



# **MISSION** Accomplished Cooperative **DISTINCTION**

2023 Annual Report



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# Message From the Chair of the Board and the President & CEO



**Grégoire Lefebvre**  
Chair of the Board of Directors



**Pierre Dorval**  
President & CEO

The past year has been a testament to the dedication of an exceptional and unparalleled team as well as to the loyalty of our members. Caisse Alliance's cooperative strength has enabled it to meet some major challenges in its young history. Looking back at 2023, the words **courage, audacity, autonomy, determination, and cooperative distinction** certainly come to mind.

## Mission Accomplished

The Mission Distinction project started the year with a wind of change. The financial industry is evolving, and Caisse Alliance is no exception. Our strategies, tools, and services have been improved to remain our members' preferred financial partner and the key economic driver in our

communities. With a clear focus on future needs and opportunities, we've reached an important milestone in our history.

As an industry leader, Caisse Alliance brought to fruition

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an extensive and innovative project. As our staff adapted to a comprehensive internal technological restructuring, our members migrated to Allia, a new online transactional platform that took on our corporate image, and which we have made available in two languages. We commend the invaluable cooperation of our individual and business members in this project.

We've been privileged to work with unparalleled partners throughout the project. Many practical tools, training courses, and coaching services were offered to our teams, and regular communication ensured that our members remained informed.

During this transition, member services were fully engaged. We are truly grateful for our team's efforts and perseverance as they worked in unison to achieve a common goal. Solidarity and team spirit prevailed throughout the project. For the entire duration of the process, there was

## A Positive Yield

In our 6<sup>th</sup> year of existence, we've excelled both in terms of innovation and service offering as well as our Caisse's financial position. Thanks to the collaboration of each one of our sectors, we've achieved solid financial results. The Mission Distinction project was completed on budget, surpassing even our most optimistic projections.

Despite a challenging economic climate, our members' deposits are approaching \$2 billion. Our assets now stand at \$2.4 billion, a year-over-year increase of almost \$85 million. Even with added pressure on our profitability caused by a sustained rise in interest rates in 2023, the Caisse added \$7.4 million to its reserves.

Our solid capital position enabled your Board of Directors to once again distribute generous community and member dividends of just over \$3.5 million. These results, combined

a steadfast motivation to devote every day's efforts to our members' well-being. To our dear employees, we are sincerely thankful for your commitment to ensuring the success of this ambitious undertaking.

We are keenly aware of the magnitude of change for our members. Our decisions are always made with you in mind while ensuring your cooperative's growth and sustainability. We continue to innovate and improve to meet your needs and ensure your utmost satisfaction. This achievement is a major one that will enable your Caisse to retain its decision-making ability and continue to live up to its cooperative difference here in Northern Ontario.

Now that we've exchanged our passenger seat for the driver's seat in our IT services, it's up to us to progressively develop our new tools to better meet the needs of our members and employees. Together, we look to the future with objectives of growth, efficiency, and excellence.

with our healthy capitalization, enable us to assist our members even during difficult times. We have paid out \$26 million over the past six years.

***With assets over \$2.4 billion, your Caisse ranks among the 10 largest credit unions and caisses populaires in Ontario, and the 27<sup>th</sup> largest in Canada (excluding Quebec). The Caisse has achieved growth of 58% and will soon have increased its assets by over \$1 billion since its merger on January 1, 2018.***

Caisse Alliance is more than a financial institution. Giving back a share of our profits directly to our members and our communities, year after year, that's what we do.

## A Distinguished Governance

Our Board of Directors remain committed to ongoing skills development. They follow a continuous learning program to ensure that they comply with regulatory requirements and standards and that they effectively carry out their responsibilities. Increasing complexity and ever-changing requirements require us to adapt successively.

Our new IT systems will enhance our institution's capability for sound and prudent management. For Board members, having a clear understanding of the data they are being provided is essential for making informed decisions.

In the coming year, the Board of Directors will be required to pay particular attention to already established priorities. These include the recruitment of new members, and the

attraction and retention of talent to adequately respond to human resources needs. The labour shortage is a global challenge to which we must devote continuous attention.

Furthermore, we are exploring various innovative dividend models to enhance the impact on our members and communities.

We will also pursue initiatives in sustainable development, diversity, equity, inclusion, and accessibility. We strive to remain a role model for all our communities while enjoying the many benefits of diversity. You can read more about these topics later in this report.

We want to express our gratitude for the exceptional work undertaken by our three committees: the Risk Management Committee, the Audit Committee, and the Governance Committee. Their mission is to monitor, analyze, and make recommendations on various issues and practices related to the growth of our institution. Our team now includes a lawyer whose role is to provide legal advice not only to the Board of Directors but to our institution as a whole. The complexity of the current business environment requires specialized and readily available expertise which we now have.

## Putting Members and Communities First

Our cooperative's significant contributions to our communities do not go unnoticed. Whether you're at an arena, a cultural centre, or a ski or snowmobile club, the Caisse is listed as a sponsor at many venues.

Our commitments are at the heart of our cooperative principles and translate into tangible contributions in our communities. These include sustainable development projects such as essential medical equipment in our hospitals, expansion projects, palliative care rooms, and



infrastructure projects for both our young and aging members.

Initiatives such as the Green Fund, the Truth and Reconciliation Fund, the Caisse Alliance Fund, bursaries for future professionals, and donations that enhance the well-being and quality of life of our citizens all have a positive impact on the human and economic health of our regions.

Thanks to an investment of \$3.6 million over six years in the Caisse Alliance Fund, the members of our six regional cooperative committees (RCC) are spreading happiness throughout our territory.

You can see why it was important for us to protect our autonomy at all costs. Choosing to invest here matters!

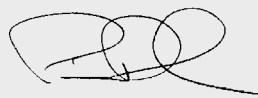
## Thank You for Being Part of Our Financial Cooperative

We now see the future as a large canvas on which to illustrate our vision of a more sustainable future and highlight the talents of our great team members. It is more than a design; it is a destiny unfolding on a solid foundation given the financial strength of our cooperative and our service excellence. Now, all we have to do is continue to add colour to our big canvas. The focus will always be on our members. This is the art of combining vision and cooperation.

In conclusion, we would like to thank the members of our Board of Directors, as well as the members of our RCCs, who, on behalf of our members, go above and beyond to make a difference in our regions. To our 374 employees who make up our growing family, a special acknowledgment of your achievements. A sincere thank you for your commitment, your exemplary professionalism, and your perseverance throughout the implementation of the Mission Distinction project. Thank you for bringing our cooperative difference to life every day by providing outstanding service. To our 56,666 individual and business members, a special thank you for the trust you have placed in us. It's thanks to your loyalty that your Caisse continues to play an important leadership role in its 24 communities.



**Grégoire Lefebvre**  
Chair of the Board



**Pierre Dorval**  
President & CEO





## What is a caisse?

### A caisse is...

a member-owned cooperative governed by a democratic structure.

### Membership in a caisse means...

being a co-owner; having the right to vote at meetings.

### Being a member of Caisse Alliance means...

co-ownership of a financial cooperative that is making a difference in Northern Ontario.

# General Highlights



## COMMUNITIES & MEMBERS

**26** branches

**24** communities served

**56,666** members  
(51,609 individuals, 5,057 businesses)



## GOVERNANCE & EMPLOYEES

**12** directors

**44** members of regional cooperative committees representing our communities

**374** employees



## MAJOR ACHIEVEMENTS

**26,643** hours of training completed by our employees

## Training School

to ensure the development of our human resources



## FINANCIAL HIGHLIGHTS

**\$26M** in dividends paid over 6 years

**\$17.4M** earnings before dividends and taxes

**\$61M** deposit increase  
(3.2% increase over the previous year)

**\$86M** loan increase  
(4.3% increase over the previous year)

**\$2.4B** total assets  
(3.6% increase over the previous year)



## MAJOR ACHIEVEMENTS

**Allia** new 100% Caisse Alliance bilingual online banking platform

**Autonomy**

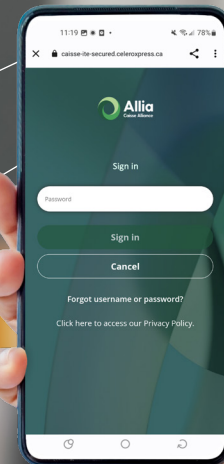
the Caisse is now the owner of its own systems and tools



Ensuring a sustainable future,  
**THAT'S WHAT WE DO!**

Caisse Alliance is a financial cooperative that contributes to building a strong, healthy future for Northern Ontario communities. It has chosen to remain entirely independent in order to maintain its autonomy and decision-making ability, retain its 374 employees, safeguard its 26 branches, offer its 56,666 members products and services that meet their needs and realities, and to remain a key player in the socio-economic development of Northern Ontario communities.

**We are people from the NORTH working FOR the people in the NORTH!**





# The Cooperative Principles of a Caisse

## 1 Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

## 2 Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Individuals serving as elected representatives are accountable to the membership. In primary cooperatives, members have equal voting rights (one member, one vote) and cooperatives at other levels are also organized in a democratic manner.

## 3 Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. Generally, at least part of that capital is the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

## 4 Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

## 5 Education, Training and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of cooperation.

## 6 Cooperation Among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

## 7 Concern for Community

Cooperatives work for the sustainable development of their communities through policies approved by their members.



## Our Mission

Within the development of our communities, we contribute to the success of our members through our cooperative values, the quality of our offer and the excellence of our services. We are...

**Human. Available. Connected.**



## Our Vision

With a dedicated team and modern digital solutions, Caisse Alliance is the preferred financial partner of its members and the key economic driver in its communities.



## Our 8 Values

- Expertise, performance and quality of our products and services
- Respecting and understanding the needs of our members
- Integrity, honesty and transparency
- Listening and cooperating with our communities
- Commitment
- Collaboration and open-mindedness
- Honouring our heritage
- Teamwork and employee appreciation



## Members of the Board of Directors

Caisse Alliance's Board of Directors (BOD) is made up of twelve directors, two from each of the six regions identified in the by-law.

The Board manages and oversees internal affairs and business activities, directly or indirectly through its employees or representatives, in order to achieve its mission and objectives. It implements the duties assigned to it by the Act and by-law.

In 2023, the Board held nine meetings.



▲  
**Grégoire Lefebvre**  
Chair



▲  
**Paul Levesque**  
Vice-Chair



▲  
**Olivier Cabana**  
North-West



▲  
**Diane Macameau Plourde**  
North-West



▲  
**Martin Rancourt**  
North-Central



▲  
**Sonia T. Gravel**  
North-Central



▲  
**Stéphane Gallant**  
North-East



▲  
**Yves Poitras**  
North-East



▲  
**Marcel Guérin**  
West-Nipissing



▲  
**André Lefebvre**  
West-Nipissing



▲  
**Kenneth Paquette**  
Central-Nipissing



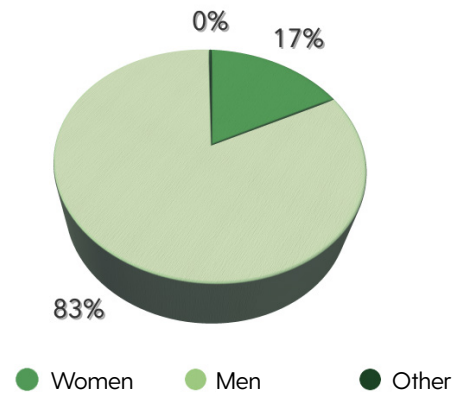
▲  
**Kevin Cloutier**  
East-Nipissing

## Board of Directors' Report on Gender Diversity

Caisse Alliance provides an environment that welcomes, respects and values diversity, and is committed to maintaining an inclusive workplace in order for everyone to grow with respect, dignity and human rights recognition without discrimination based on race, ancestry, place of origin, color, ethnic origin, citizenship, creed, sexual orientation, gender identity, gender expression, age, criminal record, marital status, family status or disability.

**In accordance with Section 103 of the *Credit Unions and Caisses Populaires Act, 2020*, the Board of Directors reports that the involvement of people from under-represented groups is encouraged. In 2023, the Board was made up of two women and ten men. In 2024, this ratio is expected to increase to 3/9.**

The Board reviews the Caisse's Diversity, Equity and Inclusion Policy annually and ensures that inclusive practices are implemented, free from discrimination based on the aforementioned protected grounds.



**Diversity makes us stronger**



## Members of the Audit Committee

The Caisse's Audit Committee ensures that the Caisse's values, principles and Code of Ethic rules are upheld.



**Olivier Cabana**  
Chair



**Diane Macameau Plourde**  
Director



**Stéphane Gallant**  
Director



**Kenneth Paquette**  
Director

# REPORT OF THE AUDIT COMMITTEE

I am pleased to present the Audit Committee's report for the 2023 fiscal year.

### Main Functions

The Audit Committee provides an important oversight role of Caisse Alliance's major operating sectors. These include financial statements, accountability reporting, internal controls, review of policies and procedures, internal and external audit, as well as compliance with legislative and professional requirements.

The Committee is a key player in Caisse Alliance's compliance framework. It is responsible for reviewing and reassessing the Committee's charter at least once a year, and for monitoring the progress of the various action plans drawn up by the management team. This is to ensure that the recommendations and requirements of the internal and external audit teams as

well as those of the Financial Services Regulatory Authority of Ontario (FSRA) are being met.

The Committee is also responsible for evaluating the Caisse's performance and proposing changes to the Board of Directors, as required.

The Audit Committee plays a crucial role in governance by reviewing the year-end financial statements, which have been previously audited by the external auditor.

### Year-End Result

The Committee met five times during the year, exceeding the minimum requirement of four meetings as set out in Ontario's *Credit Unions and Caisses Populaires Act*. The Committee held discussions with the internal auditors as well as the external auditor to ensure the Caisse's compliance.

*I hereby confirm that the Audit Committee has conducted its internal affairs in accordance with the law and regulations, that it has respected the planned work schedule and has completed the action plans according to expectations.*

### Thank You to All Operating Sectors

Our sincere thanks to the members of the Audit Committee and the Board of Directors, to the internal and external auditors, and to the Caisse staff. Your invaluable collaboration ensured that we have efficiently carried out our mandate throughout the year.

**Olivier Cabana, CPA**  
Chair of the Audit Committee

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## **Independent Auditor's Report on the Summary Financial Statements**

**To the Members of  
Caisse populaire Alliance limitée**

### **Opinion**

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2023, the summary statements of comprehensive income (loss), changes in members' equity and cash flows for the year then ended, and related notes, are derived from the audited financial statements of Caisse populaire Alliance limitée ("Caisse Alliance") the year ended December 31, 2023.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, in accordance with the criteria established in note 1.

### **Summary Financial Statements**

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards (IFRS). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

### **The Audited Financial Statements and Our Report Thereon**

We expressed an unmodified audit opinion on the audited financial statements in our report dated March 11, 2024.

### **Management's Responsibility for the Summary Financial Statements**

Management is responsible for the preparation of the summary financial statements in accordance with the criteria established in note 1.

### **Auditor's Responsibility**

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

North Bay, Ontario  
March 11, 2024

*Baker Tilly SNT LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS,  
LICENSED PUBLIC ACCOUNTANTS

ACCOUNTING • TAX • ADVISORY

*Baker Tilly SNT LLP is a member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. All members of Baker Tilly Canada Cooperative and Baker Tilly International Limited are separate and independent legal entities.*

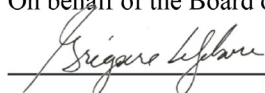
**Caisse populaire Alliance limitée**  
**Summary Statement of Financial Position**  
**(Audited)**

**December 31, 2023**

<b>(In Thousands of Canadian Dollars)</b>	Note	<b>2023</b>	<b>2022<sup>(i)</sup></b>
<b>Assets</b>			
Cash and investments		\$ 261,383	\$ 267,459
Loans to members	3	2,109,860	2,023,675
Property and equipment		17,012	17,047
Intangible assets		16,541	7,801
Deferred income tax assets		1,967	2,804
Other assets		18,231	21,467
<b>Total Assets</b>		<b>\$ 2,424,994</b>	<b>\$ 2,340,253</b>
<b>Liabilities</b>			
Members' deposits		\$ 1,997,458	\$ 1,936,180
Loans		246,460	235,596
Net defined benefit plan liability		719	711
Other liabilities		26,214	21,009
Membership shares		10,843	10,882
<b>Total Liabilities</b>		<b>2,281,694</b>	<b>2,204,378</b>
<b>Members' Equity</b>			
Retained earnings		154,622	143,327
Accumulated other comprehensive income (loss)		(11,322)	(7,452)
<b>Total Members' Equity</b>		<b>143,300</b>	<b>135,875</b>
<b>Total Liabilities and Members' Equity</b>		<b>\$ 2,424,994</b>	<b>\$ 2,340,253</b>

<sup>(i)</sup> Refer to note 2 « Change in accounting policy ».

On behalf of the Board of Directors

 \_\_\_\_\_, Director

 \_\_\_\_\_, Director

**Caisse populaire Alliance limitée**  
**Summary Statement of Comprehensive Income (Loss)**  
**(Audited)**

**For the Year Ended December 31, 2023**

<b>(In Thousands of Canadian Dollars)</b>	<b>2023</b>	<b>2022<sup>(i)</sup></b>
Interest and investment income	\$ 116,597	\$ 77,275
Interest expense	55,425	26,443
Net interest income	61,172	50,832
Credit loss expense	538	1,781
<b>Net Interest Income After Credit Loss Expense</b>	<b>60,634</b>	<b>49,051</b>
Other income	10,970	11,790
	<b>71,604</b>	<b>60,841</b>
<b>Other Expenses</b>		
Salaries and benefits	28,229	25,402
Depreciation of property and equipment	1,334	1,743
Amortization of intangible assets	432	24
Data processing	6,659	7,708
Building expenses	2,410	2,300
Administrative and general	15,103	11,423
	<b>54,167</b>	<b>48,600</b>
<b>Income Before Distributions to Members and Income Taxes</b>	<b>17,437</b>	<b>12,241</b>
Distributions to members	3,515	3,025
<b>Income Before Income Taxes</b>	<b>13,922</b>	<b>9,216</b>
Income taxes	2,627	2,086
<b>Net Income for the Year</b>	<b>11,295</b>	<b>7,130</b>
<b>Other Comprehensive Income (Loss) (Net of Income Taxes)</b>		
Remeasurement of the net defined benefit plan liability	(63)	(133)
Unrealized change in fair value on investments classified at fair value through other comprehensive income (loss)	(3,807)	(9,221)
Realized losses on investments classified at fair value through other comprehensive income (loss)	-	2,095
<b>Total Other Comprehensive Income (Loss), Net of Income Taxes</b>	<b>(3,870)</b>	<b>(7,259)</b>
<b>Total Comprehensive Income (Loss) for the Year</b>	<b>\$ 7,425</b>	<b>\$ (129)</b>

<sup>(i)</sup> Refer to note 2 « Change in accounting policy ».



**Caisse populaire Alliance limitée**  
**Summary Statement of Changes in Members' Equity**  
**(Audited)**

**For the Year Ended December 31, 2023**

<b>(In Thousands of Canadian Dollars)</b>	<b>Retained Earnings</b>	<b>Accumulated Other Comprehensive Income (Loss)</b>	<b>Total Members' Equity</b>
Balance at December 31, 2021 <sup>(i)</sup>	\$ 136,197	\$ (193)	\$ 136,004
Net income for 2022 <sup>(i)</sup>	7,130	-	7,130
Other comprehensive income (loss) for the year 2022 <sup>(i)</sup>	-	(7,259)	(7,259)
<b>Balance at December 31, 2022<sup>(i)</sup></b>	<b>143,327</b>	<b>(7,452)</b>	<b>135,875</b>
Net income for 2023	11,295	-	11,295
Other comprehensive income (loss) for the year 2023	-	(3,870)	(3,870)
<b>Balance at December 31, 2023</b>	<b>\$ 154,622</b>	<b>\$ (11,322)</b>	<b>\$ 143,300</b>

<sup>(i)</sup> Refer to note 2 « Change in accounting policy ».

# Caisse populaire Alliance limitée

## Summary Statement of Cash Flows (Audited)

For the Year Ended December 31, 2023

(In Thousands of Canadian Dollars)	2023	2022
<b>Cash Flows From (Used for) Operating Activities</b>		
Net income for the year	\$ 11,295	\$ 7,130
Non-cash adjustments:		
Credit loss expense	538	1,781
Depreciation of property and equipment	1,334	1,743
Loss on disposal of property and equipment	45	12
Amortization of intangible assets	432	24
Unrealized losses (gains) on investments	(7,556)	(573)
Depreciation of right-of-use assets	51	98
Deferred income taxes	1,698	250
Depreciation of premiums and discounts	2,712	320
Recovery of the net defined benefit plan liability	(69)	(268)
Change in operating assets and liabilities		
Accrued interest receivable	1,952	(2,756)
Accrued interest payable	7,195	4,103
Net change in loans to members	(86,723)	(228,910)
Net change in members' deposits	61,278	77,164
Other changes	(714)	(1,877)
	<b>(6,532)</b>	<b>(141,759)</b>
<b>Cash Flows From (Used For) Financing Activities</b>		
Repayment of lease obligations	(43)	(94)
Repayment of loans	(94,129)	(27,178)
Increase in loans	102,281	180,201
Net change in membership shares	(39)	(32)
	<b>8,070</b>	<b>152,897</b>
<b>Cash Flows From (Used For) Investing Activities</b>		
Net change in investments	(17,087)	12,872
Purchase of property and equipment	(1,344)	(3,963)
Purchase of intangible assets	(9,172)	(5,026)
	<b>(27,603)</b>	<b>3,883</b>
<b>Increase (Decrease) in Cash</b>	<b>(26,065)</b>	<b>15,021</b>
Cash, beginning of year	97,067	82,046
<b>Cash, End of Year</b>	<b>\$ 71,002</b>	<b>\$ 97,067</b>

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## Caisse populaire Alliance limitée

### Notes to the Summary Financial Statements

December 31, 2023

#### 1. Basis of Presentation

These summary financial statements have been prepared using the same accounting policies and calculation methods as those used in the audited financial statements of Caisse populaire Alliance limitée for the year ended December 31, 2023.

These summary financial statements do not contain all of the information and notes required by International Financial Reporting Standards (IFRS).

The audited financial statements of Caisse populaire Alliance limitée for the year ended December 31, 2023 are available at the caisse populaire.

All financial information presented in the supplemental notes are in thousands of dollars unless otherwise indicated.

#### 2. Change in Accounting Policy

During the year, Caisse Alliance reassessed its accounting policy regarding the classification of investments. Caisse Alliance reclassified its investments at fair value through other comprehensive income (loss). Previously its investments were presented as fair value through net income. Management believes this change is necessary as the objective of the business model is achieved both by collecting contractual cash flows and by selling financial assets. It is concluded that, by presenting investments at fair value through other comprehensive income (loss) it will provide readers more useful and relevant financial information on effect of the transactions. This change resulted in a restatement of the comparative figures, which decreased accumulated other comprehensive income (loss) and increased retained earnings by \$647 for the year ended December 31, 2021 and increased net income and decreased other comprehensive income (loss) by \$7,126 for the year ended December 31, 2022. The retained earnings to risk weighted asset ratio increased to 12.3% from 11.5% as at December 31, 2022.

#### 3. Loans to Members

##### Net Loans by Borrower Category

	2023	2022
Residential mortgages	\$ 1,361,739	\$ 1,255,452
Personal loans	116,543	176,291
Commercial loans	631,578	591,932
	<u>\$ 2,109,860</u>	<u>\$ 2,023,675</u>

**Caisse populaire Alliance limitée**  
**Notes to the Summary Financial Statements**  
**December 31, 2023**

**3. Loans to Members (continued)**

**Loans and provisions**

	2023			
	Residential Mortgages	Personal	Commercial	Total
<b>Total Gross Loans</b>	\$ 1,363,099	\$ 119,389	\$ 647,490	\$ 2,129,978
Allowance - Stage 1	986	855	248	2,089
Allowance - Stage 2	316	556	302	1,174
Allowance - Stage 3	58	1,435	15,362	16,855
<b>Total Net Loans</b>	<b>\$ 1,361,739</b>	<b>\$ 116,543</b>	<b>\$ 631,578</b>	<b>\$ 2,109,860</b>

	2022			
	Residential Mortgages	Personal	Commercial	Total
<b>Total Gross Loans</b>	\$ 1,256,850	\$ 178,484	\$ 608,296	\$ 2,043,630
Allowance - Stage 1	1,030	930	374	2,334
Allowance - Stage 2	343	450	568	1,361
Allowance - Stage 3	25	813	15,422	16,260
<b>Total Net Loans</b>	<b>\$ 1,255,452</b>	<b>\$ 176,291</b>	<b>\$ 591,932</b>	<b>\$ 2,023,675</b>

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**Caisse populaire Alliance limitée**  
**Notes to the Summary Financial Statements**  
**December 31, 2023**

**4. Capital Management**

Caisse Alliance must maintain the following capital and financial leverage ratios:

- minimum tier 1 capital ratio of 6.5%
- minimum retained earnings to risk weighted asset ratio of 3.0%
- minimum capital conservation buffer ratio of 2.5%
- minimum total capital ratio of 8.0%
- minimum total supervisory capital ratio of 10.5%
- minimum leverage ratio of 3.0%

Caisse Alliance presents ratios that are greater than the regulatory requirements. It therefore meets the minimum capitalization requirements as at December 31, 2023, as it did in the prior period. As at December 31, 2023, the ratios achieved by Caisse Alliance are:

	<b>2023</b>	<b>2022<sup>(i)</sup></b>
Tier 1 capital ratio	11.7 %	12.1 %
Retained earnings to risk weighted asset ratio	12.7	12.3
Capital conservation buffer ratio	4.0	4.5
Total capital ratio	12.0	12.5
Total supervisory capital ratio	12.0	12.5
Leverage ratio	6.0	6.3

<sup>(i)</sup> Refer to note 2 « Change in accounting policy ».

# 6 MAIN RISKS OF CAISSE ALLIANCE

Caisse Alliance has identified the major risks that could have an impact on its business activities, future financial results, and the attainment of its strategic objectives. Management discusses these risks on a regular basis, assessing their impact, the speed with which they may arise, the tolerance and the available mitigation measures.



## ► Economic Conditions

The economic environment remains highly uncertain. Despite the rise in interest rates in recent years, inflation remains high. Rising costs are putting pressure on personal and business finances. All the elements surrounding the economic context, inflation, unemployment, interest rates, housing, demographics, and debt levels can have an impact on the Caisse's growth and financial results. Management is attentive to the economic environment, and the Caisse adapts to changes in order to maintain its financial strength.

## ► Cybersecurity

The technological evolution and the onset of telecommuting as well as hybrid work (combining telecommuting and office work) have heightened the exposure to cybersecurity risk. This risk can affect Caisse members, employees, and third-party suppliers. As a result, it maintains strict policies and procedures, and remains proactive with its defense systems to mitigate this risk.

### ► **Third-Party Suppliers**

The Caisse relies on a number of external suppliers for tools and services, which may result in exposure to business disruption and cybersecurity threats. These key business areas and major third-party suppliers have been identified and, where appropriate, the Caisse monitors service levels of these suppliers as part of its service agreements in order to minimize the impact of disruptions on its operations.

### ► **Recruitment and Retention**

The work world has changed a great deal in recent years with new technologies, telecommuting or hybrid working and the arrival of a new generation (Gen Z). The Caisse remains proactive in maintaining a human, available and connected culture. It also promotes values of fairness, diversity, inclusiveness, and social responsibility in order to recruit and retain a qualified workforce.

### ► **Member Demographics**

A large portion of the Caisse's members are older adults, which can make it difficult to maintain, diversify and grow its business. It invests in new technologies and adheres to environmental and social values in order to continue to offer excellent service to its members and attract a younger population. Attracting younger members is one of its strategic priorities.

### ► **Operational Resilience and Resource Optimization**

With all the climatic and economic changes of recent years, the Caisse must ensure its readiness for any eventuality or unforeseen event that may arise and pose a threat to its operations, employees, assets, and reputation. With its 2023 IT system transformation, the Caisse must also optimize its resources. All this to ensure that it remains your preferred financial partner in Northern Ontario.



# SOCIAL REPORT

A strong, healthy future for  
Northern Ontario communities

**\$1,044,085**

in bursaries, donations, sponsorships  
and funds





## Caisse Alliance Bursary

**Two \$5,000 bursaries** were awarded to two students who have embodied an entrepreneurial spirit, passion and drive.

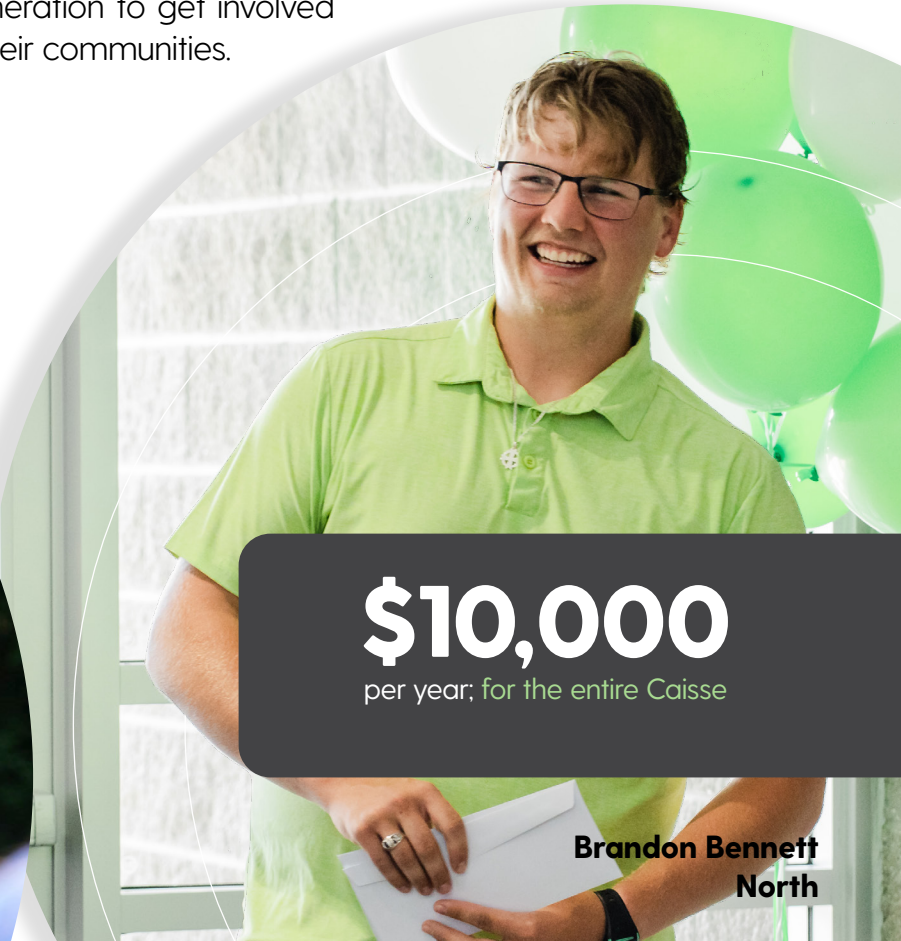
Chelsie Baizana, recipient from the Nipissing region, is a student at the Northern Ontario School of Medicine, and is working to pave

the way for a legacy of medical progress in our communities.

Through a career in teaching, Brandon Bennett, recipient from the Northern region, wishes to entice the next generation to get involved and serve their communities.



**Chelsie Baizana**  
Nipissing



**\$10,000**

per year; for the entire Caisse

**Brandon Bennett**  
North

## Caisse Alliance Bursary

The purpose of this initiative is to recognize a significant contribution and commitment with a positive social impact.



## Over 400 projects, countless benefits

The Caisse supports initiatives that promote health-related activities, sports and recreation, culture, French language, education, community initiatives, youth and cooperation. This budget is available for activities and projects that require less than \$10,000.

## Donations and Sponsorships

The Caisse has maintained its cooperative distinction **by contributing \$323,335** to its communities in the form of donations and sponsorships. The Caisse is proud to contribute to the socio-economic development of our regions by investing day after day in our Northern Ontario communities.

Your Caisse is a partner of choice in the completion of numerous local events and projects!



**Education: \$36,889**



**Health: \$7,941**



**Culture and French language promotion: \$51,181**



**Economic development: \$15,236**



**Community and cooperative initiatives: \$162,480**



**Sports and recreation: \$49,608**



North-Central



**\$300,000**

per year; \$50,000 per region

Central-Nipissing



## 23 projects, endless possibilities

Choosing Caisse Alliance is a choice with a major impact. It's to be a part of something big! It's making a difference in Northern Ontario.

Financial assistance is provided to groups, organizations and not-for-profit associations to assist in the completion of structuring projects with a positive long-term community impact.



## Fonds de la Caisse Alliance Fund

**A total amount of \$657,500** (\$557,500 + \$100,000 instalment to Centre culturel La Ronde) has been invested in community projects. Together, we strive to improve the environment in which we live, work and thrive.

### ► North Regions

- **Centre culturel La Ronde** – New construction
- **Kapuskasing Community Garden** – Community garden
- **Notre-Dame Hospital Foundation** – Software and expansion of physiotherapy unit
- **Friends of Rémi Lake** – Defibrillator
- **Hearst Public Library** – Computers
- **Cooperation Council of Ontario (Impact ON)** – Revolution North Project



Office renovation



New construction in Timmins

- **École secondaire catholique de Hearst** – Computer Numerical Control
- **Municipality of Mattice-Val Côté** – Water park
- **Kap Nordic Skiers** – Pisten Bully 100 equipment
- **Porcupine District Agricultural Society** – Community pavilion
- **Foyer des Pionniers Nursing Home** – Expansion
- **Royal Canadian Legion** – Community hall renovation
- **Nord-Aski Family Health Team** – Office renovation

### ► Nipissing Regions

- **École élémentaire catholique Saints-Anges** – Choir equipment
- **École secondaire catholique Algonquin** – Change room
- **Warren Golden Age Club** – Furniture
- **Notre-Dame-de-Lourdes Parish** – Roof
- **Cache Bay United 50 Seniors Club** – Cenotaph refurbishing
- **Farquhar Lighthouse Project** – Lighthouse
- **Bonfield Community Center** – Building renovation and roof repair

- **West Nipissing Minor Hockey Association** – Hockey jerseys
- **Municipality of French River** – Playground at Joe Chartrand Park



Project completed in 2023 : Roof for Field's outdoor rink



**\$600,000**

per year; \$100,000 per region

Playground at Joe Chartrand Park



## 2 achievements aligned with our mission

This initiative aims to support ecological projects and innovations. Each year, our communities receive financial assistance to establish or grow sustainable development projects.



**A total of \$50,000** was awarded to two projects, one of which will enable our citizens to share their harvest under the same roof and the other will ensure safety on navigable waterways.

The fund's management is entrusted to Caisse Alliance's sustainable

development committee as well as members of the regional cooperative committees. They assess the applications and decide which projects will be given priority, based on eligibility criteria, the fund's mission and the Caisse's values.



**\$50,000**  
per year for the entire Caisse

**Community pavilion  
North-East**



**Farquar Lighthouse Project  
East-Nipissing**



Fonds de la vérité et de la réconciliation de la

# Caisse Alliance

Truth and Reconciliation Fund

This year, **we invested a total of \$3,250** toward initiatives that honour our Indigenous peoples and their traditions. Projects with long-term community impact that improve the quality of life of our fellow citizens, promote economic growth and encourage cultural development are supported.

The fund's management is entrusted to Caisse Alliance's sustainable development committee as well as members of the regional cooperative committees.

## ► Nipissing Regions

- Dr. Mélanie-Rose
- Mattawa Public Library

## ► North Regions

- Ginoogaming First Nation Pow Wow
- Kapuskasing Indian Friends
- Quilts for Survivors

# \$6,000

per year; \$1,000 per region



## An initiative committed to upholding values

This fund enables the undertaking of projects that honour the missing Indigenous children and residential school survivors, their families and communities, or promote the history and culture of Indigenous peoples.



# Dividend

## Why a dividend?

Simply put, as a financial services cooperative, the Caisse is governed by principles specific to cooperative organizations and profit sharing with members is one example.

When dividends are paid, the amount the members receive depends on the volume of business they have with

their Caisse during the year. In other words, the more a member uses the Caisse's products and services, the more they earn!

\$26 million were redistributed to our members and our communities over the past six years.



## What is a dividend?

The community dividend contributes to local development as seen in the preceding pages, and the individual dividend is paid to members.

The individual dividend is funds that are distributed by the Caisse, under certain conditions, to its members at the end of a fiscal year.

**Where does this money come from?** Surpluses generated by the Caisse are "returned" in part to its owner-members.

**\$26M**  
in 6 years

# Communications



**3,691**  
newsletter  
subscribers



**2,586**  
Facebook  
followers



**668**  
LinkedIn  
followers



**300**  
Instagram  
followers



**61,955**  
views in 2023



**141,560**  
website  
users

**2,050,122**  
website  
page views







## Do you need assistance?

It is our duty to support our members.

- ▶ **1 833 622-1631** to report debit card fraud
- ▶ **1 855 341-4643** to report lost, stolen or fraudulent credit card transactions
- ▶ **1 888 404-2246** or **support@caisse.coop** for support during business hours
- ▶ **1 866 985-2529** for technical support with Allia and your debit card after business hours



## Have your say!

Member satisfaction is our commitment.

- ▶ **solutions@caisse.coop** to share your opinions, suggestions and comments with us



## Keeping you well informed to better serve you!

Whether you need information at a branch location or in the comfort of your own home, we are here to help.

- ▶ Follow us on **social media**    

- ▶ Visit our **website**  [caissealliance.com](https://caissealliance.com)

- ▶ Subscribe to our **newsletter** 

**At Caisse Alliance, we are  
HUMAN, AVAILABLE AND CONNECTED.**



Investing **here** matters.



**Choosing Caisse Alliance  
is making a difference here in Northern Ontario.**

Hearst | Longlac | Mattice | Kapuskasing | Fauquier | Moonbeam | Opasatika | Smooth Rock Falls | Val Rita  
Timmins | Iroquois Falls | Val Gagné | Verner | Alban | Argyle | Markstay | Noëlville | St. Charles | Warren  
Sturgeon Falls | Field | North Bay | Bonfield | Mattawa

