



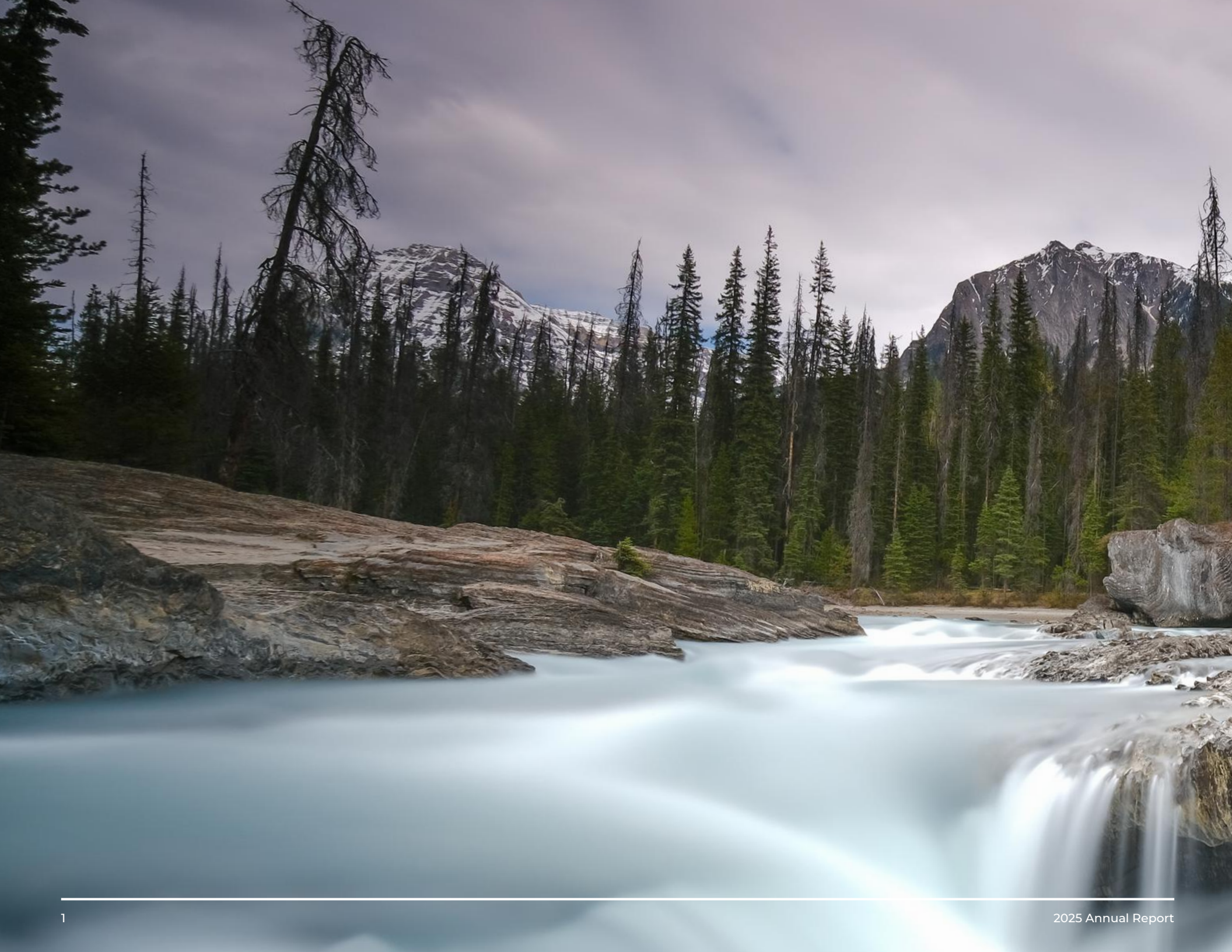
Cascadia
CREDIT UNION

2025

Annual Report

Grounded Here. Growing With You.





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A message from our CEO and Board Chair

On behalf of our Board of Directors and management team, we're excited to share Cascadia Credit Union's very first Annual Report.



Kelly Marshall
Chief Executive Officer



Alan Chell
Board Chair



What a year it's been!

When Osoyoos, Revelstoke, and Summerland Credit Unions stepped into 2025, we did so knowing it would be a year of big change—and incredible opportunity. From January to May, teams across all three credit unions worked tirelessly to build the Business Case and Merger Application for submission to our regulatory body - BC Financial Services Authority, laying the foundation for bringing our organizations together.

Clear and open communication was a priority throughout this process. Our communications team provided member-focused updates through online resources and information packages, helping everyone understand what the proposed merger meant for them. Directors and management also travelled across our communities to host in person town halls at our branches, creating space for thoughtful questions, honest conversations, and valuable feedback. The town hall meetings were followed up by a virtual session that ensured members who could not attend in person were still able to participate.

May 2025 marked a defining milestone, as 90% of members voted in favour of uniting as Cascadia Credit Union. This strong endorsement enabled the work that followed.

The balance of 2025 was all about building our new future together. By year-end, we had refreshed signage across our branches, integrated our financial accounting software into a single platform, and put in place new HR policies, benefits, and pension plans for our employees. We also built a new suite of products at the time of the merger, with all historical account plans set to transition into these new offerings with a phased approach. Teams across Cascadia tackled process alignment, workflow improvements, and new policies and best practices—all with a focus on creating a strong, efficient, people-first organization. Several employees moved into new positions and new departments were created to support operations and allow for new specialization in risk, finance, technology and operations.

We also crafted our Purpose, Mission, Vision, and Values, anchored by the belief that People Are at the Heart of Everything We Do. And in early 2026, we set our direction with a new Strategic Blueprint and Technology Roadmap to guide our direction and evolution for the next three years. The Technology Roadmap includes some exciting new digital products and features designed to make your experience even better. As these roll out, we'll keep you updated on what's new and how it benefits you.

Our final major merger milestone arrives on the weekend of April 18, 2026, when we bring three separate banking systems together into one unified platform. While this change comes with some short-term disruption and a few new ways of doing things, you won't be navigating it alone. Our new member service centre and all branch employees will be ready to help with questions before, during, and after the transition.

The financial services world continues to change quickly, influenced by new regulations, shifting economic conditions, and nonstop innovation. In this environment, scale isn't just helpful—it's essential. A larger, stronger credit union has more capital, more resilience against economic pressures, and far more ability to invest in technology and tools that improve member experience.

The investment required for our digital future is significant: modern payment systems, upgraded tech tools, enhanced cyber protections, a new online and mobile banking platform, and the upcoming era of open banking. By coming together as Cascadia, we now make many of these investments once—not three times. And as these innovations arrive, we expect your experience with us to get smoother, faster, and more convenient.

Scale also means more opportunities to enhance the value we return to you, our members, and to grow our positive impact in the communities we serve.

Our contributions to Revelstoke Community Foundation and the Community Foundation of the South Okanagan Similkameen—totaling \$2 million—continue to support local needs and priorities. While there was no patronage distribution in the short 2025 fiscal year for Cascadia, we are shifting toward offering enhanced member value at time of transaction rather than waiting until year-end. And we've also started exploring a new rewards program that recognizes your relationship with us—one we hope will include redemption options with local merchants who will partner with Cascadia.

To our Board of Directors: thank you for your leadership through a year that demanded focus, resilience, and a lot of heart. Your guidance has been incredible.

To our employees: thank you for your dedication, teamwork, and positive spirit. Big changes bring big challenges, and you've met them with courage and commitment. We're building something new and meaningful together—and that's something to be proud of.

And to our members: thank you for believing in the merger, for your patience during this transition, and for choosing to bank with Cascadia Credit Union. We exist for you—and because of you.

**Together, we're building something strong,
modern, and deeply rooted in community.**

And the best part? We're just getting started.



Kelly Marshall
Chief Executive Officer



Alan Chell
Board Chair

Our Purpose, Mission, Vision and Values

Purpose

Enriching Lives, Fulfilling Dreams.

Mission

People are at the heart of everything we do.

Vision

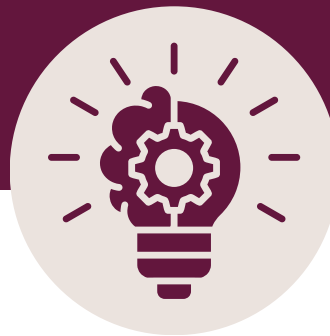
Rooted in values, driven by purpose, we are a financial partner where innovation empowers, futures are shaped and communities rise together.



COMMUNITY



RELATIONSHIPS



INNOVATION

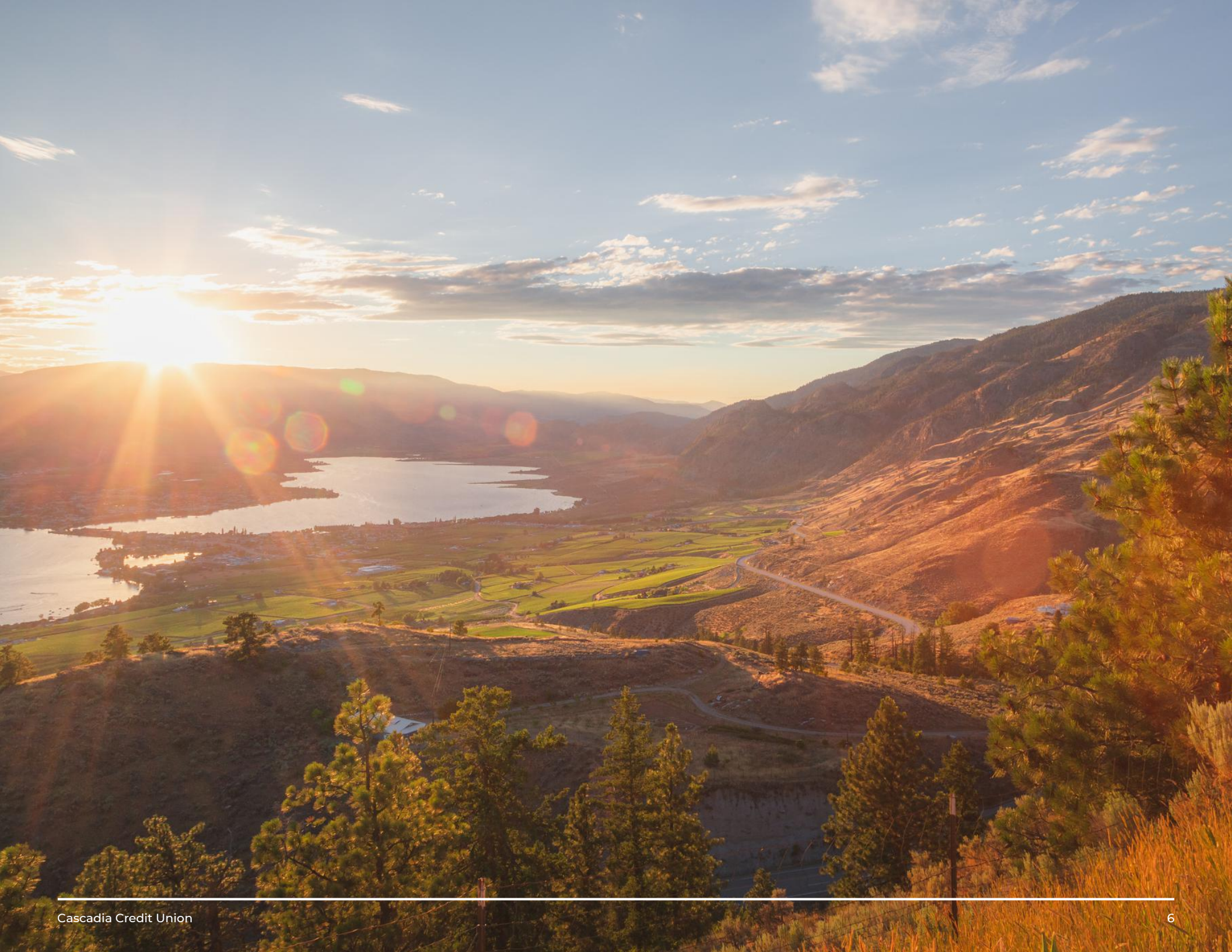


ACCOUNTABILITY



INTEGRITY

Our three credit unions came together because we shared something important: a common set of values. A commitment to community, to putting members first, and to doing what's right over what's easy. While our name has changed, these values haven't. They continue to guide every decision we make, shaping how we show up for our members, our communities, and each other.



Bringing Three Credit Unions Together

Cascadia Credit Union was created through the coming together of three community-focused financial cooperatives: Osoyoos, Revelstoke, and Summerland Credit Unions.

While each organization served a different region of British Columbia, we shared the same purpose — helping local people, businesses and communities thrive.

In May 2025, members across all three credit unions voted on the proposed merger. The result was a clear show of confidence in the future of the new organization, with more than 90% of members voting in favour.

On July 1, 2025, Cascadia Credit Union officially launched.

A Year of Transformation

The launch of Cascadia marked the beginning of an exciting new chapter. Bringing three organizations together required significant work behind the scenes. Throughout the year, teams across all regions collaborated to align systems, processes, and policies while continuing to serve members in their communities.

Staff from our founding credit unions worked closely together to build the foundation for a unified organization — combining expertise, strengthening internal capacity, and preparing for the next phase of integration.

Much of this work is ongoing. Key initiatives such as banking system integration, technology upgrades, and brand alignment are helping create a more seamless experience for members while positioning Cascadia for the future.



Although Cascadia Credit Union is new, the values that guide us are deeply rooted.

Our founding credit unions were built by their communities to serve local people — families buying homes, entrepreneurs building businesses, and organizations strengthening the places we live. That commitment continues today.

Cascadia combines the strength of a larger organization with the local knowledge and relationships that have always defined our credit unions. With teams across the Okanagan and the Columbia-Shuswap, we remain focused on supporting our members, investing in our communities, and helping people achieve their financial goals.

Together, we are building a credit union that is grounded in community and growing for the future.

Strengthening Member Support

As Cascadia Credit Union brings together the operations of our founding credit unions, we have been strengthening how members connect with us when they need support.

With the merger, Cascadia gained a local Member Service Centre through Summerland Credit Union. Since then, we have been expanding this team - hiring, training, and preparing staff to support members across all Cascadia communities.

Our Member Service Centre includes team members who understand our regions and the people we serve — with local presence in our communities, and strong familiarity with all Cascadia areas.



Grounded in Community, Growing Together.

Investing in Our People

Bringing three credit unions together required more than aligning systems and processes — it also meant bringing together our teams. Throughout 2025, a key focus has been supporting employees through this transition while building a shared culture across Cascadia Credit Union.

Importantly, the merger was completed without layoffs. Instead, Cascadia has focused on creating new opportunities within the organization. New roles have been introduced, new employees have joined our teams, and we have worked to better utilize the skills and experience already present within our organization — all with the goal of strengthening how we serve our members.

This growth has also meant new employment opportunities within our communities, reinforcing Cascadia’s commitment to local economic development.

Proud Living Wage Employer

Cascadia Credit Union is also proud to be a Living Wage Employer, a designation newly extended to our Revelstoke team following the merger. This reflects our belief that supporting our employees with fair wages and stable employment helps strengthen both our organization and the communities we serve.





Reimagining Everyday Banking

As part of building Cascadia's unified product lineup, we brought together three legacy account structures into one simplified, modern offering — designed to reflect how people bank today while staying true to our commitment to accessible, affordable financial services.

Our new e-Chequing account supports members who prefer to bank online, offering a simple, no-fee option for everyday digital banking. At the same time, we introduced relationship-based accounts that recognize members who choose to do more of their banking with Cascadia — reinforcing our belief that loyalty and trust should be rewarded.

Our account structure is designed to support members at every stage of life — with options that reflect the needs of individuals, families, and businesses alike — creating a more consistent, flexible, and accessible experience for all members.

All members will be transitioned into the new accounts through a phased rollout.

Board of Directors



Alan Chell
Board Chair



Connie Denesiuk
Vice-Chair



Diana Thomas
Vice-Chair



Lorrie Forde
Director



Terri Eriksen
Director



Dallas Bradner
Director



Abhishek Lekhi
Director



Miriam Manley
Director



Angus Woodman
Director



Alan Bajkov
Director



Romeo Girardi
Director

Executive Team



Kelly Marshall
Chief Executive Officer



Greg Sol
Chief Operating Officer



Michelle Hardy
Chief Corporate Officer



Thom Meyer
Chief Risk Officer



Kyle Ellis
Chief Innovation Officer

Leadership & Governance

Cascadia Credit Union's Board of Directors and Executive Leadership Team evaluate all decisions through the lens of what's best for our members; a commitment to our legacy as a member-owned cooperative.

Investing in the Communities That Built Us

In the six months following the merger, our focus remained simple: support the people, organizations, and traditions that make our communities strong. While this period marked a time of transition, our commitment to local impact did not pause - it continued through grants, sponsorships, volunteerism, and partnerships across every region we serve.

A Lasting Investment in Local Giving

\$3M Invested in
Community



Together, the legacy credit unions have committed \$3 million to permanent community funds that will support local initiatives for generations. Of this total, \$2 million was contributed following the merger through legacy gifts from Osoyoos and Revelstoke, building on a \$1 million contribution made by Summerland Credit Union the previous year. These funds will generate ongoing grants directed by local communities, ensuring decisions remain local and impact endures over time.

Supporting Community Needs When it Matters Most

In the six months following the merger, our focus remained simple: support the people, organizations, and traditions that make our communities strong. While this period marked a time of transition, our commitment to local impact did not pause - it continued through grants, sponsorships, volunteerism, and partnerships across every region we serve.



Strengthening Community Life

Across our regions, we supported programs and activities that bring people together and promote health, connection, and local pride. From grassroots sports and recreational programs to arts, cultural activities, and community clubs, these initiatives create opportunities for participation, teamwork, and belonging for people of all ages.



Revelstoke Canada Day Parade



Summerland Honouring Terry Fox's Legacy



Similkameen Sizzle Festival



Railway Days in Revelstoke



Summerland Terry Fox Run

Celebrating Local Traditions

We were proud to support many of the events that define each community's identity - including Canada Day celebrations, holiday festivals, Santa's Workshop in Summerland, and local business recognition events such as the Business Excellence Awards in Revelstoke. These gatherings strengthen relationships, celebrate local achievements, and create shared memories for residents and visitors alike.

Supporting our Local Communities

In 2025, our commitment to community translated into meaningful support across our regions:

- \$50,000 in local sponsorships
- \$25,000 in bursaries supporting students and lifelong learning
- \$105,000 in community grants across our regions



Kids and Youth Programs

We supported young families and active youth through initiatives like the Baby Wrap Library, local hockey and figure skating programs, and the Revelstoke backpack program that ensures students head back to school with what they need to succeed.



Students and Lifelong Learning

We invested in the future through high school and adult scholarships, helping students of all ages pursue their goals and continue learning throughout their lives.



Seniors and Community Wellbeing

We supported seniors through local programs focused on food security and independent living - helping ensure comfort, dignity, and connection in our communities.

Community Spirit in Action

We also supported numerous volunteer-driven organizations, including sporting groups, cultural programs, and community service initiatives such as dragon boating and local hockey and figure skating programs. These groups rely heavily on volunteers and community partnerships, and their work plays a vital role in building resilience and connection.

While the merger marked a significant organizational change, our commitment to community remained constant. Beyond financial contributions, our employees volunteer their time, participate in local events, and serve on boards and committees. Together, these efforts reflect a shared belief that strong communities are built through long-term relationships, local decision-making, and a willingness to show up when it matters.



Looking Ahead



As Cascadia Credit Union looks to the future, we have established a three-year Strategic Blueprint for 2026–2028 to guide how we grow and serve our members and communities. Grounded in our purpose—Enriching Lives. Fulfilling Dreams.—this plan focuses on strengthening the foundation of our newly merged organization while preparing for the future of financial services. In the near term, our priority is aligning our systems, processes, and teams so Cascadia operates as one unified credit union, delivering consistent service across all our communities.

Supporting this strategy is a Technology Roadmap that outlines how we will modernize and strengthen the systems behind our services. Over the next three years, we will invest in secure, integrated technology, enhanced digital banking capabilities, stronger cybersecurity, and improved data and internal processes. Together, these efforts will help us deliver a seamless experience for members—whether in branch or online—while ensuring Cascadia remains a trusted financial partner for generations to come.



Financial Review

OVERVIEW

In 2025, Cascadia Credit Union delivered solid financial results despite operating through a year defined by merger integration and a shifting interest rate environment. Despite the organizational focus required for the merger, the Credit Union achieved solid growth on both sides of the balance sheet. On the income statement side, improvements in year-over-year financial margin were achieved as we returned to a more normalized interest rate environment. Operating expenses were effectively managed resulting in merger-related expenses that were effectively controlled and remained below budget expectations.

Osoyoos Credit Union, Revelstoke Credit Union and Summerland Credit Union amalgamated on July 1, 2025. Although the amalgamation created a new legal entity, Summerland was identified as the deemed acquirer for accounting purposes. As a result, our financial statements present Summerland’s results for 2024 and the half-year consolidated results of the newly formed Cascadia Credit Union for 2025.

BALANCE SHEET SUMMARY

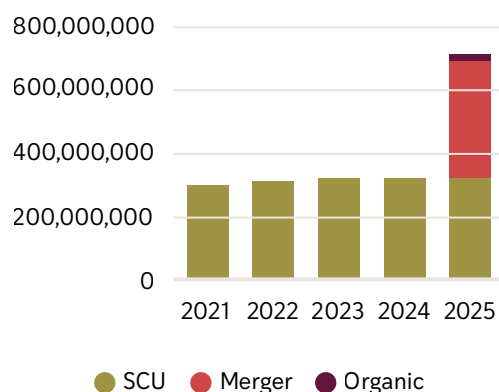
For 2025, total assets rose by \$498.6 million or 223.9% (including organic growth of \$10.8 million or 1.2%) to \$901.0 million at year-end with the addition of Osoyoos and Revelstoke during 2025, compared with \$402.5 million for Summerland on December 31, 2024.

2025 CASCADIA RESULTS COMPARED TO THE COMBINED 2024 RESULTS OF OSOYOOS, REVELSTOKE, AND SUMMERLAND

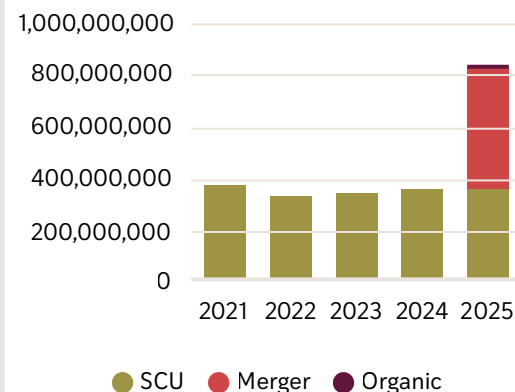
Assets grew by \$10.8 million or 1.2 % compared to our combined assets in 2024. Asset composition shifted during the year as cash and cash equivalents decreased by \$17.1 million, driven primarily by strong loan demand. Investment holdings declined by \$6.4 million to \$134.4 million, while loans to members increased by \$30.8 million, or 4.5%, reaching \$717.8 million. Property and equipment also increased by \$1.8 million due to business combination impacts and fair value adjustments.

On the liabilities side, member deposits increased to \$828.3 million, reflecting steady deposit growth of \$8.0M or 1.0%. Members’ equity rose to \$67.8 million, an increase of \$2.1 million or 3.1%. Cascadia Credit Union ended the year with a strong capital position and a solid foundation for future initiatives.

Member Loans Receivable



Member Deposits



STATEMENT OF EARNINGS

Interest income continued to be the Credit Union's primary revenue source. During the year, the Credit Union earned \$23.4 million in interest on member loans and an additional \$4.0 million in interest from investments. These earnings were offset by \$13.4 million in interest paid on member deposits. Together, these components resulted in a financial margin of \$14.0 million reflecting stable core operating performance and the continued growth of the lending portfolio.

Complementing interest income, other income totalled \$2.9 million for the year.

Operating expenses totalled \$12.8 million. Salaries and benefits accounted for \$7.1 million, representing approximately 55% of the overall operating budget. The financial results also reflected \$1.0 million in one-time merger and ongoing integration costs, recorded within administrative expenses and professional fees. These expenditures supported system alignment, process integration, and organizational restructuring following the merger.

Overall, the Credit Union generated earnings before income tax of \$3.7 million and concluded the year with net income of \$3.6 million. For additional context, compared to Summerland's 2024 results, Net Operating Income increased to 0.49% from 0.24% and Return on Assets increased to 0.47% from 0.10%.



FINANCIAL OUTLOOK

Looking ahead, the Credit Union expects to continue realizing the benefits of the merger as integration efforts progress through 2026. Although one-time costs affected 2025 results, these investments are expected to deliver long term efficiencies. Consolidated systems, standardized processes, and unified operational structures will reduce duplication, enhance internal capabilities, and support improved service delivery across the organization. As integration stabilizes, the Credit Union anticipates strengthened operational performance, improved consistency, and enhanced strategic capacity.

The interest rate environment also plays a significant role in shaping the Credit Union's financial outlook. While market interest rates began to decline during the year, the overall impact on the Credit Union was positive. This benefit was largely driven by the balance sheet structure, where short term deposit rates repriced downwards more rapidly than the longer-term fixed rate loans in the portfolio. This timing difference supported financial margin during the rate transition.

Although continued declines in interest rates may contribute to future margin compression as longer term assets renew at lower yields, the Credit Union's current asset liability position provided an advantageous buffer during the initial phase of rate reductions. Strong liquidity, effective balance sheet management, and a well-diversified loan mix will remain important as the organization navigates future interest rate trends.

OVERALL

The Credit Union enters 2026 with a resilient balance sheet, consistent earnings, and enhanced operational capacity resulting from merger integration. While the organization continues to incur certain one-time integration related costs, these expenses are expected to taper as remaining project work concludes. Although market conditions continue to evolve, disciplined financial management, strategic focus, and commitment to member value position the Credit Union for sustainable and steady performance in the year ahead.

Report of the Independent Auditors on the Consolidated Financial Statements

To the Members of Cascadia Credit Union:

OPINION

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

In our opinion, the accompanying summary consolidated financial statements are a fair summary of the audited consolidated financial statements, in accordance with International Financial Reporting Standards.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

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

THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated February 19, 2026.

MANAGEMENT'S RESPONSIBILITY FOR THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of the summary consolidated financial statements in accordance with International Financial Reporting Standards.

AUDITOR'S RESPONSIBILITY

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

MNP LLP

Chartered Professional Accountants
Kelowna, British Columbia
February 19, 2026

Consolidated Financial Statements

Cascadia Credit Union

Summary Consolidated Statement of Financial Position

| For the year ending December 31, 2025 | 2025 | 2024 |
|--|-------------|-------------|
| Assets | | |
| Cash and cash equivalents | 31,297,776 | 23,058,478 |
| Receivables and other assets | 3,446,316 | 199,744 |
| Investments | 134,419,891 | 50,213,211 |
| Member loans receivable | 717,751,063 | 325,221,560 |
| Income taxes recoverable | 481,558 | - |
| Property and equipment | 11,552,413 | 2,901,947 |
| Intangible assets and goodwill | 1,193,337 | 346,538 |
| Deferred tax asset | 166,692 | - |
| Derivative financial instruments | 18,323 | - |
| Investment properties | 704,479 | 539,792 |
| | 901,031,848 | 402,481,270 |
| Liabilities | | |
| Member deposits | 828,309,083 | 367,315,007 |
| Payables and other liabilities | 4,230,143 | 1,214,933 |
| Income taxes payable | - | 111,747 |
| Lease liabilities | 85,517 | - |
| Deferred tax liability | - | 138,553 |
| Member shares | 622,341 | 75,568 |
| | 833,247,084 | 368,855,808 |
| Members' equity | | |
| Member shares | 81,248 | 164,472 |
| Retained earnings | 36,074,093 | 32,826,546 |
| Contributed surplus | 30,782,522 | - |
| Accumulated other comprehensive income | 846,901 | 634,444 |
| | 67,784,764 | 33,625,462 |
| | 901,031,848 | 402,481,270 |

The comparative figures for the 2024 year are based on the audited financial statements of Summerland Credit Union and do not include the results of Osoyoos Credit Union or Revelstoke Credit Union. For accounting purposes, Summerland Credit Union is treated as the continuing entity.

Summary Consolidated Statement of Comprehensive Income

| For the year ending December 31, 2025 | 2025 | 2024 |
|--|------------|------------|
| Interest income | | |
| Member loans | 23,371,195 | 14,110,208 |
| Investments | 4,035,364 | 2,319,930 |
| | 27,407,159 | 16,430,138 |
| Interest expense | | |
| Member deposits | 13,364,909 | 10,372,914 |
| Net interest income | 14,042,250 | 6,057,224 |
| Provision for (recovery of) credit losses | 356,228 | (4,125) |
| Net interest income after provision for (recovery of) credit losses | 13,686,022 | 6,061,349 |
| Other income | 2,873,288 | 1,206,819 |
| Net interest and other income, after provision for (recovery of) credit losses | 16,559,310 | 7,268,168 |
| Operating expenses | | |
| Salary and employee benefits | 7,075,394 | 3,494,929 |
| General and administrative | 4,766,302 | 2,042,927 |
| Occupancy and equipment | 977,081 | 447,819 |
| Distributions to members | - | 69,235 |
| Donations | 34,958 | 28,440 |
| Net income, before taxes | 3,705,575 | 1,184,818 |
| Provision for (recovery of) income taxes | | |
| Current | 355,423 | 467,943 |
| Deferred | (229,895) | (5,809) |
| | 125,528 | 462,134 |
| Net Income | 3,580,047 | 722,684 |
| Other comprehensive income (loss) | | |
| Unrealized fair value gains (losses) on portfolio investments, net of income tax | (128,247) | 1,054,875 |
| Unrealized fair value gains on derivative financial instruments, net of income tax | 8,330 | - |
| Other comprehensive income (loss) for the year, net of income tax | (119,917) | 1,054,875 |
| Total comprehensive income | 3,460,130 | 1,777,559 |

Summary Consolidated Statement of Changes in Members' Equity

| For the year ending December 31, 2025 | 2025 | 2024 |
|---------------------------------------|------------|------------|
| Balance, beginning of year | 33,625,462 | 31,840,057 |
| Total comprehensive income | 3,460,130 | 1,777,559 |
| Change in member shares, net | (578,016) | 7,629 |
| Foreign exchange adjustment | (126) | 217 |
| Issued on business combination | 31,277,314 | - |
| Balance, end of year | 67,784,764 | 33,625,462 |

Summary Consolidated Statement of Cash Flows

| | | |
|---|--------------|-------------|
| Cash generated (used) from | | |
| Operating activities | (37,709,076) | 17,592,601 |
| Investing activities | 46,016,727 | (1,789,856) |
| Financing activities | (68,353) | (123,188) |
| Net change in cash and equivalents | 8,239,298 | 15,679,557 |
| Cash and equivalents, beginning of year | 23,058,478 | 7,378,921 |
| Cash and equivalents, end of year | 31,297,776 | 23,058,478 |

The complete set of these financial statements, including notes, will be available online at cascadiacu.com and at Cascadia branches.

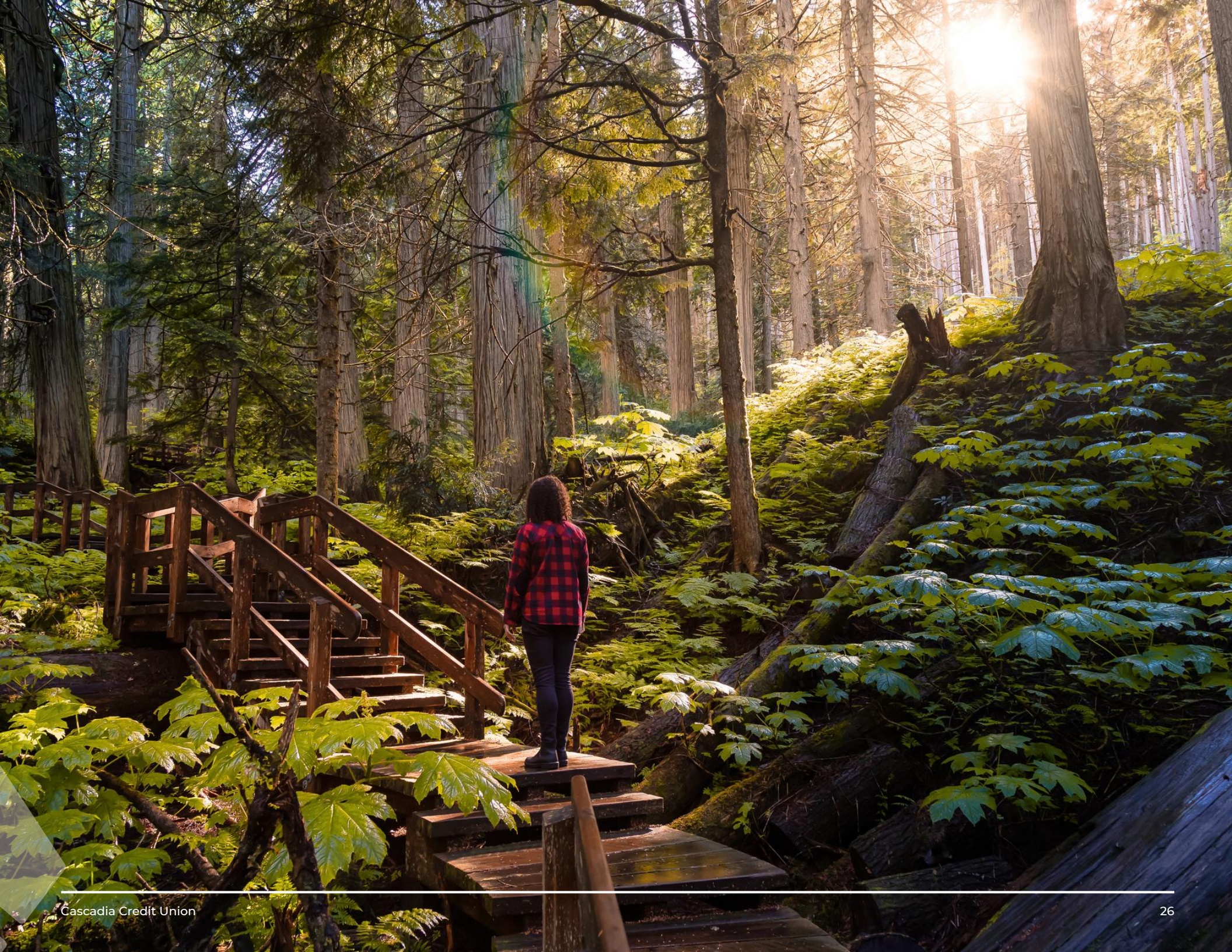
Approved on behalf of the Board



Alan Chell,
Board Chair



Abhishek Lekhi,
Chair, Audit Committee





Cascadia
CREDIT UNION

Get in Touch

www.cascadiacu.com



1 (866) 494-7181



contact@cascadiacu.com



Osoyoos Branch

8312 Main St
PO Box 360
Osoyoos, BC V0H 1V0
Mon - Fri: 9:30 a.m. - 5 p.m.

Revelstoke Branch

110 Second St. W.
PO Box 989
Revelstoke, BC V0E 2S0
Mon - Fri: 9:30 a.m. - 5 p.m.

Summerland Branch

13601 Victoria Rd N
PO Box 750
Summerland, BC V0H 1Z0
Mon - Fri: 9:30 a.m. - 4:30 p.m.