

ANNUAL REPORT

FOR THE FISCAL YEAR ENDED JANUARY 31, 2026



OF ADDING VALUE FOR OUR MEMBERS



Who We Are

IC Savings is a full-service credit union that focuses on bringing the benefits of co-operative banking to its personal and business members, whether online, by mobile or in branch at its eight locations in Toronto and Vaughan.

Our Purpose

Adding economic, social and cultural value for the benefit of our members and the communities we serve.

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¹ Among the 49 credit unions in Ontario. Source: Financial Services Regulatory Authority of Ontario.

**\$1.03
BILLION**

Total assets

16

Ranking,
by asset size¹

56.40%

Efficiency
ratio

17,367

Members



John DaRe, M.A., LL.B.

Message from the Chair of the Board

It is my distinct privilege to deliver this message following our 25th anniversary year. During the many moments of celebration, I found myself reflecting not only on how far IC Savings has come, but also what truly defines this credit union.

IC Savings was founded on the simple but powerful commitment to be a strong financial institution that would support its members while serving their community in profound and meaningful ways. Since then, IC Savings has helped thousands of members achieve their financial goals of stability and success. By offering sound advice and practical solutions at every stage of life, our financial institution earned their trust. In turn, members have proven to be steadfast supporters of IC Savings and its many community-focused initiatives.

In reviewing the original business plan tabled in September 1999, I note the initial goals were simple. Raise at least \$1.4 million through an initial investment share offering to a group of committed founding members and break even in year two. At the first AGM, Board chair Dino Bottero was justifiably proud when he reported that the credit union had in fact raised \$2.8 million in capital and realized an after-tax profit of slightly more than \$205,000.

There has been no looking back. Insisting on prudent risk management and sound business practices, IC Savings has enjoyed tremendous success. It currently boasts assets of more than \$1 billion and one of the most impressive efficiency ratios among all credit unions in Ontario. This has resulted in net income of more than \$10 million in this fiscal year.

This financial success enables IC Savings to contribute to a variety of important social and cultural initiatives. From the Community Builders Tribute in support of Humber River Health to sport programs helping disadvantaged youth and more, IC Savings made significant financial contributions during the year towards community development. Like many members, I was drawn to IC Savings precisely because it echoed my sentiments around community involvement and social responsibility. I am inspired by how IC Savings has added value and created impacts that will resonate for generations.

The original architects and founding members would be proud. What we have achieved together is exactly where they hoped we would one day be. Fausto Gaudio, Frank Petti, Alex De Iulis and Robert Gray, successful and ambitious men in their own right, saw the need to build something bigger than themselves and for the good of the community. They worked tirelessly, recruiting talents from the Italian Canadian community to form a steering committee. Over time, the credit union's bond of association, as well as its reach, expanded. The success and strength of IC Savings reflects the contributions of many valued stakeholders, including Italian and Portuguese members, among others.

No celebration would be complete without recognizing the extraordinary efforts of CEO Fausto Gaudio who, with his senior leadership team, has shown undeniable vision and prudent financial management that have yielded the results we proudly share in this report's financial statements.

I am also thankful to each member of your Board of Directors, and especially our committee chairs, the Hon. Frank Iacobucci, Tony D'Errico and Luis Arruda, also Board vice-chair. Each director provides the highest level of governance and oversight and brings thoughtful perspectives and insights to every meeting.

Finally, to you, our loyal members, a heartfelt thank you for the trust you have placed in IC Savings and for your continued support. Together, we look forward to the next 25 years.



John DaRe, Dino Bottero, Anthony D'Errico, Robert Gray, Marcellina Galvan, Luis Arruda, Hon. Frank Iacobucci, Frank Petti, Pina Alberelli-Arone, Alex De Iulis and Sam Ciccolini. [Pullano Photography]

Board of Directors

John DaRe, M.A., LL.B.

Chair of the Board
Principal, John DaRe Barrister and Solicitor

J. Luis Arruda, MBA, FCIP, FRM

Vice-Chair; Chair, Human Resources Committee;
Member, Audit and Risk Committee
President and Principal Broker, The Regional Insurance Services Inc.

Pina Alberelli-Arone, CPA, CA

Director; Member, Human Resources Committee

Dino Bottero, AACI, MRICS, PLE

Director; Member, Audit and Risk Committee
President, Bottero Appraisals Limited

Sam J. Ciccolini, C.M., O. Ont., O.V., COSSM. It.

Director; Member, Governance and Nominating Committee
Co-Founder and President, Masters Insurance Limited

Alex De Iulis, P.Eng.

Director
President and Partner, Resform Construction Ltd.

Anthony D'Errico, B.Comm

Director; Chair, Audit and Risk Committee;
Member, Governance and Nominating Committee
Relationship Manager (Retired), Deposit Insurance Corporation of Ontario

Marcellina Galvan

Director; Member, Human Resources Committee
Vice-President, Human Resources, Diversity and Inclusion, Celestica

The Honourable Frank Iacobucci, C.C., K.C., LL.D, LSM

Director; Chair, Governance and Nominating Committee
Senior Counsel, Torys LLP

Robert J. Gray, LL.B.

Director and Corporate Secretary; Member, Governance and Nominating Committee; Member, Human Resources Committee
Senior Counsel, Miller Thomson LLP

Frank Petti, CPA, CA

Director; Member, Audit and Risk Committee
Chief Financial Officer, RES Group of Companies



Fausto Gaudio

Message from the President and CEO

I am pleased to report that IC Savings delivered another strong year. The 2026 fiscal year reflects steady progress, disciplined growth and our ongoing commitment to meeting your financial needs with prudence and care.

Over the past year, we achieved meaningful expansion across all key areas of our business. Total assets grew to over \$1.0 billion, a milestone that reflects both the strength of our institution and the trust IC Savings has earned within the communities we serve. Our loan portfolio increased by over \$51.4 million to \$883.5 million, demonstrating continued demand and our ability to support members with responsible and well-structured financing solutions.

At the same time, member deposits grew significantly, increasing by over \$83.6 million to reach \$879.1 million. This growth is especially important, as it underscores the trust you have in us as your financial partner. Your deposits enable us to reinvest in the community by supporting loans and other services that benefit our membership as a whole.

From an earnings perspective, we delivered solid results. Net income for the year reached \$10.7 million, representing a 42.7% increase over the prior year. This improvement was driven by growth in our lending activities, better interest margins and careful management of our funding costs. Net interest income rose to \$29.6 million, reflecting both the growth in our loan portfolio and our focus on maintaining healthy spreads.

While we continued to invest in our operations—including our people, systems, and infrastructure—we remained disciplined in managing expenses. These investments are essential to ensure that we can continue to serve you effectively, enhance your experience and support our long-term growth.

Our capital position also remains strong, with members' equity increasing to \$134.1 million. This solid foundation ensures that we are well-positioned to meet future challenges, comply with regulatory requirements and continue growing in a sustainable manner.

We are mindful that the broader economic environment continues to present uncertainties, including interest rate fluctuations and market volatility. In this context, our approach remains balanced; we aim to grow responsibly while safeguarding the financial strength of the organization and protecting your interests.

Looking ahead, our focus remains clear. We will continue to enhance our services, invest in technology and strengthen our operational capabilities. At the same time, we remain committed to the values that define us: trust, prudence and a member-first approach.

On behalf of IC Savings, I would like to sincerely thank our Board of Directors for their guidance and oversight, our senior leadership team for their successful execution of our strategic initiatives and all our staff for their dedication and hard work throughout the year. Their collective efforts have been instrumental in achieving these results.

Finally, I extend my heartfelt thanks to you, our members, for your continued trust and support. Your confidence is the foundation of our success and we remain committed to serving you with sincerity and excellence.



Top: Fausto Gaudio (left) with John DaRe, Board Chair



Left: Widely known as builders, the Italian community turned its focus in 2000 towards building a financial institution. In September, board members Alex De Lulis and Sam Cicolini (left) joined Fausto Gaudio on the occasion of the opening of our credit union. He is pictured presenting a commemorative brick to Mike Harris, then Ontario's premier, while the cabinet minister, the late Al Palladini (far right), looked on. The brick was emblematic of the Italian community's reputation as builders.

Executive Team

Fausto Gaudio

President and Chief Executive Officer

Wadood Sheikh

Chief Financial Officer

David Parks

Chief Operating Officer and Chief Risk Officer

Joe Rosati

Vice-President, Business Development

STORIES OF OUR YEAR

25

YEARS
OF ADDING VALUE FOR OUR MEMBERS

The remarkable success of IC Savings is a public statement about the power of community and the co-operative values that our credit union's origin story is built on.



Celebrating 25 years of adding value

Reaching the \$1 billion milestone

With two notable milestones, this fiscal year was truly exceptional. Not only did our credit union mark 25 years of serving members and strengthening communities, it also reached a record \$1 billion in assets in July. By year-end, it ranked as the 16th largest of 49 credit unions in Ontario based on asset size.

The remarkable success of IC Savings is a strong statement about the power of co-operative banking, community and the co-operative values of self-help, self-responsibility and democracy.

From April 2000 onwards, with a newly secured charter for a credit union, 130 individuals stepped forward as founding members with a combined \$2.8 million in equity capital to support a bold vision for a community-owned financial institution.

Fast-forward 25 years. Today, anchored by a strong sense of purpose, IC Savings has not only grown the assets entrusted to it by these founding members, it has

increased membership to more than 17,300 individuals and businesses and its retail footprint has grown from one single location on Woodbridge Avenue to eight locations in some of west Toronto's and Vaughan's most distinctive neighbourhoods. Rounding out the portfolio is a deposit broker network and a lending centre that serves individuals, families and businesses extending well beyond the GTA into southwestern Ontario up to Barrie, and from Ottawa to Kingston.

This success story is something we can all be proud of. While our opening chapter may have been authored by the steering committee and founding members, the subsequent chapters clearly illustrate how all members, past and present, have contributed to our credit union's noteworthy growth and far-reaching impacts.

Introducing wealth management

At IC Savings, we are always focused on meeting the needs of our members. As our membership continues to grow and evolve, so too do their financial outlooks, goals and priorities. In mid-2025, our credit union introduced wealth management and welcomed Hadrien Elenas, CFA, an experienced financial advisor, as Manager, Wealth Management. Expanding our service offering to include financial, retirement and estate planning reaffirms our commitment to being the financial partner that supports our members at every life stage. Amid an unprecedented transfer of wealth between generations, the demand for trusted advice and tailored strategies to preserve wealth has never been greater. Never one-size-fits-all, our approach to wealth management remains rooted in understanding a member's goals and always begins with a conversation about their unique circumstances and the stage of life they find themselves in.



Community Builders Tribute

When community comes together as it did in late October for the Community Builders Tribute, incredible outcomes will result. Our credit union was honoured to lead a memorable celebration in support of Humber River Health, while recognizing Senator Toni Varone. A remarkable business leader who serves as president of the Varone Group, Senator Varone is also a generous philanthropist and a tireless advocate for progress.

That evening, the community raised \$500,000 to support the vital work undertaken by Humber's 6,000-strong team of dedicated physicians, nurses and other health care staff. In addition to the \$50,000 commitment made on behalf of our members, our CEO and several board members also led efforts to make the evening truly unforgettable.



This fundraiser was another demonstration of our credit union's commitment to Humber. Donations made on behalf of our members to this community hospital began with a record \$1 million commitment in 2012—a first from a community organization. Since then, our credit union has supported Humber's groundbreaking robotic surgery program and the Seniors Campus of Care, which includes the IC Savings Seniors Care Centre. Here, medical services, including primary and urgent care, a sleep lab and a family medicine teaching unit, are located in one convenient location in northwest Toronto, at Hwy 400 and Finch Avenue.

Event co-chairs, Sam Ciccolini (far left), and Fausto Gaudio (far right), with Dr. Zaki Ahmed, Chief of Staff, Humber River Hospital; Jennifer Stewart, CEO, Humber River Health Foundation; Barb Collins, President and CEO, Humber River Health; and the Hon. Toni Varone, Senator.

Photo credit: Pullano Photography

Supporting seniors' care

In January, IC Savings donated \$100,000 to Runnymede Healthcare Centre located in Toronto's west end. Known for its specialized rehabilitation and complex continuing care programs, the 206-bed, state-of-the-art hospital helps patients regain functional stability following serious illness or injury. Not only does Runnymede assist patients in transitioning from acute care to home environments, it also supports their families by easing the demands placed on them for extended care.



Photo credit: Runnymede Healthcare Centre

“ IC Savings' contribution represents a strategic investment in the continued advancement of our rehabilitation services. We are truly grateful for their generosity. ”

Connie Dejak

President and CEO, Runnymede Healthcare Centre

Honouring one of our own

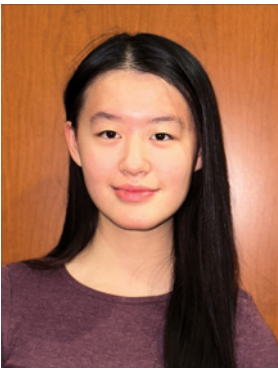
In late October, AnaBela Taborda, longtime manager of our Little Portugal branch, was honoured with the prestigious Medalha de Mérito das Comunidades Portuguesas (Medal of Merit of the Portuguese Communities) from the government of Portugal. With IC Savings for 15 years, AnaBela is steadfast in her efforts to bring our mission to life for our members and the communities that we serve. Well-regarded for her dedication to projects supporting refugees, seniors and youth, AnaBela is also a tireless promoter of Luso Canadian art, heritage and culture.

Photo credit: E-motions Photography





CU Succeed Youth Bursary



Every year, more than 30% of Ontario youth are unable to pursue post-secondary education due to financial barriers. In 2025, IC Savings proudly stepped up to support the CU Succeed Youth Bursary, a collective effort led by the Ontario Credit Union Foundation. IC Savings has been a steady 'bursary booster' since this program was established in 2016.

Through the CU Succeed Youth Bursary, our credit union supports young leaders like 2025 recipient, Fiona (pictured above). Young leaders who demonstrate a strong commitment to community involvement can benefit from financial assistance to pursue academic, technological or vocational training.

Our investment in student success does not stop there. On behalf of our members, we awarded scholarships and bursaries to secondary and post-secondary students through Centro Scuola e Cultura, the Federation of Portuguese-Canadian Business & Professionals and local high schools.

Engage416

Sport has a wonderful capacity to bring communities together, build confidence and foster well-being. For these reasons and more, we were proud to support Engage416, a unique initiative of Toronto Police Services' integrated gang prevention task force program that uses soccer to strengthen communities, one neighbourhood at a time.

Working primarily in the lowest-equitable neighbourhoods in the city's northwest, Engage416 officers use evidence-based activities, grassroots engagement and community support to deter youth from the allure of street gangs. While more than 200 children and teens have participated in the outdoor soccer program since its launch in 2000, approximately 2,700 youths and their families have also benefited from referrals to free community support services, including employment, job skills training and counselling, another important focus of Engage416.



Photo credit: Toronto Police Services

FINANCIAL HIGHLIGHTS

25

YEARS
OF ADDING VALUE FOR OUR MEMBERS

Financial Highlights

	2026	2025
Total assets	1,027,105,915	939,239,608
Member deposits	879,054,561	795,382,899
Loans	883,535,474	832,077,843
Capital and retained earnings		
Retained earnings	76,979,255	69,098,243
Class B investment shares	57,099,720	53,559,426
	134,078,975	122,657,669
Net interest and other income	31,846,339	27,213,977
Total comprehensive income	10,691,226	7,494,723

These financial statements represent excerpts from the full set of audited statements of Italian Canadian Savings & Credit Union Limited. Complete audited financial statements are available upon request.

Financial Statements

Statement of Financial Position

AS AT JANUARY 31

	2026	2025
Assets		
Cash	52,550,619	18,308,067
Loans	883,535,474	832,077,843
Investments	60,480,130	58,618,744
Other assets	5,867,222	4,841,011
Property and equipment	24,672,470	25,393,943
	1,027,105,915	939,239,608
Liabilities		
Bank indebtedness	-	5,000,000
Member deposits	879,054,561	795,382,899
Other liabilities	13,876,122	16,095,682
Membership shares	96,257	103,358
	893,026,940	816,581,939
Members' Equity		
Retained earnings	76,979,255	69,098,243
Class B investment shares	57,099,720	53,559,426
	134,078,975	122,657,669
	1,027,105,915	939,239,608

These financial statements represent excerpts from the full set of audited statements of Italian Canadian Savings & Credit Union Limited. Complete audited financial statements are available upon request.

Financial Statements

Statement of Income and Comprehensive Income

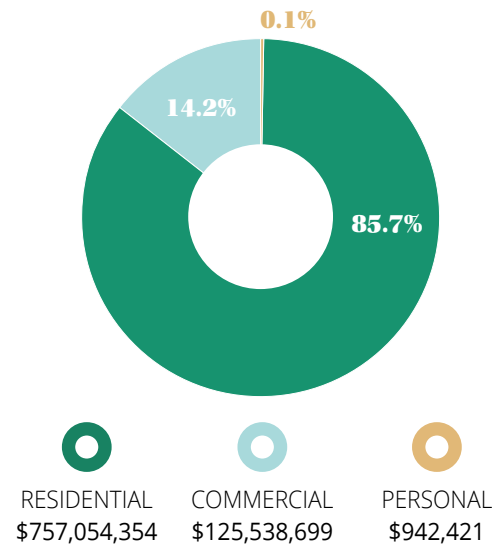
FOR THE YEAR ENDED JANUARY 31

	2026	2025
Interest income		
Loans	50,123,412	48,635,476
Investments	3,004,743	3,108,819
	53,128,155	51,744,295
Interest expense		
Member deposits	23,508,568	26,928,615
Net interest income	29,619,587	24,815,680
Other income	2,226,752	2,398,297
Net interest and other income	31,846,339	27,213,977
Operating expenses		
Personnel	9,132,111	8,250,349
Administrative expenses	5,994,600	5,011,236
Occupancy expenses	2,218,253	2,050,814
Deposit insurance premium	542,157	534,772
Provision for bad debts	120,000	120,000
	18,007,121	15,967,171
Income before income taxes	13,839,218	11,246,806
Income taxes		
Current	3,144,357	2,920,825
Deferred	3,635	(77,900)
	3,147,992	2,842,925
Net income	10,691,226	8,403,881
Other comprehensive income	-	(909,158)
Total comprehensive income for the year	10,691,226	7,494,723

These financial statements represent excerpts from the full set of audited statements of Italian Canadian Savings & Credit Union Limited. Complete audited financial statements are available upon request.

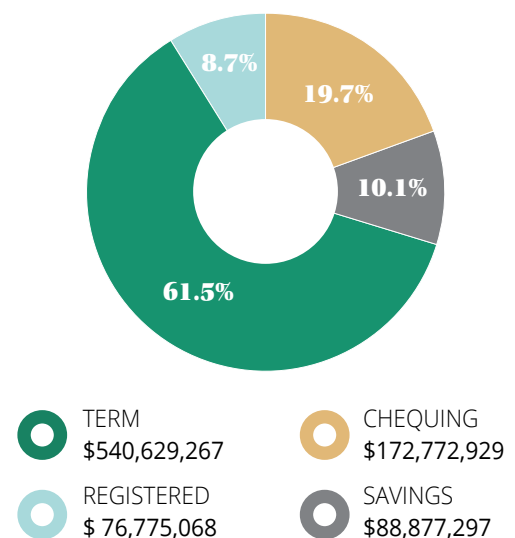
Loans

Total loans increased to \$883.5 million in FY 2026, representing solid year-over-year growth of approximately 6.2%. This expansion was primarily driven by the residential mortgage portfolio, which grew by 8.29%, and now comprises 85.7% of total loans, up from 84.0% in FY 2025. The continued emphasis on residential lending reflects a strategic focus on secured assets and stable, long-term growth. Commercial lending declined modestly to \$125.5 million, reducing its share of the portfolio to 14.2% from 15.6%, as we maintained a cautious stance amid economic uncertainty and a rapidly changing market landscape. Personal lending remains minimal and continues to represent an immaterial portion of the portfolio. Overall portfolio growth was achieved while maintaining prudent underwriting standards and disciplined risk management practices. The shift in mix toward residential lending has strengthened the overall risk profile of the loan book, supporting stability in earnings and positioning the organization well for sustainable growth in the coming years.



Member Deposits

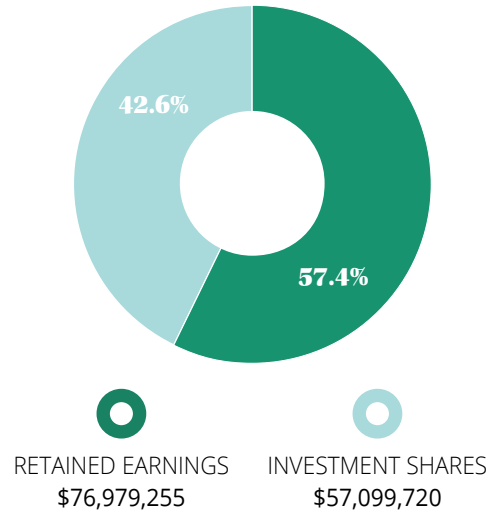
Member deposits grew strongly to \$879.1 million in FY 2026, reflecting a year-over-year increase of 10.52%, compared to 4.53% in FY 2025. This growth was largely driven by term deposits, which increased significantly to \$540.6 million and now represent 61.5% of the total deposit base, up from 58.3% in the prior year. The shift toward term deposits highlights members' preference for higher-yield, fixed-term products in a competitive interest rate environment. Chequing balances also grew modestly to \$172.8 million, although their proportion of total deposits declined slightly to 19.7%. Savings and registered deposits experienced a marginal decrease in both balances and portfolio share, reflecting ongoing migration toward term products. While this mix shift supports funding stability and predictability, it also requires careful management of the cost of funds. Overall, the deposit base remains well-diversified and resilient, providing a strong and stable foundation to support lending growth, liquidity needs, and long-term strategic objectives.



Members' Equity

Members' equity reached \$134.1 million in FY 2026, representing a healthy growth of approximately 9.3% over the prior year. This expansion was primarily driven by a significant increase in retained earnings, which rose to \$77.0 million and now accounts for 57.4% of total equity, up from 56.3% in FY 2025. This upward trend in retained earnings underscores our commitment to a disciplined capital retention strategy, ensuring the organization remains resilient and well-capitalized to support future growth.

Investment shares also saw positive movement, increasing to \$57.1 million. A key contributor to this growth was the issuance of a 7.0% dividend during the fiscal year, which was distributed to members in the form of additional investment shares. This approach not only rewards our members for their continued loyalty but also helps bolster our regulatory capital base. The overall strengthening of our equity position provides a robust financial foundation, reinforcing our long-term stability and capacity to navigate evolving economic landscapes.

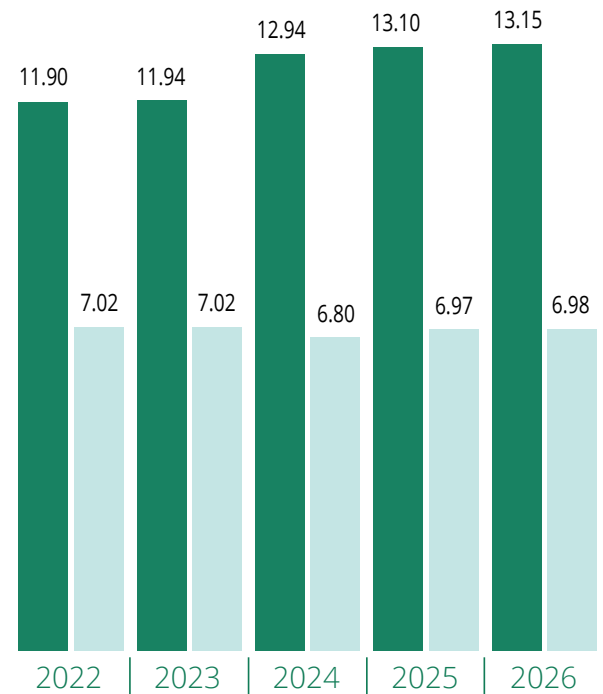


Ratios

Leverage Ratio

The leverage ratio improved to 13.15% in FY 2026, continuing a consistent upward trend from 11.90% in FY 2022. This steady strengthening of capital reflects disciplined balance sheet growth and a strong focus on internal capital generation. The ratio remains significantly above the sector average of 6.98%, highlighting a conservative capital structure and a substantial buffer over regulatory minimums. The incremental increase from 13.10% in FY 2025 demonstrates stability in capital management despite ongoing asset growth. Over the five-year period, IC Savings has nearly doubled the sector benchmark, reinforcing its prudent approach to leverage and risk. This strong position enhances financial resilience, supports member confidence, and provides flexibility to pursue future growth opportunities while maintaining a robust safeguard against potential economic stress.

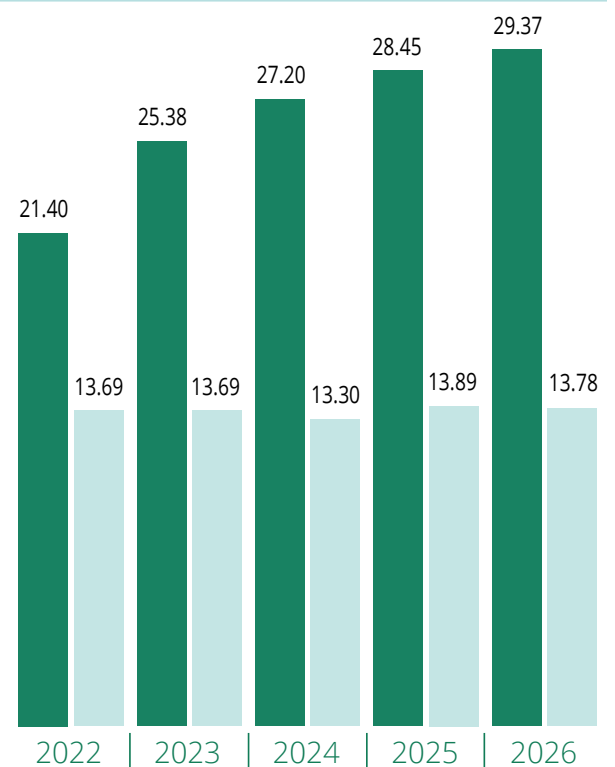
■ IC SAVINGS ■ SECTOR AVERAGE



Risk-Weighted Capital Ratio

The risk-weighted capital ratio increased to 29.37% in FY 2026, up from 28.45% in FY 2025 and significantly higher than 21.40% in FY 2022. This consistent improvement reflects strong earnings retention and effective management of risk-weighted assets. The ratio remains well above the sector average of 13.78%, underscoring the organization's conservative risk profile and strong capitalization. The upward trajectory over the past five years demonstrates a sustained commitment to maintaining high-quality capital levels while supporting asset growth. The significant buffer above regulatory requirements positions IC Savings to absorb potential credit or market shocks and provides strategic flexibility for future expansion. Overall, the strong capital adequacy reinforces financial stability and supports long-term sustainability.

■ IC SAVINGS ■ SECTOR AVERAGE

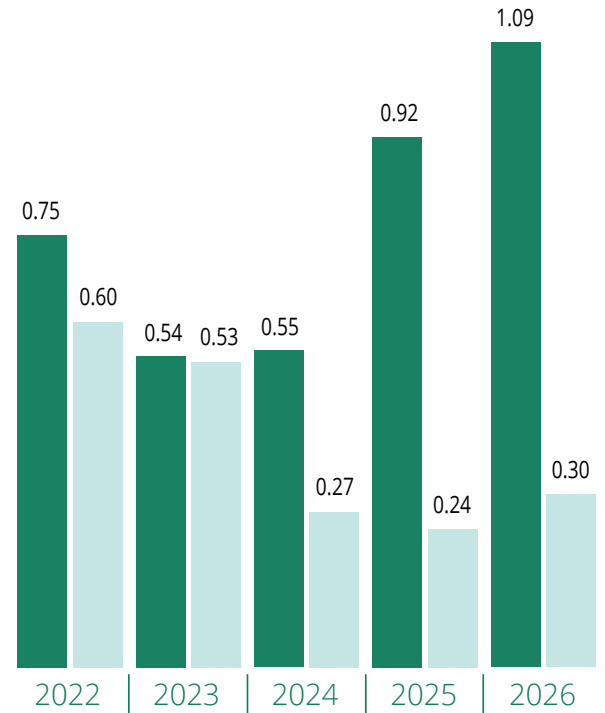


All ratio values are noted as percentages

Return on Assets

Return on assets improved to 1.09% in FY 2026, compared to 0.92% in FY 2025 and 0.55% in FY 2024, reflecting a strong recovery in profitability. This upward trend indicates improved earnings generation relative to the asset base, driven by disciplined cost management, stable margins, and continued growth in core lending activities. The ratio significantly outperforms the sector average of 0.30%, highlighting stronger operational performance and effective asset utilization. This sustained profitability supports capital growth, enhances resilience, and provides the capacity to reinvest in strategic initiatives and member services.

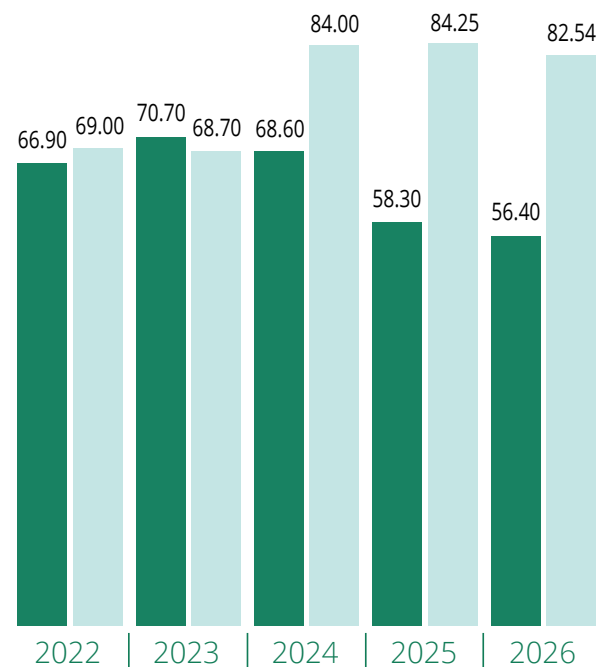
■ IC SAVINGS ■ SECTOR AVERAGE



Efficiency Ratio

The efficiency ratio improved to 56.40% in FY 2026, down from 58.30% in FY 2025 and significantly better than 70.70% in FY 2023. This reflects continued progress in cost management and operational efficiency, with lower expenses relative to revenue generation. The ratio remains substantially better than the sector average of 82.54%, indicating a strong cost structure and effective resource utilization. Over the past five years, IC Savings has achieved meaningful improvements through process optimization, disciplined expense control, and targeted investments in technology. The improvement in FY 2026 further reinforces this positive trend and highlights the ability to scale operations efficiently while supporting growth.

■ IC SAVINGS ■ SECTOR AVERAGE



All ratio values are noted as percentages

Annual Audit and Risk Committee Report to Members

Under Section 104 of the Credit Unions and Caisses Populaires Act, 2020 For the Fiscal Year Ended January 31, 2026

The Audit and Risk Committee is pleased to present its report to the members of IC Savings for the fiscal year ended January 31, 2026.

The Committee operates in accordance with the Credit Unions and Caisses Populaires Act, 2020, applicable regulations and the Board-approved terms of reference of the Audit and Risk Committee. It also assists the Board in fulfilling its oversight responsibilities for financial reporting, internal control systems, audit functions, regulatory compliance and risk management practices of the credit union.

The Committee held four meetings during the fiscal year with members of senior management, internal auditors, consultants and the external auditor attending as required to present reports, discuss findings and to address questions from the Committee.

Financial Reporting Oversight

The Committee reviewed the credit union's quarterly and annual financial reporting with management, paying particular attention to significant accounting policies, key estimates, financial disclosures and the overall quality and transparency of financial reporting. The Committee also reviewed management's representations regarding the effectiveness of internal controls over financial reporting.

The Committee reviewed the audited financial statements for the year ended January 31, 2026 together with management and the external auditor. Following these discussions and reviews, the Committee recommended that the Board of Directors approve the audited financial statements for presentation to the membership.

External Audit

The Committee oversees the relationship with the external auditor, MNP LLP. The Committee reviewed and approved the annual audit plan, including the scope, timing and areas of audit focus. The external auditor presented its audit findings to the Committee, including observations regarding internal controls and accounting practices. In addition, the Committee assessed the independence, objectivity and performance of the external auditor.

The Committee held an in-camera session with the external auditor without management present to provide an opportunity for open and candid discussion of any matters the external auditor wished to raise.

Five-Year External Auditor Performance Review

In accordance with the Committee's terms of reference and governance best practices, the Committee conducts a comprehensive performance evaluation of the external auditor at least once every five years. The review assesses the quality and effectiveness of the audit, the auditor's independence and objectivity, its understanding of the credit union's operations and the quality of communication with the Committee and management. Based on the most recent review, the Committee is satisfied with the performance of the external auditor and continues to recommend its appointment to the membership.

Internal Audit and Internal Controls

The Committee reviewed the internal audit plan and received regular reports on the results of internal audit activities. These reviews include assessments of internal control processes, operational effectiveness and compliance with internal policies and procedures.

The Committee monitored management's progress in addressing internal audit's recommendations and strengthening internal controls where improvements were identified. Based on the information received during the year, the Committee is satisfied that management maintains an appropriate system of internal controls designed to safeguard the credit union's assets and ensure reliable financial reporting.

Risk Management and Regulatory Compliance

The Committee reviewed reports relating to enterprise risk management, regulatory compliance, fraud prevention practices and business continuity planning. These reviews support the Committee's role in monitoring the effectiveness of governance and control practices across the organization.

The Committee also received updates regarding regulatory developments and supervisory expectations affecting the credit union and monitored management's actions to address these requirements.

Conclusion

Based on the work performed during the year and the information provided by management, internal auditors and the external auditor, the Audit and Risk Committee believes that the credit union's financial reporting processes, internal control framework and audit functions are operating effectively and appropriate for the size and complexity of the organization.

The Audit and Risk Committee confirms that all significant recommendations made during the year have either been implemented or are in the process of being implemented by management.

The Committee is not aware of any matters that should be brought to the attention of the membership, and no additional matters are required to be disclosed under the applicable legislation and related regulations.

The Committee greatly appreciates the co-operation and professionalism of management, staff and the auditors in supporting the Committee to fulfil its responsibilities.



Tony D'Errico

Chair, Audit and Risk Committee

March 26, 2026



icsavings.ca