

ANNUAL REPORT 2025



CITELLE 
Mutuelle d'assurance

INSURANCE
built on values





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INSURANCE built on values

For over 170 years, Citelle has stood the test of time despite the disruptions it has experienced over the years, the evolution of insured risks, the organizational changes and the transformation of the religious community. Its strength? Mutual assistance and the willingness of its members to remain united within their mutual insurance company which allows them to take part in the election of board members and in making important decisions as member-owners.

Indeed, Citelle belongs to you. This is a major advantage that is not found in a private company where policyholders are not owners. This substantial difference creates the richness and the particularity of your mutual insurance company. It is up to you to make the most of it by taking part in Citelle's various activities, including the Annual General Meeting, to express your opinion and exercise your right to vote.

The strength of being together

When we talk about "mutual insurance", we often underestimate the importance of the "mutual" aspect. And yet, it's this aspect that makes all the difference. It's what allows you to benefit from the efforts of each member in terms of building maintenance and loss prevention. It's also thanks to mutualism and the pooling of resources that underlies it that you collectively equip yourselves with exceptional means to maintain and even improve the quality of your risk profiles for the future, while benefiting from protection designed with you in mind. Your collective efforts also enable Citelle to offer better-adapted insurance products, a range of services from the Centre d'entraide et de prévention and, last but not least, a reduction in your overall costs thanks to the sums paid to you at the time of attribution when performance is favourable. It is the strength of "us," based on mutual assistance and collaboration, that sets us apart and unites us.

So, in a rapidly changing environment such as the one which we are all currently experiencing, being part of a mutual insurance company like yours is almost a blessing. Through your commitment to your various responsibilities, and the positive impact you can have on each other, you contribute to improving the situation of each and every member. You are Citelle, and you can make all the difference.

Furthermore, because it evolved over the years in your environment, Citelle is aware of the present and future challenges you face and makes the effort to understand your needs. That's why it's so important to us to offer you a unique insurance solution (exclusive products, personalized prevention approach, reasonable rates, sharing of operational surpluses), a dedicated team, unparalleled customer service and additional services such as the Centre d'entraide et de prevention, which you won't find with other insurers.

Our **VALUES**

Mutual assistance

Transparency

Rigor

Fairness



Our **MISSION**

To meet the insurance needs of religious and charitable organizations.

Our **VISION**

To be the mutual insurance company of reference for religious and charitable organizations.





Highlights 2025

Our community in numbers

MINIMUM CAPITAL
TEST (MCT)

738%

501
FABRIQUES

2024
518



201
OTHER
INSTITUTIONS

2024
185



71
OTHER
ORGANIZATIONS

94
INSTITUTIONS
FROM OTHER
CONFESSIONS

36
ROMAN
CATHOLIC
RELIGIOUS
INSTITUTIONS

\$1.5 M

MONEY REINVESTED IN OUR MEMBERS' COMMUNITY

\$454 k
ATTRIBUTION

\$308 k
SUBSIDIES

\$692 k
MUTUAL ASSISTANCE
AND PREVENTION

1,470
INSURED SITES

\$4.2 \$
PROTECTED AND INSURED VALUES

A word from the CHAIRMAN

Looking to the future with discipline and continuity



Dear members,

At Citelle, the past year was marked by both continuity and transformation. At first glance, this statement may seem contradictory. I need to clarify my point to make it credible.

In 2025, Citelle continued to pursue the objectives outlined in its strategic plan, building on the initiatives undertaken in previous years: updating its mission and values, developing a new corporate identity, implementing modern management systems, and strengthening its communications and public presence.

Citelle has also laid the groundwork for strengthening its competitive and financial position, all with a view to ensuring its long-term viability and fulfilling the promise made to the members who have supported it throughout its more than 170-year history.

It is this vision for the future that has driven your Board of Directors over the past few years. The contribution of Citelle's management and the commitment of the entire team are helping us make great strides forward, despite persistent headwinds, including the evolution of class-action lawsuits, the aging of insured properties, and the budget constraints faced by many of our members.

Every action Citelle takes is guided by the traditional and modern values that form the foundation of your mutual insurance company.

Our mutual insurance company was created on the principles of solidarity and collaboration; **mutual assistance** remains its cornerstone to this day. The communication of our aspirations, the challenges we face, and the solutions we envision must be open and **transparent**. It is not our intention to embark on excessive projects that could weaken Citelle and would not help our members in the long term. Citelle must therefore demonstrate **rigour**, discipline, and a methodical approach. Ultimately, members and employees must be treated equitably and receive fair treatment.

The goals I mentioned earlier were intended to prepare us to diversify our membership base, a necessary step given the erosion of Citelle's traditional portfolio.

First and foremost, we believe it is important for your mutual insurance company to maintain its strong presence in our traditional market. Significant steps have already been taken in this direction, resulting in a substantial increase in our premium volume in 2025.

2025 also marked the development of an insurance offering for charitable organizations whose values align with those of our members. Citelle is already attracting new organizations that identify with its approach.



Citelle's performance

At the end of the 2025 fiscal year, Citelle remains in excellent financial health. The Minimum Capital Test (MCT) shows a very solid ratio of 738%. The year was not without its challenges, however. The surplus from insurance activities declined by approximately \$2.7 million. In 2025, we saw a significant increase in claims costs. The unfortunate fire at the Saint-Ours church last summer obviously contributed to this.

The rise in liability costs related to class-action lawsuits for misconduct must also be noted. It must be acknowledged that developments in these cases have not been favorable to us, both in terms of the number of victims and the compensation to be paid. These claims remain a source of concern and continue to significantly impact Citelle's profitability.

Despite relatively favorable market conditions, investment returns were not sufficient to fully offset the poor results in insurance.

The attribution paid to members is therefore reduced by more than 50%, in accordance with our policy, which aims to allow members to benefit from operating surpluses while preserving accumulated capital.

That said, I am confident that Citelle is better positioned than ever to provide exceptional service to its members. The quality of our staff, their commitment to serving members, our strengthened processes, and the dedication of your Board of Directors and management team are the best guarantees of this.

Ultimately, true to its mission, Citelle has remained committed to preserving religious heritage, notably by continuing to provide its members with financial support in the form of subsidies and support programs, as well as by increasing the resources allocated to these initiatives.

The work of the Committees

Speaking of the Board's commitment, I would like to highlight the outstanding work done by its three Committees.

In particular, the Ethics Committee ensures that Citelle is managed in accordance with the highest standards of integrity and transparency. It ensures that these standards are continuously updated, reviews the framework policy for Board members annually, and ensures that each one complies with it.

A new mandate has been added to the existing ones, so the committee is now called the Ethics and Governance Committee to better reflect its mandate.

The Audit Committee, for its part, continuously monitors our performance and sets profitability and solvency targets. It oversees Citelle's integrated risk management and is highly involved in the management of our investments.

Citelle's financial results are a main focus for this committee, which is committed to ensuring exemplary financial performance.

Last but not least, the Monitoring and Control of Commercial Practices Committee was very active in 2025, particularly by participating in all discussions regarding the diversification of our membership base and the best ways to distribute our insurance products.

The future looks bright for Citelle, but we don't take it for granted; there are bound to be headwinds along the way, and we're all committed to weathering them and making the most of the opportunities that arise.

In closing, on behalf of my colleagues on the Board of Directors, I would like to acknowledge the collaboration and dedication of the entire Citelle staff. Management and employees are working together to provide members with comprehensive, unparalleled service and results that will pave the way for a bright future.



LOUIS HÉROUX
*President of the Mutuelle
Board of Directors*

Message from the **GENERAL MANAGER**

Concrete progress that strengthens our resilience



Dear Members,

2025 was marked by landmark achievements and significant progress for Citelle Mutuelle d'assurance.

Throughout the year, our team rigorously continued to implement the strategic plan, finalizing several initiatives launched in 2024, guided by our mutual insurance company's renewed mission.

Following your support for the adoption of our new brand identity, which was approved in November 2024, we obtained the necessary approvals from regulatory authorities in 2025. This milestone allowed us to officially roll out the Citelle Mutuelle d'assurance brand and extend it across all our operations, including our insurance policies, our website, and our communications. I would like to sincerely thank you for your trust and support during this significant transformation.

In addition, the implementation in October 2024 of a new, modern operations management system—designed for mutuals of our size—began to yield results in 2025. This first year of operation allowed us to achieve significant efficiency gains, while continuing to optimize our processes. We have completed the francization of the system and rolled out several key modules, including those related to reinsurance, inspection planning, and business intelligence.

It is worth noting that this transformation had become essential, as our old platform—which had been in use for over 30 years—was now obsolete. This new solution provides Citelle with the agility it needs to evolve and meet future challenges.

I am particularly proud to note that this major project was completed on time and within budget. Furthermore, in 2025, our operating costs returned to more normal levels, reflecting our rigorous management of resources.

In terms of operations, the growth in membership contributed to an increase in insurance revenue, which reached \$11.4 million at the end of the fiscal year. Eighteen new members joined Citelle, allowing us not only to offset attrition from our existing membership base but also to continue diversifying our membership, a key factor in our long-term sustainability.



In addition, it is worth noting that in 2024 we launched a strategy aimed at optimizing our reinsurance structure. These adjustments have generated recurring savings that have reduced the premiums ceded to reinsurers by approximately 15% compared to 2023. In our ongoing effort to protect our members' assets, we have also strengthened our reinsurance coverage, particularly for high-value risks and catastrophic events. This decision results in an increase of approximately 10% in reinsurance costs in 2025.

However, 2025 was not without its challenges. The rise in claims, the fire at the Saint-Ours church, and the ongoing issues related to civil liability class-action lawsuits serve as a stark reminder of the risks to which we are exposed. These events highlight the importance of prevention, but also underscore the vital role that a mutual insurance company like Citelle plays for its members.

Despite these challenges, Citelle has generated a surplus, enabling it to maintain its financial stability and distribute attribution payments to eligible members.

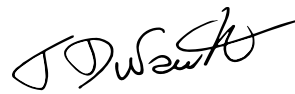
This ability to overcome adversity while remaining true to our commitments is at the heart of who we are.

The future we are building together is meaningful. By choosing Citelle, you become part of a community united by the values of mutual assistance, transparency, rigour and fairness. You help preserve and support the places, works, and initiatives that shape community life in Quebec.

This mission is what drives us every day. And we are committed to continuing our work to live up to your trust.

I would like to express my gratitude to the members of the Board of Directors, the management team, all of our employees, and our partners. Their dedication and professionalism are at the heart of everything we do.

Together, we continue to build a strong, people-centered, and forward-looking mutual insurance company that remains true to its commitment to providing insurance... built on values.



FRANÇOIS DUFAULT, CPA
General Manager



2025 Activity Review



Annual General Meeting – May 29

Citelle held its annual general meeting (AGM) at the premises of one of its members, Campus 3, located in Gatineau. We announced financial results that we are proud of, discussed current and future projects, and officially launched our new name and visual identity: Citelle Mutuelle d'assurance.

In 2025, two Board positions were up for election. Mr. Roland Larochelle, representing the “Other Institutions” members, was reappointed after being elected by acclamation. As for the Independent Director position that was up for election, the members elected Ms. Lam Jutras.



Official launch of the new identity

At the Extraordinary General Meeting held on November 28, 2024, members approved the mutual's new name and visual identity by voting 94% in favor of the proposed amendments to the by-laws. All that remained was to officially launch it. We therefore took the opportunity to do so at the Annual General Meeting on May 29, 2025.

The new name, image and slogan were presented in full, concluding with the unveiling of certain tools, including the new website.



Reminder of the new identity

A name that defines what sets us apart

Is a homophone of **"sittelle"** (nuthatch) a small, agile bird that adapts to all situations, not hesitating to move differently from others, from top to bottom. A social bird, the nuthatch lives in groups and cooperates with mixed flocks of birds. It represents mutual assistance, cooperation, and how the Mutuelle has a different and agile approach to insurance.

Evokes the ancient word for God, **"EL"**, reminding us of our roots.

Contains the word **"cité"** (city-state), a political community in ancient Greece whose members governed themselves.

Is a contraction for **"citadelle"** (citadel), a fortress that protected a city, a source of security.

Retains the words **"Mutuelle d'assurance"** in the company name so that the nature of our organization remains at the forefront.

A logo that represents us

CITELLE is intersected by a thread creating a horizon, a perspective, a citadel.

The thread, carried by the nuthatch, unites the letters, just as our members are united and share the same values.

At the heart of the name, **"EL"** is revealed through the interplay of the thread and colours.

The raspberry colour creates a visual link with the Mutuelle's former identity, while the shades of blue are similar to those of the nuthatch.

A slogan that says it all


INSURANCE built on values

Our slogan is closely linked to our mission, vision, and values of mutual assistance, transparency, rigour, and fairness. It reflects the essence of our collaborative and supportive approach, which combines insurance and prevention.

Citelle, now on social media

Since March 2025, Citelle has been active on Facebook and LinkedIn, thereby expanding its community. Every week, we publish practical advice, prevention tips, news, events, and inspiring projects. Our posts promote mutual assistance, solidarity, and our mutualist values.

In less than a year, Citelle has gained more than 70 followers on Facebook and more than 200 followers on LinkedIn.

 [citellmutuelle](https://www.facebook.com/citellmutuelle)
 [/company/citelle](https://www.linkedin.com/company/citelle)



Training sessions on fundraising campaigns

On December 2 and 3, 2025, in Laval and Montreal, Citelle, in collaboration with the Archdiocese of Montreal, offered its members a training session on fundraising campaigns.

In addition to discussing the fundraising campaign, an overview of the insurance contract and the member space was also provided.

More than 60 people participated in the activity.

Complete and solid management committee

In 2025, Citelle restructured its management committee so that each of the organization's strategic functions would be led by a key individual. The management team now has seven directors with diverse and complementary skills, contributing to the strength and stability of the management team.

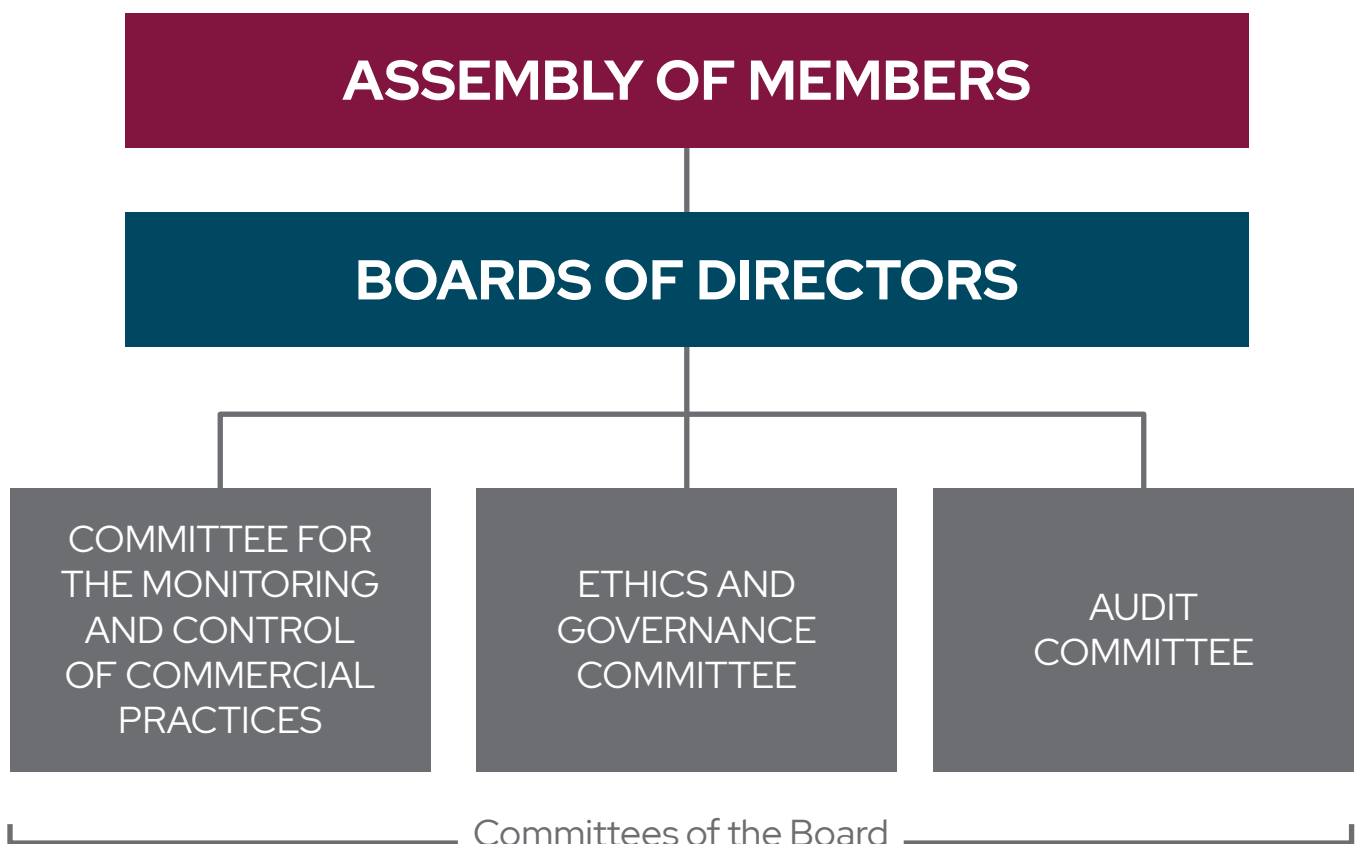
Final phase of our new operations management solution

In 2024, Citelle implemented a new integrated insurance operations management platform, giving it access to a set of features essential to its sustainability and to a modern insurance experience.

In 2025, Citelle successfully completed phase 2 of the project, which aimed to add several complementary functions, including business intelligence, pricing, annual attribution payments and a reinsurance module, as well as optimizing certain cumbersome processes inherited from the old technological environment.

GOVERNANCE

As a financial institution licensed by the Autorité des marchés financiers (AMF) to operate in Quebec, Citelle must ensure compliance with all applicable laws and with the guidelines issued by the AMF. To this end, Citelle has established a corporate governance program that includes a governance policy which draws inspiration from the best industry practices, while taking into account its unique mutualistic nature and size.



MEMBERS OF THE 2025 BOARD OF DIRECTORS AND OFFICERS

The Board of Directors is made up of seven members. Four of them are member representatives, while the other three are independent directors who must have no connection with Citelle or any of its members.



LOUIS HÉROUX, *Chairman*
Independent Director

ANDRÉ BOUCHARD, *Vice-President*
Northern Region

DENIS CAPISTRAN, *Director*
Southern Region

NIQUETTE DELAGE, *Director*
Central Region

LAM JUTRAS, *Director*
Independent Director

NORMAND LAFRENIÈRE, *Director*
Independent Director

ROLAND LAROCHELLE, *Director*
Other institutions

NON-BOARD OFFICERS

GENERAL MANAGER, François Dufault

CORPORATE SECRETARY, MANAGER, CLAIMS AND LEGAL AFFAIRS, Jean Aubuchon

MANAGER, FINANCE, IT AND HR, Chantal Lapointe

2025 COMMITTEE MEMBERS

MONITORING AND CONTROL OF COMMERCIAL PRACTICES COMMITTEE

ANDRÉ BOUCHARD
Chairperson

NIQUETTE DELAGE

LAM JUTRAS

NORMAND LAFRENIÈRE

ROLAND LAROCHELLE

LOUIS HÉROUX
Ex-officio member

AUDIT COMMITTEE

NORMAND LAFRENIÈRE
Chairperson

DENIS CAPISTRAN

LAM JUTRAS

LOUIS HÉROUX
Ex-officio member

ETHICS AND GOVERNANCE COMMITTEE

NIQUETTE DELAGE
Chairperson

ANDRÉ BOUCHARD

DENIS CAPISTRAN

ROLAND LAROCHELLE

LOUIS HÉROUX
Ex-officio member

BOARD OF Directors and Committee Mandates

MANDATE OF THE **CHAIRMAN**

The Chairman directs the work of the Board. He is the main link between the Board and senior management and ensures that the decisions of the Board are implemented. He acts as the Citelle's representative in all matters that fall under the jurisdiction of the Board of Directors.

BOARD OF **DIRECTORS**

The Board of Directors governs Citelle. Its role is to oversee and guide Citelle's activities in order to ensure its health and sustainability. It is responsible for assuming the duties and responsibilities provided for by the legislation and guidelines issued by the Autorité des marchés financiers (AMF) and exercises all the powers necessary for this purpose. In particular, it may create management positions, committees and any other body necessary for Citelle's operations and the achievement of its mission.

The Board of Directors may allocate sums to special projects, decide on an attribution, make distinctions between categories of members and take any other decision of the same nature.

THREE COMMITTEES REPORT TO THE BOARD OF DIRECTORS

MONITORING AND CONTROL OF COMMERCIAL PRACTICES COMMITTEE

The Monitoring and Control of Commercial Practices Committee is responsible for monitoring Citelle's business practices as well as compliance with the commitments it makes to policyholders.

It reports annually to the Board of Directors on the implementation of commercial and management practices. In addition, the Committee must, as soon as it becomes aware of a situation that is likely to lead to a significant deterioration in Citelle's financial situation, of another situation that is contrary to sound and prudent management practices or of a situation that is contrary to sound business practices, notify the Board of Directors and the Chief Executive Officer in writing.

AUDIT COMMITTEE

The duties of the Audit Committee are determined by the Insurance Act, AMF guidelines, Citelle's by-laws and the policies adopted by the Board of Directors. Its mandate is to monitor the quality and integrity of financial information and to act as an objective and independent liaison between the auditor, management and the Board of Directors.

The Committee must present the financial statements to the Board of Directors and recommend their final approval. In doing so, it must take into consideration any resolutions of the Board pertaining to these statements and act accordingly. The Committee must correct any errors or inaccuracies in the financial statements and, when the financial statements have been circulated to the members, shall inform the meeting of the members.

ETHICS AND GOVERNANCE COMMITTEE

The Ethics and Governance Committee adopt the rules of ethics binding the Board of Directors, the Officers and employees.

These rules must include the following subjects:

- 1 the conduct of its Board of Directors, officers, and employees;
- 2 Citelle's conduct with interested natural persons and groups;
- 3 the formalities and conditions of contracts with such persons and groups.

The Committee must ensure the application of the rules of ethics and professional conduct and notify the Board of Directors in writing, without delay, of any breach thereof.

The Committee shall submit an annual report on its activities during the fiscal year to the AMF within two months of the end of Citelle's fiscal year.



INSURANCE built on values


➔ MUTUAL ASSISTANCE

➔ TRANSPARENCY

➔ RIGOR

➔ FAIRNESS

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citelle.ca

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**CITELLE**
Mutuelle d'assurance