

ANNUAL REPORT 2025

Rooted in People. Ready for Tomorrow.



F1rstOntario
CREDIT UNION



*Steve Boucouvalas,
Board Chair*

Board Report

Our Imagine 2022-2026 Strategic Plan remains a valuable roadmap for our ongoing success and has been a catalyst for another strong year at FirstOntario Credit Union.

Many Canadians have experienced hardships and uncertainty in 2025, and FirstOntario – built on more than 86 years of service – has consistently supported our membership, been there for our communities and maintained strong growth and opportunity. We pride ourselves on being a homegrown, Canadian-owned financial institution that offers competitive products and services and convenient ways to manage your money, all while being a good neighbour and helping those who need it. We know there will be challenges ahead – and we are prepared for that – but we didn't get to where we are today without celebrating and appreciating our achievements.

In accordance with the Credit Unions and Caisses Populaires Act (2020), the Board is required to provide a gender diversity report to FirstOntario's membership annually. Your Board of Directors consists of 12 Directors, comprised of six women and six men.

We know supporting our communities is important to our members, and it is because of you we were able to keep with the tradition of two significant annual donations.

We invested \$260,000 towards local student nutrition initiatives in 2025. These funds fuel programs that provide nutritious food to elementary school students who otherwise might go without, so they can focus on their day without having to worry about being hungry. Blue Wave volunteers showed up in several schools before their workday began to ensure these snacks were prepped and ready to go before the kids arrived.

With the demand for food bank services steadily increasing with no end in sight, we were also able to distribute \$135,000 to 25 different local agencies that provide these essential services. It's because of our success, sustainability, strength and membership support that we are able to give back and make an impact.

We must also acknowledge our staff. Each one of our employees step up to the plate every day to ensure those we serve have exactly what they need – from sharing advice, performing transactions, troubleshooting present-day challenges and planning ahead, our experienced staff remain committed.

FirstOntario was also proud to receive a \$25,000 grant from Concentra & Equitable Bank's Empowering Your Community Grant for its Affordable Housing Across Ontario Program. Sustainable and affordable housing is one of our strategic community pillars and we're pleased to invest this money toward additional safe, sustainable and affordable housing through community partnerships.

It's because of this commitment that we achieved the Great Place to Work® certification – a global accreditation. This achievement demonstrates the culture behind the scenes, the pride people invest into their roles, and the dedication our employees have to work collaboratively to see our credit union succeed.

This past year saw big upgrades for our business members. We reimagined our daily accounts, added new options like market-linked GICs and remote corporate deposit capture and we increased *Interac* e-Transfer limits. We relocated our downtown Hamilton Business Centre a few blocks away into a shared space that united our Hamilton Small

Business and Commercial teams and also now includes Wealth services. These are exciting times for our Business Banking Group as our suite of offerings continues to grow and expand.

Five local businesses took home top prizes in our annual FirstOntario 1Awards pitch competition. We would like to thank our community partners who return each year to offer the program and provide the prizes. Without them, we would not have been able to contribute \$2.5 million to small businesses since the competition began 14 years ago. It's important to celebrate the entrepreneurs who contribute to the unique identities of our neighbourhoods – running a small business is never an easy job, and FirstOntario is happy to back their ideas and support their success.

In pursuit of our Environmental, Social and Governance (ESG) strategy, we added information to our website to keep members informed of our ongoing progress. We'll be sharing updates on future milestones and initiatives we've implemented to demonstrate our commitment to this critical framework.

Creative Arts Financial – a division of FirstOntario – began the transition to all new branding, kicking off with a new website. We're looking forward to showcasing this special brand that caters to the creative industry and their unique needs. Creative Arts members can expect more exclusive services coming this year.

On behalf of the board, I would like to thank everyone for their care, consideration and trust in FirstOntario and for contributing to our 2025 success.

It's because of our success, sustainability, strength and membership support that we are able to give back and make an impact.



FirstOntario

CREDIT UNION



Lloyd Smith,
CEO

CEO Report

This year affirmed a simple truth: when you're rooted in people — listening, learning, and doing the right thing — tomorrow stops being uncertain and starts looking full of possibility. We entered the year with disciplined plans guided by the cooperative values that we are committed to. We finished it stronger, with results that reflect both exceptional execution and unwavering empathy.

We had success against most of our growth targets and delivered significantly higher profitability over the previous year — up approximately 40% year-over-year — while improving returns and margins across the board. Multiple lines of business contributed: retail, mortgages, dealer finance network, wealth and our business banking group, which serves our commercial members — all of whom contributed to a strong year.

Creative Arts Financial and Saven Financial continued to improve and our Alternative Investments division also continued to grow. We expanded our sources of revenue and kept our footing despite broader economic headwinds, including steady lending activity and income growth in our various lines of business. Our net income after tax was \$26.2 million for 2025.

Our Funds Under Management reached approximately \$13.5 billion, reflecting an increase of 10.6% growth. Importantly, our growth is organic — members are choosing to do more with us because they see the difference in how we do business. We're well-capitalized, maintaining the strength

and stability members expect from a modern financial cooperative. We're a thriving, community-minded financial institution — we pride ourselves on being a viable and trusted alternative that Ontarians would want to partner with for banking services.

As a credit union, we measure success beyond the balance sheet. Our cooperative model is built to serve members, employees, and our communities, not shareholders only interested in financial returns, and that purpose shows up everywhere — from our Community Assistance Program when times are tough, to expanded solutions to serve diverse needs that are often overlooked, including condominium lending for developers and Islamic mortgage financing, to name a few. We're growing and profitable, and we're doing it without compromising our core values.

Our philosophy is simple: be better at what we do across the entire organization, and member success and growth will follow. Operational excellence, which is built on being consistent, fast, error free, and easy to do business with, is one of our strategies and is the engine behind sustainable growth. We've enjoyed consistent, controlled and primarily organic growth over the last seven years, because we relentlessly focus on how we do business — all balanced with a personal touch. We concentrate on the right reasons and the right outcomes, namely delivering good value and good service so members view FirstOntario as a credit union they trust and want to do business with.

That focus shows up in member experience results, where satisfaction levels reflect rising advocacy and trust. We'll keep pushing for operational excellence — simplifying processes, improving turnarounds, and removing friction because doing better remains our default. We regularly check in with members to gauge their satisfaction level with our credit union, and we're pleased to say our overall average member satisfaction rating is 91%.

Our brand awareness scores also are very strong in the communities we serve, with 94% of survey respondents indicating FirstOntario was their most recalled credit union and 94% said they were pleased with their ability to complete their transactions with FirstOntario.

Change is inevitable; our progress is intentional. In 2025, we launched our Temenos Digital project, which will ultimately deliver better online tools that greatly contribute to members' ability to bank with us anytime, anyway and anywhere. We are committed to executing thoughtfully, while supporting our members' financial goals and journey, and to bring digital capabilities to life in ways that are helpful. I want to thank our teams for their tenacity and expertise in moving this project forward and I'm excited and optimistic about the eventual outcomes.

Being a regulated financial cooperative is a privilege. It means we balance prudence with progress — and that profitability amplifies our social impact. The more successful we are, the more we can support organizations that need help, and the more we can stand up for our communities' well-being. Our revenue engine is powerful precisely because it is values driven.

In a year full of difficult headlines, I'm proud of how our employees showed care and empathy, how our members trusted us, and how our communities benefited. We firmly believe it is our responsibility to use our credit union platform and reinvest our profits back in the communities that we serve, and again we did that with great enthusiasm and passion.

We provided significant financial supports toward addressing a number of societal challenges, most notably focusing on our key community pillars — financial literacy, food security, youth health and wellness, and sustainable and affordable housing.

We're humbled that our efforts to support affordable housing were awarded a \$25,000 grant from Concentra/EQ Bank which allows us to reinvest that money into supporting this

When you're rooted in people, tomorrow stops being uncertain and starts looking full of possibility.

initiative. We once again made year-end donations to student nutrition programs and organizations in our communities that address food security challenges for children, families and individuals. I'm most proud that our employees, through our Blue Wave volunteer programs, give freely of their time to support various community initiatives throughout the year, with 362 staff members volunteering in 2025 through the program.

We were also pleased to earn the Great Place To Work® Certification™. What makes this meaningful is that the award is based entirely on what current employees say about their experience working at FirstOntario. We want our employees to be proud to work here, to know that their opinions truly matter and to feel a sense of inclusiveness.

In 2026, we will remain financially strong with continued growth across all lines of business. We will continue to deliver a wide variety of products and services — from wealth to retail, from business banking to specialized lending — and we will refresh our core values to ensure we remain in tune with what is important to our members.

Our plans and strategies are strong and thoughtfully consider current global changes and economic uncertainty. We are and will always remain a credit union and a very viable and profitable alternative to major banks. We are a strong player in the Canadian financial sector.

The best years are yet to come because we are, and will remain, rooted in people and ready for tomorrow.

Thank you to every employee who brings purpose to work each day, and to every member who chooses us as their partner.

STRENGTH ROOTED

in Community



Strong communities are built through cooperation, shared purpose, and commitment to one another. At FirstOntario, we are rooted in relationships with our members, our employees, and the community organizations working every day to strengthen the places we call home.

Throughout the year, we worked alongside community partners to respond to local needs, support essential services, and help create opportunities for people to thrive. By listening to community voices and collaborating with purpose, we helped turn collective effort into meaningful, measurable impact.

Our approach extends well beyond financial support. We invest our time, expertise, and energy into

initiatives that build resilience, foster inclusion, and create lasting positive change. Whether contributing to programs that address immediate challenges or partnering on long-term solutions, our focus remains on strengthening communities in ways that are sustainable and meaningful.

These efforts are made possible through cooperation and bringing people together around shared goals and a belief that we are stronger when we work together. As we reflect on the year, we are proud of the impact created alongside our partners and inspired by the stories of connection, progress, and possibilities that continue to shape our communities.

2025

Community Impact Highlights

\$260,000

provided to student nutrition programs

\$135,000

given to food insecurity

\$14,000

to support 14 students through Education Awards

\$4,000

for four recipients of Kitty Jackson Memorial Education Award

\$4,500

for three FirstOntario youth recipients of CU Succeed Education Bursary

1,472

Blue Wave volunteer hours in 2025

\$22,500

to support United Way

\$200,000

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

\$40,700

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

STRENGTH ROOTED

in Volunteerism



Our commitment to community runs deep.

Through our Blue Wave employee volunteer program we don't just support, we engage, connect, and create lasting impact. This employee-led initiative reflects the heart of who we are: people helping people, making a difference beyond traditional forms of giving.

In 2025, Blue Wave volunteers brought energy and compassion to organizations, events, and initiatives across our communities, providing invaluable support where it mattered most. Together, we turned dedication into action and strengthened the bonds that make our communities thrive.

We also celebrated extraordinary contributions through our annual Blue Wave milestones, recognizing employees who volunteered 96 hours or more. Thirteen remarkable volunteers achieved this milestone, having given 2,600 hours since becoming part of the Blue Wave employee volunteer program. We proudly donated \$8,750 to organizations close to their hearts. Since recognition began, 71 milestones have been celebrated and nearly \$46,000 has been donated. When we invest in people, we invest in a brighter tomorrow.



1,472 Hours



362 Volunteers



82 Events/ 102 Schools

*support of student
nutrition programs
through in-school help
and produce delivery*



STRENGTH ROOTED

in Collaboration & Support



At FirstOntario, collaboration is at the heart of everything we do.

We partner with like-minded organizations to create lasting impact because strong communities are built through shared purpose and action. Guided by our four pillars of community focus, we combine skills, knowledge, and commitment to drive meaningful change. Together, we're not just responding to today's needs, we are working together to help shape a brighter tomorrow.



*Food
Security*



*Youth, Health
& Wellness*



*Affordable
Housing*



*Financial
Literacy*

Food Security

Access to nutritious food is essential for learning and growth. Since 2014, FirstOntario has invested \$2.9 million to strengthen student nutrition programs, ensuring healthy meals and snacks are available in schools across our communities. The need continued to rise in 2025, with an average of 123,000 students benefiting from this vital support. Our Blue Wave volunteers play an active role in bringing this program to life — delivering fresh, local produce and providing weekly in-school assistance on a rotating basis. Together, we're fueling success, one healthy choice at a time.



123,000

students helped across all our communities



\$2.9 million

in support since 2014

\$260,000

donated in 2025



90

schools supported with regular delivery of local fruit and produce

12

in-school programs supported by 24 volunteers every week

AFFORDABLE

Housing



Empowering Your Community Grant

Our efforts to drive collaborative, community-driven solutions were recently acknowledged when FirstOntario was named a recipient of the Concentra/Equitable Bank's *Empowering Your Community Grant* as part of the Affordable Housing Across Ontario program.

The award was in recognition of our partnership with Rental Rescue and our mission to collaborate with the organization to revitalize aging properties into safe, dignified homes. The first project ensured eight affordable units in Hamilton would remain available and work continues to undertake new projects with Rental Rescue that empower non-profits in acquiring and preserving affordable rental housing. The \$25,000 Grant will be used to continue our work to support initiatives that address affordable and sustainable housing.

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Continued Emphasis on Partnership and Collaboration

Our partnership with Hamilton East Kiwanis Non-Profit Homes that works with the City of Hamilton, Hamilton Community Foundation and Home Ownership Alternatives, remains an important way that we can work with like-minded organizations to remove the barriers to home ownership. In 2024 and 2025, six mortgages were closed to support buyers qualifying for their first home.

This work is coupled with our ongoing commitment to supporting Rental Rescue and their efforts to enable non-profits to secure property and thereby safeguard affordable residential use. In 2025 we also began a partnership with Habitat for Humanity Halton-Mississauga-Dufferin that provides financing for individuals moving into the units. This year, three families have successfully made this transition to home ownership.

Youth, Health and Wellness – Community Support

The strength of any community is reflected in its overall well-being and how its people live, connect, and thrive together. In 2025, this understanding continued to guide our approach as we supported a wide range of events, initiatives, and organizations dedicated to advancing the health and wellness of the communities we serve.

Our efforts are grounded in the belief that meaningful impact is achieved through collaboration. By working alongside trusted community partners, we strengthened programs that promote physical and mental wellness, ensured access to essential supports, and fostered environments where individuals and families can succeed. These partnerships contributed to the resilience and vitality of our communities as a whole and our shared goal of building healthier, more connected and more resilient communities.





Food Security Programs and Agencies \$135,000 was donated to individual food banks across our regions.

- Bethlehem Housing – Holiday celebration
- Burlington Food Bank
- Cayuga Food Bank
- Chatham Outreach for Hunger
- Community Care St. Catharines & Thorold
- Community Care of West Niagara
- Community Resource Service Brantford
- Fare Share Food Bank Oakville
- Feed Halton
- Food4Kids Niagara
- Food4Kids Hamilton
- Food for Life Burlington
- Gore Park Community Outreach
- Neighbour to Neighbour
- Niagara Nutrition Partners
- Out of the Cold Dinners
- Performing Arts Lodge
- Port Cares Port Colborne
- Project Share Niagara Falls
- Salvation Army - Woodstock/Norwich/Ingersoll
- Simcoe Caring Cupboard Food Bank
- The AFC
- The Hope Centre Welland
- Tillsonburg Helping Hand Food Bank
- United Way Halton & Hamilton
- United Way Oxford



Homelessness, Safe and Affordable Housing Initiatives

- Coldest Night of the Year
– Neighbour to Neighbour (Hamilton)
- Coldest Night of the Year
– Open Doors (Burlington)
- Coldest Night of the Year
– Norfolk County Youth Unlimited (Simcoe)
- Coldest Night of the Year
– Start Me Up Niagara (St. Catharines)
- Coldest Night of the Year
– Operation Sharing (Woodstock)
- Coldest Night of the Year
– Neighbourhood Link Chatham-Kent (Chatham-Kent)
- Empty Bowls Fundraiser
– Bethlehem Housing
- Home Suite Hope
- Sleepless For Our Community
– United Way Halton & Hamilton



Youth, Health, and Wellness

- Big Brothers, Big Sisters of Oxford
- Brant Community Healthcare System Foundation
- Cancer Assistance Program
- Charity of Hope
- Chatham-Kent Health Alliance Foundation
- Cicada Music and Art Festival
- Halton Police Foundation
- Hamilton Health Sciences Foundation
- Hotel Dieu Shaver - Hope in Motion
- Imagine in the Park
- Joseph Brant Hospital Foundation
- Kemp Care Network
- Niagara Children's Centre
- Niagara College
- St. Joseph's Healthcare Foundation
- Theatre Aquarius
- YMCA of Chatham-Kent – Chatham Celebration of Youth



Caring for Communities

- Alliance of Canadian Cinema, Television and Radio Artists (ACTRA)
- Burlington Community Foundation
- CHCH Christmas Toy Drive
- Kemp Care Network
- Oak Park Neighbourhood Centre
- Ontario Credit Union Foundation
- Whispering Hearts Horse Rescue
- Woodstock Cowapoolooza



KEY HIGHLIGHTS

From 2025



Hamilton Sports Group

- Our annual fundraiser with the Hamilton Tiger-Cats saw a portion of the proceeds from the sale of limited edition Garney Henley hats donated to the Hamilton Sports Group Foundation (HSGF). On behalf of FirstOntario, HSGF made donations to three community partners with the funds raised through the initiative.
 - *Food for Life* – \$5,000
 - *United Way Halton & Hamilton* – \$1,500
 - *Operation Backpack* – \$1,500

Blue Wave employee volunteers provided additional hands-on support, helping to pack 1,869 backpacks with supplies for students returning to school. That number 1,869, reflects the year that the Tiger-Cats began and the support also provided by the team to this initiative.

Season of Giving

- As the need for food support continues to rise, FirstOntario stepped forward with an additional commitment of \$135,000 to 25 local food banks and organizations. Over the past six years, FirstOntario has provided more than \$700,000 to help community agencies stock their shelves, expand their reach, and provide dignity and security to individuals and families experiencing food insecurity.

CHCH Toy Drive

- FirstOntario's ongoing support of the CHCH Toy Drive remains a meaningful way to spread holiday cheer across our communities. Through in-branch and e-transfer donations leading up to the holidays, members, employees and the community at large came together to raise \$38,000 which resulted in more than 3,200 toys donated across Hamilton, Halton, and Niagara. Since 2020, FirstOntario has helped facilitate \$168,000 in contributions, helping create brighter holiday moments for children and families.

United Way

- Employee generosity through the annual e-pledge campaign, combined with community fundraising efforts like the United Way Plane Pull and sponsorship, came together to provide over \$20,000 in support and funding of United Way's important community programs. FirstOntario was proud to have two teams in the plane pull and to support the event as a corporate sponsor.

Niagara College

- FirstOntario Credit Union proudly supported Niagara College's Nourishing Minds Fund through both financial and volunteer contributions as part of the school's Giving Tuesday initiatives. The support helped address student food insecurity while supporting the Rise & Shine breakfast program and saw Blue Wave employee volunteers provide hands-on support. Coupled with the establishment of a new endowed student award, the partnership reinforces our commitment to student well-being and success.



STRENGTH ROOTED

in Financial Literacy & Learning



FirstOntario understands that when you have the tools and information available, you can make confident financial decisions. That's why we continue to invest in programming that helps to deliver a foundation of financial literacy across our communities.

In 2025, we delivered 45 sessions to over 700 individuals as part of our Each One, Teach One and FirstOntario's customized financial literacy sessions on topics such as basic budgeting, investing, retirement readiness, debt smarts, identity theft and fraud prevention, Registered Retirement Savings Plans (RRSPs) and Tax-Free Savings Accounts (TFSA's), home ownership, and more.

45

Financial literacy sessions

19 Segments

Finance Friday

10 Segments

Wealth Wednesday



Our continued partnership with CHCH television's *Morning Live* program provides an opportunity to share financial insights on timely topics, giving viewers information to help make important financial decisions about personal financing and small business-related topics.



Once a month, our FirstOntario experts discuss wealth and investment topics and tips on CHCH television's *Morning Live* program. The Wealth Wednesday financial literacy segment includes timely topics for viewers about helpful wealth strategies.

Education Awards

\$14,000 in scholarships in 2025

FirstOntario has recognized 129 students and awarded \$157,750 to support continuing education since 2005.

Post-Secondary Bursaries

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

Kitty Jackson Memorial Award

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

STRENGTH ROOTED

in Local Business



Recognizing the entrepreneurs who bring character and vitality to our communities, FirstOntario and our 1Awards partners have contributed more than \$2.5 million to support local businesses. The FirstOntario 1Awards continues to champion small business excellence across Hamilton, Halton, Brant, Niagara, and surrounding areas. Through cash awards and in-kind services, recipients are equipped with the resources they need to strengthen and grow their businesses within the communities they serve.

Over
\$2.5 million
*in cash and in-kind services,
since 2012*

\$200,000
*cash and in-kind services
awarded in 2025*

*ImaginAble Solutions
(Hamilton)*



*Willard's Ice Cream
(Hamilton)*



**2025
1Awards
Winners**



*Main Stage
Rehearsal Studios
(Hamilton)*



*Apothecary Kitchen
(Hamilton)*



*Electric Diner
(Hamilton)*

68
applicants

10
finalists

5
winners

STRENGTH ROOTED

in Culture & Recreation



Collaboration is central to how FirstOntario creates shared value within our communities. By working closely with trusted partners and supporting organizations that share our commitment to community enrichment, we deepen connections and create meaningful opportunities for impact. Cultural programming and community engagement initiatives continue to be important pillars of this work.

Through strategic investments and innovative partner collaborations, we help elevate local organizations while strengthening relationships and reinvesting our profits into the neighbourhoods where our members work and play.



*Brantford Bulldogs and
Bulldogs Foundation*



*Hamilton
Tiger-Cats*



*FirstOntario Concert Hall,
Hamilton*



*FirstOntario Arts Centre,
Milton*



*FirstOntario Performing
Arts Centre, St. Catharines*

Expanding opportunities for youth engagement and wellness

- During the 2025 season, 870 students participated in nine BeFit sessions at local schools and at Hamilton Stadium. In addition, more than 850 students from eight schools took part in one of three FirstOn the Field sessions, joining 16 Hamilton Tiger-Cats players for a hands-on introduction to physical activity through flag football. Through both programs, Blue Wave employee volunteers supported drills and activities, helping to create a positive and lasting experience for participating students.
- Through the support of FirstOntario, 138 students in Hamilton participated in the Theatre Aquarius Arts Alive Day, taking part in hands-on learning workshops in hair and make-up, props, technical, wardrobe and directing. The creative collaboration culminated in the opportunity to watch a performance of the production Fully Committed.





Strengthening community engagement through shared spaces

- FirstOntario hosted five community partners in the FirstOntario Community Lounge at Hamilton Stadium during the regular season. Partners were given dedicated space to showcase their initiatives, host activations, and engage directly with Ticats fans. This collaboration enhanced outreach efforts, generated positive feedback, and reinforced the value of shared community spaces. We look forward to continuing this opportunity during the upcoming season.

Creating access through shared experiences

- Our partnerships also enabled us to extend access to cultural and sporting events, thereby broadening participation and strengthening community connections. Throughout the year, over 600 tickets were distributed to members, employees, and community partners through contests and as donations supporting partner fundraising efforts.
- FirstOntario participated in a community open house marking the 10th anniversary of the FirstOntario Performing Arts Centre in downtown St. Catharines. The milestone event celebrated arts, culture and connection that included family-friendly activities, community partners and accessible programming throughout the day. CEO Lloyd Smith joined fellow leaders to share a few words about our commitment to the arts, the power of bringing people together, and our pride in being the original naming sponsor of this important cultural and community facility.



Rooted in relationships and driven by community

Rooted in strong values and a deep commitment to our members, FirstOntario's cooperative model is built on shared purpose and collaboration. Guided by our employees' dedication, we prioritize meaningful relationships and a clear understanding of what matters most to the people we serve.

Working with local partners and communities, we take a collaborative approach to delivering support in thoughtful and innovative ways. Together, we create opportunities that strengthen communities, foster sustainable growth, and generate lasting, measurable impact today and into the future.

ESG

Report



Environmental, Social, and Governance (ESG) Report

Environmental Social & Governance is a strategic pillar for FirstOntario, and this year we advanced our journey with meaningful actions that strengthen our commitment to ESG principles. By looking at ESG, we are identifying and managing the interconnected environmental, social, and corporate governance issues that significantly impact both your credit union and the many communities we serve.

We established an employee-led ESG committee to champion awareness, skill development, and collaboration across departments. The committee plays a vital role in connecting employees, aligning initiatives with community values, and encouraging participation in ESG practices. In 2025, employees hosted an e-waste drive to promote responsible waste management and raise awareness among staff.

In line with our commitment to greener operations and sustainable corporate purchasing, we have renegotiated contracts with our suppliers to prioritize sustainable products ensuring that our everyday choices align with our environmental values.

To embed ESG principles into daily decision-making, we developed ESG training for all staff. This training helps employees understand the importance of

ESG for our credit union, our members, and the communities we serve, while equipping them with knowledge to integrate sustainability into their work.

FirstOntario also partnered with a sustainability software provider and a consultation firm to complete our first greenhouse gas (GHG) inventory. We focused on strengthening the oversight and governance of our GHG data and carbon accounting practices to ensure accuracy and accountability. This work gave us a clear picture of the areas where our operations have the greatest environmental impact. By establishing a strong framework for transparency, the inventory now serves as a baseline that reinforces the integrity of our climate decision-making and helps us better understand how our actions affect the members and communities we serve.

To keep our members informed and engaged, we added information to our website. This information outlines our goals, actions, and learning resources, helping members understand how we can make meaningful changes together.

As we reflect on our progress in 2025, FirstOntario continues to advance ESG initiatives that create lasting value for our members, employees, and communities. By embedding sustainability into our operations and decision-making, we continue to build a stronger, more resilient future.

Financial
Highlights



Overview

- FirstOntario is a member-driven cooperative that is committed to supporting the financial well-being of our members. As a leading local employer, we leverage our financial strength to benefit both our members and the communities we serve.
- Our financial model is intentionally diversified, anchored by strong core member activities and complemented by select non-interest income sources. This balanced approach supports sustainable long-term profitability and strengthens our ability to safeguard the credit union as our capital levels continue to grow.
- FirstOntario continues to generate non-interest income through a disciplined mix of activities that support member service delivery and financial resilience. This balanced revenue profile enables ongoing investment in member service initiatives, offers competitive rates and financial products, and delivers ongoing support to our communities and partners. These efforts include student nutrition programs, community donations, and sponsorships.
- Through our diversified revenue streams and continued expense management, FirstOntario generated strong net income in 2025 that surpassed 2024 by \$7.5 million, ending the year in a strong financial position with robust regulatory capital ratios.

Net Income - Pre-tax income \$31.5 million (2024, \$16.4 million)

- FirstOntario strategically managed an evolving and unpredictable global economic landscape amid increasing trade and tariff tensions, proactively adopting measures to safeguard our members and maintain profitability.
- Targeted initiatives enabled FirstOntario to participate in programs designed to protect margin, expand counterparty relationships, and actively manage interest rate risk.
- Key drivers contributing to the increase in net income for 2025 include:
 - Net interest income increase of \$23.3 million
 - Operational income increase of \$1.4 million
 - Alternative income increase of \$0.6 million
 - Year-over-year change in loan losses of \$2.3 million (net loan loss provision in the year)
 - Operating expense increase of \$7.9 million
- Ontario's economy is expected to see modest improvements in 2026, and falling interest rates throughout 2025 are expected to remain relatively stable in 2026, continuing to gradually ease financial pressures and support consumer spending. Key drivers in the forecast include:
 - Ontario GDP is projected to grow by 1.4%¹
 - Average unemployment rate to decline to 7.6%¹
 - Near-term inflation to average 2.0%² over the next two years
- These economic forecasts are subject to downside risks, particularly related to ongoing U.S. trade policy discussions. Potential tariffs — and retaliatory measures by the Canadian government — could dampen economic growth in Ontario and lead to higher unemployment.

¹ fao-on.org

² bankofcanada.ca

TOTAL ASSETS



\$7.2B
growth of 9%

MEMBER LOANS, DEPOSITS AND INVESTMENTS



\$13.5B
growth of 10%

REGULATORY CAPITAL



\$462M
growth of 5%

NET INCOME



\$26.2M
0.38% return on average assets



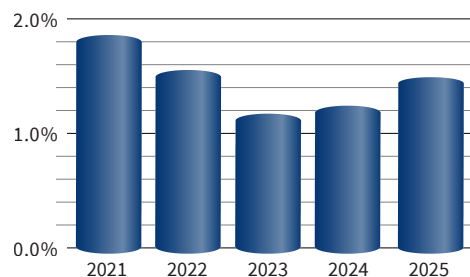
Net Interest Income - \$101.8 million (2024, \$78.5 million)

- Net interest income grew during the year, driven by an 8.8% increase in lending and the continued execution of FirstOntario’s active interest rate hedging program.
- In 2025, the Bank of Canada reduced its benchmark overnight interest rate by 100 basis points (2024: 175 basis point decrease). These reductions lowered the variable interest rates associated with FirstOntario’s lending and deposit products. Through continuous hedging of interest rate risk, FirstOntario was able to sustain consistent and positive net interest income, resulting in a largely stable net interest margin despite changes in market rates.
- Interest earned on loans and advances increased from \$287.8 million in 2024 to \$298.1 million in 2025, while interest paid to members on deposits fell from \$204.1 million to \$189.1 million. This reflects changes in interest rates in the year partly driven by Bank of Canada’s rate adjustments, as well as continued organic growth in both the loan and deposit portfolios.

YEAR END 2025

\$101.8 million
OF NET INTEREST INCOME

NET INTEREST INCOME
(% of Average Assets)



Other Income - Operations and Alternative Initiatives

Total Other Income

- Total Other Income was \$49.2 million (2024, \$47.2 million)
 - Return on average assets was 0.71% (2024, 0.75%)
 - Other income represented 34% of total net interest and other income (2024, 38%)

Alternative Income

- Other income increased by \$0.6 million to \$33.1 million (2024: \$32.5 million). This nominal growth was driven by expanded volumes within the credit union’s securitization programs and wealth management, offset by reduced operating results from joint ventures and other investments.

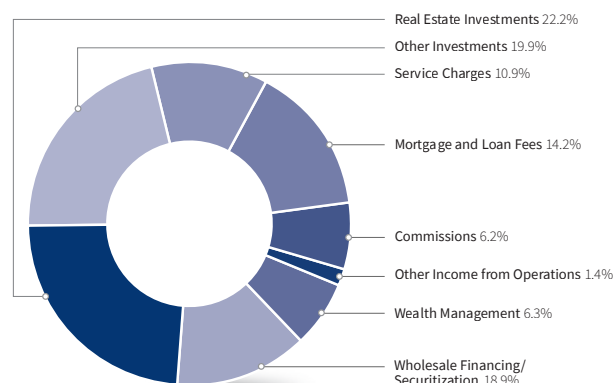
Operational Income

- Other income increased in 2025 from \$14.7 million to \$16.1 million (a 9% increase), driven by growth in mortgage and loan fees, commissions, and service charges.

YEAR END 2025

\$49.2 million
OF OTHER INCOME

OTHER INCOME
12 months ended December 31, 2025



Operating Expenses - \$115.0 million (2024, \$107.1 million)

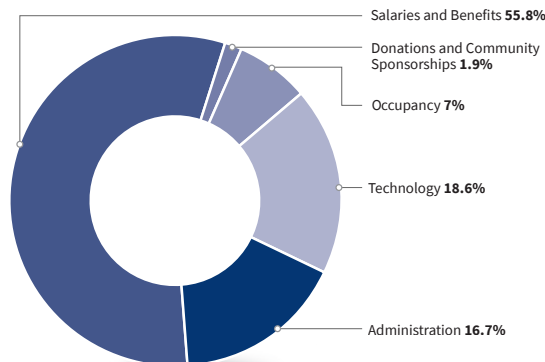
- Salaries and benefits increased by \$5.0 million, technology costs increased by \$1.6 million and other operating expenses rose by \$1.3 million.
- Employee salaries and benefits for 2025 totaled \$64.2 million (2024: \$59.2 million):
 - Salaries and post-employment benefits increased by 7.3% (2024: 6.4%), driven by inflationary merit rate adjustments and internal restructuring costs.
 - Employee benefit costs rose by 12.2% (2024: 3.9%), primarily due to an increase in staffing levels compared to 2024 as well as an increase in group benefits costs. The increase in group benefit costs was a combination of greater utilization of the programs due to staffing level increases, new programs added to the allowable benefits and overall increases in group benefit costs.
 - As a percentage of average assets, employee salaries and benefits were 0.93% (2024: 0.94%).
- Other operating expenses totaled \$50.8 million in 2025 (2024: \$47.9 million), an increase of 6.04%. This increase was primarily due to higher technology and administrative costs. As a percentage of average assets, other operating expenses were 0.74% (2024: 0.76%).
- Operating expenses are commonly assessed as a percentage of average assets across financial institutions. As asset bases grow, this ratio is expected to decline. In 2025, FirstOntario's operating expenses as a percentage of average assets were 1.67% (2024: 1.69%).

2025 OPERATING EXPENSES

\$115.0 million

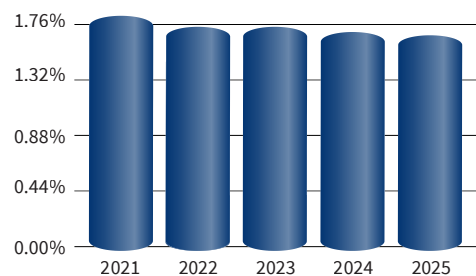
NON-INTEREST EXPENSES

12 months ended December 31, 2025



NON-INTEREST EXPENSES

(% of Average Assets)



Lending Loan Portfolio

The following chart summarizes FirstOntario's total loan portfolio, including both on-balance sheet loans and off-balance sheet securitized loans. Growth represents the period-over-period percentage increase, while Portfolio Mix indicates each category's proportion of the total loan portfolio.

<i>In Thousands of Dollars</i>	December 31, 2025		December 31, 2024	
Total Loan Portfolio	\$ 6,615,387		\$ 6,064,136	
	Growth	Portfolio Mix	Growth	Portfolio Mix
Personal Loans	31.3%	3.8%	18.5%	3.1%
Residential Mortgage Loans	10.8%	71.6%	3.0%	70.5%
Commercial Loans	1.8%	24.6%	22.8%	26.4%
Total	9.1%	100.0%	8.0%	100.0%

Residential mortgage loans

- FirstOntario's residential mortgage loan portfolio increased by 10.8% (2024: 3.0%).
- Approximately \$153.4 million in residential mortgages were securitized in 2025 (2024: \$26.9 million). An additional \$113.8 million (2024: \$246.7 million) was packaged into new mortgage-backed security pools and retained on balance sheet to support liquidity needs, classified as high-quality liquid assets (HQLA).
- Securitization levels are influenced by targeted liquidity metrics, available deposit funding, and the availability of insured and insurable mortgage assets.

Commercial loans

- The commercial loan portfolio increased nominally by 1.8% (2024: 22.8%).
- FirstOntario's commercial loans are generally secured by mortgages on land and buildings. The portfolio continues to benefit from improving geographic and industry diversification.
- As of December 31, 2025, 16% of the on-balance sheet loan portfolio was concentrated among five of FirstOntario's largest commercial members (2024: 17%).
- Commercial loans are well secured, with average outstanding balances representing 42.2% of the appraised value of the underlying collateral, as determined by qualified professionals.



Allowance for Expected Credit (Loan) Losses

FirstOntario utilizes an advanced data analytics model, in accordance with IFRS 9, to calculate its expected credit loss (ECL) allowance. The model incorporates detailed loan-level historical data, industry benchmarks, and macroeconomic indicators. It also factors in Watch List accounts, delinquencies, credit quality, and member bankruptcies. The provision for ECL is actively monitored to ensure alignment with Board-approved policy and regulatory requirements.

- FirstOntario's gross impaired loans increased to \$93.9 million in 2025 (2024: \$58.1 million), with the rise observed across commercial loans, personal loans, and residential mortgages.
- The credit union holds security against these impaired loans totaling \$87.0 million (2024: \$55.1 million).
- The remaining commercial loan portfolio continues to demonstrate strong credit performance, with a 30-day delinquency rate of 2.21% (2024: 0.56%). Overall 90-day delinquency levels increased but remained relatively low at 0.68% (2024: 0.43%).
- FirstOntario uses an internal risk-rating grid to assess and monitor both new and existing loans across its retail and commercial portfolios.
- As of 2025, the majority of FirstOntario's retail loan portfolio – 89% (2024: 90%) – holds a risk rating of “B” or better, reflecting strong overall credit quality.
- As of 2025, 97% of FirstOntario's commercial loan portfolio is rated as Satisfactory or Superior (2024: 98%). This strong credit quality, combined with the overall performance of the loan portfolio, reflects the strength and resilience of FirstOntario's lending operations.

<i>Amounts in Thousands</i>	<i>Dec. 31, 2025</i>	<i>Dec. 31, 2024</i>
On-balance Sheet Loan Portfolio	\$6,407,503	\$5,892,243
Allowance for ECL		
Stage 3	\$6,921	\$2,956
Stage 1 and 2	6,911	7,610
	\$13,832	\$10,566
Annual provision for ECL	\$4,480	\$2,167
Net Write-offs	\$1,214	\$929
Impaired loans net of related security		
Impaired loans	\$93,929	\$58,056
Related security less expected costs	87,008	55,100
	\$6,921	\$2,956
Delinquency > 90 Days	0.68%	0.43%
<i>% of Loan Portfolio</i>		
Allowance for ECL		
Stage 3	0.11%	0.05%
Stage 1 and 2	0.11%	0.13%
	0.22%	0.18%
Provision for impaired loans	0.07%	0.04%
Net Write-offs	0.02%	0.02%
Impaired Loans	1.47%	0.99%



Investments

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

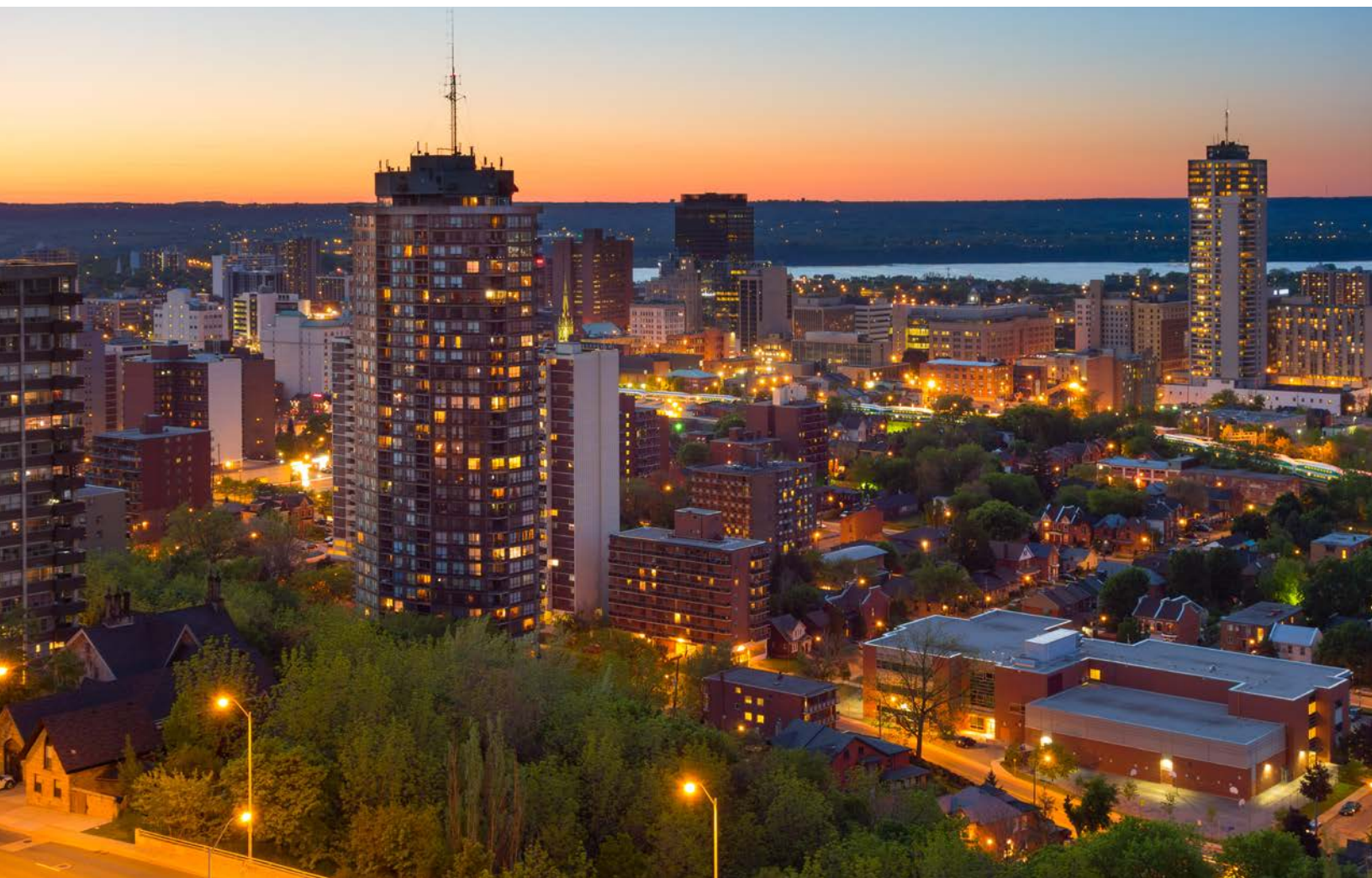
Alternative non-margin income investments

- Managed funds represent a diversified portfolio of investments actively managed by external investment advisors. This portfolio includes private equity, private debt and infrastructure investments.
- Real estate joint ventures – FirstOntario holds various agreements to jointly own and develop multi-tenant residential, commercial, and industrial properties within our communities. In 2025, joint venture investments remained relatively stable, with cash flow distributions of \$8.1 million received (2024: \$15.7 million), offsetting net changes in fair values and operating earnings recorded during the year. FirstOntario disposed of a joint venture investment property held in the Kitchener area for net proceeds of \$8.9 million resulting in a gain of \$0.1 million. Gains on disposition are minor as these properties are reported at fair value on an annual basis.

Liquidity, and other statutory investments

- These investments consist primarily of marketable securities held to ensure FirstOntario meets regulatory liquidity requirements and guidance.
- FirstOntario is a member of Central 1 Credit Union, which provides access to the Canadian payments system and offers digital banking platform services to its member credit unions.
- Other investments include longer-term guaranteed investment certificates held with another financial institution.

<i>Amounts in Thousands</i>	2025	2024
Alternative Investments		
Managed Funds and Other	\$182,803	\$196,923
Real Estate Joint Ventures	148,638	146,187
Loans	3,729	3,576
	335,170	346,686
Liquidity and Statutory Investments		
Marketable Securities	177,480	126,909
Shares - Central 1	6,327	6,233
	183,807	133,142
Other Investments	28,523	28,502
	\$547,500	\$508,330





Deposit Portfolio

- FirstOntario grew its deposit base by 11.9% (2024: 11.0%).
 - Term deposit accounts increased by 11.9%.
 - Savings accounts increased by 23.5%.
 - Chequing accounts increased by 4.6%.
 - Registered plans increased by 7.5%.
- The average cost of member deposits was 3.45% (2024: 4.18%).
 - 28.7% (2024: 25.5%) of total deposits were sourced through deposit brokers.
 - 45.0% (2024: 58.1%) of the deposit portfolio is scheduled to mature beyond the next 12 months.

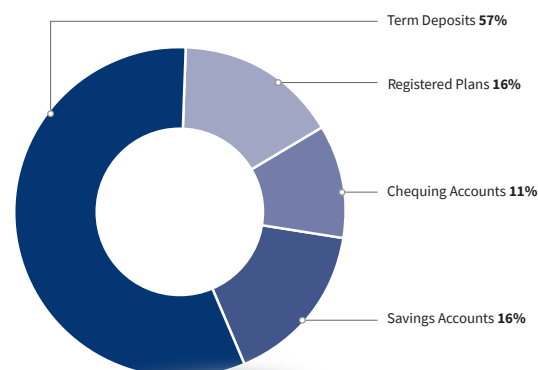
Secured borrowing and securitization liabilities

- Secured borrowings and securitization liabilities decreased by \$74.6 million (2024: \$69.3 million), bringing the total to \$373.6 million (2024: \$448.2 million). This change reflects the payout of secured borrowings in the year with no utilization of borrowings completed at year-end.

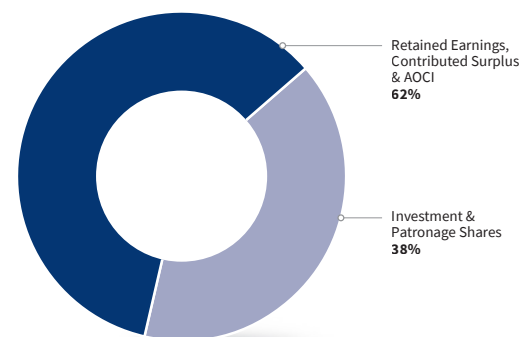
Members' Equity

- Members' equity increased to \$451.0 million (2024: \$428.7 million), representing growth of \$22.3 million (5.2%). Retained earnings, contributed surplus, and accumulated other comprehensive income accounted for 62% of total members' equity (2024: 62%). The increase in members' equity in 2025 was driven by net earnings, growth in investment shares from reinvested dividends, and slightly offset by a decrease in Accumulated Other Comprehensive Income (AOCI) related to hedging activities, net of a small increase due to changes in employee benefit obligations.

DEPOSITS December 31, 2025



MEMBERS' EQUITY December 31, 2025



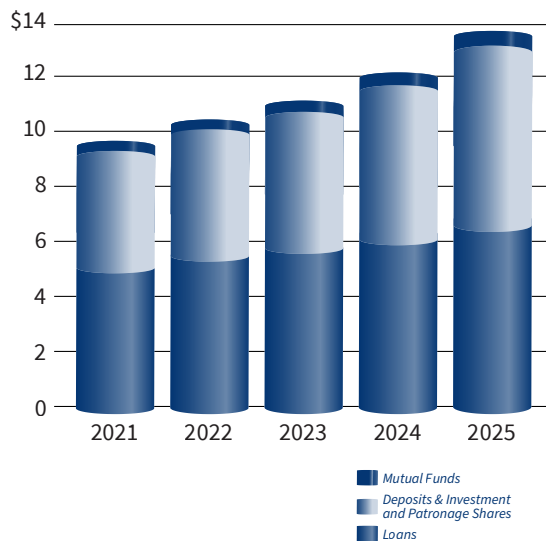


Funds Under Management

A key indicator of our success is the total value of loans, deposits, and investments entrusted to us by our members – collectively referred to as Funds Under Management (FUM).

- FUM grew by 10.6% in 2025 (2024: 9.5%), reaching \$13.5 billion, continuing a multi-year trend of growth and deepening member engagement.
- FUM includes credit, deposit, and investment services.
- In 2025, members entrusted us with an additional \$1.3 billion (2024: \$1.1 billion) across loans, deposits, and investments.
- Breakdown of FUM growth:
 - Loan Portfolio: Increased by \$551.3 million (2024: \$449.7 million), representing 9.1% growth. Loans are funded through member deposits and external funding partners.
 - Member Deposits, Investment, and Patronage Shares: Grew by \$666.9 million (2024: \$553.6 million), an increase of 11.7%.
 - Mutual Fund Holdings: Rose by \$76.0 million (2024: \$54.0 million), an increase representing a growth of 17.0%.

FUNDS UNDER MANAGEMENT (in billions of dollars)



Risk Management

FirstOntario's Board of Directors is responsible for the oversight of FirstOntario's risk management framework. The Board is responsible for setting risk appetite, and ensuring all risks are identified, managed and monitored. The Board has delegated this oversight responsibility to the Risk Committee who play a key role in the oversight through:

- Setting risk appetite and tolerance levels.
- Approving policies annually ensuring they remain appropriate and effective.
- Monitoring and reviewing reporting on risk exposures and comparing to approved targets.
- Understanding the nature and magnitude of significant risks that FirstOntario is exposed to.
- Ensuring a robust risk culture.

Risk management is a shared responsibility across all levels of FirstOntario. The Risk Management division – led by the Chief Risk Officer and the Senior Vice President, Risk – comprises a team of professionals who collectively oversee all risk-related activities throughout the organization.

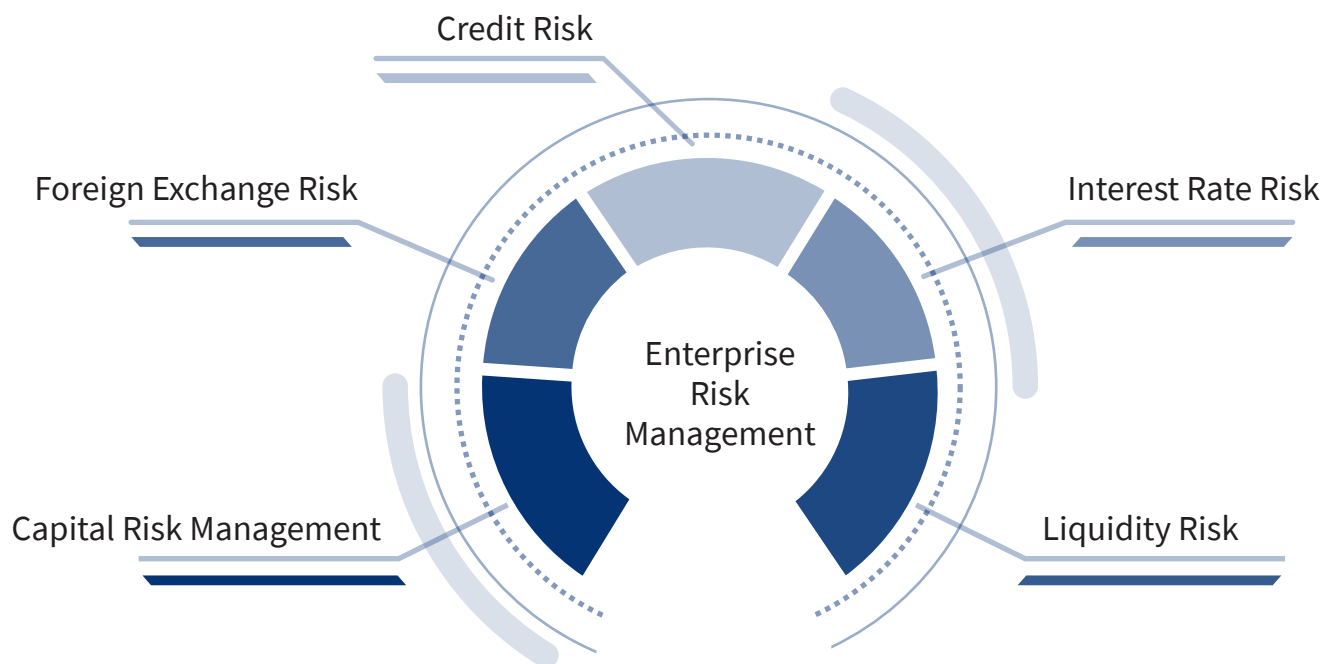
Enterprise Risk Management

Enterprise Risk Management (ERM) is a structured process used to identify, assess, treat, and report on significant risks across FirstOntario. It is a key discipline that supports the achievement of strategic objectives within the risk appetite and tolerances established by the Board of Directors.

In 2025, the Risk Committee conducted a comprehensive review of FirstOntario's risk inventory, with particular focus on significant and emerging risks. Additionally, the Audit Committee reviewed management's process for documenting and evaluating the effectiveness of controls designed to mitigate inherent risks within the credit union.

FirstOntario's approach to managing and mitigating specific risks includes:

- Clearly defined risk ownership and accountability across the organization
- Regular monitoring and reporting of risk exposures
- Implementation of controls aligned with the Enterprise Risk Management Framework
- Ongoing assessment of emerging risks and adaptation of mitigation strategies



Credit Risk

Credit risk refers to the potential financial loss FirstOntario may incur if a borrower, co-borrower, obligor, or guarantor fails to meet their payment obligations under agreed terms. This risk primarily arises from loans and advances extended to members. FirstOntario's lending philosophy is guided by its Board-approved Credit Risk Management Policy, which provides detailed direction to management, including:

- Developing operational credit policies that define eligible loan purposes, collateral requirements, credit assessment standards, risk rating methodologies, reporting protocols, and compliance with regulatory requirements
- Establishing a structured lending authority framework for the approval and renewal of member loans
- Setting limits on exposure concentrations across individual members, industries, and geographic regions

Interest Rate Risk

Interest rate risk refers to the potential impact on net interest income resulting from changes in interest rates affecting FirstOntario's interest-bearing loans, investments, deposits, and other debt obligations.

In compliance with legislative requirements, FirstOntario manages this risk through a Board-approved Structural Risk Management Policy. The organization employs industry-standard tools and techniques to monitor and control interest rate risk within prudent limits. Oversight is provided by the Asset & Liability Committee (ALCO), composed of senior management, which reviews interest rate risk regularly.

Key tools and measures:

- Income Simulation Model: This model projects 12-month net interest income based on the current business mix, incorporating forecasted interest rates (yield curves), growth assumptions for new loans and deposits, member behaviour (e.g., prepayment assumptions), and competitive pricing dynamics.
- Parallel Shock Tests: These tests simulate sustained interest rate changes over 12- and 24-month periods using parallel shifts of $\pm 1\%$, $\pm 2\%$, and $\pm 3\%$ across the yield curve. The goal is to assess the impact of unexpected rate movements and maintain low earnings-at-risk levels.
 - Additional Metrics: FirstOntario also monitors:
 - Duration of Equity
 - Economic Value of Equity (EVE)
 - Key Rate Durations

These metrics are maintained within targeted ranges to ensure stable net interest income over the expected life of balance sheet instruments.

Risk mitigation strategies:

If interest rate risk exceeds acceptable thresholds, management develops and implements strategies to bring metrics back within target ranges. One such strategy involves the use of interest rate derivatives, primarily to swap fixed-rate funding for floating-rate funding or vice versa.

In 2025, FirstOntario increased the notional value of interest rate swaps as a percentage of Funds Under Management to 22% (2024: 21%). At year-end, the credit union held:

- \$2.9 billion in interest rate swaps (2024: \$2.6 billion)
- \$59.8 million in bond forwards (2024: \$166.7 million)

These instruments are used to minimize interest rate risk and support more stable and predictable net interest income in future periods.

Liquidity Risk

FirstOntario is required under the Credit Unions and Caisses Populaires Act, 2020 to maintain prudent levels of liquidity. This means ensuring sufficient liquid assets are available to meet cash flow needs – including deposit withdrawals and other financial obligations – as they come due.

Liquidity is managed through a Board-approved Liquidity Risk Management Policy, which sets limits on the sources, quality, and quantity of liquid assets required to support normal operations, contingency funding, and regulatory compliance.

Liquidity monitoring and management:

- Management regularly measures and monitors liquidity levels to ensure compliance with policy requirements.
- As per Board policy, operational liquidity must be maintained at a minimum of 8% of total deposits, borrowings, and the next 12 months of securitization liabilities.
- Management typically targets liquidity levels between 8% and 16%, balancing risk and return on net interest income.
- If liquidity levels fall near the minimum threshold or are forecasted to do so, corrective actions are developed and implemented.
- Detailed monthly and three-month cash flow forecasts are prepared to proactively manage liquidity risk.

As of December 31, 2025, FirstOntario's liquidity ratio was 14.87% (2024: 16.59%).

Liquidity sources:

FirstOntario's primary source of liquidity is member deposits. In addition, three external sources support liquidity needs:

1. Deposit Broker Funding
2. Securitization of Residential Mortgage Loans through Mortgage-Backed Securities and Canada Mortgage Bonds
3. Sale of Commercial Mortgage Loans to other credit unions and affiliated partners



As part of FirstOntario’s contingency liquidity plan, \$343 million is available through operating loan facilities with Central 1 Credit Union and Caisse Centrale Desjardins. As of December 31, 2025, the outstanding balance was \$nil (2024: \$155 million). These facilities are primarily used to meet short-term funding needs.

FirstOntario is using the following metrics to manage liquidity risk:

Liquidity Coverage Ratio (LCR):

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

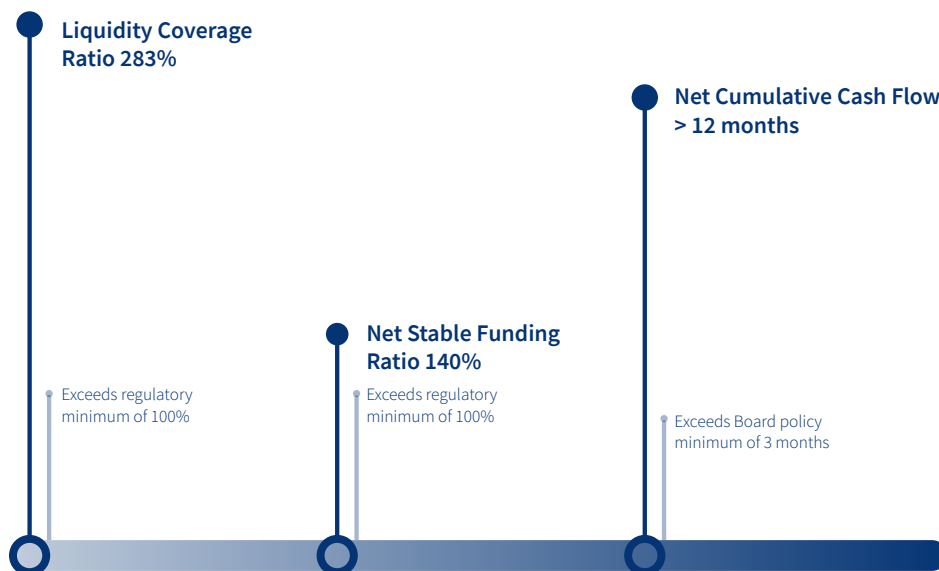
Net Stable Funding Ratio (NSFR):

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

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

Net Cumulative Cash Flow (NCCF):

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



Foreign Exchange Risk

FirstOntario is exposed to foreign exchange risk through its provision of U.S. dollar services and its holdings of U.S. dollar-denominated investments. Members can buy and sell U.S. dollars in various forms — cash, cheques, and drafts — and maintain U.S. dollar accounts, including chequing, savings, and short-term deposits. Additionally, FirstOntario’s portfolio of alternative investments includes diversified holdings denominated in U.S. dollars, which are similarly subject to currency fluctuations.

Foreign exchange risk is the potential impact on income resulting from changes in U.S. dollar exchange rates.

Risk measurement and controls:

To manage this exposure, FirstOntario tracks its net U.S. dollar position — the difference between U.S. dollar assets and liabilities — on a daily basis. The Liquidity Risk Management Policy sets strict limits on foreign exchange exposure:

- Core banking activity: Maximum exposure of \$500,000
- Alternative assets: Maximum exposure of \$5 million

To remain within these limits, FirstOntario utilizes foreign exchange forward contracts, which lock in exchange rates for future U.S. dollar purchases. As of December 31, 2025, FirstOntario held notional values of \$193 million in forward contracts (2024: \$189 million).

These contracts help mitigate foreign exchange risk and support income stability despite fluctuations in currency markets.

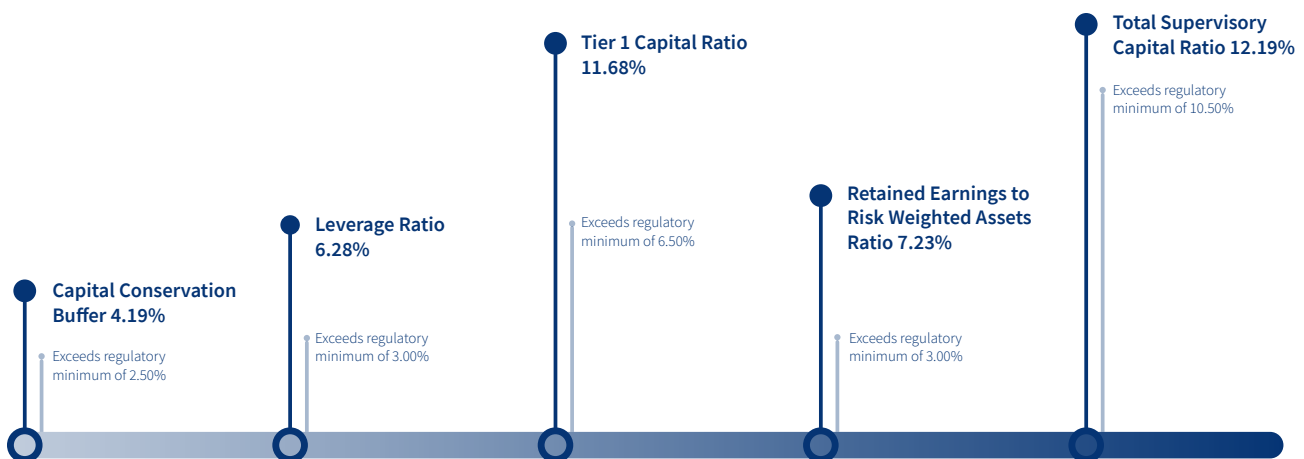
Capital Risk Management

FirstOntario monitors capital monthly on both a capital leverage and risk-weighted basis. To ensure capital adequacy, the organization conducts an Internal Capital Adequacy Assessment Process (ICAAP), applying industry best practices to evaluate capital in relation to its risk inventory. In essence, the ICAAP assesses FirstOntario’s overall risk profile and determines whether sufficient capital is in place to support it.

The ICAAP includes a three-year financial forecast and serves as a key component of the annual planning process. Future capital requirements are based on projected asset growth, alternative investment strategies, and fixed asset acquisition plans.

Based on the ICAAP, FirstOntario’s capital levels were in surplus by \$17.4 million, exceeding both ICAAP and Enterprise Risk Management (ERM) requirements.

The following chart summarizes FirstOntario’s capital position for 2025:



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

Summarized Consolidated Statement of Financial Position

December 31, 2025 with comparative figures for December 31, 2024 to December 31, 2021

(amounts in thousands)	2025	2024	2023	2022	2021
Assets					
Loans to Members	\$6,424,251	\$5,906,434	\$5,481,255	\$5,144,955	\$4,594,142
Cash	46,600	25,977	14,736	16,132	34,638
Investments	547,500	508,330	455,683	495,288	467,019
Fixed and intangible assets	41,028	41,445	43,907	48,530	52,790
Other assets	103,977	93,193	51,325	49,597	45,481
Derivative assets	10,338	13,598	10,619	8,961	5,211
	\$7,173,694	\$6,588,977	\$6,057,525	\$5,763,463	\$5,199,281
Liabilities and Members' Equity					
Members' deposits and shares	\$6,271,312	\$5,624,182	\$5,066,759	\$4,765,709	\$4,380,520
Secured borrowings and securitization liabilities	373,603	448,170	517,443	589,813	421,736
Other liabilities	63,755	65,614	63,056	59,876	80,849
Derivative liabilities	14,045	22,333	7,520	771	1,969
Investment and patronage shares	171,641	164,267	159,663	108,780	110,476
Retained earnings and contributed surplus	273,717	257,330	239,901	237,862	208,896
Accumulated other comprehensive income (loss)	5,621	7,081	3,183	652	(5,165)
	\$7,173,694	\$6,588,977	\$6,057,525	\$5,763,463	\$5,199,281

Summarized Consolidated Statement of Income

(amounts in thousands)	2025	2024	2023	2022	2021
Interest Income	\$309,878	\$305,507	\$258,736	\$177,026	\$157,779
Interest Expense	208,079	227,046	189,341	92,060	64,321
Net Interest Income	101,799	78,461	69,395	84,966	93,458
(Provision) recovery for ECL	(4,480)	(2,167)	2,138	(1,538)	(786)
Other Income	49,170	47,166	36,379	52,314	68,974
Net Interest and Other Income	146,489	123,460	107,912	135,742	161,646
Operating Expenses					
Salaries and employee benefits	64,215	59,242	55,963	52,885	49,775
Administrative	19,242	18,237	17,383	16,062	14,885
Technology	21,378	19,785	18,422	16,260	14,718
Occupancy	7,992	8,004	8,086	7,931	7,728
Donations and community sponsorships	2,145	1,839	2,551	2,238	1,531
Total Operating Expenses	114,972	107,107	102,405	95,376	88,637
Income Before Income Taxes	31,517	16,353	5,507	40,366	73,009
Income tax (recovery) provision	5,330	(2,325)	(1,389)	10,108	14,553
Net Income for the Year	\$26,187	\$18,678	\$6,896	\$30,258	\$58,456

FirstOntario
CREDIT UNION

970 South Service Road | Stoney Creek, ON L8E 6A2

FirstOntario.com | 1-800-616-8878