



Annual Report

2025

You belong here

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OUR PURPOSE

To be a catalyst for positive change in the community.

OUR “PROPELLER”

The propeller is a metaphor for continually moving forward. For us, it's about being there to help direct you as a member while you navigate your ever-changing course. It signifies our ability and commitment to be ready for you whenever you need us.

OUR CORE VALUES

Genuine

We will be a reliable and honest partner.

Empathetic

We will listen to understand and compassionately support your needs.

Earnest

We are determined to ensure every interaction is aligned with credit union values of equality, equity and helping one another.

Trustworthy

We will create an actively engaged culture built on a foundation of high trust.

Resourceful

We will offer useful and practical solutions for your most challenging situations.

MEMBER AFFILIATIONS

Alloya Corporate Federal Credit Union

America's Credit Unions

Credit Union Executive Society

TruStage Financial Group

East Bay Chamber of Commerce

East Greenwich Chamber of Commerce

Federal Home Loan Bank of Boston

*Greater Newport County Chamber
of Commerce*

New England Financial Marketing Association

Newport County Board of Realtors

North Kingstown Chamber of Commerce

Portsmouth Business Association

*Southern Rhode Island Chamber
of Commerce*

BRANCH LOCATIONS

50 Gooding Avenue, Bristol

858 West Main Road, Middletown

43 Memorial Boulevard, Newport

7490 Post Road, North Kingstown

2537 East Main Road, Portsmouth

150 Old Tower Hill Road, Wakefield

LEADERSHIP

BOARD OF DIRECTORS

Christopher S. Ottiano, MD
Edward T. Lopes, Jr.
Thomas W. Vignali, CPA
Toni Lyn McGowan
Alyson Adkins, CPA
Timothy J. DelGiudice
William L. Douglas, Jr.
Terri Fitch
Steven Kozlowski, Ph.D.
Frank Newsome
John Trifero

Chair
Vice Chair
Treasurer
Secretary

SUPERVISORY COMMITTEE

David J. Fox, Esq. *Chair/Secretary*
Michelle Freitas, CPA *Vice Chair*
J. Kevin Hyman

Board of Directors and Supervisory Committee as of December 2025

EXECUTIVE OFFICERS AND SENIOR LEADERSHIP *Management Team as of December 2025*

Sean Daly *Head of People's Credit Union*
Patricia Carlin *Head of Finance & Risk*
William DeWitt *Head of Member Delivery & Marketing*
Christopher Eden *Head of Information Security & Technology*
Timothy Jermain *Head of Lending*
Kerry Parent *Head of Human Resources & Talent*

HEADS OF

Cassandra Anderson *Middletown Branch*
John Banks *Mortgage Operations & Retail Lending*
Melissa Barros *Learning and Development*
Suzana Carey *Finance*
Jessica Holden *Marketing Communications*
Courtney Hunter *Community Development*
Christie Jencks *Commercial Lending*
Elizabeth Kay *Member Service Center Operations*
Erine Lewis *Risk*
Lori Marshall *Portsmouth Branch*
Kelly Matteson *Deposit Services*
Deborah Maxwell *Area Branches*
Jerrica McGaw *Loan Servicing*
Danielle Mello *Bristol Branch*
Terri Raymond *Retail*
Izilda Reis *Human Resources Operations*
Shana Silveira *Wakefield Branch*
Eric Soares *Information Technology Operations*
Heather Sweeney *Newport Branch*
Benjamin Tallman *Facilities & Security*
Andrew Thompson *Financial Recovery*
Amanda Villanova *North KIngstown Branch*
Mollie Frazer Williams *Small Business Collective*
Theresa Wosencroft *Business Market Development*

A MESSAGE FROM THE BOARD CHAIR AND THE HEAD OF PEOPLE'S



Dear Valued Member,

On behalf of the Board of Directors and the entire team at People's Credit Union, we are pleased to share this report on your credit union's performance in 2025. This past year tested institutions of all kinds, from persistent interest rate pressures to evolving member needs, and we are proud to say that People's Credit Union navigated those challenges from a position of principle, purpose, and financial discipline. The results speak to the strength of this institution and, most importantly, to the trust you place in us every day.

A Year of Steady Financial Strength

Despite a prolonged period of margin compression driven by a challenging interest rate environment, People's Credit Union delivered sound financial results in 2025. This outcome reflects disciplined expense management and the team's commitment to operating efficiently on your behalf. Loan growth in 2025 was achieved with care. We expanded our portfolio without compromising underwriting standards or taking on undue risk. Asset quality stayed strong throughout the year, and we finished 2025 with no signs of systemic credit weakness.

We enter 2026 with a durable deposit base, strong and improving margins, well-controlled interest rate risk, and liquidity levels well above policy thresholds.

A Culture Worth Protecting

None of what we accomplished in 2025 would have been possible without our people. We are proud to report that our 2025 Employee Engagement Survey achieved a 94.2% participation rate, with overall favorability at 81%, above the national credit union "Best Places to Work" benchmark of 79%.

Employees reported strong confidence in leadership, meaningful opportunities to grow, and a workplace where they feel accepted, heard, and supported. That culture is not an accident; it is tended to intentionally, every day.

Investing in Our Communities

People's Credit Union exists to make a positive difference, not just in your financial life, but in the broader communities we share. In 2025, our team showed up with remarkable dedication.

As a cooperative, our community impact belongs to all of us. Here is what your credit union contributed in 2025:

- 100% company-wide participation in volunteer efforts, with every single employee contributing.
- 812 community service activities and engagements.

Cont.



- 2,831 employee volunteer hours, representing a 62% year over year increase. Over 150 community organizations supported through service and giving.
- More than \$130,000 invested in local nonprofit programming.
- Over 700 gifts donated to children, 1,200+ hygiene items collected, and hundreds of pounds of food gathered for neighbors in need.
- In addition to our volunteer service hours, we held our annual *Day of Purpose* with a focus on raising awareness of homelessness and housing insecurity. Team members contributed more than 520 volunteer hours in a single day, preparing hot meals, assembling care bags, collecting clothing, and supporting families transitioning into permanent housing.

We continued to expand financial education programs, including workshops, and member & community forums on budgeting, credit health, and fraud prevention, reaching over 50 community groups and audiences directly. Our internships and youth clinics helped mentor the next generation of financially capable adults.

Building the Small Business Collective

2025 was a foundational year for the Small Business Collective (SBC), a Rhode Island-based nonprofit founded by People's to serve as a resource ecosystem for small businesses and entrepreneurs across the state.

The SBC is designed to connect small business owners to education, mentorship, workspace, and responsible financial access, not as a duplicative provider, but as connective tissue across Rhode Island's business support landscape. The SBC enters 2026 ready to move from vision to impact.

Looking Ahead to 2026

As we look toward the year ahead, we do so with confidence. Our balance sheet is strong. Our team is engaged. Our community roots run deep. And our strategic investments in member experience, technology, lending, and employee development will continue to yield results. We remain committed to doing all of this in a way that reflects our core values and the cooperative spirit on which People's was founded.

Thank you for your continued membership, your trust, and your loyalty. You are not just a customer, you are a member of this institution. Everything we do is done with that in mind.

With gratitude,

Christopher S. Ottiano, MD
Chair, Board of Directors

Sean Daly
Head of People's Credit Union

TREASURER'S REPORT

I am pleased to present the following report on the financial condition of People's Credit Union as of December 31, 2025, along with the accompanying balance sheets and statements of income.

The Credit Union ended 2025 with total assets of \$808 million, representing an increase of 8% from 2024. The investment portfolio totaled \$55 million, representing a decrease of 18%.

Loans outstanding to members totaled \$663 million, net of reserves of \$1.4 million. This represents an *increase* of 10%.

Member deposits totaled \$623 million, which represents an increase of 8%. Utilization of wholesale funding increased 10% to \$101 million.

For the fiscal year 2025, the Credit Union realized net income of \$1.7 million versus \$467 thousand in 2024. This represents an increase of \$1.2 million.

Members' equity increased 9% to \$73 million. The Credit Union's regulatory capital ratio remains "well-capitalized" at 10%.



Respectfully submitted,

A handwritten signature in black ink that reads "Thomas W. Vignali". The signature is written in a cursive, flowing style.

Thomas W. Vignali, CPA
Treasurer

BALANCE SHEETS audited

(in thousands)

	December 31,		
	2025	2024	% change
Assets			
Cash and cash equivalents	\$40,285	\$29,025	38.8%
Investments	56,322	67,429	-16.5%
Loans, net of allowance for credit losses	663,028	604,513	9.7%
Premises and equipment, net	18,619	17,796	4.6%
Other assets	<u>29,733</u>	<u>28,253</u>	<u>5.2%</u>
Total assets	<u>\$807,987</u>	<u>\$747,016</u>	8.2%
Liabilities			
Member Deposits	\$623,143	\$577,167	8.0%
Wholesale Funding	101,000	92,000	9.8%
Mortgagors' escrow accounts	2,648	2,055	28.9%
Other liabilities	<u>8,571</u>	<u>8,348</u>	<u>2.7%</u>
Total liabilities	<u>\$735,362</u>	<u>\$679,570</u>	8.2%
Members' equity			
Retained earnings	\$79,786	\$78,037	2.2%
Accumulated other comprehensive (loss) income	<u>(7,161)</u>	<u>(10,591)</u>	<u>-32.4%</u>
Total members' equity	<u>72,625</u>	<u>67,446</u>	7.7%
Total liabilities & members' equity	<u>\$807,987</u>	<u>\$747,016</u>	8.2%

The above consolidated financial statements have been derived from the Credit Union's audited financial statements as of December 31, 2025. The audit was performed by BerryDunn who issued an unmodified opinion on such financial statements. The financial statements, including all footnote disclosures, are available upon request.

STATEMENTS OF INCOME audited

(in thousands)

	December 31,		
	2025	2024	% change
Interest and dividend income			
Loans	\$31,042	\$26,191	18.5%
Investments	1,703	1,926	-11.6%
Other interest-earning assets	721	745	-3.2%
Total interest and dividend income	\$33,456	\$28,862	16.0%
Interest expense			
Interest on deposits	\$9,847	\$8,519	15.6%
Interest on Wholesale Funds	4,859	4,500	8.0%
Total interest expense	14,709	13,019	13.0%
Net interest income	\$18,760	\$15,843	18.4%
Provision for credit losses	(233)	(208)	12.0%
Net interest income after provision for loan loss	\$18,993	\$16,051	18.3%
Non-interest income			
Member service fees	\$4,464	\$4,543	-1.7%
Loan servicing fees and related income	384	403	-4.7%
Gain on sales of loans, net	(285)	6	n/a
Miscellaneous income	1,070	779	37.4%
Total non-interest income	\$5,633	\$5,731	-1.7%
Non-interest expenses			
Compensation and employee benefits	\$11,511	\$10,187	13.0%
Occupancy and equipment	4,714	4,839	-2.6%
Marketing and Advertising	1,595	855	86.5%
Loan Operations	305	451	-32.4%
Retail Operations	2,801	2,559	9.5%
Professional Services	630	825	-23.6%
Other expenses	1,321	1,599	-17.4%
Total non-interest expenses	\$22,877	\$21,315	7.3%
Net income	\$1,749	\$467	274.5%

The above consolidated financial statements have been derived from the Credit Union's audited financial statements as of December 31, 2025. The audit was performed by BerryDunn who issued an unmodified opinion on such financial statements. The financial statements, including all footnote disclosures, are available upon request.

SUPERVISORY COMMITTEE REPORT

People's Credit Union's Supervisory Committee is responsible for making sure that members' assets are protected by, *inter alia*, ensuring the Credit Union is engaged in safe and sound practices and that its financial statements are accurately presented.

During the year, the Committee engaged several audit firms to review PCU's internal controls and compliance with all applicable laws, regulations, and policies. Those firms include Wipfli LLP, IntelliCredit LLC, Healy & Healy, and GraVoc Associates, Inc. Additionally, the Committee engaged BerryDunn to conduct an external audit of the Credit Union's financial statements.

It is the opinion of the Committee, based in part on the results of the internal and external audits noted above that the members' assets are adequately protected, the Credit Union is engaged in safe and sound practices, and the financial statements are being accurately presented.

On behalf of the Committee, I would like to thank the Board of Directors, Management, and the Credit Union staff for their diligence and support throughout the year.

Respectfully submitted,



David J. Fox, Esq.
Chairman



Committee Members:
David J. Fox, Esq.
Michelle S. Freitas, CPA
J. Kevin Hyman

CREDIT COMMITTEE REPORT

The Credit Committee reviews current Credit Union loan policies to ensure the safety and soundness of the Credit Union and is responsible for ensuring prudent loan policies are followed. Keeping the credit union philosophy in mind, the following loans were issued by People’s Credit Union in 2025.

	Number of loans	Amount
Residential mortgages	94	\$49,956,674
Home equity loans	224	\$29,791,100
Automobile loans	2,309	\$66,083,785
Savings secured loans	39	\$220,770
Personal loans	47	\$366,073
Manufactured home loans	47	\$4,371,976
Business loans and lines	54	\$23,208,732
TOTAL	2,814	\$173,999,110

Respectfully submitted,
Credit Committee

Helping Our Members Succeed.

I have been with the credit union for over 50 years, and I am very pleased with everything.
— L. Vanicek

I have been using People's Credit Union for years, and I like the way the company operates. I am very satisfied with People's. — D. Bell

Our teller, Katie, went above and beyond to assist us. We felt great after talking with her. We felt we made the right decision in choosing People's for our banking needs.
— S. McCarthy

I go to the Middletown branch all the time, and everyone is outstanding. I recommend PCU to all friends and family and have multiple accounts there. The staff is friendly, educated, and easy to deal with. — S. Buckley

I have been a member for just about 30 years, and even with little changes, I have always been comfortable, safe, and happy with everyone and everything they have done for me! Thank You People's Credit Union! — A. Nihill

Kelly made me feel extremely welcome as a new member of the credit union. She was professional, thorough, and very knowledgeable. People's is one of the best experiences I have had in banking. — P. Botelho

Our Mortgage Advisor was very accessible to us during stressful times. He made a difficult process as simple as possible and was clear about what we needed to provide and when. — Z. Gaines

Great service and provided me with what I needed. My representative was pleasant, courteous, spoke clearly, and answered my questions promptly. Easy to work with!
— L. Tremblay





BRISTOL

50 Gooding Avenue
401.253.6500

MIDDLETOWN

858 West Main Road
401.846.8935

NEWPORT

43 Memorial Boulevard
401.846.1965

NORTH KINGSTOWN

7490 Post Road
401.885.9660

PORTSMOUTH

2537 East Main Road
401.683.3166

WAKEFIELD

150 Old Tower Road
401.789.5551

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