



**THE POLICE**  
CREDIT UNION

ANNUAL REPORT

**2025**

**80** *Years*  
ANNIVERSARY



# CONTENTS

Message from Chair and CEO	1
Board Governance	2
Our Year in Review	4
Staff	10
Comparative Highlights	11
Financial Focus	12
Mentions & Milestones	16
Community Involvement	18
Audit Committee Report	20
Independent Auditor's Report	21
Financial Statements	22



# Message from the Chair & CEO

On behalf of the Board of Directors of the Police Credit Union, we are pleased to report that 2025 was a very successful year for our Credit Union as total loans to members increased by \$8.3 million and member's deposits increased by \$8.7 million. These results impacted on balance sheet asset totals, which improved to \$380 million compared to the previous year's results of \$372.2 million.

Financial results improved due to the yield curve returning to normal by year-end. This affected many long-term maturities as they came due throughout the year, resulting in lower renewal rates. Consequently, the interest paid on members' deposits was \$945 thousand less than the amount paid during 2024.

Throughout the year, we faced several challenges, including economic uncertainty due to US tariffs, a slowing economy and housing market, fierce competition from banks and other financial institutions, ongoing government funding for basic constable training that reduced recruit loan opportunities, cyber security risks, evolving technologies, increasing regulatory requirements, and a rise in loan delinquencies. Nevertheless, our committed Management and Staff continued to support members in reaching their financial goals by offering excellent service, attractive deposit and loan rates, and personalized guidance and advice.

## TAKING CARE OF OUR OWN

The Police Credit Union is the financial institution of choice for over 12,100 Civilians, Uniform and Senior Officers, Police Associations, and their families throughout Ontario. We are truly proud of the way our Credit Union understands the unique needs of the policing community and provides financial solutions to meet those needs. In addition to meeting the financial needs of members, our Credit Union continued to provide support to the policing community, including scholarships for students of members, support of local police service and associations initiatives and donations to the

Ontario Police Memorial Fund.

## ACKNOWLEDGEMENTS

We are extremely fortunate to have a dedicated group of Directors, each of whom has their own unique abilities and skills to represent the interests of our members. Our Board of Directors continues to support Credit Union initiatives with good governance and stewardship of our Credit Union activities.

Thank you to our Senior Management team for your hard work, dedication, and support throughout this past year.

To our wonderful staff, we would like to express our sincere appreciation and gratitude for the work you do in support of our membership and the contributions you make to ensure The Police Credit Union is the successful organization it is.

Lastly, but most importantly, thank you to the membership for your continued support, loyalty, and trust in our Police Credit Union. Our Credit Union could not have achieved its success without you, our valued members. We hope that our collective efforts show you that we "take care of our own."



**Mike Sharp**  
*Chair of the Board*



**Andy Doak**,  
*Chief Executive Officer*

# Board Governance and Oversight Remains Strong.

The Board of Directors of the Police Credit Union is comprised of 7 Directors, elected by its members.

The Board is responsible for providing oversight, supervision and direction to Management and is responsible for ensuring that our Credit Union operates in a safe and prudent manner and adheres to the standards of sound business and financial practices as required by our regulator, the Financial Services Regulatory Authority of Ontario (FSRA). FSRA regulates the Credit Union sector in Ontario and provides deposit insurance and prudential oversight.

Working closely with our CEO and Senior Management in 2025, the oversight and governance activities of the Board included:

- Monitoring and ensuring appropriate and effective governance of our Credit Union;
- Establishing policies;
- Establishing strategic direction and performance expectations;
- Overseeing and approving plans related to capital and liquidity;
- Delegating authority to and assessing the performance of our Chief Executive Officer;
- Monitoring financial performance and approving financial plans and budgets; and
- Communicating with Members and providing leadership by supporting and promoting the Police Credit Union.

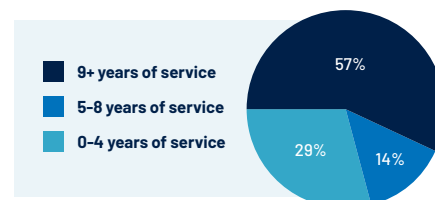
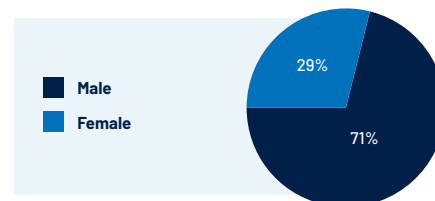
## BOARD TRAINING AND DEVELOPMENT

Directors commit to ongoing training and development, supported by a Board-approved budget. Each year, the Governance Committee initiates a peer review process to assess the skills and competencies of each Director and to facilitate the creation of personal training plans to address any competency gaps. The Governance Committee tracks each Director's achievement towards their training plan and reports results to the Board.

All Directors who have served on the Board for more than one term (3 years) have completed the CuSource Credit Union Director Achievement program and one Director has earned the Accredited Canadian Credit Union Director designation, awarded jointly by Dalhousie University and the Credit Union Institute of Canada.

## BOARD CHARACTERISTICS

The Board of Directors recognizes the benefits of Board diversity and aims to maintain a Board comprised of talented and dedicated Directors with a diverse mixture of experience, skills, and backgrounds reflective of the Credit Union's membership.



## BOARD ACTIVITIES

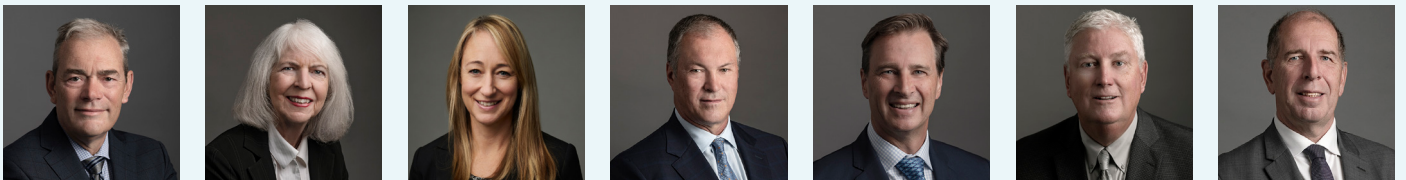
The Board conducts its work through regular Board meetings and met eight times during 2025. The Board also delegates its powers and authorities to several Committees for efficiency and to ensure that specific responsibilities are managed with applicable expertise. These Committees include the Audit Risk Committee (7 meetings), Governance, Policy, Nominating, and Scholarship Committees which meet regularly and/or as required. The Board nominates and approves a Director to chair each Committee.

The Board also holds an annual strategic planning meeting with Senior Management to review and approve the strategic direction of the Credit Union and ensure it remains relevant in supporting our members. After this meeting, the Board approves the annual budget and key performance objectives (using a “balanced scorecard” approach) for the Credit Union.

In addition to the above meetings, Directors also participated in Credit Union Conferences including the 2025 Directors’ Forum.’

Director	Roles/Committees(s)	Board Meetings Attended	Term Expiry
Colley, Stan	Corporate Secretary; Governance; Nominations; Scholarship	8	2026
Dawson, Shannon	Nominations (C); Policy; ARC	5	2027
Fraser, Rod	ARC; Governance (C); Scholarship; Corporate Secretary; Nominations	7	2028
James, Geri	Board Vice Chair; Policy (C); Nominations	8	2028
Sharp, Mike	Board Chair	7	2027
Todd, Rob	ARC Chair, Nominations; Policy;	8	2027
Tucker, George	Nominations; Scholarship (C)	7	2026

## BOARD OF DIRECTORS



From L to R:  
Mike Sharp (Chair), Geri James (Vice-Chair), Shannon Dawson, George Tucker, Robert Todd, Rod Fraser, Stan Colley

# Our Year in Review

The Bank of Canada took a cautious approach with its overnight rate to address a weakening economy and with less upside risk to inflation reduced the overnight rate by 100 bps which closed the year at 2.25%.

Meanwhile, Canada's Consumer Price Index (CPI) inflation finished the year at 2.1% compared to 1.8% CPI for 2024.

Within the province, Ontario's economy slowed sharply this year due to the trade weakness amid tariff uncertainty, a housing market slowdown and stalled population growth.

Home owners, with variable rate mortgages continued to experience further rate relief with declines to the prime rate while fixed rate mortgage holders continued to experience increased borrowing costs when renewing their fixed term mortgages as rates have doubled since the low mortgage rate environment from the early pandemic years.

Depositors continued to experience decreased deposit rates for their term maturity renewals, as those deposits entered into at the top of the rate cycle during the covid years are now coming due and are impacted the greatest by the reduced rates.

Even with increased borrowing costs for mortgage holders, a slowing economy, and a slowing housing market there was little or no impact on our lending portfolios. Our delinquency ratios remain well below industry averages.

Despite the challenges faced during 2025, financial margins improved significantly compared with 2024 and overall results were slightly better than expected as Net Income before taxes was \$857,951 and on-balance sheet assets finished at \$380 million.

Members who have invested in TPCU Class B Shares - Series 1 received a dividend of 5.28%, the total dividend paid out was \$241,746 and was completed on March 06, 2026.

## STRATEGIC INITIATIVES

Our strategic initiatives are focused on providing our members with the latest in technology driven banking solutions and services.

We completed work on our remote account opening and loan application platforms. Known internally as ASAPP, this fully integrated Loans Origination and Account Opening platform provides a streamlined process for on-boarding new members and processing loan applications both in-branch and remotely. The operation of the platform has expanded and is now used to open RRSPs, Tax Free Saving Accounts and First Home Savings Accounts. Term deposits were recently added to the platform and mortgage applications remain on our road map for launch during 2026.

The civilian package continued to be available for existing and newly hired civilians, employed with a police service in the province of Ontario on a full-time permanent basis. The package includes a line of credit; a civilian loan offered at a preferred rate with flexible terms and overdraft protection on chequing accounts. Civilians may also take advantage of the many Mastercard offerings available to all Credit Union members.

2025 was our second year utilizing our social media handles informing members of our current offers, important announcements, and our social impact in the policing community. This year to create more engagement, we partnered with various

social media handles such as the Toronto Police Association in reposting our special offers reaching a broader audience.

Additionally, creative social media contests were launched to further boost engagement and followers. This included our Swing Into Spring Draw encouraging members to follow us on social media for a chance to win free Blue Jay Tickets as well as our Member Appreciation Week, where members could once again follow and engage, possibly winning our daily \$100 Amazon cards as well as a grand prize.

The result from these efforts was a 61% increase in page visits, 74% increase in engagement, and at 38% rise in new followers.



### **MARKET CONDUCT CODE**

The Credit Union continued to reinforce its code of market conduct through training on related policies, practices, and procedures.

The Code recognizes the best practice principles we follow for soliciting, promoting, advertising, marketing, selling, or distributing our products or services. The Code demonstrates our commitment to the fair treatment for all members who use our services. We believe in fair sales practices, comprehensive access to banking services, transparency and openness, and a reasonable approach to settling complaints. Individuals are entitled to the best possible care of their financial interests. We respect all our provincial regulatory obligations and continually practice absolute excellence in consumer protection.

### **OPERATIONS**

Branches operate Monday to Friday 10-4, these hours are best aligned to ensure time for important branch tasks to be completed and to allow for focussed time to assist members with their requests and needs. Foot traffic at the College Branch location has continued to decline, a noticeable trend since the pandemic and the loss of funding of recruit loans. During the year, a decision was made to change the College branch hours to appointment only and relocate our staff resources where they could be better utilized. Members can still book time at the branch to discuss lending for loans or mortgages, speak to our investment specialists, or complete a financial check up and arrange for a financial plan.

Operations are supported by our Member Solutions Centre who are available to assist members with their varied inquiries and needs. The Member Solutions Team operates M-F 9-5 and Saturday 10-3. Additional technical support is available 24 hours a day providing assistance to members with online or mobile banking needs, including help downloading our mobile app and completing banking transactions such as paying bills or sending Interac e-money transfers. The support line can take immediate steps to stop online banking fraud activity and respond to fraud concerns.

### **WEALTH MANAGEMENT**

Our wealth management team continues to revitalize our service offering to members often meeting with members at their residences or branch whichever is most convenient for them.

Our two dedicated investment specialists provide members with sound investment advice and financial plans. With access to mutual funds, exchange traded funds,

and managed stock and bond portfolios, members have a variety of different investment options available to them.

The program continued to experience tremendous growth again this year as Assets under Administration grew 32%.

### SERVING POLICE COMMUNITIES THROUGHOUT ONTARIO

“Serving Police Communities in Ontario” continues to be more realistic today than it has ever been in the past thanks to the digitization of our financial services. Members and perspective members have access to on-line banking services and can manage account openings and make loan applications from the comfort of their homes.

The Credit Union continues to explore and develop newer relationships beyond it’s Core Police Communities. We value all of our partnerships with police services and associations across the province.

### CORE POLICE COMMUNITIES

The majority of our members are employed by one of our core Police Communities from the Toronto Police Service, Peel Regional Police Service, York Regional Police Service, Durham Regional Police Service or Halton Regional Police Service.

Our aim is to position The Police Credit Union as being an integral part of the policing community with branches in each of our core service areas.

Branch managers and their staff remain active in their respective core policing communities developing and fostering relationships and providing support to the various activities and initiatives provided by each service.

### RECRUITS

Even though the Ontario Government continued to cover the tuition cost for the

Basic Constable Training program at the Ontario Police College (OPC), we remained dedicated to new police recruits and continued to find alternative ways to support recruits in their transition from school or existing career into their career in policing. We have helped police recruits transition to their new careers for over 20 years, and from that experience we’ve found familiar challenges among police recruits from attending OPC to the first few years into their new career. Our recruit package is designed to assist recruits both in the near term and the longer term. The recruit loan may help consolidate debt, pay for relocations costs, cover expenses if they took a reduction in pay, or just pay for unexpected bills.

Recruits receive a pre-approved loan at a low rate of interest, repayable over five years and the loan is open to pay off in full anytime. The Police Credit Union Mastercard (offered through our partner Collabria), personal line of credit, and overdraft protection provide additional resources to help them.

This year, through the support of OPC, The Police Credit Union was able to open a new office in a more visible location, on the main floor next to auditorium 1. Our onsite Financial Services Officer is available M - T from 4 to 8.

There has been a noticeable increase in traffic with the new location, recruits have appreciated the support provided right at OPC during hours convenient to them. It provides an opportunity to connect with police recruits from various parts of the province, furthering our commitment to serve policing communities throughout the Province of Ontario.

	2025	2024	2023
REWARDS	61	65	106
Regular	7	3	15
<b>Total</b>	<b>68</b>	<b>68</b>	<b>121</b>

This year, 68 new recruits joined The Police Credit Union with 61(90%) joining the REWARDS program. Joining the recruit REWARDS program offers several benefits including preferred rates, and new chequing account options. Each recruit is eligible for a full financial review to identify opportunities and suggest important next steps to improve financial well-being.

Since April of 2023, the Ontario Government has continued to fund 100% of the tuition cost for the Basic Constable Training program at OPC. This program was planned to remain in place for three years.

The Police Credit Union continues to monitor this situation and is ready to resume funding loans for all recruits when the program comes to an end.

Since the establishment of the recruit loan program in 1996, we are so proud to report that we have assisted 6,628 recruits with their dream of becoming a police officer.

## MEMBERSHIP

This year, we welcomed 542 new members which brings our total active membership base to 12,172.

	2025	2024	2023
New	542	501	591
Closed	585	747	449
Members	12,172	12,213	12,459
Net	-43	-246	152

## MEMBERSHIP SERVICE, ENGAGEMENT, AND FINANCIAL CHECK UP

“Taking care of our own” through delivering an excellent member experience is one of our goals that we strive to meet everyday.

Our team of staff work tirelessly to meet these standards by assisting our members with their banking needs, setting up new banking options, and where necessary,

finding new and creative ways to assist our members.

Our Financial Service Officers and Branch Managers provide advice to members by looking at their overall financial well-being. This includes a financial checkup to identify members’ financial needs, both short and long-term, and to ensure their decisions meet their financial needs and goals.

## EMPLOYEE ENGAGEMENT

The Police Credit Union regularly evaluates how satisfied employees are with their jobs and how dedicated they are to the organization by conducting an Employee Engagement Survey each year. When results are positive, employee performance increases and the overall success of the organization improves.

Survey results are reviewed against the previous year’s results to confirm and maintain strengths and address areas needing improvement within our control.

We aim to consistently meet and surpass employee satisfaction.

## STAFF DEVELOPMENT

We continue to offer on-going training and development opportunities for both our employees and Directors, through our national training partners, CCUA Campus and The Learning Centre. All new Credit Union employees follow an on-boarding process and training plan (for each position) to ensure success in their new role. Continued training takes place on operational procedures and compliance, ensuring consistency among our staff while keeping them updated on important industry changes. All new staff follow regular periods of review and assessment, both of which are designed to ensure the manager and new hire are progressing and developing according to plan.

Many of our managers have completed the Each-One-Teach-One program and are certified to deliver this financial literacy program to our police services, associations, and affiliated groups. Several of our managers are actively enrolled in a Leadership Program offered through CCUA Campus. This program provides training in areas of leadership and coaching, providing the skills and ability to positively lead others. Each year, we review both the Market Conduct Code and the Credit Union's Code of Conduct and Ethics with our employees and Directors to ensure they understand and adhere to these standards.

As part of the annual performance appraisal process, we encourage continued education and training and ask employees to identify courses or area of study they wish to pursue. In many cases individual education plans are designed for staff. Managers work with their direct reports to select educational courses that will assist in their development and enhance their skills and abilities.

All of these development programs are designed to ensure we are supporting our greatest assets, - our employees.

### **INTO THE FUTURE**

As we mark our 80th year serving policing communities, we will focus on safe growth, competitive pricing, new products, and up-to-date banking technologies for our members.

Efforts are underway to move our digital banking platforms to a new service provider. When implemented newer functionality and features will be included with our new on-line and mobile banking platforms.

During the summer of 2026, as our lease ends for our current premises, our Corporate office facilities and our Toronto Branch will be relocating to a new location. Construction efforts will begin in the spring and when completed will see us move into the middle

tower, immediately north of our exiting location. The branch will remain on the ground floor with member parking in front of the building while the Corporate office will be located on the 10th floor.

We will continue with our efforts to attract and welcome new members to our Credit Union by funding recruitment initiatives and expanding outreach to civilian hires and their families within Police Services across the province. Additionally, we will reinforce our commitments with existing Core Police Services and Police Associations and look for opportunities to engage with other Police Services and their employees throughout Ontario.

### **SENIOR MANAGEMENT TEAM**



*Top row, L to R: Andy Doak, Chief Executive Officer; Amal Fernando, Controller*

*Bottom row, L to R: Manager; Sheila Carvalho, Member Credit Manager; Bess Kominos-Estrela, Manager of Retail Services*



# Our Staff

## Corporate

Chief Executive Officer	Andy Doak
Executive Assistant	Olivia Moses
Investment Advisor	Rob Hubbard
Investment Specialist	Maryam Khayyam
Human Resources & Training Manager	Maria Simonneau
Human Resources/Administration Coordinator	Karen Zwarych
Marketing Coordinator	George Lambropoulos
Network & Systems Administrator	Arvin Evangelista

Member Credit Manager	Sheila Carvalho
Loans Officer	Rajarshi Konar
Loans Officer	Guillermo Verdesoto
Loan Administration Clerk	Lila Jacob

Controller	Amal Fernando
Centralized Accounting/Administration Supervisor	Elizabeth Kunter
Accounting Clerk	Susan Proulx
Centralized Administration Clerk	Carmencita Canivel-Sibug
Centralized Administration Clerk	Michelle De Guzman

## Retail

Manager of Retail Services	Bess Kominos-Estrela
Member Solutions Representative	Sandra Barletta- Makepeace
Member Solutions Representative	Erika Richards
Member Solutions Representative	Tamara Pitter
Member Solutions Representative	Jennifer Seerattan
Retail Administration Clerk	Denise Lombardo

## Ontario Police College

Financial Services Officer	Sherri Wiebe
----------------------------	--------------

## Branch Manager (Toronto & College)

Financial Services Officer	Peter Giftakopoulos
Financial Services Officer	Jhoanna Baniqued
Financial Services Officer	Lianne Balasingham
Member Service Representative	Ellen Muirhead
Financial Services Officer	Roya Ghahremani

## Branch Manager (Durham)

Financial Services Officer	Anna Gomes
Financial Services Officer	Jackie McCulloch
Financial Services Officer	Cari Brothers
Member Service Representative	Heather Bastien

## Branch Manager (York)

Financial Services Officer	Cyndi Ghoneim
Financial Services Officer	Jeanette Wood
Financial Services Officer	George Jonoski
Member Service Representative	Tarik Mayali

## Branch Manager (Peel & Halton)

Financial Services Officer	Donna Aleksovski
Financial Services Officer	Katarina Rakic
Financial Services Officer	Patema Palmer
Financial Services Officer	Tania Ortega
Member Service Representative	Mirjana Cotra

## Halton

Financial Services Officer	Nelia Jacob
----------------------------	-------------

## Comparative Highlights

<i>Years ended December 31</i>		2025	2024	2023	2022	2021
<b>Operating Revenue</b>	\$	14,902,174	\$14,844,429	\$13,706,000	10,806,929	10,290,732
<b>Interest on Members' Deposits</b>						
- amount	\$	7,030,850	7,975,013	6,388,189	3,509,901	2,891,084
- percent		47.2%	53.7%	46.6%	32.5%	28.1%
<b>Financial Margin</b>						
- amount	\$	7,320,442	6,491,168	6,815,114	7,071,746	6,875,207
- percent		49.1%	43.7%	49.7%	65.4%	66.8%
<b>Comprehensive Income</b>						
- amount	\$	724,033	624,526	821,813	575,280	796,457
- percent		4.9%	4.2%	6.0%	5.3%	7.7%
<b>Loans to Members</b>	\$	340,756,694	332,454,569	332,007,572	335,638,018	321,253,994
<b>Membership Shares</b>	\$	1,199,005	1,209,075	1,238,588	1,228,870	1,204,129
<b>Investment Shares (Gross amount)</b>		4,578,517	4,578,517	5,000,000	5,000,000	5,000,000
<b>Members' Deposits</b>	\$	346,204,029	338,256,693	339,048,531	346,006,002	337,620,354
<b>Total Assets</b>	\$	379,986,441	372,208,532	374,259,258	375,720,527	369,326,218
<b>Asset Growth</b>		2.09%	-0.55%	-0.39%	1.73%	3.58%
<b>Leverage Ratio</b>		5.46%	5.47%	5.46%	5.28%	5.87%
<b>Capital Ratio</b>		14.65%	13.49%	14.31%	13.88%	13.89%
<b>Liquidity</b>		10.20%	12.53%	11.88%	12.14%	12.92%

# Financial Focus

In 2025, the economic environment remains shaped by the Bank of Canada’s cautious approach to monetary policy. Following the easing of rates in 2024, financial markets continue to adjust to a lower interest rate landscape, while inflation and growth indicators signal a period of stabilization. The Credit Union remains vigilant in managing its balance sheet, balancing opportunities from lower borrowing costs with ongoing market uncertainties. Through disciplined risk management and strategic decision-making, we continue to strengthen our financial resilience, positioning the organization to support members and navigate evolving economic conditions with confidence.

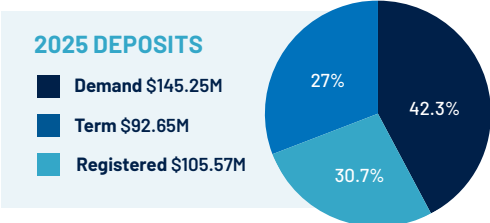
In 2025, the Credit Union’s assets strengthened, rising by \$7.8 million over the previous year, reflecting continued growth and financial resilience.

Total loans to members increased by \$8.3 million, or 2.51%, rising from \$332.3 million in 2024 to \$340.6 million in 2025, a result that exceeded expectations in a cautious lending environment. Residential mortgages led this growth, expanding by \$11.5 million, or 3.74%, reflecting the Credit Union’s ability to offer competitive rates and execute focused marketing initiatives despite subdued housing market activity and strong competition from other lenders.

The personal loans portfolio declined by \$3.1 million, or 12.7%. The year-over-year decrease, including a reduction in recruit loans, is primarily attributable to funding support provided by the provincial government, which reduced the need for such borrowing. Other loan products, such as Lines of Credit (LOCs), also experienced softer demand, reflecting continued member caution in discretionary spending and borrowing decisions amid ongoing economic uncertainty.

See below for the growth in the deposit portfolio this year.

millions	2025	2024	change
<b>Demand</b>	\$145.25	\$131.99	\$13.26
<b>Term</b>	\$92.65	\$98.44	\$-5.79
<b>Registered</b>	\$105.57	\$104.31	\$1.26
<b>Total</b>	\$343.47	\$334.74	\$8.73



Assets under administration from our off-balance sheet Wealth Management services ended the year at \$54.6 million, up by \$13.4 million or 32.4% from 2024. Total assets managed by the Credit Union including off-balance sheet wealth administered assets increased by \$21.1 million or 5.12%. Total managed assets were \$434.6 million in 2025 compared to \$413.4 million in 2024.

Operating revenues, which include interest income earned on loans and investments, increased modestly by \$0.1 million, or 0.39%, compared to the prior year. While total loans ended the year higher, the growth was largely realized in the latter part of 2025, with balances declining through August before strengthening from September onward. As a result, the higher loan volumes — primarily in residential mortgages, had a limited full-year impact on interest income. Additionally, the shift in portfolio mix, including a decline in higher-yielding personal loans, combined with lower yields on investments, contributed to the relatively modest overall growth in operating revenue.

Interest expense on members' deposits declined by \$0.8 million, or 9.24%, compared to 2024. This reduction reflects the repricing of the deposit portfolio following the elevated interest rate environment experienced through 2022 and 2023, as maturing deposits were renewed at lower rates during 2025.

The Credit Union's financial margin improved by \$829 thousand compared to the prior year. This increase was primarily driven by the repricing of the deposit portfolio at lower interest rates, resulting in reduced interest expense in 2025.

Provision on loan losses has always been low compared to the size of the loan portfolio. Other income reduced by \$18 thousand in 2025 to \$1.34 million.

Operating expenses increased by \$331 thousand in 2025, reflecting modest increases across most expense categories, primarily driven by data, salaries, and occupancy costs. Salaries and benefits rose by \$59 thousand, or 1.51%, compared to 2024 and were included within the overall increase. Despite this growth, salaries as a percentage of total operating expenses declined to 50.9% from 52.4% in 2024, indicating improved cost distribution across the expense base.



## LOAN REPORT

Total loans advanced and lines approved to members increased from \$63.9 million in 2024 to just under \$104.8 million in 2025, an increase of \$40.9 million. Although personal loan numbers decreased due to lower recruit and vehicle loan activity, mortgage numbers and volumes were up significantly. Recruit loans continue to be impacted by the provincial government continuing to cover tuition for police recruits to attend Ontario Police College and a challenging economy continued to put the purchase of new vehicles on the sidelines for members.

Total loans to members were \$340,627,212, an increase of 2.51% over the previous year when loans to members totalled \$332,294,318.

During the year, the loan loss allowance increased from \$134,645 in 2024 to \$224,521. Recoveries on loans previously written-off in 2025 was \$15,251. Loan write-offs during the year increased from \$66,527 in 2024 to \$149,599 in 2025. Sixteen members filed for Consumer Proposal a significant increase from nine in 2024.

TOTAL LENDING ACTIVITY	2025		2024	
<b>Personal</b>				
Personal Loans	244	\$ 5,886,982	292	\$ 7,910,157
Lines of Credit	163	12,033,016	107	9,143,100
Mortgages	199	86,869,321	119	46,799,460
<b>Total</b>	<b>606</b>	<b>104,789,319</b>	<b>518</b>	<b>63,851,717</b>
<i>Total Loans not approved</i>	94	5,348,872	136	8,985,306
<b>Total above</b>	<b>700</b>	<b>110,138,191</b>	<b>654</b>	<b>72,837,023</b>
<b>Loan Allowance</b>				
Specific	19	173,759	13	57,873
General Collective Allowance Stage 1 & 2	0	50,762	0	76,772
<b>Total above</b>	<b>19</b>	<b>224,521</b>	<b>13</b>	<b>134,645</b>



## Mentions & Milestones

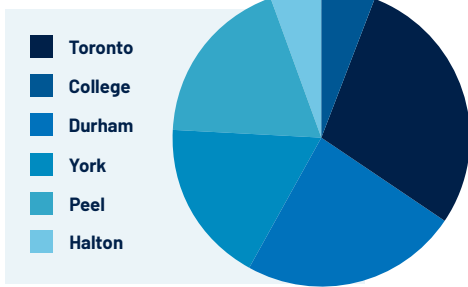
- **Total Assets** increased by \$7.8 million from \$372.2 million in 2024 to \$380 million in 2025.
- **Total Loans** to members increased by \$8.3 million or by 2.51%. Personal loans provision charged to operations was \$229,651, recoveries on loans previously written off was \$15,251 and loans written off during the year was \$66,527. The allowance balance for impaired personal loans increased from \$134,645 in 2024 to \$224,521 in 2025.
- **Residential mortgage** portfolio grew by \$11.5 million or by 3.74% from \$307.5 million in 2024 to \$319 million in 2025. Personal loans portfolio decreased by 12.73% from \$24.8 million in 2024 to \$21.6 million in 2025.
- **Members' Deposits** increased by \$8.7 million or 2.61% from \$334.7 million in 2024 to \$343.5 million in 2025.
- **Net Comprehensive income** for 2025 was \$724,033 compared with \$624,526 in 2024.
- **Members' Equity** which is comprised of investment shares, undivided earnings and accumulated other comprehensive loss closed the year at \$21,228,906 compared to \$20,746,619 in 2024. Investment shares qualify as equity as such was included in member's equity with a closing balance of \$4,120,665. Investment shares were sold to the membership in 2018 to strengthen the Credit Union's regulatory capital. Dividends were declared and paid each year on the investment shares from 2019 to 2025.
- **Financial Margin** increased by \$829,274 or 12.78% from 2024. Financial income in 2025 was higher by \$57,745 compared to 2024. Interest expenses were lower by \$771,529 compared to 2024.
- In 2025 we welcomed 68 new recruits as members, 61 of the new recruits became REWARDS members. In 2024, 68 new recruits joined as members of which, 65 became REWARDS members.
- **Wealth Management Services** – Assets under Administration increased by \$13.4 million or 32.45% from \$41.2 million in 2024 to \$54.6 million in 2025.

---

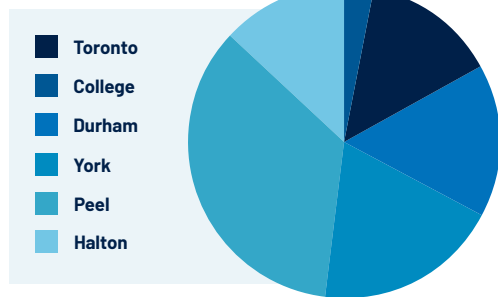
In 2025 we welcomed 68 new recruits as members, 61 of the new recruits became REWARDS members.



## MEMBERSHIP



## ASSETS



## BRANCHES

### Toronto

Members	3,476
Assets	\$157.8 million
Deposits	\$137.2 million
Loans	\$47.2 million

### York

Members	2,167
Assets	\$66.3 million
Deposits	\$59.5 million
Loans	\$64.4 million

### Consolidated

Members	12,170
Assets	\$484.3 million
Deposits	\$342.7 million
Loans	\$340.4 million

### College

Members	732
Assets	\$11.4 million
Deposits	\$8.2 million
Loans	\$11.4 million

### Peel

Members	2,250
Assets	\$120.2 million
Deposits	\$46.1 million
Loans	\$119.6 million

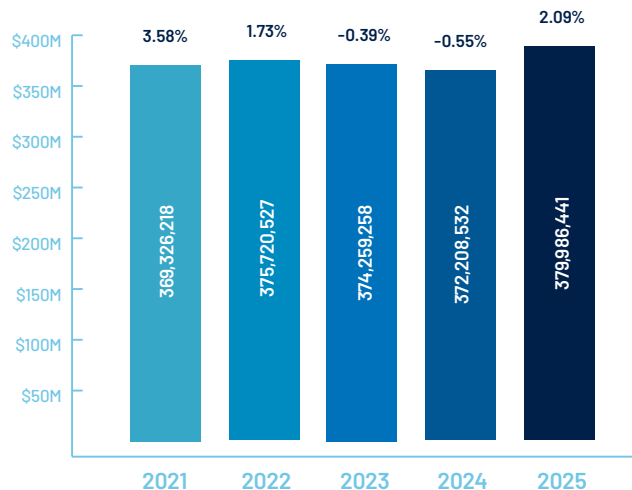
### Durham

Members	2,878
Assets	\$84.2 million
Deposits	\$82.1 million
Loans	\$53.7 million

### Halton

Members	667
Assets	\$44.4 million
Deposits	\$9.6 million
Loans	\$44.1 million

## ASSET GROWTH



# Community Involvement

Supporting our policing community is just another way we give back to our members. We were privileged to support our policing community in 2025 and welcomed the opportunity to attend different events and functions both old and new.

In addition to supporting various conferences, we supported and attended the Beyond the Blue Gala, the Ontario Women in Law Enforcement Awards Gala, and the second annual Toronto Police Association Members Night. We also attended various police association holiday parties, picnics and golf tournaments. Our employees were on hand to help support these events, volunteer if needed, and give away some amazing prizes. The Credit Union supported charitable events such as Peel Freezin for a Reason Polar Plunge and the Toronto Special Olympics Torch Run. The Police Credit Union donated just under \$12,000 to the policing community over the course of the year.

The Ontario Police Memorial Foundation (OPFM) is a charitable foundation that maintains the memorial of remembrance of fallen officers. The foundation hosts an

annual Ceremony of Remembrance. The Police Credit Union continues to support the Ontario Police Memorial Foundation by donating a percentage of the revenue sharing profits, generated each year, by our Mastercard. The OPMF is a foundation that is near and dear to our members, and police associations, and continues to resonate with our membership. We encourage members to support this initiative by getting our Mastercard and keeping in at the top of their wallet. The more our members use our Mastercard for their credit card purchases, the greater the annual donation will be.

The OPMF also ran their first members' night which the Credit Union helped support as well. The event was the first of its kind taking place on Saturday evening the day before the memorial ceremony.

As an organization created by police for police, the Police Credit Union will continue to support our policing communities.

## OUR PARTNERS

Beyond the Blue  
Cobourg Police Association  
Durham Region Police Association  
Guelph Police Association  
Halton Regional Police Association  
Mtp Auxiliary Police Association  
Niagara Police Association  
Ontario Police Memorial Foundation  
Peterborough Police Association  
South Simcoe Police

Timmins Police Association  
Toronto Police Amateur Athletic  
Toronto Police Association  
Toronto Police Military Veteran's Association  
Toronto Police Pensioners Association  
Toronto Police Senior Officers  
Toronto Police Widows And Orphans Fund  
York Regional Police Association  
York Regional Police Retirees Association  
York Regional Police Senior Officers



**From Right to Bottom: Marketing Coordinator George Lambropoulos and Toronto Branch Manager Peter Giftakopoulos with Toronto Police Chief Myron Demkiw at the TPA Picnic**

**Marketing Coordinator George Lambropoulos with 2025 Scholarship winner Samantha Young**

**Peel Branch Manager Donna Aleksovski with London Police Chief Thai Truong at the OWLE Gala**

**Toronto Branch Manager Peter Giftakopoulos with TPA President Clayton Campbell at the Canada Beyond the Blue Champions of Change Gala**



**Manager of Retail Services Bess Kominos-Estrela sponsoring the TPS Special Olympics Torch Run**



## OUR IMPACT AT A GLANCE



### SCHOLARSHIPS AND BURSARIES

In 2025, we gave out over \$5,000 in scholarships and bursaries to help students with their education.



### POLICING COMMUNITY SCHOLARSHIPS

Over the past seven years, just under \$69,000 in sponsorship funds were given to help our local police communities.



### OPMF DONATIONS

We've donated over \$95,000 over the last nine years to the Ontario Police Memorial Foundation through our Mastercard profits.



### DONATIONS IN KIND

Over \$16,000 donations in kind were given to the police community in the past six years.

# Audit Committee Report

The Audit Risk Committee of the Board of Directors of The Police Credit Union (TPCU) consists of four Directors and has a mandate to carry out the duties specified in the Credit Unions and Caisses Populaires Act, 2020 (Act) and Ontario Regulation 105/22. The Audit Risk Committee is an integral part of the overall framework of corporate governance for the TPCU. In fulfilling its role, the Committee encompasses four critical oversight responsibilities:

Review of financial reporting, Risk management and controls, Audit activities; and Compliance activities.

In the fulfillment of these responsibilities, the Committee met five times during 2025 and performed the following duties:

- Reviewed the results of our external audit provided by Tinkham LLP resulting in a recommendation to the Board to approve the 2025 Financial Statements.
- Directed the functions of our internal auditor, Jones and O'Connell, including review of detailed internal audit reports, recommendations, and actions.
- Reviewed quarterly Risk Management reports, identifying ongoing and potential future risk areas, as well as any strategies to mitigate those risks.
- Reviewed the TPCU's risk management policies and procedures.
- Reviewed reports provided by Management to ensure that the TPCU complies with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act.
- Reviewed and approved Management's recommendations for short-term and long-term interest rate limits; and

- Annual review of key financial and risk related policies

The Audit Committee had the full co-operation and support of TPCU's Management team, and all significant recommendations have been or are in the process of being implemented.

The Audit Committee believes there are no matters, other than those contained in the Financial Statements, that should be reported to our members or which are required to be disclosed pursuant to the Act.

This report is submitted on behalf of the Audit Committee: Shannon Dawson, Rod Fraser, Geri James and Rob Todd (Chair).

*Robert Todd*

Robert Todd,  
Chair, Audit Committee

# Independent Auditors' Report

## To the Members of The Police Credit Union Limited:

### OPINION

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

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements on the basis described in the note to the summary financial statements.

### SUMMARY FINANCIAL STATEMENTS

The summary financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

### THE AUDITED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited financial statements in our report dated February 25, 2026.

### MANAGEMENT'S RESPONSIBILITY FOR THE SUMMARY FINANCIAL STATEMENTS

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

### AUDITOR'S RESPONSIBILITY

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



### Licensed Public Accountants

Toronto, Ontario  
February 25, 2026

# Summary Financial Statements

## Summary Statement of Financial Position

<i>As at December 31</i>	<b>2025</b>	<b>2024</b>
<b>Assets</b>		
Cash	\$ 5,518,162	\$ 7,924,956
Investments	30,858,857	28,493,270
Loans to members	340,756,694	332,454,569
Other assets	620,375	516,124
Property and equipment	1,031,451	1,406,332
Right-of-use assets	1,200,902	1,413,281
	<b>\$ 379,986,441</b>	<b>\$ 372,208,532</b>
<b>Liabilities</b>		
Members' deposits	\$ 346,204,029	\$ 338,256,693
Securitization liabilities	8,018,564	8,559,093
Other liabilities	1,330,441	1,171,157
Lease liabilities	1,547,644	1,808,043
Members' share capital	1,656,857	1,666,927
	<b>\$ 358,757,535</b>	<b>\$ 351,461,913</b>
<b>Members' Equity</b>		
Members' share capital	4,120,665	4,120,665
Retained earnings	16,881,715	16,380,564
Accumulated other comprehensive income	226,526	245,390
	<b>21,228,906</b>	<b>20,746,619</b>
	<b>\$ 379,986,441</b>	<b>\$ 372,208,532</b>

ON BEHALF OF THE BOARD



M. Sharpe, Chair



Robert Todd, Director

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

## Summary Statement of Comprehensive Income

<i>For the year ended December 31</i>	<b>2025</b>	<b>2024</b>
<b>Financial income</b>		
Interest on loans to members	\$ 13,467,170	\$ 13,322,364
Investment income	1,435,004	1,522,065
	<u>14,902,174</u>	<u>14,844,429</u>
<b>Interest Expense</b>		
Interest on members' deposits	7,030,850	7,975,013
Interest on external borrowings and securitization liabilities	321,231	335,996
Provision for expected credit losses on member loans	229,651	42,252
	<u>7,581,732</u>	<u>8,353,261</u>
<b>Financial Margin</b>	7,320,442	6,491,168
<b>Other Income</b>	1,344,319	1,362,002
	<u>\$ 8,664,761</u>	<u>\$ 7,853,170</u>
<b>Operating Expenses</b>		
Salaries and benefits	3,974,200	3,915,249
Administrative	2,866,965	2,592,415
Depreciation of property and equipment	461,000	481,335
Deposit Insurance	292,266	274,905
Depreciation of right-of-use assets	212,379	212,379
	<u>7,806,810</u>	<u>7,476,283</u>
<b>Net income before provision for income taxes</b>	857,951	376,887
<b>Provision for (recovery of) Income Taxes</b>		
Current	120,907	4,819
Deferred	(5,853)	14,726
	<u>115,054</u>	<u>19,545</u>
<b>Net Income for the Year</b>	742,897	357,342
<b>Other Comprehensive Income (Loss)</b>		
Unrealized gain (loss) on investments measured at FVOCI	(22,193)	314,334
Recovery of (provision for) income taxes - current	3,329	(47,150)
	<u>(18,864)</u>	<u>267,184</u>
<b>Net Comprehensive Income for the Year</b>	<u>\$ 724,033</u>	<u>\$ 624,526</u>

## Summary Statement of Changes in Members' Equity

	Members' share capital	Retained earnings	Accumulated other com- prehensive income (loss)	Total
<b>Balance, December 31, 2023</b>	\$ 4,500,000	\$ 16,292,150	\$ (21,794)	\$ 20,770,356
Net comprehensive income	-	357,342	267,184	624,526
Reclassification of investment shares to liabilities	42,148	-	-	42,148
Redemption of investment shares (net)	(421,483)	-	-	(421,483)
Distributions to members	-	(268,928)	-	(268,928)
<b>Balance, December 31, 2024</b>	\$ 4,120,665	\$ 16,380,564	245,390	\$ 20,746,619
Net comprehensive income (loss)	-	742,897	(18,864)	724,033
Distributions to members	-	(241,746)	-	(241,746)
<b>Balance, December 31, 2025</b>	\$ 4,120,665	\$ 16,881,715	\$ 226,526	\$ 21,228,906

### Note to Summary Financial Statements

The summary financial statements are derived from the audited financial statements, prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, as at December 31, 2025 and December 31, 2024 and for the years then ended.

The preparation of these summary financial statements requires management to determine the information that needs to be included to ensure they are consistent in all material respects with, or represent a fair summary of, the audited financial statements.

Management prepared these summary financial statements using the following criteria:

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



***Taking care of our own***

---