108,374
Interest received from investments	1,331,499	1,749,007
Other income received	322,576	322,796
Interest paid on deposits	(7,227,509)	(6,121,029)
Cash paid to suppliers and employees	(2,401,297)	(2,149,850)
Patronage paid to members	(150,000)	(150,000)
Interest paid on borrowed money	(64)	-
Income taxes paid	(946,394)	(1,174,904)
	2,497,389	3,584,394
Financing activities		
Net change in member deposits	15,561,156	18,403,169
Net change in membership shares	440	580
Net change in equity accounts	82,963	73,384
	15,644,559	18,477,133
Investing activities		
Net change in member loans receivable	(16,953,811)	(12,470,118)
Purchases of investments	(5,355,145)	-
Proceeds on disposal of investments	-	5,521,688
Repayments from National Consulting Ltd.	4,000	4,000
Purchases of property, plant and equipment	-	(101,388)
	(22,304,956)	(7,045,818)
Increase (decrease) in cash and cash equivalents	(4,163,008)	15,015,709
Cash and cash equivalents, beginning of year	16,739,623	1,723,914
Cash and cash equivalents, end of year	12,576,615	16,739,623

The accompanying notes are an integral part of these financial statements

St. Gregor Credit Union Limited

Notes to the Financial Statements

For the year ended December 31, 2025

1. Reporting entity

St. Gregor Credit Union Limited (the "Credit Union") was formed pursuant to the *Credit Union Act 1998* of the Province of Saskatchewan ("the Act") and operates two Credit Union branches.

The Credit Union serves members and non-members in St. Gregor and Annaheim, Saskatchewan and their surrounding communities. The address of the Credit Union's registered office is Box 128, 2 Main Street, St. Gregor, Saskatchewan.

The Credit Union operates as one segment principally in personal and commercial banking in St. Gregor, Saskatchewan. Operating branches are similar in terms of products and services provided, methods used to distribute products and services, types of members and the nature of the regulatory environment.

The Credit Union conducts its principal operations through two branches, offering products and services including deposit business, individual lending, and independent business and commercial lending. The deposit business provides a wide range of deposit and investment products and sundry financial services to all members. The lending business provides a variety of credit products and services designed specifically for each particular group of borrowers. Other business comprises business of a corporate nature such as insurance, investment, risk management, asset liability management, treasury operations and revenue and expenses not expressly attributed to the business units.

Statement of compliance

The financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee.

The financial statements were approved by the Board of Directors and authorized for issue on February 10, 2026.

2. Basis of preparation

Basis of measurement

The financial statements have been prepared using the historical cost basis except for the revaluation of certain financial instruments.

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Credit Union's functional currency.

Significant accounting judgments, estimates and assumptions

The preparation of the Credit Union's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainties about these assumptions and estimates could result in outcomes that would require a material adjustment to the carrying amount of the asset or liability affected in the future.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in comprehensive income the period in which the estimate is revised if revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date are discussed below.

2. **Basis of presentation** *(Continued from previous page)*

Key assumptions in determining the allowance for expected credit losses

At each reporting period, financial assets are assessed to determine whether their credit risk has increased significantly since initial recognition. In determining whether credit risk has significantly increased, management develops a number of assumptions about the following factors which impact the borrowers' ability to meet debt obligations:

- Expected significant increase in unemployment rates, interest rates
- Declining revenues, working capital deficiencies, increases in Statement of Financial Position leverage and liquidity
- Expected or actual changes in internal credit ratings of the borrowers or external credit ratings of the instrument
- The correlation between credit risk on all lending facilities of the same borrower
- Changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements

Significant judgments, estimates and assumptions are required when calculating the expected credit losses of financial assets. In measuring the 12-month and lifetime expected credit losses, management makes assumptions about prepayments, the timing and extent of missed payments or default events. In addition, management makes assumptions and estimates about the impact that future events may have on the historical data used to measure expected credit losses.

In estimating expected credit losses, the Credit Union develops a number of assumptions as follows:

- The period over which the Credit Union is exposed to credit risk, considering for example, prepayments, extension options and demand features
- The probability-weighted outcome, including identification of scenarios that specify the amount and timing of the cash flows for particular outcomes and the estimated probability of those outcomes
- The risk of default occurring on loans during their expected lives and during the next 12 months after the reporting date
- Expected cash short falls including recoveries, costs to recover and the effects of any collateral or other credit enhancements
- Estimates of effective interest rates used in incorporating the time value of money
- Effects of economic changes such as inflation and rising interest rates on specific sectors to which the Credit Union has credit exposures

The above assumptions are based on historical information and adjusted for current conditions and forecasts of future economic conditions. The Credit Union determines adjustments needed to its historical assumptions by monitoring the correlation of the probability of default and loss rates with the following economic variables:

- Interest rates
- Unemployment rates
- Gross domestic product
- Inflation
- Loan to value ratios
- Housing price indicators

The estimate of expected credit losses reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes that are neither best-case nor worse-case scenarios. The Credit Union uses judgment to weight these scenarios.

Classification of financial assets

Classification of financial assets requires management to make judgments regarding the business model under which the Credit Union's financial assets are held and whether contractual cash flows consist solely of payments of principal and interest. Management has determined that the penalty to exercise prepayment features embedded in certain loans made to members do not result in payments that are not solely payments of principal and interest because they represent reasonable additional compensation for early termination of the contract.

2. Basis of presentation *(Continued from previous page)*

Fair value of unquoted equity instruments

The Credit Union has assessed that the fair values of its unquoted equity instruments, SaskCentral shares approximates its cost based on the terms that the equity investments cannot be transferred, the shares cannot be sold and new shares are issued at par value of all currently held shares.

3. Material accounting policy information

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

Regulations to the Act specify that certain items are required to be disclosed in the financial statements which are presented at annual meetings of members. It is management's opinion that the disclosures in these financial statements and notes comply, in all material respects, with the requirements of the Act. Where necessary, reasonable estimates and interpretations have been made in presenting this information.

Foreign currency translation

Transactions denominated in foreign currencies are translated into the functional currency of the Credit Union at exchange rates prevailing at the transaction dates (spot exchange rates). Monetary assets and liabilities are retranslated at the exchange rates at the statement of financial position date. Exchange gains and losses on translation or settlement are recognized in profit or loss for the current period.

Revenue recognition

The following describes the Credit Union's principal activities from which it generates revenue.

Service charge fees, commissions and other revenue

The Credit Union generates revenue from providing financial services to its members. Revenue is recognized as services are rendered.

The Credit Union does not have an enforceable right to payment until services are rendered and commission revenue earned when the products are sold.

The amount of revenue recognized on these transactions is based on the price specified in the contract.

The Credit Union does not expect to have any contracts where the period between the transfer of the promised goods or services to the member and payment by the member exceeds one year. Consequently, the Credit Union does not adjust any of the transaction prices for the time value of money.

Revenue recognition for items outside the scope of IFRS 15 is included in the financial instruments section of Note 3.

Financial instruments

Financial assets

Recognition and initial measurement

The Credit Union recognizes financial assets when it becomes party to the contractual provisions of the instrument. Financial assets are measured initially at their fair value plus, in the case of financial assets not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Transaction costs attributable to the acquisition of financial assets subsequently measured at fair value through profit or loss are expensed in profit or loss when incurred.

3. Material accounting policy information *(Continued from previous page)*

Classification and subsequent measurement

On initial recognition, financial assets are classified as subsequently measured at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"). The Credit Union determines the classification of its financial assets, together with any embedded derivatives, based on the business model for managing the financial assets and their contractual cash flow characteristics.

Debt instruments are classified as follows:

- **Amortized cost** - Assets that are held for collection of contractual cash flows where those cash flows are solely payments of principal and interest are measured at amortized cost. Interest revenue is calculated using the effective interest method and gains or losses arising from impairment, foreign exchange and derecognition are recognized in comprehensive income. Financial assets measured at amortized cost are comprised of cash equivalents, SaskCentral liquidity deposits, Concentra Bank investments, member loans receivable and accrued interest thereon.
- **Mandatorily at fair value through profit or loss** - Assets that do not meet the criteria to be measured at amortized cost, or fair value through other comprehensive income, are measured at fair value through profit or loss. All interest income and changes in the financial assets' carrying amount are recognized in comprehensive income. Financial assets mandatorily measured at fair value through profit or loss are comprised of cash.

The Credit Union measures all equity investments at fair value. Changes in fair value are recorded in profit or loss. Equity investments measured at fair value through profit or loss are comprised of shares in SaskCentral and National Consulting Ltd.

Business model assessment

The Credit Union assesses the objective of its business model for holding a financial asset at a level of aggregation which best reflects the way the business is managed and information is provided to management. Information considered in this assessment includes stated policies and objectives and how performance of the portfolio is evaluated.

Contractual cash flow assessment

The cash flows of financial assets are assessed as to whether they are solely payments of principal and interest on the basis of their contractual terms. For this purpose, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money, the credit risk associated with the principal amount outstanding, and other basic lending risks and costs. In performing this assessment, the Credit Union considers factors that would alter the timing and amount of cash flows such as prepayment and extension features, terms that might limit the Credit Union's claim to cash flows, and any features that modify consideration for the time value of money.

Reclassifications

The Credit Union reclassifies debt instruments only when its business model for managing those financial assets has changed. Reclassifications are applied prospectively from the reclassification date and any previously recognized gains, losses or interest are not restated.

Impairment

The Credit Union recognizes a loss allowance for the expected credit losses associated with its financial assets, other than debt instruments measured at fair value through profit or loss and equity investments, as well as lease receivables, contract assets, and any financial guarantee contracts and loan commitments not measured at fair value through profit or loss. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

For member loans receivable, the Credit Union records a loss allowance equal to the expected credit losses resulting from default events that are possible within the next 12-month period, unless there has been a significant increase in credit risk since initial recognition. For those financial assets for which the Credit Union assessed that a significant increase in credit risk has occurred, the Credit Union records a loss allowance equal to the expected credit losses resulting from all possible default events over the assets' contractual lifetime.

3. Material accounting policy information *(Continued from previous page)*

The Credit Union applies the simplified approach for trade receivables that do not contain a significant financing component. Using the simplified approach, the Credit Union records a loss allowance equal to the expected credit losses resulting from all possible default events over the assets' contractual lifetime.

The Credit Union assesses whether a financial asset is credit-impaired at the reporting date. Regular indicators that a financial instrument is credit-impaired include significant financial difficulties as evidenced through borrowing patterns or observed balances in other accounts, breaches of borrowing contracts such as default events or breaches of borrowing covenants and requests to restructure loan payment schedules. For financial assets assessed as credit-impaired at the reporting date, the Credit Union continues to recognize a loss allowance equal to lifetime expected credit losses.

Loss allowances for expected credit losses are presented in the statement of financial position as follows:

- For financial assets measured at amortized cost, as a deduction from the gross carrying amount of the financial assets;
- For loan commitments and financial guarantee contracts, as a provision; and
- For facilities with both a drawn and undrawn component where the Credit Union cannot separately identify expected credit losses between the two components, as a deduction from the carrying amount of the drawn component. Any excess of the loss allowance over the carrying amount of the drawn component is presented as a provision.

Financial assets are written off when the Credit Union has no reasonable expectations of recovering all or any portion thereof.

Refer to Note 17 for additional information about the Credit Union's credit risk management process, credit risk exposure and the amounts arising from expected credit losses.

Derecognition of financial assets

The Credit Union applies its accounting policies for the derecognition of a financial asset to a part of a financial asset only when:

- The part comprises only specifically identified cash flows from a financial asset;
- The part comprises only a pro-rata share of the cash flows from a financial asset; or
- The part comprises only a pro-rata share of specifically identified cash flows from a financial asset.

In all other situations the Credit Union applies its accounting policies for the derecognition of a financial asset to the entirety of a financial asset.

The Credit Union derecognizes a financial asset when its contractual rights to the cash flows from the financial asset expire, or the financial asset has been transferred under particular circumstances.

For this purpose, a financial asset is transferred if the Credit Union either:

- Transfers the right to receive the contractual cash flows of the financial asset, or;
- Retains the right to receive the contractual cash flows of the financial asset, but assumes an obligation to pay received cash flows in full to one or more third parties without material delay and is prohibited from further selling or transferring the financial asset.

Transferred financial assets are evaluated to determine the extent to which the Credit Union retains the risks and rewards of ownership. When the Credit Union neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, it evaluates whether it has retained control of the financial asset.

3. Material accounting policy information *(Continued from previous page)*

Where substantially all risks and rewards of ownership have been transferred, or risks and rewards have neither been transferred nor retained and control of the financial asset has not been retained, the Credit Union derecognizes the financial asset. At the same time, the Credit Union separately recognizes as assets or liabilities the fair value of any rights and obligations created or retained in the transfer. Any difference between the carrying amount measured at the date of recognition and the consideration received is recognized in comprehensive income. Such transactions include syndications of member loans.

Modification of financial assets

The Credit Union assesses the modification of terms of a financial asset to evaluate whether its contractual rights to the cash flows from that asset have expired in accordance with the Credit Union's derecognition policy.

When the modifications do not result in derecognition of the financial asset, the gross carrying amount of the financial asset is recalculated with any difference between the previous carrying amount and the new carrying amount recognized in comprehensive income. The new gross carrying amount is recalculated as the present value of the modified contractual cash flows discounted at the asset's original effective interest rate.

For the purpose of applying the impairment requirements, at each reporting date subsequent to the modification, the Credit Union continues to assess whether there has been a significant increase in credit risk on the modified financial assets from the date of initial recognition.

Financial liabilities

Recognition and initial measurement

The Credit Union recognizes a financial liability when it becomes party to the contractual provisions of the instrument. At initial recognition, the Credit Union measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at fair value through profit or loss for which transaction costs are immediately recorded in profit or loss.

Classification and subsequent measurement

Subsequent to initial recognition, all financial liabilities are measured at amortized cost using the effective interest method.

Interest, gains and losses related to financial liabilities are recognized in comprehensive income.

Derecognition of financial liabilities

The Credit Union derecognizes a financial liability only when its contractual obligations are discharged, cancelled or expire.

Dividend income

Dividend income is recorded in profit or loss when the Credit Union's right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Credit Union, and the amount of the dividend can be measured reliably.

Interest

Interest income and expense are recognized in comprehensive income using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments over the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortized cost of the financial liability. The effective interest rate is calculated considering all contractual terms of the financial instruments, except for the expected credit losses of financial assets.

The 'amortized cost' of a financial asset or financial liability is the amount at which the instrument is measured on initial recognition minus principal repayments, plus or minus any cumulative amortization using the effective interest method of any difference between the initial amount and maturity amount and adjusted for any expected credit loss allowance. The 'gross carrying amount' of a financial asset is the amortized cost of a financial asset before adjusting for any expected credit losses.

3. Material accounting policy information *(Continued from previous page)*

Interest income and expense is calculated by applying the effective interest rate to the gross carrying amount of the financial asset (when the asset is not credit-impaired) or the amortized cost of the financial liability.

Where a financial asset has become credit-impaired subsequent to initial recognition, interest income is calculated in subsequent periods by applying the effective interest method to the amortized cost of the financial asset. If the asset subsequently ceases to be credit-impaired, calculation of interest income reverts to the gross basis.

Collateral

The Credit Union recognizes the proceeds from the sale of any non-cash collateral that has been pledged to it and a liability measured at fair value for its obligation to return the collateral.

If a debtor defaults under the terms of its contract and is no longer entitled to the return of any collateral, the Credit Union recognizes the collateral as an asset initially measured at fair value or, if it has already sold the collateral, derecognizes its obligation to return the collateral.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Credit Union's cash management system.

Investments

Each investment is classified into one of the categories described under financial instruments. The classification dictates the accounting treatment for the carrying value and changes in that value.

SaskCentral and Concentra Bank deposits and shares

SaskCentral and Concentra Bank deposits are measured at amortized cost. Shares are measured at fair value, with adjustments to fair value recognized in profit or loss.

National Consulting Ltd. shares

National Consulting Ltd. shares are measured at fair value, with adjustments to fair value recognized in profit or loss.

Impairment of non-financial assets

At the end of each reporting period, the Credit Union reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Credit Union estimates the recoverable amount of the cash-generating units ("CGU") to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU's, or otherwise they are allocated to the smallest group of CGU's for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized immediately in comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. A reversal of an impairment loss is recognized immediately in comprehensive income.

3. **Material accounting policy information** *(Continued from previous page)*

Syndication

The Credit Union syndicates individual assets with various other financial institutions primarily to manage credit risk, create liquidity and manage regulatory capital for the Credit Union. Syndicated loans transfer substantially all the risks and rewards related to the transferred financial assets and are derecognized from the Credit Union's statement of financial position. All loans syndicated by the Credit Union are on a fully serviced basis. The Credit Union receives fee income for services provided in the servicing of the transferred financial assets.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

All assets having limited useful lives are depreciated using the straight-line method over their estimated useful lives. Land has an unlimited useful life and is therefore not depreciated. Assets are depreciated from the date of acquisition.

The depreciation rates applicable for each class of asset during the current and comparative period are as follows:

	Years
Buildings	20 - 30 years
Furniture and equipment	3 - 10 years

The residual value, useful life and depreciation method applied to each class of assets are reassessed at each reporting date.

Gains or losses on the disposal of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognized in the statement of comprehensive income as other income or loss, respectively.

Income taxes

The Credit Union accounts for income taxes using the asset and liability method. Current and deferred taxes are recognized in comprehensive income except to the extent that the tax is recognized either in other comprehensive income or directly in equity. Under this method, the provision for income taxes is based on the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets are realized or the liabilities are settled.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable income.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available which allow the deferred tax asset to be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

3. Material accounting policy information *(Continued from previous page)*

Membership shares and equity accounts

Membership shares and equity accounts are classified as liabilities or member equity in accordance with their terms. Shares redeemable at the option of the member, either on demand or on withdrawal from membership, are classified as liabilities. Shares redeemable at the discretion of the Credit Union Board of Directors are classified as equity. Shares redeemable subject to regulatory restrictions are accounted for using the criteria set out in IFRIC 2 *Members' Shares in Cooperative Entities and Similar Instruments*.

Standards issued but not yet effective

The Credit Union has not yet applied the following new standards, interpretations and amendments to standards that have been issued as at December 31, 2025 but are not yet effective. Unless otherwise stated, the Credit Union does not plan to early adopt any of these new or amended standards and interpretations.

Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures)

Amendments to IFRS 9 and IFRS 7, issued in May 2024, clarify the date of recognition and derecognition of financial assets and financial liabilities, including that a financial liability is derecognized on the settlement date. The amendments introduce a voluntary election permitting the derecognition of some financial liabilities settled through an electronic cash transfer system before the settlement date, provided specific conditions are met. They also provide further guidance for assessing whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement including those that contain contingent features, non-recourse features or are investments in contractually linked instruments. The amendments also add new disclosure requirements for certain instruments with contractual terms that include a contingent feature and for investments in equity instruments designated at fair value through other comprehensive income.

The amendments are effective for annual periods beginning on or after January 1, 2026, and are to be applied retrospectively; restatement of prior periods is not required. The Credit Union has not yet determined the impact of these amendments on its financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18, issued in April 2024, replaces IAS 1 *Presentation of Financial Statements* and establishes the overall requirements for presentation and disclosures in the financial statements, including a new defined structure for the Statement of Profit or Loss and specific disclosure requirements related to management-defined performance measures. IFRS 18 also enhances guidance on how to group information within the financial statements.

IFRS 18 is effective for annual periods beginning on or after January 1, 2027, including for interim financial statements, and is to be applied retrospectively. The Credit Union has not yet determined the impact of these amendments on its financial statements.

4. Cash and cash equivalents

	2025	2024
Cash	4,576,615	5,739,623
Cash equivalents	8,000,000	11,000,000
	12,576,615	16,739,623

St. Gregor Credit Union Limited
Notes to the Financial Statements
For the year ended December 31, 2025

5. Investments

	2025	2024
Measured at fair value through profit or loss		
SaskCentral shares	437,398	547,470
National Consulting Ltd. shares	20,000	20,000
	457,398	567,470
Measured at amortized cost		
SaskCentral liquidity deposits	20,546,500	19,081,283
Concentra Bank investments	12,000,000	8,000,000
	32,546,500	27,081,283
Accrued interest	32,571	31,863
	33,036,469	27,680,616

The table below shows the credit risk exposure on investments. Ratings are as provided by Dominion Bond Rating Services ("DBRS") unless otherwise indicated.

	2025	2024
Investment portfolio rating		
R1	20,983,898	19,628,753
BBB	12,000,000	8,000,000
Unrated	20,000	20,000
	33,003,898	27,648,753

Statutory liquidity:

Pursuant to Regulations, the Standards of Sound Business Practices ("SSBP") requires that the Credit Union maintain 8.65% of its total liabilities in specified liquidity deposits. The provincial regulator for Credit Unions, Credit Union Deposit Guarantee Corporation ("CUDGC"), requires that the Credit Union adhere to these prescribed limits and restrictions. As of December 31, 2025, the Credit Union met the requirement.

Liquidity coverage ratio:

The Credit Union has implemented a Liquidity Coverage Ratio ("LCR") which is a regulatory requirement of CUDGC. The objective of the LCR is to ensure that the Credit Union has an adequate stock of unencumbered high-quality liquid assets ("HQLA") that:

- consists of cash or assets that can be converted into cash at little or no loss of value; and
- meets its liquidity needs for a 30-calendar day stress scenario, by which time it is assumed corrective actions have been taken by the Credit Union and/or CUDGC.

This stress scenario noted above is viewed as a minimum requirement. The Credit Union conducts additional stress tests to assess the level of liquidity to hold beyond the regulatory minimum, and constructs scenarios that could cause difficulties for specific business activities. Internal stress tests have longer time horizons and results are reported to CUDGC upon request.

The LCR is calculated as the value of the stock in HQLA in stressed conditions divided by the total net cash outflows over the next 30 calendar days.

As at December 31, 2025, the Credit Union is in compliance with regulatory requirements.

St. Gregor Credit Union Limited
Notes to the Financial Statements
For the year ended December 31, 2025

6. Member loans receivable

Principal and allowance by loan type:

	2025				
	Principal performing	Principal impaired	Allowance specific	Allowance for expected credit losses	Net carrying value
Government guaranteed	11,939,823	-	-	-	11,939,823
Residential and farm mortgages	132,416,883	266,139	151,139	185,000	132,346,883
Commercial mortgages	32,462,330	-	-	286,145	32,176,185
Personal loans	16,267,590	125,151	110,151	140,000	16,142,590
Non-personal loans	27,870,729	174,653	24,653	113,855	27,906,874
Total	220,957,355	565,943	285,943	725,000	220,512,355
Accrued interest	1,722,090	2,697	2,697	-	1,722,090
	222,679,445	568,640	288,640	725,000	222,234,445

	2024				
	Principal performing	Principal impaired	Allowance specific	Allowance for expected credit losses	Net carrying value
Government guaranteed	10,449,840	-	-	-	10,449,840
Residential and farm mortgages	122,955,363	240,843	125,843	165,000	122,905,363
Commercial mortgages	29,857,284	-	-	229,155	29,628,129
Personal loans	13,720,931	205,225	190,225	115,000	13,620,931
Non-personal loans	26,948,230	191,771	141,771	90,845	26,907,385
Total	203,931,648	637,839	457,839	600,000	203,511,648
Accrued interest	1,603,447	1,900	1,900	-	1,603,447
	205,535,095	639,739	459,739	600,000	205,115,095

The allowance for loan impairment changed as follows:

	2025	2024
Balance, beginning of year	1,059,739	787,664
Provision for (recovery of) impaired loans	(46,099)	376,652
	1,013,640	1,164,316
Less: loans written off, net of recoveries	-	104,577
Balance, end of year	1,013,640	1,059,739

St. Gregor Credit Union Limited
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For the year ended December 31, 2025

7. Other assets

	2025	2024
Corporate income tax receivable	41,005	29,389
National Consulting Ltd. - promissory note	32,000	36,000
	73,005	65,389

8. Property, plant and equipment

	Land	Buildings	Furniture and equipment	Total
Cost				
Balance at December 31, 2023	2,617	221,421	313,300	537,338
Additions	-	101,388	-	101,388
Balance at December 31, 2024	2,617	322,809	313,300	638,726
Balance at December 31, 2025	2,617	322,809	313,300	638,726
Accumulated depreciation				
Balance at December 31, 2023	-	125,742	313,300	439,042
Depreciation	-	13,764	-	13,764
Balance at December 31, 2024	-	139,506	313,300	452,806
Depreciation	-	13,764	-	13,764
Balance at December 31, 2025	-	153,270	313,300	466,570
Net book value				
At December 31, 2024	2,617	183,303	-	185,920
At December 31, 2025	2,617	169,539	-	172,156

St. Gregor Credit Union Limited
Notes to the Financial Statements
For the year ended December 31, 2025

9. Line of credit

The Credit Union has an approved line of credit limit of \$4,500,000 (2024 - \$4,500,000) with SaskCentral. Borrowings are secured by an assignment, hypothecation, charge and pledge of all book debts and accounts to SaskCentral and bear an annual interest rate based on SaskCentral's prime rate of interest minus 0.5% (2025 - 3.95%), with no fixed repayment dates. As at December 31, 2025, the Credit Union is not utilizing the line of credit.

10. Member deposits

	2025	2024
Chequing, savings, Plan 24, and other	75,468,217	70,488,346
Term deposits	130,265,982	119,352,788
Registered savings plans	26,686,805	27,018,714
Patronage allocation payable	150,000	150,000
Accrued interest	3,676,876	3,706,369
	236,247,880	220,716,217

Member deposits are subject to the following terms:

Chequing, savings, Plan 24, and other products are due on demand and bear interest at rates up to 0.25% (2024 - 0.25%).

Term deposits are subject to fixed and variable rates of interest up to 5.45% (2024 - 5.75%), with interest payments due monthly, annually or on maturity.

Registered savings plans are subject to fixed and variable rates of interest up to 5.45% (2024 - 5.45%), with interest payments due monthly, annually or on maturity.

11. Other liabilities

	2025	2024
Accounts payable	199,072	115,751

12. Income tax

Income tax expense recognized in comprehensive income

The applicable tax rate is the aggregate of the federal income tax rate of 9% on income under the small business limit and 15% on income greater than the small business limit (2024 - 9% and 15%) and the provincial tax rate of 1% on income under the small business limit and 12% on income over the small business limit (2024 - 1% and 12%).

Reconciliation between average effective tax rate and the applicable tax rate

	2025	2024
Applicable tax rate	27.00 %	27.00 %
Small business deduction	(1.37)%	(1.51)%
Non-taxable and other items	(0.04)%	(0.05)%
	25.59 %	25.44 %

St. Gregor Credit Union Limited
Notes to the Financial Statements
For the year ended December 31, 2025

13. Membership shares and equity accounts

Authorized:

Unlimited number of Membership shares, at an issue price of \$5.

Issued:

	2025	2024
2,829 Membership shares (2024 - 2,741)	14,145	13,705
Equity accounts	2,051,817	1,968,854
	2,065,962	1,982,559

All membership shares and equity accounts are classified as liabilities.

When an individual becomes a member of the Credit Union, they are issued a membership share at \$5 per share. Each member of the Credit Union has one vote, regardless of the number of common shares held.

Equity accounts are established as a means of returning excess earnings to the members and at the same time increasing the Credit Union's equity base.

During the year, the Credit Union issued a net of 88 (2024 - 116) membership shares.

14. Patronage

The Credit Union declared a patronage refund payable in the amount of \$150,000 in 2025 (2024 - \$150,000). The patronage refund approved by the Board of Directors was based on the amount of loan interest paid and deposit interest earned by each member during the fiscal year (excluding credit cards and unauthorized overdrafts).

The patronage refund has been reflected in the statement of financial position as deposits with the corresponding expense in the statement of comprehensive income.

15. Related party transactions

Key management compensation of the Credit Union

Key management personnel ("KMP") of the Credit Union consists of the General Manager, Office Supervisor and Branch Advisor and members of the Board of Directors. KMP remuneration includes the following expenses:

	2025	2024
Salary and short-term benefits	589,629	536,458

Transactions with key management personnel

The Credit Union, in accordance with its policy, may grant credit to its directors, management and staff at concessional rates of interest on their loans and facilities.

Loans made to directors and KMP are approved under the same lending criteria applicable to members and are included in member loans receivable on the statement of financial position. There are no loans to KMP that are impaired.

St. Gregor Credit Union Limited
Notes to the Financial Statements
For the year ended December 31, 2025

15. Related party transactions (Continued from previous page)

Directors, management and staff of the Credit Union hold deposit accounts. These accounts are maintained under the same terms and conditions as accounts of other members, and are included in member deposits on the statement of financial position.

There are no benefits or concessional terms and conditions applicable to the family members of KMP.

These loans and deposits were made in the normal course of operations and are measured at the exchange amount, which is the consideration established and agreed to by the related parties.

	2025	2024
Aggregate of loans to KMP	4,993,136	5,282,458
Aggregate revolving credit facilities to KMP	697,500	697,500
Less: membership shares and equity accounts	(77,515)	(73,782)
	5,613,121	5,906,176

	2025	2024
During the year the aggregate value of loans disbursed to KMP amounted to:		
Lines of credit	-	300,000
Mortgages	300,000	864,250
Loans	170,000	660,000
	470,000	1,824,250

	2025	2024
Income and expense transactions with KMP consisted of:		
Interest and other revenue earned on loans to KMP	275,487	338,150
Interest paid on member deposits to KMP	134,337	89,642
	2025	2024
The total value of member deposits from KMP as at the year-end:		
Chequing and demand deposits	2,187,285	1,918,329
Term deposits	3,458,460	2,430,036
Registered plans	703,319	750,479
	6,349,064	5,098,844

Directors' fees and expenses

	2025	2024
Directors' fees and committee remuneration	22,425	16,350
Directors' expenses	2,266	1,689
Meeting, training and conference costs	12,509	16,273

15. Related party transactions *(Continued from previous page)*

SaskCentral

The Credit Union is a member of SaskCentral which acts as a depository for surplus funds received from and loans made to credit unions. SaskCentral also provides other services for a fee to the Credit Union and acts in an advisory capacity.

Interest and dividends earned on investments during the year ended December 31, 2025 amounted to \$586,430 (2024 - \$904,497).

Interest paid on borrowings during the year ended December 31, 2025 amounted to \$64 (2024 - \$nil).

Payments made for affiliation dues for the year ended December 31, 2025 amounted to \$785,897 (2024 - \$546,343).

National Consulting Ltd.

The Credit Union is a shareholder of National Consulting Ltd. National Consulting Ltd. provides services for a fee to the Credit Union in the normal course of operations. The Credit Union advanced a promissory note in the amount of \$40,000 to National Consulting Ltd. in 2022, with repayment of \$4,000 per year commencing 2024 (refer to Note 7).

16. Capital management

A capital management framework is included in policies and procedures established by the Board of Directors. The Credit Union's objectives when managing capital are to:

- Adhere to regulatory capital requirements as minimum benchmarks;
- Co-ordinate strategic risk management and capital management;
- Develop financial performance targets/budgets/goals;
- Administer a patronage program that is consistent with capital requirements;
- Administer an employee incentive program that is consistent with capital requirements; and
- Develop a growth strategy that is coordinated with capital management requirements.

CUDGC prescribes capital adequacy measures and minimum capital requirements. The capital adequacy rules issued by CUDGC have been based on the Basel III framework, consistent with the financial industry in general.

The Credit Union follows a risk-weighted asset calculation for credit and operational risk. Under this approach, credit unions are required to measure capital adequacy in accordance with instructions for determining risk-adjusted capital and risk-weighted assets, including off-balance sheet commitments. Based on the prescribed risk of each type of asset, a weighting of 0% to 1,250% is assigned. The ratio of regulatory capital to risk-weighted assets is calculated and compared to the standard outlined by CUDGC. Regulatory standards require credit unions to maintain a minimum total eligible capital to risk-weighted assets of 8%, a minimum tier 1 capital to risk-weighted assets of 6% and a minimum common equity tier 1 capital to risk-weighted assets of 4.5%. Eligible capital consists of total tier 1 and tier 2 capital. In addition to the minimum capital ratios, the Credit Union is required to hold a capital conservation buffer of 2.5%. The capital conservation buffer is designed to avoid breaches of the minimum capital requirement.

Tier 1 capital is defined as a credit union's primary capital and comprises the highest quality of capital elements while tier 2 is secondary capital and falls short of meeting tier 1 requirements for permanence or freedom from mandatory charge. Tier 1 capital consists of two components: common equity tier 1 capital and additional tier 1 capital. Common equity tier 1 capital includes retained earnings, contributed surplus and accumulated other comprehensive income ("AOCI"). Deductions from common equity tier 1 capital include goodwill, intangible assets, deferred tax assets (except those arising from temporary differences), increases in equity capital resulting from securitization transactions, unconsolidated substantial investments and fair value gains (losses) on own use property. Additional tier 1 capital consists of qualifying membership shares and other investment shares issued by the Credit Union that meet the criteria for inclusion in additional tier 1 capital.

St. Gregor Credit Union Limited
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16. Capital management (Continued from previous page)

Tier 2 capital includes a collective allowance for credit losses to a maximum of 1.25% of risk-weighted assets, subordinated indebtedness, and qualifying membership shares or other investment shares issued by the Credit Union that meet the criteria for inclusion in tier 2 capital and are not included in tier 1 capital.

Regulatory standards also require the Credit Union to maintain a minimum leverage ratio of 5%. This ratio is calculated by dividing eligible capital by total assets less deductions from capital plus specified off-balance sheet exposures. Based on the type of off-balance sheet exposure, a conversion factor is applied to the leverage ratio.

The Credit Union has adopted a capital plan that conforms to the capital framework and is regularly reviewed and approved by the Board of Directors. The following table compares CUDGC regulatory standards to the Credit Union's board policy for 2025:

	Regulatory standards	Board standards
Total eligible capital to risk-weighted assets	10.50 %	13.00 %
Tier 1 capital to risk-weighted assets	8.50 %	10.00 %
Common equity tier 1 capital to risk-weighted assets	7.00 %	8.00 %
Leverage ratio	5.00 %	6.00 %

During the year, the Credit Union complied with all internal and external capital requirements.

The following table summarizes key capital information:

	2025	2024
Eligible capital		
Common equity tier 1 capital	29,579,776	26,972,116
Additional tier 1 capital	-	-
<hr/>		
Total tier 1 capital	29,579,776	26,972,116
Total tier 2 capital	2,790,962	2,582,559
<hr/>		
Total eligible capital	32,370,738	29,554,675

Risk-weighted assets

Total eligible capital to risk-weighted assets	20.67 %	21.04 %
Tier 1 capital to risk-weighted assets	18.89 %	19.20 %
Common equity tier 1 capital to risk-weighted assets	18.89 %	19.20 %
Leverage ratio	11.81 %	11.51 %

17. Financial instruments

The Credit Union, as part of its operations, carries a number of financial instruments which result in exposure to the following risks: credit risk, market risk and liquidity risk.

Accordingly, the Credit Union has established avoidance of undue concentrations of risk, hedging of risk exposures, and requirements for collateral to mitigate credit risk as risk management objectives. In seeking to meet these objectives, the Credit Union follows risk management policies approved by its Board of Directors.

17. Financial instruments *(Continued from previous page)*

The Credit Union's risk management policies and procedures include the following:

- Ensure all activities are consistent with the mission, vision and values of the Credit Union
- Balance risk and return
- Manage credit, market and liquidity risk through preventative and detective controls
- Ensure credit quality is maintained
- Ensure credit, market, and liquidity risk is maintained at acceptable levels
- Diversify risk in transactions, member relationships and loan portfolios
- Price according to risk taken, and
- Use consistent credit risk exposure tools.

Various Board of Directors committees are involved in financial instrument risk management oversight, including the Audit and Risk Committee and Conduct Review Committee.

There have been no significant changes from the previous year in the Credit Union's risks to which it is exposed or its general policies and procedures for managing risk.

Credit risk Financial Instruments

Credit risk is the risk of financial loss resulting from the failure of a borrower or counterparty to honour its financial or contractual obligations to the Credit Union. Credit risk primarily arises from member loans receivable.

Risk management process

Credit risk management is integral to the Credit Union's activities. Management and the Board of Directors are responsible for developing and implementing the credit risk management practices of the Credit Union by establishing the relevant policies and procedures. Management carefully monitors and manages the Credit Union's exposure to credit risk by reviewing member credit extension policies and guidelines and reviewing the performance of loan portfolios, including default events and past due status. The risk management process starts at the time of a member credit application and continues until the loan is fully repaid.

The primary credit risk management policies and procedures include the following:

- Loan security (collateral) requirements
 - Security valuation processes, including method used to determine the value of real property and personal property when that property is subject to a mortgage or other charge; and
 - Maximum loan to value ratios where a mortgage or other charge on real or personal property is taken as security
- Borrowing member capacity (repayment ability) and character requirements
- Limits on aggregate credit exposure per individual and/or related parties
- Limits on concentration of credit risk by loan type, industry and economic sector
- Limits on the types of credit facilities and services offered
- Internal loan approval processes and loan documentation standards
- Loan re-negotiation, extension and renewal processes
- Processes that identify adverse situations and trends, including risks associated with economic, geographic and industry sectors
- Control and monitoring processes including portfolio risk identification and delinquency tolerances
- Timely loan analysis processes to identify, assess and manage delinquent and impaired loans
- Collection processes that include action plans for deteriorating loans
- Overdraft control and administration processes
- Loan syndication processes

St. Gregor Credit Union Limited
Notes to the Financial Statements
For the year ended December 31, 2025

17. Financial instruments *(Continued from previous page)*

The Credit Union's credit risk policies, processes and methodologies are reviewed periodically to ensure they remain relevant and effective in managing credit risk.

To meet the needs of its members and to manage its own exposure to fluctuations in interest rates, the Credit Union participates in various commitments and contingent liability contracts. The primary purpose of these contracts is to make funds available for the financing needs of members. These are subject to normal credit standards, financial controls, risk management and monitoring procedures. The contractual amounts of these credit instruments represent the maximum credit risk exposure without taking into account the fair value of any collateral, in the event other parties fail to perform their obligations under these instruments.

The Credit Union makes the following instruments available to its members:

- Guarantees and standby letters of credit representing irrevocable assurances that the Credit Union will pay if a member cannot meet their obligations to a third party; and
- Commitments to extend credit representing unused portions of authorizations to extend credit in the form of loans (including lines of credit and credit cards), guarantees or letters of credit.

The amounts shown on the table below do not necessarily represent future cash requirements since many commitments will expire or terminate without being funded.

As at year-end, the Credit Union had the following outstanding financial instruments subject to credit risk:

	2025	2024
Authorized unadvanced loans	11,873,815	14,703,626
Unadvanced lines of credit	8,038,219	8,041,367
Credit card guarantees	445,500	250,500
Standby letters of credit	77,000	87,000
	20,434,534	23,082,493

Inputs, assumptions and techniques

Definition of default and assessments of credit risk

Financial instruments are assessed at each reporting date for a significant increase in credit risk since initial recognition. This assessment considers changes in the risk of a default occurring at the reporting date as compared to the date of initial recognition.

The Credit Union considers member loans to be in default when contractual payments are more than 90 days past due or other objective evidence of impairment exists, such as notification from the borrower or breach of major covenants. This definition is consistent with the definitions used for the Credit Union's internal credit risk management practices and has been selected because it most closely aligns the definition of default to the Credit Union's past credit experience, and the covenants placed in standard borrowing contracts. Relatively few financial instruments subsequently return to performing status after a default has occurred under this definition without further intervention on the part of the Credit Union.

Changes in credit risk are assessed on the basis of the risk that a default will occur over the contractual lifetime of the financial instrument rather than based on changes in the amount of expected credit losses or other factors. In making this assessment the Credit Union takes into account all reasonable and supportable information, include forward-looking information, available without undue cost or effort in making this assessment. The Credit Union considers past due information of its balances and information about the borrower available through regular commercial dealings, such as requests for loan modifications.

17. Financial instruments *(Continued from previous page)*

The credit risk of a financial instrument is deemed to have significantly increased since initial recognition when contractual payments have exceeded 30 days past due, or other information becomes available to management through the course of regular credit reviews, communication with the borrower or forecasting processes which consider macroeconomic conditions expected to have a future impact on borrowers. The Credit Union considers there not to have been a significant increase in credit risk despite contractual payments being more than 30 days past due when they have interviewed the borrower and determined that payment is forthcoming. When a financial instrument is considered to have low credit risk, it is assumed that there has not been a significant increase in credit risk since initial recognition.

The Credit Union identifies credit-impaired financial assets through regular reviews of past due balances and credit assessments of its members. Credit-impaired financial assets are typically placed on the Credit Union's watch list based on its internal credit risk policies. In making this assessment, the Credit Union considers past due information of its balances and information about the borrower available through regular commercial dealings.

Measurement of expected credit losses (ECL's)

The Credit Union measures expected credit losses for member loans on a group basis. These assets are grouped on the basis of their shared risk characteristics such as loan type (government guaranteed, residential and farm mortgages, commercial mortgages, personal loans and non-personal loans). Otherwise, expected credit losses are measured on an individual basis.

When measuring 12-month and lifetime expected credit losses, the Credit Union utilizes complex modelling, which uses current banking system loan data to assess probability of default, exposure at default, loss given default, and present value calculations. Forward-looking information is incorporated into the determination of expected credit loss by considering regional economic journals and forecasts, collecting information available from regular commercial dealings with its members and other publicly available information and considering the effect such information could have on any assumptions or inputs used in the measurement of expected credit losses and determining significant increases in credit risk or identifying a credit-impaired financial asset.

Significant judgments, estimates and assumptions are required when calculating the expected credit losses of financial assets. In measuring the 12-month and lifetime expected credit losses, management makes assumptions about prepayments, the timing and extent of missed payments or default events. In addition, management makes assumptions and estimates about the impact that future events may have on the historical data used to measure expected credit losses.

Management had to use judgement in several areas to assess if the estimate the model calculated was reasonable or if an overlay was needed to increase or decrease the allowance.

The Credit Union has run a number of simulations on its collective allowance, incorporating assumptions about the resulting macroeconomic impacts of changes in interest rates and inflation, based on information and facts available to December 31, 2025.

Write-offs

Financial assets are written off when there is no reasonable expectation of recovery. The Credit Union assesses that there is no reasonable expectation of recovery when the security relating to the loan has been sold and there are remaining amounts outstanding or when the borrower has filed for bankruptcy and the trustee has indicated that no additional funds will be paid. Where information becomes available indicating the Credit Union will receive funds, such amounts are recognized at their fair value.

St. Gregor Credit Union Limited
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For the year ended December 31, 2025

17. **Financial instruments** (Continued from previous page)

Exposure to credit risk

The following table sets out information about the credit quality of financial assets assessed for impairment under IFRS 9 *Financial instruments*. The amounts in the table, unless otherwise indicated, represent the assets' gross carrying amount.

Except as noted below, the gross carrying amount of financial assets represents the maximum exposure to credit risk for that class of financial asset.

<i>In thousands</i>	12-month ECL	2025 Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	Total
Residential and farm mortgages				
Low risk	132,417	-	-	132,417
Moderate risk	-	-	-	-
High risk	-	-	266	266
Total gross carrying amount	132,417	-	266	132,683
Less: loss allowance	185	-	151	336
Total carrying amount	132,232	-	115	132,347
Personal loans				
Low risk	16,268	-	-	16,268
Moderate risk	-	-	-	-
High risk	-	-	125	125
Total gross carrying amount	16,268	-	125	16,393
Less: loss allowance	140	-	110	250
Total carrying amount	16,128	-	15	16,143
Government guaranteed, commercial mortgages, non- personal loans, and total accrued interest				
Low risk	73,995	-	-	73,995
Moderate risk	-	-	-	-
High risk	-	-	177	177
Total gross carrying amount	73,995	-	177	74,172
Less: loss allowance	400	-	28	428
Total carrying amount	73,595	-	149	73,744
Total				
Low risk	222,680	-	-	222,680
Moderate risk	-	-	-	-
High risk	-	-	568	568
Total gross carrying amount	222,680	-	568	223,248
Less: loss allowance	725	-	289	1,014
Total carrying amount	221,955	-	279	222,234

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17. Financial instruments (Continued from previous page)

<i>In thousands</i>	12-month ECL	2024		Total
		Lifetime ECL (not credit impaired)	Lifetime ECL (credit impaired)	
Residential and farm mortgages				
Low risk	122,955	-	-	122,955
Moderate risk	-	-	-	-
High risk	-	-	241	241
Total gross carrying amount	122,955	-	241	123,196
Less: loss allowance	165	-	126	291
Total carrying amount	122,790	-	115	122,905
Personal loans				
Low risk	13,721	-	-	13,721
Moderate risk	-	-	-	-
High risk	-	-	205	205
Total gross carrying amount	13,721	-	205	13,926
Less: loss allowance	115	-	190	305
Total carrying amount	13,606	-	15	13,621
Government guaranteed, commercial mortgages, non- personal loans and total accrued interest				
Low risk	68,859	-	-	68,859
Moderate risk	-	-	-	-
High risk	-	-	194	194
Total gross carrying amount	68,859	-	194	69,053
Less: loss allowance	320	-	144	464
Total carrying amount	68,539	-	50	68,589
Total				
Low risk	205,535	-	-	205,535
Moderate risk	-	-	-	-
High risk	-	-	640	640
Total gross carrying amount	205,535	-	640	206,175
Less: loss allowance	600	-	460	1,060
Total carrying amount	204,935	-	180	205,115

Concentrations of credit risk

Concentration of credit risk exists if a number of borrowers are exposed to similar economic risks by being engaged in similar economic activities or being located in the same geographical region, and indicate the relative sensitivity of the Credit Union's performance to developments affecting a particular segment of borrowers or geographical region. Geographical risk exists for the Credit Union due to its primary service area being St. Gregor, Saskatchewan and surrounding area.

St. Gregor Credit Union Limited
Notes to the Financial Statements
For the year ended December 31, 2025

17. **Financial instruments** (Continued from previous page)

Amounts arising from expected credit losses

Reconciliation of the loss allowance

The following tables show a reconciliation of the opening to the closing balance of the loss allowance by class of financial instrument.

<i>In thousands</i>	<i>12-month ECL</i>	<i>Lifetime ECL (not credit impaired)</i>	<i>Lifetime ECL (credit impaired)</i>	<i>Total</i>
Residential and farm mortgages				
Balance at January 1, 2024	110	-	186	296
Net remeasurement of loss allowance	55	-	(60)	(5)
Balance at December 31, 2024	165	-	126	291
Net remeasurement of loss allowance	20	-	25	45
Balance at December 31, 2025	185	-	151	336
Personal loans				
Balance at January 1, 2024	90	-	92	182
Net remeasurement of loss allowance	25	-	98	123
Balance at December 31, 2024	115	-	190	305
Net remeasurement of loss allowance	25	-	(80)	(55)
Balance at December 31, 2025	140	-	110	250
Government guaranteed, commercial mortgages, non- personal loans and total accrued interest				
Balance at January 1, 2024	300	-	10	310
Net remeasurement of loss allowance	20	-	134	154
Balance at December 31, 2024	320	-	144	464
Net remeasurement of loss allowance	80	-	(116)	(36)
Balance at December 31, 2025	400	-	28	428
Total loss allowance	725	-	289	1,014

Financial instruments for which the impairment requirements of IFRS 9 do not apply

The carrying amount of SaskCentral and National Consulting Ltd. shares, as disclosed in Note 5, best represents the Credit Union's maximum exposure to credit risk for those items. The Credit Union holds no collateral or other credit enhancements on these balances.

17. Financial instruments *(Continued from previous page)*

Market risk

Market risk is the risk of loss in value of financial instruments that may arise from changes in market factors such as interest rates, equity prices and credit spreads. The Credit Union's exposure changes depending on market conditions. Market risks that have a significant impact on the Credit Union include fair value risk and interest rate risk.

Market risk arises from changes in interest rates that affect the Credit Union's net interest income. Exposure to this risk directly impacts the Credit Union's income from its loan and deposit portfolios. The Credit Union's objective is to earn an acceptable net return on these portfolios, without taking unreasonable risk, while meeting member needs.

Risk measurement

The Credit Union's risk position is measured and monitored each month to ensure compliance with policy. Management provides monthly reports on these matters to the Credit Union's Board of Directors.

Objectives, policies and processes

Management is responsible for managing the Credit Union's interest rate risk, monitoring approved limits and compliance with policies. The Credit Union manages market risk by developing and implementing asset and liability management policies, which are approved and periodically reviewed by the Board of Directors.

The Credit Union's goal is to achieve adequate levels of profitability, liquidity and safety. The Board of Directors reviews the Credit Union's investment and asset liability management policies periodically to ensure they remain relevant and effective in managing and controlling risk.

Interest rate risk

Interest rate risk is the sensitivity of the Credit Union's financial condition to movements in interest rates. Cash flow interest rate risk is the risk that the future cash flows of the Credit Union's financial instruments will fluctuate due to changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in prevailing market interest rates. Interest margins reported in comprehensive income may increase or decrease in response to changes in market interest rates. The Credit Union incurs interest rate risk on its loans and other interest bearing financial instruments.

In managing interest rate risk, the Credit Union relies primarily upon use of asset - liability and interest rate sensitivity simulation models, which is monitored by the Credit Union.

Sensitivity analysis is used to assess the change in value of the Credit Union's financial instruments against a range of incremental basis point changes in interest rates over a twelve month period. Interest rate shock analysis is calculated in a similar manner to sensitivity analysis but involves a more significant change of 100 basis points or greater in interest rates. Sensitivity analysis and interest rate shock analysis are calculated on a quarterly basis and are reported to the Board of Directors. Based on current differences between financial assets and financial liabilities as at year-end, the Credit Union estimates that an immediate and sustained 100 basis point increase in interest rates would increase net interest income by \$394,939 (2024 - \$251,627) over the next 12 months while an immediate and sustained 100 basis point decrease in interest rates would decrease net interest income by \$394,939 (2024 - \$251,627) over the next 12 months.

Other types of interest rate risk are basis risk (the risk of loss arising from changes in the relationship of interest rates which have similar but not identical characteristics; for example, the difference between prime rates and the Canadian Deposit Offering Rate) and prepayment risk (the risk of loss of interest income arising from the early repayment of fixed rate mortgages and loans), both of which are monitored on a regular basis and are reported to the Board of Directors.

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Notes to the Financial Statements
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17. Financial instruments (Continued from previous page)

The Credit Union's major source of income is financial margin which is the difference between interest earned on investments and loans to members and interest paid to members on their deposits. The objective of managing the financial margin is to match re-pricing or maturity dates of loans and investments and member deposits within policy limits. These limits are intended to limit the Credit Union's exposure to changing interest rates and to wide fluctuations of income during periods of changing interest rates. The differential represents the net mismatch between loans and investments and member deposits for those particular maturity dates. Certain items on the statement of financial position, such as non-interest bearing member deposits and equity do not provide interest rate exposure to the Credit Union. These items are reported as non-interest rate sensitive in the table below.

Amounts with variable interest rates, or due on demand, are classified as on demand.

A significant amount of member loans receivable and member deposits can be settled before maturity on payment of a penalty. No adjustment has been made for repayments that may occur prior to maturity.

Interest rate sensitivity

In the table below, the carrying amounts of financial instruments are presented in the periods in which they next re-price to market rates or mature and are summed to show the net interest rate sensitivity gap.

Contractual re-pricing and maturity

All financial instruments are reported in the schedule below based on the earlier of their contractual re-pricing date or maturity date. The schedule below does not identify management's expectations of future events where re-pricing and maturity dates differ from contractual dates.

	<i>(In thousands)</i>						
	<i>On demand</i>	<i>Within 3 months</i>	<i>Over 3 months to 1 year</i>	<i>Over 1 year to 5 years</i>	<i>Non-interest sensitive</i>	<i>2025 Total</i>	<i>2024 Total</i>
Assets							
Cash and cash equivalents	8,000	-	-	-	4,577	12,577	16,740
<i>Average yield %</i>	2.23	-	-	-	-	1.42	2.12
Investments	20,546	-	8,000	4,000	490	33,036	27,681
<i>Average yield %</i>	2.53	-	3.23	3.50	-	2.78	3.57
Member loans receivable	42,475	7,963	33,504	136,570	1,722	222,234	205,115
<i>Average yield %</i>	5.65	5.26	4.95	5.50	-	5.39	5.53
Other assets	-	-	-	-	32	32	36
	71,021	7,963	41,504	140,570	6,821	267,879	249,572
Liabilities							
Member deposits	25,115	19,016	28,766	132,531	30,820	236,248	220,716
<i>Average yield %</i>	0.51	2.57	2.94	4.08	-	3.05	3.24
Accounts payable	-	-	-	-	199	199	116
Membership shares	-	-	-	-	14	14	14
Equity accounts	-	-	-	-	2,052	2,052	1,969
	25,115	19,016	28,766	132,531	33,085	238,513	222,815
Net sensitivity	45,906	(11,053)	12,738	8,039	(26,264)	29,366	26,757

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17. Financial instruments (Continued from previous page)

Liquidity risk

Liquidity risk is the risk that the Credit Union cannot meet a demand for cash or fund its obligations as they come due. The Credit Union's management oversees the Credit Union's liquidity risk to ensure the Credit Union has access to enough readily available funds to cover its financial obligations as they come due. The Credit Union's business requires such liquidity for operating and regulatory purposes. Refer to Note 5 for further information about the Credit Union's regulatory requirements.

Liquidity risk is managed through a three tiered structure consisting of the local Credit Union level, the provincial Credit Union level and the national Credit Union level.

Locally, the Credit Union manages its liquidity position from three perspectives:

- Structural liquidity risk, which addresses the risk due to mismatches in effective maturities between assets and liabilities, more specifically the risk of over reliance on short-term liabilities to fund long-term illiquid assets;
- Tactical liquidity risk, which addresses the day-to-day funding requirements that are managed by imposing prudential limits on net fund outflows; and
- Contingent liquidity risk, which assess the impact of sudden stressful events and the Credit Union's responses thereto.

The primary liquidity risk policies and procedures include the following:

- Liquidity risk management framework to measure and control liquidity risk exposure;
- Measurement of cashflows;
- Maintenance of a line of credit and borrowing facility with SaskCentral and others;
- Maintenance of a pool of high quality liquid assets;
- Monitoring of single deposits, term deposits and the sources of deposits; and
- Contingency planning.

Provincially, SaskCentral manages a statutory liquidity pool of marketable investment securities on behalf of Saskatchewan Credit Unions to facilitate clearing and settlement, daily cash flow management and emergency liquidity support. Nationally, credit union centrals are represented by one central which acts as the Group Clearer, Central 1 Credit Union. The Group Clearer is a member of the Canadian Payments Association and pools provincial cash flows to settle with the Bank of Canada.

The following table details contractual maturities of financial liabilities:

As at December 31, 2025:

	< 1 year	1-2 years	> 2 years	Total
Member deposits	103,716,588	29,373,947	103,157,345	236,247,880
Accounts payable	199,072	-	-	199,072
Membership shares	-	-	14,145	14,145
Equity accounts	-	-	2,051,817	2,051,817
Total	103,915,660	29,373,947	105,223,307	238,512,914

As at December 31, 2024:

	< 1 year	1-2 years	> 2 years	Total
Member deposits	89,387,734	16,153,063	115,175,420	220,716,217
Accounts payable	115,751	-	-	115,751
Membership shares	-	-	13,705	13,705
Equity accounts	-	-	1,968,854	1,968,854
Total	89,503,485	16,153,063	117,157,979	222,814,527

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For the year ended December 31, 2025

17. Financial instruments (Continued from previous page)

The Credit Union manages liquidity risk on a net asset and liability basis. The following tables explain the contractual maturities of financial assets held for the purpose of managing liquidity risk.

As at December 31, 2025:

	< 1 year	1-2 years	> 2 years	Total
Cash and cash equivalents	12,576,615	-	-	12,576,615
Investments	28,579,071	4,000,000	457,398	33,036,469
Member loans receivable	85,663,973	31,935,392	104,635,080	222,234,445
Other assets	4,000	4,000	24,000	32,000
Total	126,823,659	35,939,392	105,116,478	267,879,529

As at December 31, 2024:

	< 1 year	1-2 years	> 2 years	Total
Cash and cash equivalents	16,739,623	-	-	16,739,623
Investments	25,113,146	2,000,000	567,470	27,680,616
Member loans receivable	65,528,279	40,034,419	99,552,397	205,115,095
Other assets	4,000	4,000	28,000	36,000
Total	107,385,048	42,038,419	100,147,867	249,571,334

18. Fair value measurements

The Credit Union classifies fair value measurements recognized in the statement of financial position using a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Quoted prices (unadjusted) are available in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for which there is little or no market data and which require the Credit Union to develop its own assumptions.

Fair value measurements are classified in the fair value hierarchy based on the lowest level input that is assessed to be significant to that fair value measurement. This assessment requires the use of judgment in considering factors specific to an asset or a liability and may affect the placement of the fair value measurement within the hierarchy.

The Credit Union considers a fair value measurement to have transferred between the levels in the fair value hierarchy on the beginning of the reporting period, the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 1 and Level 2, as well as no transfers into or out of Level 3 during the period.

In determining fair value measurements, the Credit Union uses the net present valuation techniques and inputs consisting of actual balances, actual rates, market rates (for similar instruments) and payment frequency.

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Notes to the Financial Statements
For the year ended December 31, 2025

18. Fair value measurements *(Continued from previous page)*

Financial assets and financial liabilities measured at fair value

The Credit Union's financial assets and financial liabilities measured at fair value in the statement of financial position on a recurring basis have been categorized into the fair value hierarchy as follows:

	2025			
	<i>Fair value</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
Financial assets				
Cash	4,576,615	4,576,615	-	-
SaskCentral shares	437,398	-	-	437,398
National Consulting Ltd. shares	20,000	-	-	20,000
Total financial assets	5,034,013	4,576,615	-	457,398

	2024			
	<i>Fair value</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
Financial assets				
Cash	5,739,623	5,739,623	-	-
SaskCentral shares	547,470	-	-	547,470
National Consulting Ltd. shares	20,000	-	-	20,000
Total financial assets	6,307,093	5,739,623	-	567,470

Level 2 and Level 3 fair value measurements

All fair values disclosed and categorized within Level 2 of the hierarchy use a net present value valuation technique and inputs consisting of actual balances, actual rates, market rates (for similar instruments) and payment frequency.

For fair value measurements of Level 3 SaskCentral and National Consulting Ltd. shares, the Credit Union has assumed that the fair value of the amounts is comparable to their amortized cost, which equals the par value of the shares. The shares are not quoted or traded, however when new shares of SaskCentral are offered, the price remains the same as the par value of all currently available shares. There was no impact of the measurement on profit or loss for the year.

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For the year ended December 31, 2025

18. **Fair value measurements** (Continued from previous page)

Financial instruments not measured at fair value

The carrying amount, fair value, and categorization into the fair value hierarchy of all other financial assets and financial liabilities held by the Credit Union and not measured at fair value on the statement of financial position are as follows:

	<i>Carrying amount</i>	<i>Fair value</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
2025					
Financial assets measured at amortized cost					
Cash equivalents	8,000,000	8,000,000	8,000,000	-	-
Investments	32,579,071	32,582,470	-	32,582,470	-
Member loans receivable	222,234,445	226,339,114	-	226,339,114	-
Other assets	32,000	32,000	-	32,000	-
Total financial assets	262,845,516	266,953,584	8,000,000	258,953,584	-
Financial liabilities measured at amortized cost					
Member deposits	236,247,880	241,456,357	-	241,456,357	-
Accounts payable	199,072	199,072	-	199,072	-
Membership shares	14,145	14,145	-	-	14,145
Equity accounts	2,051,817	2,051,817	-	-	2,051,817
Total financial liabilities	238,512,914	243,721,391	-	241,655,429	2,065,962
2024					
Financial assets					
Cash equivalents	11,000,000	11,000,000	11,000,000	-	-
Investments	27,113,147	27,121,692	-	27,121,692	-
Member loans receivable	205,115,095	208,207,911	-	208,207,911	-
Other assets	36,000	36,000	-	36,000	-
Total financial assets	243,264,242	246,365,603	11,000,000	235,365,603	-
Financial liabilities					
Member deposits	220,716,217	226,588,168	-	226,588,168	-
Accounts payable	115,751	115,751	-	115,751	-
Membership shares	13,705	13,705	-	-	13,705
Equity accounts	1,968,854	1,968,854	-	-	1,968,854
Total financial liabilities	222,814,527	228,686,478	-	226,703,919	1,982,559

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18. Fair value measurements *(Continued from previous page)*

Level 2 and Level 3 fair value measurements for financial instruments not measured at fair value

Valuation techniques and inputs for Level 2 and Level 3 fair value measurements are as follows:

All fair values disclosed and categorized within Level 2 of the hierarchy use a net present value valuation technique and inputs consisting of actual balances, actual rates, market rates (for similar instruments) and payment frequency.

As there is no observable market data for all fair values disclosed and categorized within Level 3 of the hierarchy, the Credit Union has assumed that the fair value of the amounts is comparable to their amortized cost.

19. Commitment

In 2009, the Credit Union entered into a ten year commitment for the provision of retail banking services provided by Celero Solutions Inc. ("Celero") with a five year contract renewal option. In 2015, the contract was renewed for an additional seven years commencing in 2016 and subsequently extended to December 31, 2025. In 2024, Celero was purchased by CDSL Canada Limited and the existing agreement was extended to July 3, 2029. The annual operating fee is calculated as a percentage of the aggregate fees paid by all Credit Unions using the banking system.

