



# COURAGE IN ACTION

2024 Annual Report





# Our Journey to Reconciliation

Libro Credit Union is a financial co-operative that operates within the territories of the Attawandaron, the Haudenosaunee, the Anishinaabeg and the Lūnaapéewak peoples.

Our head office is situated on the territory of the Chippewas of the Thames First Nation, Oneida Nation of the Thames, and Munsee-Delaware Nation in the area we call London.

We are grateful for the opportunity to live and work here and are thankful for the generations of people who have taken care of this land for thousands of years. We also recognize the contributions of First Nations, Metis, Inuit, and other Indigenous peoples who continue to live in these communities.

Libro Credit Union is committed to acknowledging and appreciating the Indigenous peoples' historic connection to this land and aspire to be an ally, working towards delivering on the Truth and Reconciliation Commission Calls to Action.

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FROM OUR CEO

# Moving Forward with Purpose

Libro Credit Union is proudly 100% Canadian, locally owned, and exists to serve Owners – the people and businesses in communities across Ontario. As a values-based cooperative banking partner for more than 80 years, we continue to be driven by a commitment to financial well-being, strong relationships, and long-term sustainability.

We are inspired by everyone who is part of Libro – including more than 12,000 local businesses, knowing entrepreneurs are the backbone of Canada's economy. Today, more than ever, we need courageous leadership, purpose driven companies, and resilient communities. Libro is well positioned to make a difference. We have a strong legacy of stepping up, doing the right thing, and partnering with Owners through economic uncertainty.

The world around us continues to change rapidly, with economic shifts, technological advancements, and evolving consumer expectations reshaping the financial services industry. At Libro, we know that success comes not just from reacting to change, but from having a clear plan to navigate it. So 2024 was an important inflection point, as we assessed our context, capabilities, and options on where to focus for the future. With the launch of our new Enterprise Strategy, we are charting a path forward that will ensure Libro remains a strong, purpose-driven, and relevant financial institution.

Our strategy is built on a solid foundation—informed by our Purpose, cooperative values, dedication to local businesses, and our ability to support Owners with expert financial coaching. We are investing in innovation while staying true to the relationships and community connections that make Libro unique. By focusing on our strengths and positioning ourselves for the future, we will continue to thrive in an ever-changing landscape.



Libro had a very successful 2024, welcoming thousands of new Owners, growing the business, forging new partnerships, and focusing in on where we can make the biggest impact. Thank you to our Owners, Board of Directors, staff, and our communities for your trust and partnership. Together, we are building something truly special—Libro is ready for what's next.

Let's roll!

A stylized, handwritten signature in black ink, consisting of a series of loops and a final dot.

**Shawn Good**  
President & CEO, Head Coach

FROM OUR CHAIR

# Strength in our Credit Union

Libro's strength comes from its people—our Owners, staff, and communities. As a cooperative, our purpose goes beyond financial success. We exist to create positive impact and shared success, ensuring that our Owners and communities grow – and we participate in that growth.

In 2024, we are taking a thoughtful look at our governance structure to ensure Libro is ready for the future. Strong governance is essential for maintaining trust, fostering accountability, and making strategic decisions that align with our purpose. As the financial industry evolves, so too must our approach to governance, ensuring we remain agile, transparent, and Owner-focused.

Libro's purpose is embedded in everything we do, showing up in tangible ways that strengthen financial well-being across our communities. Our commitment is reflected in strategic sponsorships and grants that support local businesses, entrepreneurs, and organizations making a difference. As a leader in values-based banking, we remain at the forefront of responsible and sustainable finance. Our staff actively engage in the communities we serve, not only through their work but also by volunteering, participating in local initiatives, and building meaningful relationships with Owners. These efforts are all part of Libro's long-term vision—ensuring that as the world changes, we grow together, creating lasting impact and shared success.

Libro has always stood apart as a financial institution deeply rooted in its community, and we know that our Owners value this connection. We love to leverage the loyalty and passion of Owners to drive growth, deepen engagement, to ensure Libro continues to be a leading cooperative financial institution. Through active dialogue, strategic planning, and responsible stewardship, we are strengthening the foundation that will support Libro's success for years to come.



On behalf of the Board of Directors, I want to thank our Owners for your trust and participation in this cooperative. Your voice shapes our future, and together, we are building something truly powerful.

We know there are more challenges ahead, and there's never been a better time to access the financial coaching Libro provides. Staying focused on financial well-being is about putting people and communities first as we build our success together.

A handwritten signature in dark ink, appearing to read 'Garrett Vanderwyst'.

**Garrett Vanderwyst**

Chair, Board of Directors, Libro Credit Union



## OUR PURPOSE

# Libro strengthens financial well-being for a better tomorrow

We believe that financial well-being:

- Enables people to live their most fulfilled lives and empowers businesses.
- Leads to sustainable economic growth and contributes to the vitality of communities.
- Interconnects with a healthy planet.

And this is how, together, we shape a better tomorrow.



# Living Our Purpose

## B Corp and Canadian Purpose Economy Project

As an early signatory and supporter of the Canadian Purpose Economy Project, we're working to redefine success beyond profit, build a better future, and encourage other businesses to do the same.

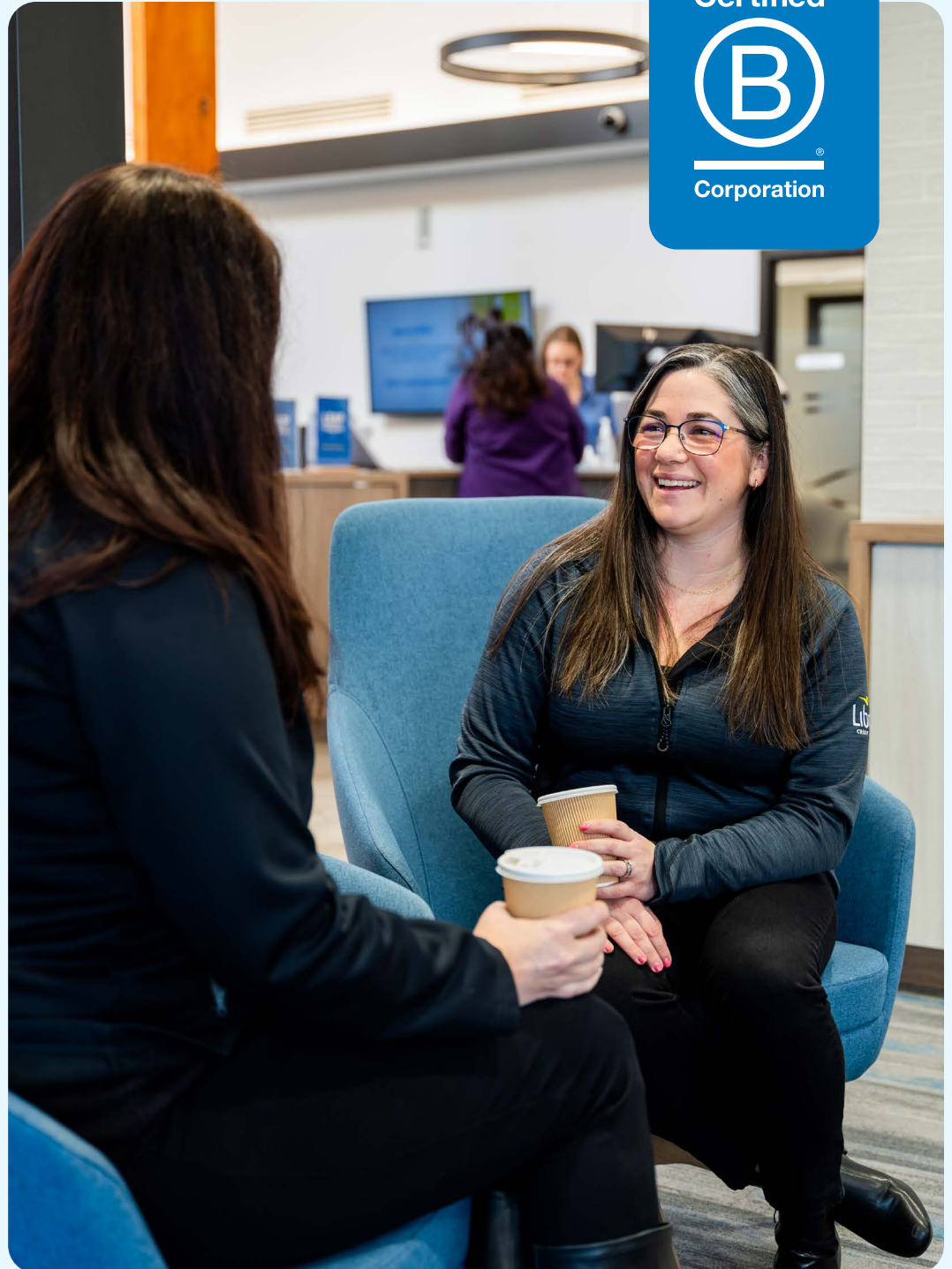
As a certified B Corp™, we're part of a global community of businesses that meet high standards of social and environmental impact. We're evaluated based on how our operations and business model impacts workers, community, environment, and customers. The certification helps hold us accountable to our purpose, measure our progress, and live our values every day.

We have cultivated a powerful brand that deeply resonates with Owners, our dedicated team of over 800 employees, and the communities we proudly serve.

Certified



Corporation







# People Choose Libro





# Libro's Warm Welcome

Every year, more individuals and businesses choose to bank with Libro, and in 2024 we proudly welcomed more than 7,000 new Owners. With every single Owner who joins us, we grow stronger, expanding our ability to create positive impact in our communities and work toward our Vision of thriving communities and a prosperous future for all.

We're especially excited to see more local business Owners and entrepreneurs banking with Libro. With more than **12,000** businesses and organizations now part of our credit union, we remain committed to supporting their growth, helping them build financial resilience, and creating opportunities for success.

To every Libro Owner: thank you. Your choice to bank with a purpose-driven financial institution makes a difference. And if you're looking for a financial partner that shares your values and invests in your community, we'd love to welcome you to Libro.



**119,416**  
Total Owners  
December 31, 2024



**7,383**  
New Owners  
in 2024



**12,092**  
Businesses and other  
organizations bank  
with Libro



**4.41/5**  
Owner  
Satisfaction



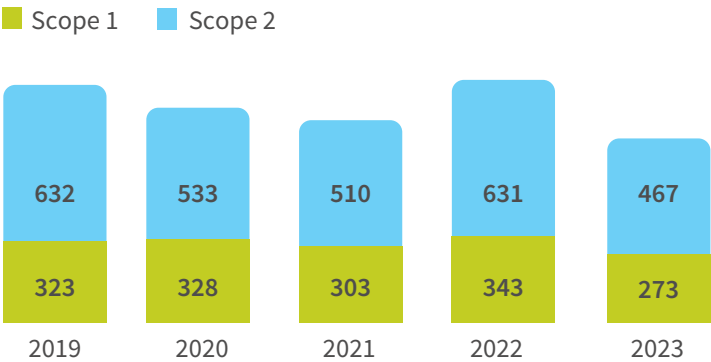
# Financial Well-Being is Interconnected with a Healthy Planet

## Measuring Our Impact

Libro is committed to understanding and reducing our environmental impact. In 2024, we set reduction targets for our facility and location-based emissions (Scope 1 and 2 emissions), reinforcing our dedication to responsible business practices. Our goal is to reduce these emissions by 45% by 2030 from our 2019 baseline. To date, we have achieved a reduction of 22%, demonstrating steady progress. We recognize that these reductions are an important part of our role in protecting the communities we serve and the environment in which we operate.

Our approach prioritizes energy-efficient projects and employee education before considering carbon offsets. Thoughtful branch upgrades, such as the implementation of LED lighting and flexible work arrangements, have contributed to measurable reductions in emissions. Additionally, employee education has played a crucial role in fostering awareness and driving sustainable choices across our operations.

Absolute GHG Emissions from Libro Operations (Scope 1 and 2)



## Understanding Scope 3 Emissions

Scope 3 emissions, which include indirect emissions such as employee commuting and financed emissions, present additional challenges in measurement and management. While data availability and quality remain obstacles, we are committed to gaining a deeper understanding of these emissions and their impact.

To ensure our measurement approach aligns with best practices, we engaged a third-party consultant to review our methodology for assessing financed emissions. Accurate measurement is essential to making informed, data-driven decisions that support Owners in strengthening their financial well-being while promoting sustainable actions and behaviours.

22%  
Reduced Emissions





## Collective Action Through Collaboration

Libro understands that meaningful climate action requires collaboration across industries and sectors. In 2024, we worked closely with The Co-operators to support the development of their climate modelling software, an initiative aimed at improving climate resilience across financial services.

We actively participated in and co-chaired the Canadian Credit Union Association (CCUA) Climate Action Working Group, fostering knowledge sharing within the credit union system. Additionally, we joined the **Financing for Sustainable Agriculture** initiative, bringing together Canadian financial institutions to promote and scale sustainable agricultural practices that benefit both farmers and the environment.

As part of our ongoing commitment to responsible business practices, we also became a member of **Canadian Businesses for Social Responsibility**, further embedding sustainability into our operations and decision-making.

## Engagement and Education

At Libro, we believe education is key to driving meaningful change. In 2024, we released a microlearning module for staff, highlighting the connection between a changing climate and the role of credit unions in supporting sustainable communities.

We also participated in multiple Earth Day events across the regions we serve, engaging with communities and reinforcing our commitment to environmental responsibility. Additionally, Libro staff took part in a Waste Less Challenge during Earth Month, promoting waste reduction practices and encouraging sustainable habits.

Libro remains dedicated to empowering our Owners and communities with the knowledge and resources to embrace sustainability, ensuring a better future for all.



# Together, Our Investments Make an Impact

## Investing responsibly, growing stronger

Libro was the first Canadian credit union to provide access to new mutual fund accounts exclusively through responsible investing options through Aviso Wealth—an achievement we're proud of. Since 2021, we've partnered with NEI Investments via Aviso Wealth to ensure Owners can grow their wealth while making a positive impact.

Over the past year, we've continued expanding responsible investing choices, and the response has been overwhelmingly positive. More Owners are choosing to invest in a way that aligns with their values, confident that they can achieve strong financial returns while supporting a better future.

When Libro Owners invest, their collective contributions—whether large or small—achieve far more than any individual effort could alone.

Today, more than 50% of Libro's mutual fund assets through Aviso Wealth are considered responsible investments by the Responsible Investment Association Canada.

## \$526.41 Million

RIA Mutual Funds

## 51.69%

RIA Mutual Fund Penetration

## 51.50%

RIA All Asset Penetration

Here are some examples of the impact we make, in partnership with Owners.

### Environmental Leaders Fund

With a total portfolio of CAD \$1,459 million, this fund invests globally in companies developing innovative solutions to environmental challenges. The positive impact of these investments include:

- Removing the equivalent of 156,910 cars from the road
- Providing, saving, or treating water consumption for 503,140 households
- Generating renewable energy equivalent to the electricity consumption of 7,670 households
- Recovering materials or treating waste equivalent to the consumption of 129,780 households

*These equivalencies are for illustrative examples only.*

### NEI Global Sustainable Balanced Fund – Fixed Income Sleeve

This fund is designed for investors focused on addressing housing challenges and supporting environmental and social goals. Examples of projects and technologies funded include:

- Residential solar installations
- Renewable energy generation and production
- Landfill gas capture and renewable biogas
- Affordable educational products
- Financing alternatives for graduate students

Together, we drive sustainable growth, create positive change for people and the planet, and help Owners achieve financial goals, all while pursuing competitive returns.

*Mutual funds and other securities are offered through Aviso Wealth, a division of Aviso Financial Inc. Aviso Financial Inc. and Northwest & Ethical Investments L.P. are all wholly owned subsidiaries of Aviso Wealth Inc. NEI Investments is a registered trademark of Northwest & Ethical Investments L.P.*







# 20 Years of Customer Service Wins

**In 2024, we proudly celebrated a significant milestone:** 20 consecutive years of winning the **Ipsos Financial Service Excellence Award for Customer Service Excellence** among Canadian Credit Unions. This remarkable achievement underscores our unwavering commitment to providing exceptional service to our members. The recognition from Ipsos is particularly meaningful as it is based on feedback from our members, reflecting their trust and satisfaction with the services we provide.

This year, Canada's credit unions were also honored in several other categories, securing a total of six Ipsos awards. These accolades highlight the diverse and high-quality services we offer, including:

- Values My Business
- Financial Planning & Advice
- Branch Service Excellence
- Online Banking Excellence
- Live Agent Telephone Banking Excellence

This recognition showcases the hard work and dedication of everyone involved in the credit union system and reflects our collective commitment to supporting members' financial well-being. We are incredibly proud of this legacy of excellence and remain dedicated to maintaining the high standards that have earned us this prestigious recognition year after year.

# Supporting Each Other





# We're Here For You

In 2025, doing business with Libro continues to make us stronger as a financial institution, allowing us to achieve great things together. Our success is deeply rooted in the trust and loyalty of our Owners, which has been cultivated over more than 80 years. This trust forms the bedrock of Libro and the relationships we foster with those we support.

Throughout 2024, our team at Libro Connect maintained an average call response time of 38 seconds. We're proud to say that at Libro we pick up the phone!



## 38 Seconds

Average Call Response Time



## 94,715

Calls Handled

an increase of more than 7% in 2023



## 26,110

Incoming Electronic Messages Answered

an increase of more than 9% in 2023

At Libro, when you call us, you get through to a real human in the local area because we're a local business too. Our dedicated Coaches at Libro Connect are there to end those long hold times because we pride ourselves on treating people like people. Despite a high volume of incoming calls and messages, Libro Connect keeps up an impressively low average response time, and they've been doing it for years.



## Strength From Building Relationships

Every new Owner, every business that chooses Libro, strengthens our foundation as a financial institution, allowing us to create even greater impact together. Our ability to invest in communities, support local businesses, and champion financial well-being is made possible by the trust Owners place in us.

With more than 80 years of building strong relationships and a solid foundation, we continue to grow alongside the people and businesses we serve. Our success is rooted in partnership, and together, we're shaping a resilient, values-driven financial future.

## \$5.4 Billion

Total Owner Deposits

## \$12.8 Billion

Total Portfolio

## \$7.8 Billion

Total Assets Under Management

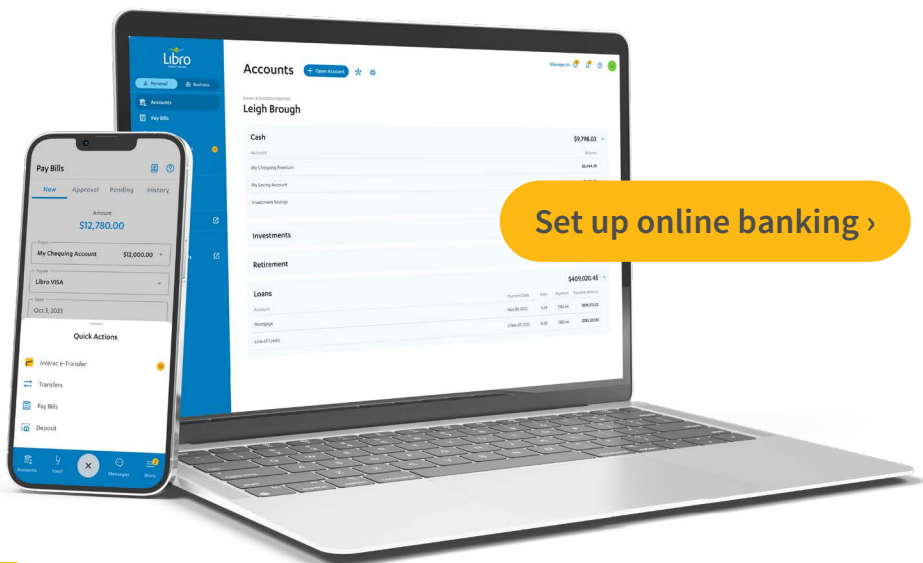


# Support for Owners in the Right Ways

We're dedicated to offering the seamless digital services Libro Owners expect and deserve. Throughout 2024, we've taken exciting steps forward, ensuring we — and you — are ready for the future. Together, we're growing financial well-being with innovative solutions and enhancements that make banking even better.

## Online Banking

In 2024, we launched a completely redesigned Online Banking platform, built to deliver a future-ready experience. With its sleek design and enhanced functionality, it's easier than ever for Owners to manage their finances online. Thanks to the hard work of our teams, the new platform is intuitive, accessible, and designed to grow alongside evolving technology.



## Lines of Credit Meeting Needs

This year, we introduced a fully digital pre-approval line of credit offering, using data to drive our insight into the needs of Owners. The results have been fantastic: 2,282 Owners accepted applications, totalling \$57 million in funding. It's another way we're making financial solutions simple and convenient for Owners while strengthening our credit union.



**2,282**  
Applications



**\$57 Million**  
in Funding

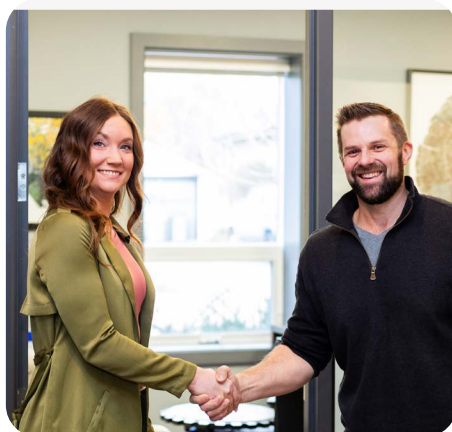
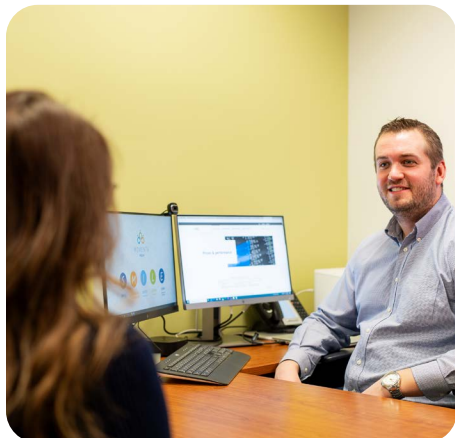
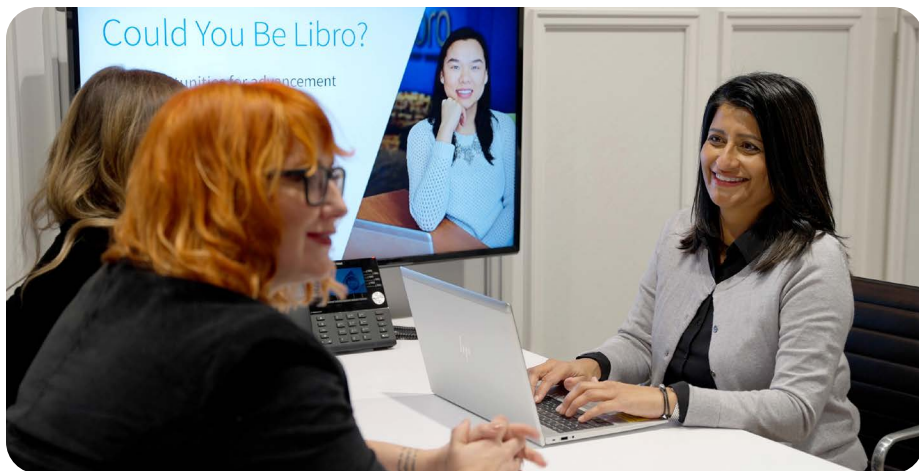
## Enhancements to *Interac* E-transfer

We've made significant improvements to our *Interac* E-transfer services, including a standout feature for two-signer accounts. Owners with these accounts can now set up and approve e-transfers, a vital service for us all in fast-moving times. It's all part of our commitment to listening to Owners and delivering tools that meet their needs.

## Signing In With Biometrics

Responding to one of the most requested features from our Owners, we've added biometric login to our mobile apps. This upgrade improves security and convenience, giving mobile banking users an easy way to access their accounts. It's another step forward in making banking with Libro as easy and secure as possible.





# We're Proud to Be With You – In Person

Libro is committed to maintaining **vibrant and welcoming spaces** that support Owners and communities. In 2024, we continued our investment in physical locations, completing upgrades at **Strathroy** and in **London**, at our branch in **Masonville**, following the successful renovations in **Essex, Leamington, and St. Thomas** in 2023.

We know Owners want seamless and accessible digital services, and we all recognize the enduring value of in-person connections. Libro locations are evolving to meet the changing needs of Owners, reflecting how they interact with us today and how they will in the future.

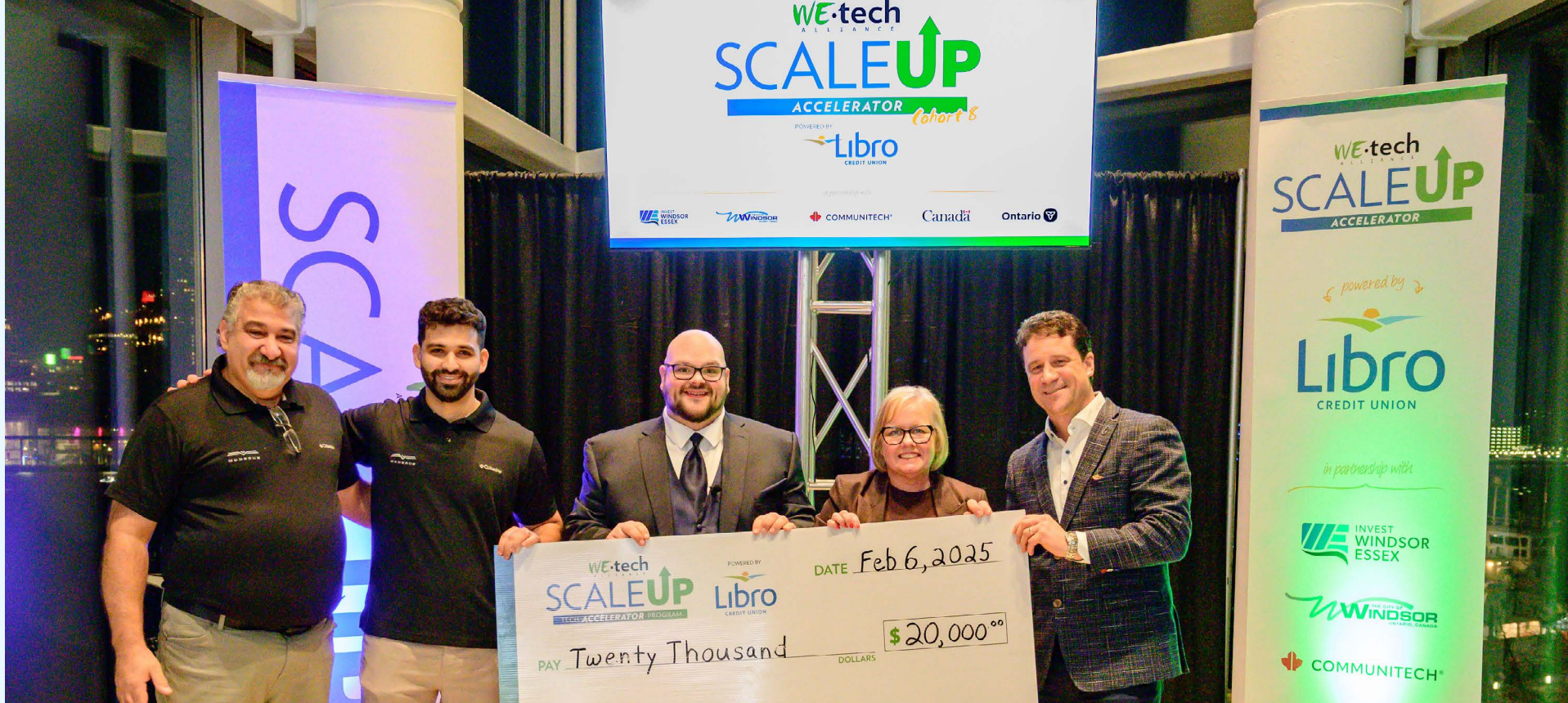
Over the years, credit union branches have traditionally been seen as transaction hubs. However, with ongoing changes in Owners' needs, Libro is reimagining the role of our spaces. Our physical locations now focus on:

**Welcoming New Owners** – Our branches serve as a **first point of connection**, where we can introduce new Owners to Libro's purpose-driven approach and discuss how we support financial well-being.

**Providing In-Person Coaching** – While digital tools offer convenience, many Owners **prefer face-to-face discussions** when making significant financial decisions, such as home purchases, investment planning, and business growth strategies. Libro coaches are more mobile than ever, but our branches remain an essential gathering place for these conversations.

Our **ongoing renovation cycle** ensures that all Libro locations meet the high standards expected by our Owners and communities. Each renovation is designed with the future in mind—**incorporating flexibility, adaptability, and modern functionality**—so that we can continue to evolve in step with the needs of those we serve.





Monerus team members ScaleUP program participants Cohort 8, Adam Castle Director at WEtech Alliance, Lori Atkinson Regional Manager at Libro Credit Union and Shawn Good President and CEO at Libro Credit Union

## Teaming Up With Entrepreneurs

In 2024, Libro Credit Union proudly renewed its partnership with WEtech Alliance, extending their collaboration and supporting the award-winning ScaleUP Accelerator for an additional four years. This commitment underscores Libro's dedication to fostering innovation and supporting technology-driven entrepreneurs in the Windsor-Essex and Chatham-Kent regions.

A significant milestone in this renewed partnership is WEtech Alliance's collaboration with Communitech, announced in December 2024.

Libro's \$250,000 contribution to WEtech Alliance is helping them unlock \$1.275 million in Federal funding through FedDev Ontario, aiming to enhance the Scale-Up Platform. The new funding will enable WEtech Alliance to enhance its ScaleUP Accelerator, expanding to include program applications from Kitchener-Waterloo founders.

A central feature of this expansion is the creation of the Windsor-Waterloo Corridor fostering a peer network between Windsor and Waterloo and launching dedicated resources for women and non-binary entrepreneurs.

Since 2016, Libro and WEtech Alliance have worked together to drive regional economic growth. This renewed partnership, bolstered by the new collaboration with Communitech, reaffirms their shared vision of empowering local businesses and cultivating a vibrant, innovative community.



# Community Impact Report 2024

We know that people talk about Libro and community impact in the same breath, and we're proud to channel investment into worthy causes year-round. Here are some of the ways we made an impact as a purpose-based financial institution with deep roots in its communities.

## \$1.3 Million

Total Investment

### Annual Grants

In 2024, the Libro Annual Grants Program invested in organizations whose work is focused on financial resilience, housing, employment, and local food accessibility.



## 23 Projects

Across Southwestern Ontario



## \$310,000

Total Funding Received

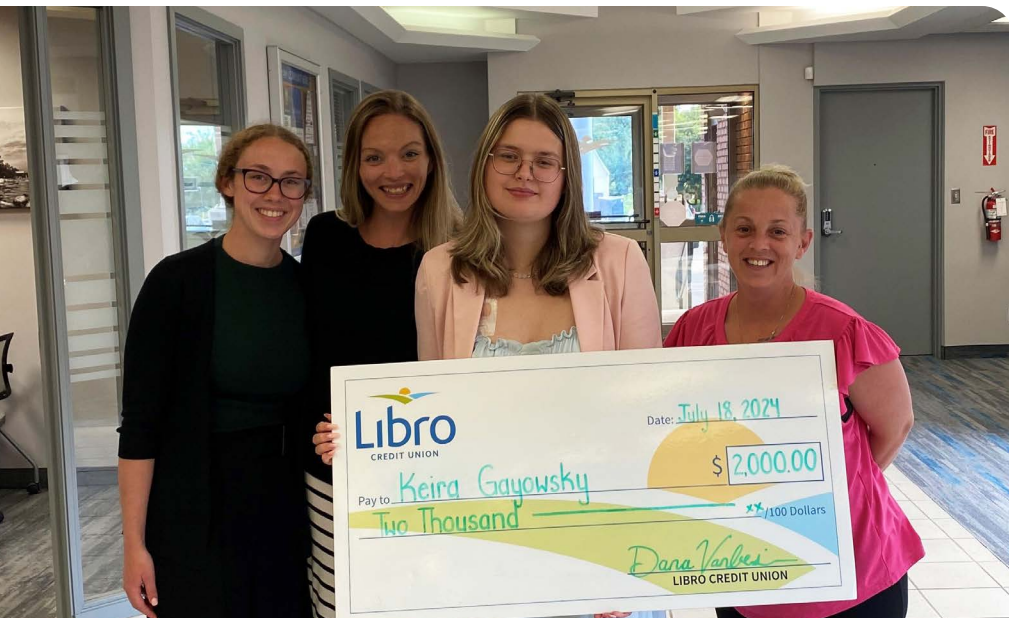


Shelter Movers, Annual Grant Recipient



Habitat for Humanity Windsor-Essex, Annual Grant Recipient





Caledonia Student Award Winner



Stratford Student Award Winner

## Well-deserved Awards for Students

A total of 33 young people were selected for their demonstrated commitment and service in their local communities through volunteering while balancing a high level of academic performance. Each student received a \$2,000 scholarship and a financial coaching session, for a total investment of \$66,000 supporting financial well-being for today's youth.



# 33 Youth

Received a Scholarship



# \$66,000

Total Investment

## Sponsorships, Donations and Partnerships

In 2024, Libro made more than **\$920,000** in direct financial contributions to 200 organizations. **\$1.3 million** total investment fostering vibrant, resilient, and sustainable communities through our Grants, Partnerships, Sponsorships, and Scholarships.







## Brewing Community, One Step at a Time

Libro is proud to partner with **BackRoads Brews + Shoes**, a local business that blends two passions — craft beer and running — into something special. Founded in London, Ontario, BackRoads isn't just a retail space or a brewery; it's a hub for connection, movement, and community.

Owner Aaron Hendriks started with a simple but powerful idea: to create a place where people could come together over shared interests, whether lacing up for a run or winding down with a great local beer. The business has since grown into a gathering space that welcomes runners of all levels and craft beer enthusiasts alike, reinforcing the importance of community in everything they do.

Libro exists to support businesses like BackRoads: local, values-driven, and built for impact. As a credit union owned by the people we serve, we believe in strengthening communities by backing entrepreneurs who bring fresh ideas to life.

# Investing in People





# Thousands of Hours Spent Staying Sharp

At Libro, we believe that continuous learning is key to personal and professional growth. In 2024, our staff actively engaged in training and development, demonstrating their commitment to enhancing their skills and knowledge. Nearly every employee participated in training programs, completing more than 11,000 courses throughout the year.

Our internal eLearning platform played a significant role, with 3,818.45 paid training hours dedicated specifically to courses designed to support Libro's unique learning needs. These numbers reflect our ongoing investment in building a knowledgeable, skilled, and confident team—one that is equipped to serve our Owners and communities with excellence.



**823**  
Employees at Libro



**34%**  
of staff have more than  
10 years of service



**71%**  
of Libro staff identify as women



## 2024 Training by the Numbers



**801 Staff**  
Participated in Training



**11,388**  
Courses Completed



**17 Hours**  
of training per staff  
member (on average)



**13,743**  
Total paid training hours



**\$928,202**  
Total amount spent  
on training



INVESTING IN PEOPLE



# Celebrating 50 Years of Financial Independence for Women

Fifty years ago, in 1974, Canadian women gained the right to apply for credit cards in their own names—an important step toward financial independence. This milestone was closely followed by increased access to mortgages and business loans, breaking down barriers that had long limited women's economic opportunities.

At Libro, we recognize the power of financial independence and continue to champion fairness, inclusion, and opportunity for all. Whether through fair wages, staff development, or the financial tools we offer to our Owners, we remain committed to building financial resilience and supporting women in achieving their goals.

A lot has changed in 50 years—but our belief in an inclusive, people-first financial system remains as strong as ever.





# We Pay a Living Wage

Libro Credit Union is proud to be a certified Living Wage Employer and an active supporter of the Ontario Living Wage Network. We ensure that all our employees receive at least the living wage rate of **\$23.05**, as determined for the Grey Bruce Perth Huron Simcoe region.

A living wage reflects the hourly amount a worker needs to cover basic expenses and participate fully in their community. We encourage other employers to join this movement, recognizing that fair compensation is essential for the well-being of individuals and communities.



INVESTING IN PEOPLE

# Strong Governance, Empowered Owners

As a purpose-driven, member-owned cooperative, Libro values strong governance and accountability. When you join Libro, you become an Owner, giving you a voice in how we do business and how we positively impact the communities where you live, work, and play.

## Governance Structure

The voices of Owners are represented through Libro's Governance structure. Elected Owner Representatives serve on Regional Councils, discussing governance, Libro's strategy, and community focused decisions, while helping us to have inclusive perspectives and to stay informed on business priorities. Owner Representatives vote on behalf of Owners in Board elections and other important governance matters.

At Libro, we are committed to maintaining a governance structure that reflects our values of Accountability, Courage, High Performance, and an Inclusive Mindset, ensuring a sustainable and forward-thinking future for our Owners and communities.

**40%**

Women Directors in 2024

**42%**

Women Owner  
Representatives in 2024



## Libro Board of Directors

The Libro Board of Directors plays a vital role in ensuring that Owners remain at the heart of every decision we make. With a mandate that includes strategic leadership, governance, and performance oversight, the Board is responsible for guiding the long-term direction of the credit union.

Meeting five times a year, Directors actively contribute beyond the boardroom, serving on committees and acting as key liaisons to Regional Councils. Their work is an essential part of Libro's governance structure, and their remuneration is reviewed and approved by our elected Owner Representatives.

## Libro Governance Election

For the year 2025 there will be 5 positions to be filled at the Annual General Meeting. Four for a 3-year term and one for 2-year term of office.

**81%**

of Owner Representatives voted  
for Director Elections in 2024

## Board Retirements

This year, we celebrate with Christopher Mendes (15 Years) and Marycatharine Kusch (7 Years), who are leaving the Board following tremendous service to Libro. We thank each of them for their dedication and passion to Libro and our Owners.





# Meet our 2024-2025 Directors



**Garrett Vanderwyst**  
Chair

**First Elected:** 2020

**Committee Service:**

- Audit & Finance Ex-Officio
- People & Governance
- Risk & Credit
- Director Recruitment
- Pension Sub-Committee



**Jacquie Davison**  
Vice-Chair

**First Elected:** 2014

**Committee Service:**

- Audit & Finance Chair
- Pension Sub-Committee Vice-Chair



**Jodi Simpson**  
Director

**First Elected:** 2020

**Committee Service:**

- People & Governance Chair
- Director Recruitment Member



**Alan DeVillaer**  
Director

**First Elected:** 2017

**Committee Service:**

- Risk & Credit Chair
- Audit & Finance Vice-Chair
- Director Recruitment Member



**Christopher Mendes**  
Director

**First Elected:** 2014

**Committee Service:**

- Risk & Credit Vice-Chair
- People & Governance Member



**Ronda Stewart**  
Director

**First Elected:** 2022

**Committee Service:**

- People & Governance Vice-Chair
- Risk & Credit Member
- Pension Sub-Committee Member



**Jeff Brown**  
Director

**First Elected:** 2023

**Committee Service:**

- People & Governance Member
- Audit & Finance Member
- Pension Sub-Committee Member



**Dan Gemus**  
Director

**First Elected:** 2024

**Committee Service:**

- Audit & Finance Member



**David Billson**  
Director

**First Elected:** 2024

**Committee Service:**

- Risk & Credit Member
- Director Recruitment Member



**Elizabeth Baldwin**  
Director

**First Elected:** 2024

**Committee Service:**

- Risk & Credit Member



# Finding Roots Together

Libro Credit Union has long believed in the power of strong partnerships to create lasting community impact. In 2023, we deepened our support for **Urban Roots London** (URL), a non-profit dedicated to revitalizing underused land in London for urban agriculture. Our commitment to sustainability and local food security was strengthened through both our ongoing funding and an additional \$10,000 grant awarded to URL through the Empowering Your Community program, facilitated by Concentra and EQ Bank.

Since its inception in 2017, Urban Roots London has produced over 70,000 pounds of fresh food, ensuring that at least one-third of its yield is donated to local organizations that serve vulnerable populations. By focusing on affordability and accessibility, URL ensures that everyone in our community — particularly those experiencing barriers — has access to fresh, nutritious food. Libro has proudly partnered with URL since 2020, and in 2023, we renewed our commitment with an additional \$60,000 pledge, bringing our total financial support to \$150,000 by 2025.

This funding has enabled URL to expand its operations in meaningful ways, including the installation of two new greenhouses, which extend the growing season and increase seedling production. The grant from Concentra and EQ Bank has helped support critical staffing needs, ensuring that URL has the hands necessary to harvest and distribute fresh produce well into the fall, when demand remains high.

At Libro, we recognize that food security, sustainability, and financial well-being are deeply interconnected. By continuing to invest in community-driven initiatives like Urban Roots London, we are reinforcing our commitment to a stronger, more sustainable future, where fresh, affordable, and locally grown food is accessible to all.

## \$150,000

Total Support by 2025



Ben Wilcox, Director of Farm Operations at Urban Roots, Jordan Moat, Regional Manager at Libro and Colin Lewis, Regional Director Credit Union Services at Concentra.







# Staying Prepared For The Future

At Libro, 2024 marks a bold step forward as we embrace the opportunities made possible by our new strategy. With a clear focus on strengthening relationships, supporting local prosperity, and driving innovation, we are well-positioned to navigate the evolving economic landscape.

By deepening partnerships, enhancing our financial coaching, and staying true to our commitment to Owners, we continue to create long-term value. Our dedication to the communities we serve remains a cornerstone of our approach—ensuring financial well-being for all.

With our strategy guiding us, we look ahead with confidence, ready to transform challenges into opportunities and empower Owners to thrive.

**\$23.4 Million**

Net income before taxes  
and profit sharing

**\$11.69 Million**

Class I Investment Shares Dividends

**\$5.15 Million**

Class P Profit Sharing and Dividends

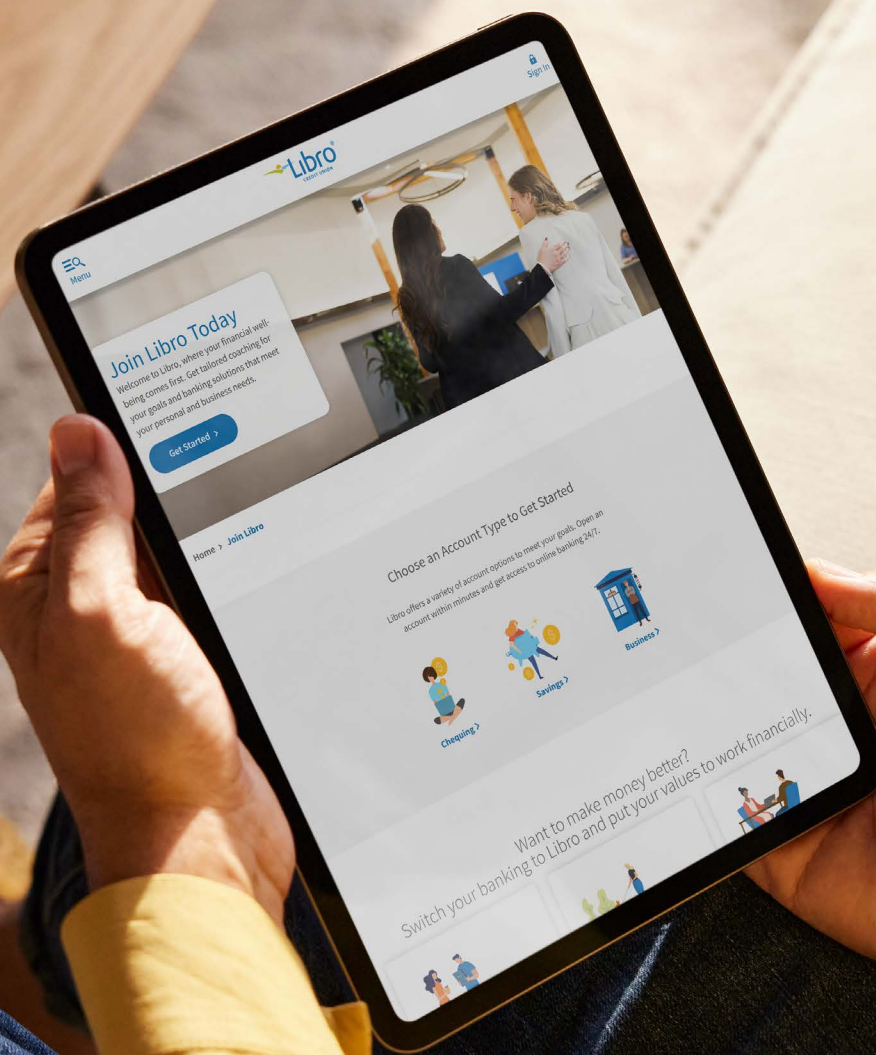


# Become a Libro Owner today

At Libro Credit Union, we are passionate about making a difference. Our mission is to grow our credit union to enhance the financial well-being of individuals, communities, and businesses. We achieve this by building strong relationships with more and more Libro Owners every year.

We invite you to join Libro. If you are already an Owner, thank you for your trust and support. Please help us spread the word about our work and recommend Libro to your friends and neighbors. If you are considering joining, we would love to chat with you. **Find out what a values-based financial institution can do for you.**

[Open Account ›](#)





# Management Discussion and Analysis

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## 2024 Financial Overview

This financial overview is provided to support interpretation of Libro's financial results and should be read in conjunction with the 2024 audited financial statements. This overview may include forward looking statements, which inherently contain management assumptions, estimates, and forecasts.

### \$6.2 Billion

Total Assets | Growth of 4%

### \$7.8 Billion

Total Assets Under Management | Growth of 6%

### \$23.4 Million

Net Income (pre-tax) | Increase of 65%

2024 was a strong financial year for Libro, surpassing budgeted growth and income metrics, while maintaining strong capital and liquidity levels. Libro maintained strong margins while navigating interest rate fluctuations, continued competitive pressure, and economic uncertainty. Libro ended the year with \$7.8 billion assets under management.

Reflecting on growth in 2024, Libro reached a total year-end portfolio of \$12.8 billion. Portfolio represents the total of all on-balance sheet loans and deposits as well as loans and funds under administration. In 2024, Libro experienced balanced growth. On balance sheet loans grew 4.5%, an increase from the 3% growth we experienced in 2023. Deposits grew 4.2% in 2024 compared to 5.4% in 2023.

Libro ended the year with net income, before distributions and tax, of \$28.6 million compared to the prior year of \$17.6 million. This year Libro experienced a \$12.2 million increase in net interest margin. Non-interest income increased \$0.1 million over prior year because of \$7.5 million of unrealized losses on the valuation of interest rate swaps compared to a loss of \$4.9 million in the prior year. Increases in non-interest expenses was \$11.3 million and the provision for credit losses on the income statement decreased \$10.0 million.

The Financial Performance Summary provides more detailed analysis.

## Financial Performance Summary

### Net Interest Income

Net interest income is the largest component of revenue for Libro. It represents interest earned from Owners on loans and our investment portfolio, less interest paid to Owners on their deposits and investment shares, and interest paid on debt obligations, including securitization financing costs. Libro's average prime rate was 6.75% for the year compared to 6.94% in 2023. Net Interest income continues to be strong given the current economic environment. In 2024, interest rates declined throughout the latter half of the year, which contributed to higher loan growth in 2024 than in 2023.

Interest income increased \$33 million or 12% to \$309 million driven by higher interest rates and better returns on the portfolio. Interest expenses increased by \$21 million or 14% driven by higher interest rates paid on deposits and investment as Owners shifted funds from low-cost demands to higher cost GICs.

### Non-Interest Income

Non-interest income includes income from service fees, commissions from mutual funds, insurance, and credit cards, foreign exchange, income from property, and valuation changes on interest rate swap agreements. Total non-interest income was \$21.5 million in 2024, a small increase from \$21.4 million in 2023. Included in non-interest income is a loss on the valuation of Libro's interest rate swaps of \$7.5 million, compared to a \$4.9 million loss in 2023. The accounting treatment for interest rate swaps contributes to some volatility in earnings each year with the mismatch in timing of the valuation gains/losses and the receipt of the cash flows.

### Credit Loss Provision

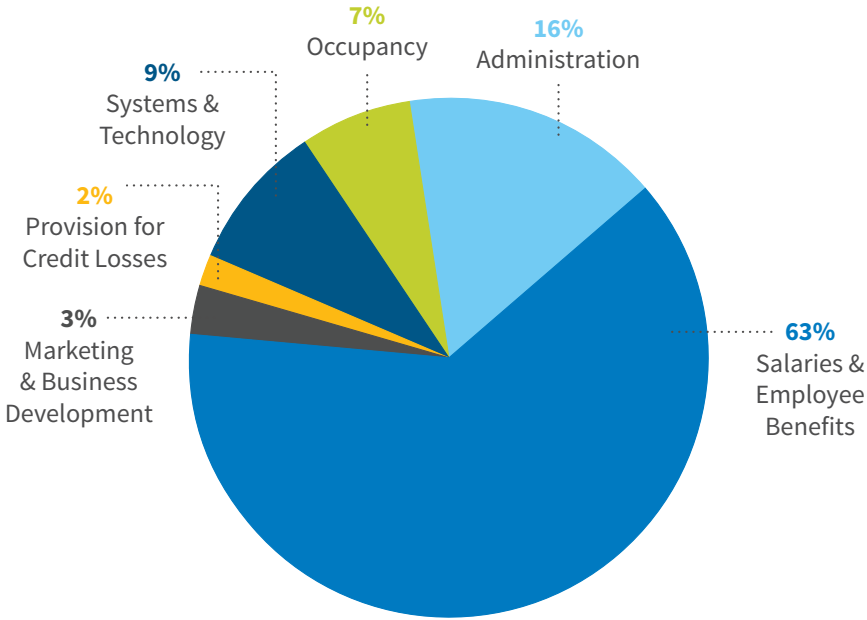
The provision for credit losses represents management's best estimate of potential loss during the year. In accordance with IFRS 9, Financial Instruments, Libro uses a data model with various inputs including historical loan data, industry data, and forward-looking macro-economic assumptions to calculate the allowance for impaired loans. Libro also considers management's assessment of watch list accounts, delinquencies, and relevant market information in the assessment of expected credit losses.



The provision for credit losses expense in 2024 was \$2.4 million. The provision is affected by changes in our expected credit loss balance at year-end and net losses experienced in the year. The expense in 2024 was driven primarily by increases in the expected credit loss balance increasing, and relatively low write-offs. The provision has decreased \$10.0 million on the income statement from the prior year due to one large commercial loan write-off of \$9.9 million in 2023.

Operating Expenses

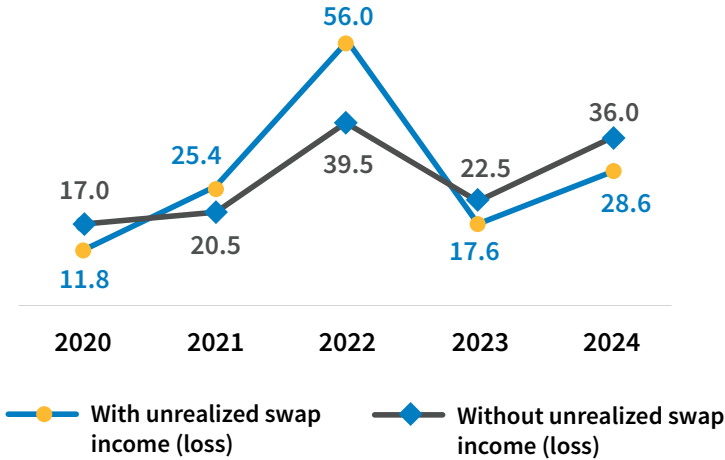
Operating expenses in 2024 were \$130 million, an increase of 9% over 2023. Throughout the year, we continued our commitment to investing in strategic initiatives that position Libro for future growth and success. Libro’s largest operating expense continues be the ongoing investments in our employees of \$83.6 million, including competitive salaries and commitment to paying a Living Wage, providing comprehensive benefits and pension, and training programs dedicated to helping staff deliver the best service for Owners. In addition to salaries and benefits, there were also increases from prior year in general and administrative expenses to supplement resources and support the strategic process, systems and technology expenses as we invest in our digital delivery strategy, and occupancy costs to maintain our 34 locations.



Net Income

Net income (before profit sharing and taxes) was \$28.6 million, an increase of \$11.0 million or 62% over 2023. Internally, Libro reviews this figure net of unrealized gains and losses on interest rate swaps due to its volatility. A second line on the graph below shows income before profit sharing and tax without the unrealized gains and losses on interest rate swaps.

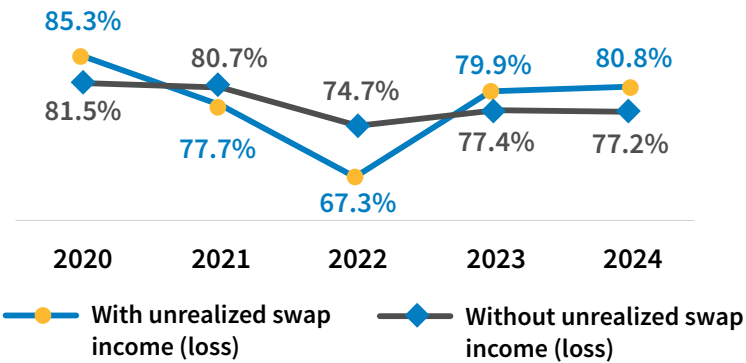
NET INCOME (before profit sharing and tax)  
In Millions



Efficiency

The efficiency ratio is calculated by dividing operating expenses by revenue and represents how many cents it costs to earn one dollar of revenue. A lower ratio indicates a more efficient business operation. In 2024, efficiency was 80.8% compared to 79.9% in 2023. This ratio is inclusive of the non-operating losses on interest rate swaps mentioned above. A second line on the graph shows this ratio excluding the unrealized gains and losses each year. Libro continues to focus on improving efficiency of core operations by growing organically and gaining the benefits of our scale.

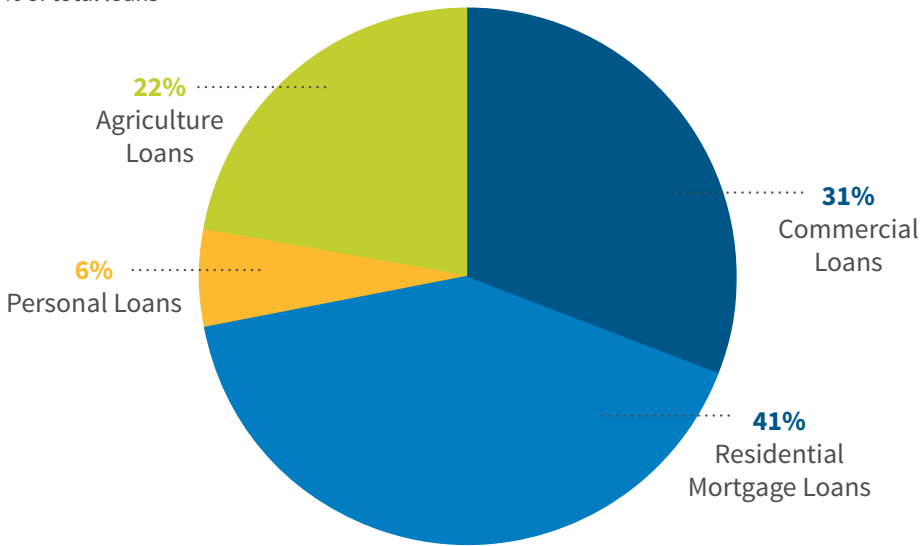
EFFICIENCY



Financial Position Summary

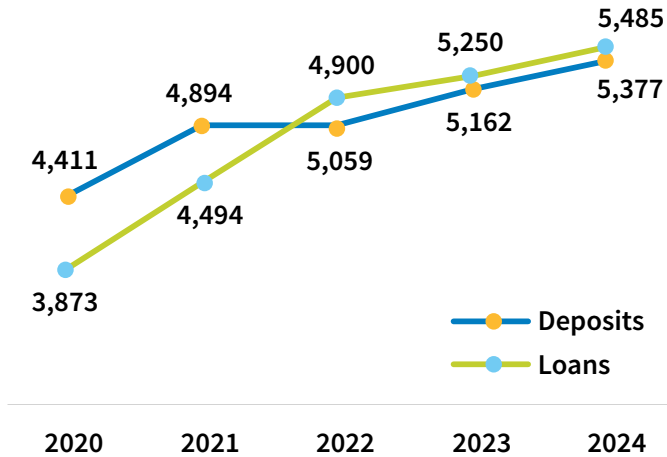
In 2024, Libro balanced growth with loan growth slightly outpacing deposit growth. On-balance sheet assets grew to \$6.23 billion from \$5.99 billion in the prior year. This was driven by increased loans to Owners, which grew by \$234.6 million, a 4% growth rate. With balanced growth this year, Libro maintained investment balances and borrowing remained flat. Loan growth was driven by retail and agriculture loans, with retail mortgages growing 5%, personal loans growing 19%, and agriculture loans growing 9%. Commercial lending growth was flat in 2024.

LOANS TO OWNERS BY CLASS  
% of total loans



Deposits grew \$215 million, or 4% in 2024, a slight decrease from the \$262 million of growth in deposits in 2023.

DEPOSITS & LOANS  
In Millions



Securitization

Libro securitizes a portion of its loan volumes through Canada Mortgage and Housing Corporation sponsored programs. This is used by Libro to access cost-effective funding to supplement growth and manage liquidity. At the end of 2024, Libro had liabilities associated with securitized consumer mortgage loans of \$195.7 million.

Assets Under Management

Libro’s off-balance sheet assets include the wealth portfolio, which is comprised largely of mutual fund assets held by Owners. Owner balances at December 31, 2024, were \$1.5 billion up from \$1.2 billion in 2023. Mutual funds are impacted by market volatility. Assets under management also include \$4 million of loans administered on behalf of the Government of Canada, down \$61 million from 2023 as most Owners paid these loans prior to the Government loan forgiveness deadline in January 2024. Total assets under administration were \$7.8 billion at December 31, 2024, up 6.4% over the previous year.



# Capital and Liquidity Management

## Capital Management

Libro’s capital management objectives are twofold: maintain appropriate capital levels to ensure compliance with regulatory requirements under current and projected economic conditions and provide an appropriate cushion to ensure its ongoing stability. The principles and key elements of Libro’s capital management framework are outlined in the Board Capital Management Policy.

### Capital Management

Libro is required to comply with the capital requirements outlined in Credit Unions and Caisses Populaires Act and Ontario Regulation 105/22 (together the “Act”). The Act sets minimum capital requirements for credit unions in Ontario. Libro also must comply with the Capital Adequacy Rule (“Capital Rule”) issued by the Financial Services Regulator Authority of Ontario (“FSRA”). This Rule provides detailed guidance on the calculation of each capital metric, sets regulatory minimums for each metric, and establishes capital management requirements. A summary of these ratios and minimums is included in Note 12[a] of Libro’s audited financial statements.

### Libro’s Capital Position

Libro’s regulatory capital ratios remain strong and above the requirements of the Act. At December 31, 2024, Libro’s capital leverage ratio was 8.92%, an increase from 8.79% at the end of 2023, and in excess of the 3.0% required in the Act. Libro’s risk weighted capital adequacy ratio was 14.28%, compared to 14.17% at the end of 2023, and in excess of the 8.0% required in the Act. In addition, Libro complied with all other ratios required in the Capital Rule. Total regulatory capital at the end of 2024 was \$588 million compared to \$557 million at the end of 2023. The increased capital is a result of earnings in the year, while other capital components remained relatively consistent with the prior year.

CAPITAL (\$000)	2024	2023	2022
Retained Earnings Ratio	5.92%	5.71%	5.55%
Leverage Ratio	8.92%	8.79%	8.98%
Total Capital Ratio	14.28%	14.17%	14.13%
Total Tier 1 Capital	555,835	526,188	512,765
Total Tier 2 Capital	32,333	30,460	28,418
Total Regulatory Capital	588,168	556,648	541,183

## Internal Capital Adequacy Assessment Process

Libro annually performs an Internal Capital Adequacy Assessment Process (ICAAP), in line with Financial Services Regulatory Authority (FSRA) requirements. The ICAAP ensures Libro has adequate capital in relation to its risk profile, has a strategy for maintaining its capital levels, and develops and employs appropriate risk management techniques. Libro’s ICAAP naturally aligns with the strategic planning process and the Enterprise Risk Management (ERM) program to ensure that enough capital is set aside for ongoing operations, future development, and any key risks that may materialize. Libro’s growth projections, current asset-liability management risk measurement techniques, and the capital impact from various stress testing scenarios have been utilized to determine capital requirements.

## Liquidity Management

Libro carefully manages its liquidity to ensure Owners’ requirements are always met. By ensuring that sufficient, readily accessible or liquid assets are available, Libro can meet Owner demand for withdrawals and deposit redemptions, fund loans and sustain business operations. Libro must meet the liquidity requirements outlined in the Act and the related liquidity requirement regulations, including FSRA’s Liquidity Adequacy Rule (“Liquidity Rule”), which provides calculation details of liquidity ratios, minimum requirements for each ratio, and establishes standards for liquidity management for Ontario credit unions. The Liquidity Rule outlines 3 key ratios for monitoring liquidity:

- Liquidity coverage ratio (“LCR”) calculated as high-quality liquid assets as a percentage of net cash outflows
- Net stable funding ratio (“NSFR”) calculated as available stable funding as a percentage of total required stable funding
- Net cumulative cash flow (“NCCF”) calculated as total cash inflows less total cash outflows

In addition to the measurements outlined above, Libro monitors daily liquidity using a simple liquidity ratio. Libro’s liquidity position remains stable and within the target range because of balanced growth throughout 2024. At year end, all ratios complied with regulatory requirements outlined above.

LIQUIDITY	2024	2023	2022
Liquidity Coverage Ratio	576%	618%	209%
Met Stable Funding Ratio	135%	132%	132%
Net Cumulative Cash Flow	11 months	12 months	10 months

Libro continues to participate in securitization programs issuing mortgage-backed securities and participating in the Canada Mortgage Bond program. This is used by the credit union to access cost-effective funding and to manage liquidity risk, credit risk and interest rate risk.

Libro maintains a borrowing facility with Central 1 Credit Union. Libro can draw on these facilities as required to finance operations. Our core facilities provide borrowing capacity of \$105 million CAD and \$3 million USD in addition to other loan facilities of \$50 million CAD. As at year-end, balances outstanding were nil.

## Enterprise Risk Management

### Overview

Libro recognizes that managing risk, not avoiding risk, is required to operate a successful financial institution. We consider risks from the perspective of living our values and fulfilling business objectives as expressed through the strategic business plan. Libro’s Board of Directors and all employees are responsible for ensuring the risks to which we are exposed are aligned to the Board-approved risk appetite. A clear risk appetite enables Libro to make better strategic and tactical decisions on a risk-reward basis with consideration for its capacity to manage associated risks. Libro uses its ERM and risk appetite framework to consider risk in decision-making and ensure the risk exposures for Libro are mitigated effectively.

### Risk Principles & Culture

Libro’s risk-management culture is embedded throughout the organization with all employees accountable for making decisions in the best interest of Libro Owners as a whole. Business decisions are made at all levels of the organization, and every team member has a role in managing risk within Libro’s risk appetite, including identification, communication, and escalation of risk concerns.

### Risk Governance Model

Libro operates within a Three Lines of Defence model to help provide a consistent, transparent, and clearly documented allocation of accountabilities and segregation of functional responsibilities. This segregation of responsibility helps to establish a robust control framework and encourages the continuous improvement of risk management at Libro.

1. Libro’s business units form the First Line of Defence, performing daily risk management activities.
2. Risk and compliance functions form the Second Line of Defence, providing oversight and offering independent, effective challenge to first line risk management actions.
3. Internal Audit forms the Third Line of Defence, providing independent, objective assurance to the Board of Directors.

Risk governance also includes determining an appropriate organizational structure and clearly defining authority and responsibility for risk decisions.

### Risk Appetite Framework

Libro’s Risk Appetite Framework consists of the Risk Appetite Statement, key risk metrics and corporate policies and guidelines, including the related limits, concentration levels and controls defined therein. Libro’s risk appetite defines the amount of risk that Libro is willing to assume given our guiding principles and capital capacity, and thus supports sound business initiatives, appropriate returns and targeted growth. This safeguards that risks incurred in pursuit of Libro’s strategic objectives are understood and actively managed on an ongoing basis to remain within our risk appetite.

### Credit Risk

Credit risk is defined as the risk of financial loss due to a borrower or counterparty failing to meet its obligations in accordance with contractual terms and arises from the credit union’s direct lending, trading, investment and hedging activities. Granting loans to Owners is one of the credit union’s primary sources of income and Libro grants credit through consideration of an Owner’s credit history, character, collateral, and capacity for debt. Owners’ financial situations are monitored through the life of the loan and all current receivables are expected to be collected. Debt that appears to be in arrears is impaired to the extent that a loss is expected.



Libro uses internal risk scoring measures to assess the credit quality of commercial and agricultural borrowers. These measures are derived from the underlying credit experience, collateral, management expertise, and other objective financial measures. Credit quality of retail borrowers is measured in part by a standardized credit rating system, which considers payment history, current debt, age of accounts, type of credit and credit enquiries.

To manage credit risk, Libro secures collateral against all types of loans. In the event an Owner is unwilling or unable to meet their obligations as a borrower, security is liquidated to repay the obligation to Libro. Collateral is taken on each loan funded with regard to the Owner's overall credit worthiness including credit history, character, capacity for debt, and type of loan granted.

### **Operational Risk**

Operational risk is inherent in all business activities. Although operational risk can never be eliminated, Owner value can be preserved and enhanced by managing, mitigating and, in some cases, insuring against operational risk. We purchase insurance in such amounts and in such areas as to provide protection against unexpected material loss and where insurance is required by regulatory requirement, or contractual agreement.

Libro has an operational risk framework, which includes identification, measurement, monitoring, and risk control/ mitigation elements. A variety of underlying processes and controls have been developed as part of this framework. These include risk and control self-assessments, business contingency plans, event and fraud management, vendor management, outsourcing, and third-party risk management. The various processes included in the operational risk framework are at different stages of development. Our approach is to continuously improve each in a way that supports business activities while also meeting external requirements. Regular reporting of relevant operational risk events and management activities and processes is channeled via the Enterprise Risk Management Committee to the Risk and Credit Committee of the Board.

### **Liquidity Risk**

Liquidity risk is defined as the risk that the credit union will be unable to pay obligations when they fall due or become unable to repay depositors when funds are withdrawn or become unable to meet commitments to lend money. Libro manages liquidity risk within Board Policy limits to

ensure the credit union has sufficient liquidity to meet its obligations. This is managed by monitoring cash flows and cash forecasts, maintaining a portfolio of high-quality liquid financial assets, monitoring and managing the remaining contractual term to maturity of its loan and deposit portfolios, and maintaining access to credit facilities through Central 1. Libro achieves this through a combination of active management of organic balance sheet growth, borrowing, whole loan sales, and loan securitization.

### **Market Risk**

Market risk is defined as the risk that the credit union's ability to meet business objectives will be adversely affected by volatility in market rates. Libro manages market risk using an earnings at risk approach. The primary objective of this approach is to maximize earnings on a consistent basis while minimizing reductions to net income resulting from changes in future interest rates.

Libro uses income simulation modeling to measure exposure to changes in interest rates over short-term periods. Earnings at risk is calculated by forecasting the net interest margin for the next 12-month period using most likely assumptions. Most likely assumptions include management's best estimates for planned growth rates and the use of future interest rates. Planned growth rates are recorded at the start of the fiscal period as initially set out in the budget and modified to actual experience through the fiscal period. Future interest rates on new business and product renewals are determined using the future interest rates derived mathematically based on the term structure of interest rates. The impacts of rate shock scenarios are measured against the most likely forecast ("MLF") as defined above. The resulting change in the forecast because of interest rate shocks is then compared to the MLF to determine the earnings at risk amount. Maximum change limits under these interest rate scenarios have been set out by the Board of Directors. These scenarios are based on hypothetical simulations assuming the markets are shocked with 100 or 200 basis point volatility. At the current time, Libro complies with all limits set by the Board of Directors Policy.

## 2025 Economic Outlook and Looking Ahead

The Bank of Canada regularly publishes its economic projections, providing insights into the anticipated economic landscape. These projections are essential for understanding the potential impacts of the changing economic conditions on various sectors, including the banking sector, business owners, and individual consumers. The projections include caution over the uncertainty of new tariffs in 2025, which could significantly affect the economic outlook, Canadian monetary policy, the Canadian dollar, and other drivers of the economic projections.

Based on the Monetary Policy Report released in January 2025, the Bank of Canada is projecting economic growth to rise 1.8% in 2025, with the continued interest rate declines expected to increase business and household spending.

The economic growth forecast is driven by household spending, because of decreasing interest rates and higher incomes. Assumed slower pace of population growth pulls down potential output growth.

The Bank of Canada is forecasting strong housing activity in 2025. Declining mortgage rates and changes to mortgage insurance rules will contribute to a robust resale market for housing. New construction will also be supported but is expected to have supply constraints limiting the growth in 2025. Business investment is expected to remain modest but trade-related uncertainty is expected to weigh on the investment plans of businesses throughout 2025.

The Bank of Canada is projecting inflation to remain close to the 2% target throughout 2025 as the effects of past interest rate increases on growth begin to fade and the recent easing in financial conditions supports demand. However, inflation is expected to vary throughout different sectors. Inflation on housing interest cost and rental costs is expected to moderate, with inflation on non housing costs expected to be greater. The implementation of tariffs and retaliatory measures will also put upward pressure on inflation.

Libro's results and operations have been and will continue to be impacted by the uncertain macroeconomic environment. For the banking sector, moderate economic growth and stable inflation are favorable conditions. Financial Institutions can expect a steady increase in demand for loans and financial services as businesses and consumers engage in economic activities. In addition, the ongoing unpredictability of broad-based tariffs implemented by the United States and retaliatory tariffs implemented by Canada, will impact Libro and Libro Owners. Like many businesses in Canada, Libro may experience lower than expected growth and profitability.





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