

Sue Jones
board chair



Jana Lukasek
chief executive officer



board chair and CEO report

Throughout 2025, Bulkley Valley Credit Union (BVCU) continued to support our members and communities during this time of global uncertainty and in the face of rapidly changing financial and technological landscapes. The Board and Management are pleased to report that our Credit Union grew in assets by almost \$33.5 million, or 5.6% over the year, and we ended the year with \$627 million in assets. We were able to support our local economy with growth in loans of \$39 million, supporting our local real estate markets as well as our commercial and business members. Our members continue to trust us with their deposits and savings as well, which grew by \$30 million throughout 2025. BVCU's earnings also grew substantially over the past year with net income before taxes of \$3.3 million, an increase of over 75% from 2024. Much of the increased earnings can be explained by the normalization of the interest rate curve over the year as well as the repricing of our mortgage portfolio after the ultra-low rates coming out of the pandemic. Our loan and deposit growth over the year also helped with the strong earnings.

As a financial cooperative, one of our core principles is "Member Economic Participation" and our strong year enabled us to accrue \$1.3 million in dividends and patronage, which will be paid back to our member owners. Our 2025 dividend rate was declared as 2.84% and all members have received their dividend payment into their share accounts in March of this year. We will be distributing the bright green patronage envelopes to our membership this spring and are giving back over \$1.1 million in patronage rebates. The Board of Directors have also created a Community Patronage pool based on last year's earnings which will be used to support legacy projects in our communities. Over 2026, BVCU will give out \$125,000 in Community Patronage funds based on our 2025 earnings, on top of our usual

Community Support Committee funding. Learn more about this fund on our website, www.bvcu.com.

The Credit Union ended the year with a healthy capital position of 21.73%, slightly lower than the 2024 year-end figure of 23.51% due to our excellent loan growth over the past year. We were also able to maintain our extremely high levels of liquidity, ending the year at 35.79%, less than the 39.37% at the end of 2024, also due to strong local loan growth. These ratios are well above regulatory minimums and are in the top quartile of the Credit Union system. We are also very happy to have welcomed 63 net new members during the year and feel privileged to serve our entire base of member owners.

A large part of BVCU's success is due to our two subsidiaries, Bulkley Valley Financial Services (BVFS) and Bulkley Valley Insurance Services (BVIS). Having diversified income sources during unpredictable times allows BVCU to succeed through all types of interest rate cycles. Our teams at BVFS and BVIS provide expert advice in their industries and deliver even more services to our membership and communities. Over 2025, we were excited to acquire an insurance office in Burns Lake and we can now provide BVIS services in another of our communities.

Directors at BVCU complete annual professional development and education to keep abreast of the ongoing changes in our industry. Over 2025 we had two directors, Susan Jones and Dan Boissevain, become accredited credit union directors and complete a comprehensive final examination based on all aspects of credit union governance. We are fortunate to have directors willing to put in the hard work to gain this education and knowledge. We had some turnover during 2025 in our dedicated Board

of Directors. In the Smithers representation region, Cathryn Olmstead retired after two terms serving our Board and is enjoying her well-deserved time off. We were able to welcome Peter Greene to the Board after the April 2025 AGM to fill Cathryn's position, however he left the Board late in the year. Elizabeth Zweck Von Zweckenberg also joined our Board in the latter half of the year in a Board appointed role, but chose not to re-run in this year's election. We would like to thank Cathryn, Peter, and Elizabeth for their service to our Credit Union.

The team at BVCU spent much of 2025 researching and choosing vendors and products for our digital transformation planned for 2026. We have forged ahead with new partnerships and will be launching a new online banking platform, a loan origination system, and a co-branded debit card strategy over the next year in order to provide our membership with more efficient processes and better payment options. We are fortunate to have a dedicated team of staff and management who are championing the changes as part of our "Innovation Trailblazers" team. Over the year, BVCU will be communicating these changes with our members and we hope that you will be as excited as we are moving into the future.

On behalf of the Board and Management of Bulkley Valley Credit Union, we would like to take this opportunity to thank our membership for choosing to bank local and support our financial cooperative. Your patronage is what allows us to thrive and help support the communities that we serve.

COMMUNITY SUPPORT SHOWCASE

1. SMITHERS BRANCH: Muheim Elementary's Division 5 students put compassion into action through their "Warm Bodies, Warm Hearts" project supporting unhoused community members.
2. THE HAZELTONS' BRANCH: The Elder College's Hanging Basket Design Contest brings seniors and elders together for an afternoon of fun, learning and socializing while designing a hanging basket.
3. LAKES DISTRICT BRANCH: The Meals on Wheels Program provides daily meals to seniors in the community. The program has recently faced funding cuts, which makes community donations integral to their operations.
4. HOUSTON AND DISTRICT BRANCH: The Houston Motocross Association is a new organization, and are working hard fundraising to purchase land and build their very own track in Houston.



annual report 2025

building healthy, sustainable communities



notice of annual general meeting

The 84th Annual General Meeting of Bulkley Valley Credit Union will be held on Monday, April 13, 2026 at 7:00 PM (Registration begins at 6:45 PM) at the Prestige Hudson Bay Lodge in the Summit Room.

Director Elections for 2026

Nominations for directors of Bulkley Valley Credit Union closed on February 12, 2026. The Nominations Committee received three nominations for the four positions in the Smithers representation region, and one nomination for the one available position in the Hazeltons' representation region. All four nominees were elected with term lengths being set as follows:

Tom Havard (1 year term)
Incumbent for Smithers representation region

Dan Boissevain (3 year term)
Incumbent for Smithers representation region

Chris McLean (3 year term)
Nominee for Smithers representation region

Wendy Hunt (3 year term)
Incumbent for Hazeltons' representation region

agenda

1. Call to Order
2. Ascertainment of Quorum
3. Appointment of Recording Secretary and Parliamentarian
4. Adoption of Agenda
5. Approval of Minutes for April 14, 2025 Annual General Meeting
6. Business Arising out of Minutes
7. Reports of the Directors
8. Report of Management
9. Presentation of Financial Statements
10. Report of the Auditor
11. Approval of Auditor's Report
12. Announcement of Election Results
13. Appointment of Auditor
14. Unfinished Business
15. Good and Welfare
16. Adjournment

Report of the Independent Auditor on the Summary Financial Statements

Opinion –The summary 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, are derived from the audited consolidated financial statements of Bulkley Valley 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 Article 128 of the Financial Institutions Act of British Columbia.

Summary Financial Statements –The summary 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 Credit Union's audited consolidated financial statements and the auditor's report thereon.

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 consolidated financial statements in accordance with Article 128 of the Financial Institutions Act of British Columbia.

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 Standard (CAS) 810, Engagements to Report on Summary Financial Statements.

MNP LLP

MNP LLP Chartered Professional Accountants - Kelowna, BC February 25, 2026

Summary Consolidated Statement of Financial Position

As at December 31, 2025

	2025 (in thousands)	2024 (in thousands)
Assets		
Cash	27,077	20,104
Investments	183,756	197,500
Loans to Members	405,993	367,053
Premises and equipment	3,421	3,381
Intangible assets	5,039	3,976
Other assets	2,120	1,936
	627,406	593,950
Liabilities		
Accounts payable and accrued liabilities	1,747	2,067
Member deposits	583,805	553,235
Lease liabilities	192	247
Other liabilities	1,678	1,231
	587,422	556,780
Members' Equity		
Members' shares	1,066	1,090
Retained earnings	39,101	36,503
Accumulated other comprehensive loss	(183)	(423)
	39,984	37,170
	627,406	593,950

Approved by the Directors:
Susan Jones director



Bill Miller director



Note 1: Basis of the Summary Consolidated Financial Statements

Management has prepared the summary consolidated financial statements from the December 31, 2025 audited consolidated financial statements, which are prepared in conformity with International Financial Reporting Standards. A full set of audited consolidated financial statements is available from the Credit Union. The detailed notes included in the audited consolidated financial statements are not included in these summary consolidated financial statements. The criteria developed by management for the preparation of the summary consolidated financial statements is as follows: that the information included in the summary consolidated financial statements is in agreement with the related information in the consolidated financial statements, and that the summary consolidated financial statements contain the information necessary to avoid distorting or obscuring matters disclosed in the related complete consolidated financial statements, including the notes thereto, in all material respects.

A full set of financial statements will be available at your local branch at no charge.

Summary Consolidated Statement of Comprehensive Income

For the Year Ended December 31, 2025

	2025 (in thousands)	2024 (in thousands)
Financial income		
Interest on loans to members	17,624	16,703
Other interest revenue	7,047	6,060
	24,671	22,763
Financial expenses		
Interest of member deposits	10,581	12,409
Other interest expense	24	24
	10,605	12,433
Financial margin	14,066	10,330
Provision for impaired loans	281	(18)
Net interest margin	13,785	10,348
Other income	7,813	7,012
Operating margin	21,598	17,360
Operating expenses		
Salary and employee benefits	10,428	8,952
General operating and administrative	5,806	5,081
Occupancy and building	731	700
Distributions to members	1,307	736
Income before income tax expense	3,326	1,892
Provision for (recovery of) income taxes		
Current	996	467
Deferred	(268)	207
	728	674
Net income	2,598	1,218
Other comprehensive income (loss)		
Items that will be reclassified to net income	240	570
Other comprehensive income (loss) for the current year, net of income tax	240	570
Total comprehensive income	2,838	1,788

Summary Consolidated Statement of Changes in Members' Equity

For the Year Ended December 31, 2025

	2025 in thousands	2024 in thousands
Balance, beginning of year	37,170	35,390
Total net income	2,598	1,218
Unrealized gains (losses) on mandatory liquidity investments	240	570
Net issuance (redemption) of members' shares	(24)	(8)
Balance, end of year	39,984	37,170

Summary Consolidated Statement of Cash Flows

For the Year Ended December 31, 2025

	2025 in thousands	2024 in thousands
Cash generated (used) from		
Operating activities	(4,961)	18,387
Investing activities	11,999	(10,965)
Financing activities	(65)	(107)
Net change in cash and equivalents	6,973	7,315
Cash and equivalents, beginning of year	20,104	12,789
Cash and equivalents, end of year	27,077	20,104

2025 board of directors



Troy Souter
Vice Chair



Leanne Helkenberg



Wendy Hunt*
Secretary



Bill Miller
Alternate



Tom Havard*
Chair



Dan Boissevain*



Peter Greene



Sue Jones
Chair



Elizabeth Zweck
Von Zweckenberg*

*Terms expire at the April 13th, 2026 Annual General Meeting