

Accountability Statements.

2023 Annual Report

Vancity



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Introduction.

The Accountability Statements supplement our 2023 Annual Report. They contain our management approach to material topics, data tables, explanations, and notes. We selected the data and information based on its relevance to our business strategy, interest to stakeholders and effectiveness at demonstrating our impact. We used standard disclosures from the Global Reporting Initiative's Sustainability Reporting Standards (GRI 1: Foundation 2021) where applicable, including Financial Services Sector Supplement disclosures, as well as reporting applicable disclosures from the Sustainability Accounting Standards Board (SASB), the Public Accountability Statements (PAS) disclosures called for in Canada's Bank Act, and Accountability and Disclosure requirements per the Governance Guideline for BC Credit Unions.

We collect and manage accountability data using a web-based data management system (UL360), which includes data quality controls. We choose to have key performance data and information externally verified.

Throughout these statements, we refer to additional data and information contained in the following documents. These are all available on vancity.com/AnnualReport:

1. [Annual Report](#)
2. [Climate Report](#)
3. [Principles for Responsible Banking \(PRB\) Self-Assessment](#)
4. [Consolidated Financial Statements](#)
5. [Glossary](#)

We have listed definitions of key terms at the beginning of each section. Where a term is specific to a data table, we have included the definition as a footnote to the table.

◆ = 2023 data has been assured by KPMG LLP

BM = external benchmark data

n/a = data not available

(xxx-x) = [GRI Standards](#)

(FN-XX-xxxx.x) = [SASB Standards](#)

(FSx) = [GRI Financial Services Sector disclosures](#)

(PAS) = [Public Accountability Statement reporting requirements](#)



Service experience (3-3)

We are driven to serve our members: providing products, service, and advice; and addressing the needs of communities.

Member engagement

Member satisfaction (2-29)

We survey our individual members to measure their satisfaction with our products and services. Through a member experience tracking survey, we learn about the in-branch experiences of members who borrowed, invested, or opened new accounts in branch. This information is used to understand and improve our performance. Through annual, post-transactional in-branch and ad hoc surveys, we ask members for opinions on a range of other issues. We review results by diversity (e.g., gender, age, ability, ancestry, income) to help ensure we are meeting the needs of all our members and communities.

Member satisfaction		2023 ¹	2022	2021	2020	2019
Member satisfaction with overall service delivery (average)	%	81 ♦	81	81	83	84

The score represents the average score of members who responded to the question: thinking about everything that you have experienced with Vancity in the past 6 months, how would you rate Vancity overall using a 10-point scale where “1” means “poor” and “10” means “superior”. 1.6 per cent answered, “don’t know”. Margin of error +/- 3 per cent. In 2023, we switched from calculating the score from the percentage of members who responded 9 or 10 out of 10. Historical comparatives reflect the new approach using average score.

Data source: [Member relationship health survey](#).

Member feedback mechanisms (2-29)

We are committed to providing meaningful opportunities for members to provide feedback on their experience with Vancity, and to have input in setting the direction of the credit union. Members can provide feedback through our branches, call centre, website, social media, as well as by mail and e-mail. Members can also attend and participate in our Annual General Meeting and run for or vote for our Board of Directors, subject to eligibility. In addition, we use surveys, online member panels, interviews, and focus groups with members (and sometimes non-members) on various topics to inform our strategies, products, and services.

As a credit union and a co-operative, our Board of Directors is accountable to our membership. Our members have the option to communicate their concerns to the Board. Members may also choose to communicate their concerns via an external party, such as our regulator the BC Financial Services Authority (BCFSA), Central 1, The Ombudsman for Banking Services and Investments (OBSI) or the Better Business Bureau.

Member concerns and complaints (2-16, 2-26)

We take complaints very seriously and view them as a way to identify and rectify problems. Our goal is to deal with member concerns in a timely manner, preferably by the employee who receives the complaint. We have a system which enables front-line employees to directly log complaints. Although not all complaints require formal logging and reporting, themes are discussed at various management meetings. We have an external process for [compliments and complaints](#), which are formally tracked and received by the Board of Directors, the Office of the CEO, the Chief Complaints Officer and/or the Chief Member Services Officer. These compliments and complaints are reported to Vancity’s Board of Directors on a quarterly basis. Our systems allow us to track, monitor, and

report member responses to significant issues as they arise, for example, branch closures or a significant change to a product or service. Member complaints and concerns are handled by the Chief Complaints Officer. In 2023, no special resolutions or critical concerns were brought forward at the AGM or to the Board.

Although Vancity is not obligated to report complaints to any regulator at this time, we abide by the [CCUA Member Code of Conduct](#), which provides a reasonable approach to settling complaints. We do, however, report complaints for Vancity Community Investment Bank (VCIB) to the Financial Consumer Agency of Canada (FCAC). For details, see VCIB's [annual public complaints](#) statement.

Membership

A Vancity Credit Union Member is a living person or business entity that holds at least five dollars in class B membership shares or holds less than five dollars in membership shares and is the owner of at least one additional open financial account. A business member is an organizational member, including not-for-profit organizations, social enterprises, and co-operatives.

Member numbers and breakdown by type

Member numbers and breakdown by type		2023	2022	2021	2020	2019
Total number of members	#	569,692	562,259	560,261	550,599	543,621
Individual members	%	92	92	92	93	93
Business members	%	8	8	8	7	7

Membership growth

Membership growth		2023	2022	2021	2020	2019
Net membership growth	#	7,433	1,998	9,662	6,978	9,685
Net membership growth	%	1.32 ♦	0.36 ¹	1.75	1.28	1.81

¹ In 2022, Vancity's membership grew by 1,998, or 0.36 per cent. This result was negatively impacted by the reintroduction of a process to close dormant memberships, which had been put on pause since 2017 as a result of technical challenges. This process resulted in the one-time closure of 5,824 memberships during the year. Excluding this one-time adjustment, Vancity's membership grew by 7,822 members, or 1.40 per cent in 2022.

Primary membership

Primary members are those who use Vancity as their primary financial institution. This is defined based on their account behaviour.

Member primacy		2023	2022	2021	2020	2019
Primary member growth	%	1.51	3.58	2.55	n/a	n/a



Helping protect members (3-3)

Privacy

Data security (FN-CB-230a.2, FN-CF-230a.3)

Vancity is committed to keeping personal and financial information safe and protecting data security. This means safeguarding members' personal and financial information, and working with members to prevent fraud, theft, and other scams that could lead to losses for both members and Vancity. There are many safeguards in place such as secure firewalls, web encryption, and enhanced monitoring that allow us to identify fraudulent transactions. For more on our approach see [Protecting members' information](#) and the Annual Report, 'Helping protect members,' page 15.

Privacy breaches and losses of member or client data (418-1, FN-CB-230a.1, FN-CF-230a.1)

Privacy issues are handled by our Corporate Privacy Office, which is overseen by our Chief Privacy Officer. In 2023, the Privacy Office recorded a total of 74 substantiated privacy breaches. Substantiated breaches were largely the result of human error on the part of employees such as sending email attachments to incorrect recipients or including the incorrect documentation (e.g., member account statements) within mailouts.

Privacy breaches		2023	2022	2021	2020	2019
Substantiated privacy breaches identified and reported externally by members or other outside parties	#	41	60	68	108	96
Substantiated complaints received from regulatory bodies	#	0	0	0	0	0
Internally identified and reported substantiated privacy breaches (leaks, thefts, or losses of customer data)	#	33	20	21	13	6
Total substantiated reports and privacy breaches	#	74	80	89	121	102

Employees who complete privacy training (205-2)

The yearly privacy training is a requirement for all employees and serves as a reminder of key privacy concepts and policies. Since 2020, if an employee did not complete their compliance training within a specific timeframe, the employee's systems access was restricted.

		2023	2022	2021	2020	2019
Employees who completed training	%	99	99	100	98	91 ¹

¹ Data prior to 2020 is not comparable due to a change in methodology.

Compliance

Vancity is regulated by the BC Financial Services Authority (BCFSA), an agency of the BC government. VCIB is regulated by the federal Office of the Superintendent of Financial Institutions (OSFI). Citizens Trust is regulated both provincially by BCFSA and federally by OSFI.

We have procedures in place to be aware of various changes to and validate compliance with applicable laws, regulations, legislation, and codes of conduct. As part of the normal course of business, Vancity occasionally faces legal proceedings. Updates on significant litigation are reported to the Board's Audit Committee quarterly. Provisions are recorded in the Financial Statements where appropriate.

Vancity also has policies on [money laundering and terrorist financing](#).



Anti-corruption (FN-CB-510a.1, FN-AC-510a.1)

In 2023, there were no incidents of non-compliance with laws and/or regulations where fines or sanctions were incurred concerning insider trading, anti-trust, anti-competitive behavior, market manipulation, or malpractice.

Fraud incidents (205-3, FN-CB-510a.1, FN-AC-510a.1)

Representatives from our Fraud and Security department periodically meet with groups of managers to raise awareness of employee dishonesty and provide guidance in managing incidents. Our Employee Dishonesty policy requires that all incidents of employee dishonesty are reported for investigation. If substantiated, the employee could be dismissed. All incidents of employee dishonesty and/or breach of conduct are reported to the Equity and People division. Any actions taken (substantiated claims) as a result of internal investigations are determined by Equity and People. There were 18 internal fraud incidents investigated by the Fraud and Security team in 2023, none of which led to any substantiated claims.

Fraud incidents		2023	2022	2021	2020	2019
Substantiated incidents	#	0	0	1	4	3

Legal actions and fines (2-27, FN-CB-510a.1, FN-AC-510a.1)

For other related financial industry laws or regulations infractions, one fine of \$86,300 was incurred under the BC Business Practices and Consumer Protection Act where Vancity was found deficient in providing to borrowers discharges of mortgage loans within the time parameters.

Whistleblower policies (2-26, FN-CB-510a.2, FN-AC-510a.2)

Under the whistleblower policy, an employee that reports misconduct in good faith is protected by Vancity against any discrimination or punishment by another individual. Such vengeful actions are themselves serious misconduct and may result in discipline, up to and including dismissal. Employees are aware of this, and it is incorporated within our annual Code of Conduct training and employee sign off.

Where an employee becomes aware of a potential breach or has committed a breach of this Policy, they have a responsibility to report it immediately to a manager, or where appropriate, use the Anonymous Reporting tool that Vancity has selected ClearView Strategic Partners Inc. The Clearview tool provides a secure third-party reporting system that allows employees to anonymously report on unethical conduct and conflict of interest scenarios.

For information on how members can raise concerns, see Member concerns and complaints on page 4.

Employees who reviewed and signed Vancity’s Code of Conduct (2-24, 2-26, 205-2)

It is the responsibility of each employee to act in accordance with the respective Code of Conduct standards in addition to any other professional code of ethics and standards of practice to which an employee is bound. The Code sets out the reporting responsibilities of employees, should they observe anything that appears to violate its terms. All employees must review and complete an e-learning module, and consent to the Code of Conduct annually. These activities are routinely monitored through an established process.

		2023	2022	2021	2020	2019
Employees who signed the Code of Conduct	%	100	100 ¹	100	97	96

¹ A very small number of employees did not complete and sign the Code of Conduct leading to 99.9 per cent of non-management employees and 99.9 per cent of management employees signing, which was rounded up to 100 per cent.

Responsible marketing and selling (417-1, 417-2, 417-3, FS14)

Vancity is responsible for preserving our members’ collective assets. Our goal is to provide members advice that is in their best long-term interests, including managing debt and using credit responsibly. In doing so, we adhere to the Vancity Market Conduct Code, which recognizes the best practice principles we pledge to follow for soliciting, promoting, advertising, marketing, selling, or distributing our products or services. The Code also demonstrates our commitment to the fair treatment of all those who use our services. We believe in fair sales practices, comprehensive access to banking services, transparency and openness, and a reasonable approach to settling complaints. Individuals are entitled to the best possible care of their financial interests. We respect all our regulatory obligations, and continually attempt to practice excellence in consumer protection.

Credit decisions

We do not want to provide credit or advice to members that puts them in a position of taking on debt they cannot afford if interest rates rise, but we also want to understand how credit can make a difference and we want to be inclusive of our membership. We may say ‘no’ to a credit application because the level of credit risk is too high, but we are more likely to say, ‘not right now’ and provide alternative solutions to help applicants achieve their goals. We also look at creative ways to view members differently who might traditionally not have had access to credit.

For the retail loan portfolio (residential mortgages and personal loans), Vancity’s underwriting methodologies and risk modeling are member-based rather than product-based. We review the member’s capacity to repay the loan rather than relying exclusively on collateral. Decisions on consumer loans are based on an overall assessment of credit risk that considers factors such as debt levels relative to income.

Our policies encourage member-serving employees to work directly with members. Our residential mortgage process includes an advisory session as the first step in the application process to determine if debt is the best option for the member. We offer a variety of tools to help members understand the true costs and

obligations of borrowing and build their wealth and wellbeing in ways that reflect their values. And when members have a hard time servicing their debt, we provide them options to choose the best alternative that meets their needs.

Vancity's mortgage specialists offer personalized advice that considers choosing the best mortgage for the member. They help members understand how [mortgages](#) work and what choices they'll need to make considering the three key components of term (the length of time covered by the mortgage agreement), rates (fixed or variable), and amortization (the length of time it takes to pay the mortgage in full). We also support members to plan ahead, including those looking to buy their first home or seeking advice in [financial planning](#) for major life events such as education and retirement.

Rates and fees

We're committed to delivering products and services to all members at a fair and reasonable price based on market and competitive conditions. We continually monitor and adjust interest rates to ensure our competitiveness. In accordance with relevant legislation, we disclose interest rates and fees associated with our products and services. Vancity regularly provides service charge bulletins with a summary of any changes to service fees for [business](#) and [personal](#) banking.

Incidents of non-compliance concerning service information and marketing communications

Vancity did not identify any incidents of non-compliance with laws and/or regulations concerning product and service information, labelling, or market communications in 2023.



Financial health and inclusion (3-3)

Vancity aims to help enhance social justice and economic inclusion for our members and communities, which includes Reconciliation with Indigenous peoples. In the face of the climate emergency and the recognition that climate impacts will be disproportionately felt by those with less financial means to adapt in moments of crisis, our work in financial inclusion and resilience has never been more important. This means people can access financial services, build their savings, and grow their assets leading to increased confidence.



SDG target 8.10 – Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.



SDG target 10.2 – Empower and promote the social and economic inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

For more on financial health and inclusion see [Annual Report](#), ‘Financial health and inclusion,’ page 16 and the [PRB Self-Assessment](#).

Vancity’s financial health and inclusion approach mirrors the priorities outlined in [Canada’s National Financial Literacy Strategy 2021-2026](#), with a focus on meeting members’ needs for timely advice, accessible products and services, and financial empowerment. As part of our commitment to United Nations’ Principles for Responsible Banking, Vancity developed a target for members’ financial confidence. This target is based on a retail member survey question: “Overall, how confident are you, that you can successfully manage your financial situation over the next 12 months? (1 = Not at all confident and 10 = Extremely confident)” and uses the average weighted score across respondents. Financial health and inclusion results in the table are from a Vancity retail member survey conducted in August 2023.

Financial health and inclusion indicators		2023
Average member financial confidence score out of ten	/10	7.4
Members with term deposits or GICS at Vancity and/or other providers	%	61.8
Members with managed or self-directed investment products at Vancity and/or other providers	%	61.4
Percentage of members who could not cover an unexpected expense of \$5,000	%	9.3

Initiatives to improve access (FS13, FS14, PAS)

We offer products and services to help people who are unable to easily access basic banking services, obtain credit within their means, build savings, or buy a home. We continue to look for innovative ways to recognize unique circumstances and develop programs that support access to banking and credit that have a positive community impact. We place an emphasis on supporting access to affordable housing and home ownership, and economic self-reliance. We are committed to working with First Nations governments and Indigenous not-for-profit organizations in their efforts to improve the standard of living of their members.

Through Pigeon Park Savings, with PHS Community Services we serve more than 7,000 individuals living on low incomes in Vancouver's Downtown Eastside – one of Canada's poorest neighbourhoods. We have a branch in the rural community of Cormorant Island near Port McNeil with the 'Namgis First Nation and the Village of Alert Bay. We are the only financial institution with a physical presence in that community. Since 2016, we've had an on-site banking kiosk at the ISSofBC Welcome Centre in Vancouver. This is a one-stop support centre offering essential newcomer services including opening bank accounts on arrival for Newcomers and refugees coming to Canada.

Vancity's microloan program supports new entrepreneurs by filling the gap between traditional bank lending and the availability of venture capital. The microloans are based on the character of the owner, the owner's vision for the future, and the strength of the business plan.

Vancity is part of the Black Entrepreneurship Program (BEP), which is a partnership between the Government of Canada, Black-led business organizations, and financial institutions. A key BEP initiative is the Black Entrepreneurship Loan Fund, which provides Black-led and Black-owned businesses with access to business financing, tailored advice, mentorship, education, and networking opportunities. In addition, Vancity funds Black-led not-for-profits such as the Vancity member organization the [Black Business Association of BC](#) to provide support, mentorship, financial planning, and business training for Black entrepreneurs.

For more initiatives to improve access see [Investing in communities](#)

Products and services designed to provide access to basic financial services and credit to individuals (FS7)

Access to basic banking:

- *Community Living Accounts:* We work with Community Living organizations to offer this account improves the accessibility of Vancity's services for people living with developmental and other disabilities.
- *Pigeon Park savings accounts:* Personal bank account for low-income and disadvantaged individuals living in Vancouver's Downtown Eastside—one of Canada's poorest neighbourhoods, where people lack easy and affordable access to basic banking services. The package is for a flat fee of five dollars per month, including cheque-cashing, unlimited withdrawals, bill payments, money orders, and ATM card access. For non-members, a cheque-cashing service is available with no charge for government cheques or a flat fee of five dollars for any non-government cheques.
- *Resettlement Assistance Program (RAP) Accounts:* A special account developed to enable government-assisted refugees, low-income individuals, and new immigrants with challenges accessing financial services the opportunity to open accounts in which to deposit initial grants and subsequent assistance payments from the Federal Government when they arrive in Canada.
- *Cormorant Island branch:* The only financial institution branch that delivers financial services to the remote community of Alert Bay.

Access to credit:

- *Accessibility program Visa accounts:* Credit is offered to low-income and disadvantaged members who take part in a Visa literacy discussion and agree to certain conditions.
- *Secured Visa deposit accounts:* One-year term deposit account that provides individuals who are ineligible for a standard credit card with up to \$500 of credit.
- *Vancity Fair & Fast loan™:* Small credit loans designed to allow individual members with challenges accessing financial services to fast, simple, and convenient access to financing at an affordable cost. We developed this as an alternative service to payday lenders.
- *Micro-loans:* Small business loans to launch a new business or get back to work in a chosen field. Includes products such as: peer loans, Be My Own Boss, Back to Work, With These Hands, By Design, Small growers, and Next step loans. Aimed at micro-entrepreneurs, new immigrants, or working poor

who face barriers to traditional banking. Back to Work helps foreign-trained professionals get back into a facsimile of their previous occupation; With These Hands helps skilled trades people.

- *Unity Women Entrepreneur Loan*: To give women, and anyone who identifies as women or non-binary, more access to the funds they need, more networking opportunities with like-minded people, and more advice from experienced mentors.
- *Black Entrepreneurship Loan Fund*: Seeks to address the specific systemic barriers Black business owners have too often faced when seeking financing.
- *Resettlement Assistance Program (RAP) Visa account*: A Visa offered to individuals with an RAP deposit product to help them establish credit history in Canada.
- *Community Partner Refugee Loan program*: For Convention Refugees and Protected Persons (refugees) per sections 96 and 97 of the Immigration and Refugee Protection Act (IRPA), the program provides loans to refugees to help pay the fees associated with applying for permanent residence (PR) status in Canada.
- [Foreign Credential Recognition Loan Program](#): Helps newcomers and those who wish to update their professional or trades qualifications to meet Canadian standards.

Access to savings:

- *Registered Disability Savings Plans*: With Ability Tax and Trust Advisors
- *Registered Educational Savings Plans*: With Smart Saver and the Omega Foundation.
- *Pigeon Park savings cashable term deposits*: A 12-month cashable term deposit with a significantly reduced initial minimum deposit of \$100 that ensures affordability and a preferred interest rate after 30 days for low-income and disadvantaged individuals living in Vancouver's Downtown Eastside.

Access to affordable housing:

- *On-reserve housing loans*: Mortgage-like loans that provide financing to Indigenous community members who would like to purchase or renovate a home located on First Nations lands.
- *Mixer Mortgage™*: Enables a "mix of friends" to get together to purchase a home. They may be singles or people in partner relationships who want to own their own home, and wanting or needing to do so with friends, partners, acquaintances, or family. All parties are jointly and severally responsible for the mortgage.
- *Laneway Housing bundle*: This bundle is only available to properties that will be creating new livable laneway spaces to help members who are creating urban density in their communities by developing either existing garages or building new laneway home structures in the City of Vancouver. It has two components: \$750 towards closing costs and free appraisal and cash back (one per cent) if a member is transferring their mortgage from another financial institution to Vancity.
- *Co-op Home Loan*: Established in 2010 for members of equity co-operatives. It enables them to purchase shares in the co-operative that owns the land and building in which the member's apartment is located.

New financed business and commercial loans and lines of credit (PAS)

Value (\$ million) and number (#) of loans financed by size			2023		2022		2021		2020		2019	
	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#
\$0 - \$24,999	\$	#	\$1M	103	\$2M	146	\$2M	183	\$2M	236	\$4M	352
\$25,000 - \$99,999	\$	#	\$20M	364	\$9M	184	\$10M	208	\$9M	210	\$18M	368
\$100,000 - \$249,999	\$	#	\$49M	373	\$27M	189	\$23M	159	\$24M	164	\$31M	215
\$250,000 - \$499,999	\$	#	\$32M	96	\$36M	96	\$71M	198	\$48M	134	\$56M	158
\$500,000 - \$999,999	\$	#	\$94M	133	\$143M	197	\$205M	289	\$138M	197	\$113M	160
\$1,000,000 - \$4,999,999	\$	#	\$493M	234	\$685M	358	\$949M	485	\$483M	236	\$480M	223
\$5,000,000 and greater	\$	#	\$705M	58	\$616M	55	\$1,243M	105	\$804M	74	\$679M	60
Total value and number of loans financed	\$	#	\$1,394M	1,361	\$1,518M	1,225	\$2,503M	1,627	\$1,510M	1,251	\$1,381M	1,536
Average financed loan by size	\$		\$1.0M		\$1.2M		\$1.5M		\$1.2M		\$0.9M	

Affordable housing

Climate ready, affordable housing as an integral part of our financial health and inclusion work. We know from members that access to affordable housing is among their most pressing concerns. Lack of access to affordable housing is severely affecting people's financial resilience and quality of life. Furthermore, increasing interest rates are putting pressure on our members, and we know that many members will be renewing mortgages in the next few years with likely higher rates than they had prior. We have programs and products to help with this, such as [services](#) catered towards buying a first home, renovating a home, or renewing a mortgage. And we've made investments to support affordable home ownership through:

- Products: Mixer Mortgage, the Laneway Housing Mortgage Bundle, and the Co-op Home Loan
- Programs: providing subject matter expertise on Mortgage renewals, Indigenous Housing solutions, and educating members on available government programs
- Partnerships: Co-operative Housing Federation of BC, Affordable Community Housing Program (VCF), Rent Bank (VCF), and Indigenous Housing Partners

With ongoing low vacancy rates and rising rents, there continues to be insufficient supply of affordable and adequate rental housing for low- and moderate-income populations. In our own trade region, almost half of renter households are paying more than 30 per cent of their income on rent and utilities. And significantly, one in five renter households in Metro Vancouver are spending more than half their income on rent and utilities, leaving them with little disposable income. Our members include these renter households. Our members also include community housing operators who are working to support people living along the housing continuum from emergency and homeless shelters, through to transitional housing, subsidized housing, co-operative housing, below market rental housing, life leases, and property ownership.

For more on Vancity's work, see [Affordable Housing](#) and [Annual Report](#), 'Affordable housing,' page 17.

		2023	2022	2021	2020	2019
Units of affordable housing financed	#	1,451 ¹	3,666	3,150	3,008	2,743

¹ Number of units of affordable housing financed in 2023 decreased due to market conditions.

Financial literacy (PAS)

As financial health and inclusion continues to be a [Vancity priority](#), we work with local community organizations to help deliver Vancity's [financial literacy workshops](#). We believe a community-based model for learning creates meaningful and safe programs that speak to the unique needs of diverse groups. Equipped with courses and tools developed by our financial experts, our community partners deliver culturally relevant workshops in their communities.

In 2022, we formally launched the [Wealth Mindset-Indigenous Financial Resilience program](#). The program, developed in collaboration with Indigenous Elders and consultants, meets the unique needs and strengths of Indigenous learners and communities. The purpose of the program is to create a trauma-informed and culturally safe learning experience that integrates content and methodologies relevant to Indigenous peoples. The Wealth Mindset curriculum encourages participants and facilitators to learn from each other, in a reciprocal way.

We continue to work with Power Play to provide the [Money Manager](#) program for secondary school teachers to access free, custom lesson plans on finances to help students explore financial topics that are relevant to their stage in life such as obtaining a car loan, understanding credit, and planning for education.

Accessibility in our built environment (FS14, PAS)

Our office and public locations are accessible and inclusive for both members and employees. In addition to standard ramps, parking stalls, door operators and open knee spaces, features include automated teller machines (ATMs) with tactile keypads and walk-up ATMs have guided voice functionality. Corporate websites are designed to be accessible with use of screen-reading devices such as JAWS (Job Access with Speech). We train senior call-centre agents to provide TTY (text telephone) banking services to members with hearing challenges. There are audio infrared and induction loops in our meeting rooms, training rooms and community stages, as well as at the sit-down wickets. Portable induction loop devices are available at every branch if needed while conducting business in offices. Care has been taken to also ensure contrasting colours/tones and include emergency response equipment such as distress alarms in universal washrooms, as well as emergency evacuation chairs at all the office towers.

Tactile tape in emergency exit stairwells at Vancity Centre have been integrated per our Emergency Evacuation program to ensure employees with visual impairments can exit the building independently should the need arise, or if they simply wish to take the stairs between floors. To ensure inclusive facilities for people of all gender identities and members using our community stages, more than 200 washrooms, showers, and change facilities have been identified as "Inclusive" facilities throughout our branches and offices.

For more on accessing banking services, including for members with disabilities, see [Ways to bank](#).



Diversity and anti-racism (3-3)

We're committed to being an anti-racist organization and we hold Reconciliation as a core value. That means doing our part in removing barriers that stem from systemic exclusion and inequities that affect women, Indigenous, Black and people of colour, 2SLGBTQIA+, and people living with visible and invisible disabilities.



SDG target 10.3 – Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies, and action in this regard.

SDG target 10.4 – Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.

Workforce diversity

We welcome people of all backgrounds to apply for positions within Vancity. We aim to achieve diverse representation of employees that reflects the communities we serve. This cannot be achieved without actively identifying and addressing structural barriers to advancement.

We collect confidential and voluntary candidate diversity data to understand the diversity of people we attract and outcomes for diverse candidates in the recruitment process. This enables us to address barriers in the recruitment process and set priorities for diverse recruitment. The executive leadership team regularly reviews employee diversity trends. Participation in our employee diversity survey decreased to 84 per cent in 2023, down from 86 per cent in 2022. We calculate percentages in each group by the total number of all employees, but not all employees participated in the survey.

We took the BlackNorth Pledge to achieve 3.5 per cent Black representation at the senior management level. We have also made a commitment to have Indigenous representation of employees at three per cent organization wide.

Employee profile (405-1)

		BM	2023	2022	2021	2020	2019
Men	%	35	28	30	23	37	37
Women	%	65	51	52	43	63	63
Transgender or non-binary	%		0.8	0.8	0.7	n/a	n/a
Did not participate	%		18	17	33	n/a	n/a

Person with a disability	%	3	15	16	13	10	10
Indigenous person	%	2	1.9 ♦	1.8	1.5	1.4	1.4
Black person	%		2.4	2.2	1.7	n/a	n/a
Black, person of colour	%	37	46	47	37	37	37
2SLGBTQIA+	%		7.6	8.1	7.0	4.0	4.3
Aged under 30 years	%	29	15	16	15	15	17
Aged 30-50 years	%	41	59	57	60	59	58
Aged over 50 years	%	30	26	27	25	26	25
Non-management	%		83	83	84	83	84
Management	%		14	14	13	14	13
Senior Management	%		3	3	3	3	3

Data for "Indigenous person", "Black, person of colour", "Person with a disability" and "2SLGBTQIA+" is based on employees' self-disclosure in our Human Resources Information System.

Benchmark (BM) sources: women: HR Metrics report for Canadian credit unions, 2021 median scores. Age categories: Statistics Canada. Vancouver, CMA, British Columbia: 2016 Census Profile (aged 15-64 years).

"Person with a disability," "Indigenous person" and "Black, person of colour": Employment Equity Act: Annual Report 2019, Metropolitan Vancouver availability.

1 2021 not comparable to previous years. Only Q4 data diversity data available for analysis due to revised survey tool becoming available in Q4.

Percentage of employees in non-management by indicators of diversity (405-1, FN-AC-330a.1)

		BM	2023	2022	2021	2020	2019
Men	%	27	27	28	22	37	36
Women	%	73	50	52	41	63	64
Transgender or non-binary	%		1.0	1.0	1	n/a	n/a
Did not participate	%		20	19	35	n/a	n/a
Person with a disability	%		15	16	13	10	10
Indigenous person	%		2.0	1.8	1.6	1.5	1.5
Black person	%		2.4	2.2	1.8	n/a	n/a
Black, person of colour	%	38	47	48	37	38	38
2SLGBTQIA+	%		7.8	8.4	7.0	4.0	4.3

Aged under 30 years	%		17	18	19	18	20
Aged 30-50 years	%		58	55	56	56	55
Aged over 50 years	%		25	27	25	26	25

Data for "Indigenous person", "Black, person of colour", "Person with a disability" and "2SLGBTQIA+" is based on employees' self-disclosure in our Human Resources Information System.

Benchmark (BM) sources: women: HR Metrics report for Canadian credit unions, 2021 median scores. "Black, people of colour": Canadian Bankers Association, Banks as employers report 2019.

1 2021 not comparable to previous years. Only Q4 data diversity data available for analysis due to revised survey tool becoming available in Q4.

Percentage of employees in management by indicators of diversity (405-1, FN-AC-330a.1)

		BM	2023	2022	2021 ¹	2020	2019
Men	%	34	34	56	32	39	37
Women ²	%	66	56	37	50	61	63
Transgender or non-binary	%		*	*	*	n/a	n/a
Did not participate	%		8	7	18	n/a	n/a
Person with a disability	%		16	18	15	10	10
Indigenous person	%		*	*	*	0.6	0.8
Black person	%		*	*	*	n/a	n/a
Black, person of colour	%	33	42	43	36	36	33
2SLGBTQIA+	%		6	7	8	4.5	4.4
Aged under 30 years	%		4	3	2	1	4
Aged 30-50 years	%		71	70	73	73	74
Aged over 50 years	%		25	27	25	26	22

* Below reportable threshold.

Data for "Indigenous person", "Black, person of colour", "Person with a disability" and "2SLGBTQIA+" is based on employees' self-disclosure in our Human Resources Information System.

Benchmark (BM) sources: women: HR Metrics report for Canadian credit unions, 2021 median scores. "Black, people of colour: Canadian Bankers Association, Banks as Employers report 2019.

1 2021 not comparable to previous years. Only Q4 data diversity data available for analysis due to revised survey tool becoming available in Q4.

2 United Nations Research Institute for Social Development's Sustainable Development Performance Indicators – "II.B.9 Gender equality: Proportion of women in managerial positions – Sustainability threshold or norm: The percentage of women in managerial positions in an organization shall be no less than 40% in any given year."

Percentage of employees in senior management by indicators of diversity (405-1, FN-AC-330a.1)

		BM	2023	2022	2021 ¹	2020	2019
Men	%	53	39	40	30	46	49
Women ²	%	47	48	55	44	54	51
Transgender or non-binary	%		*	*	*	n/a	n/a
Did not participate	%		11	5	23	n/a	n/a
Person with a disability	%		14	13	10	10	11
Indigenous person	%		*	*	*	1.4	1.3
Black person	%		*	*	*	n/a	n/a
Black, person of colour	%	18	27	35	27	26	19
2SLGBTQIA+	%		7	7	9	1.4	1.3
Aged under 30 years	%		0	0	0	0	0
Aged 30-50 years	%		59	60	65	67	68
Aged over 50 years	%		41	40	35	33	32

* Below reportable threshold.

Due to the small number of employees in the senior management category, a change by one employee can cause a significant shift in the percentage, as it has for “Black, person of colour”.

Data for “Indigenous person”, “Black, person of colour”, “Person with a disability” and “2SLGBTQIA+” is based on employees’ self-disclosure in our Human Resources Information System.

Benchmark (BM) sources: women: HR Metrics report for Canadian credit unions, 2021 median scores. “Black, people of colour”: Canadian Bankers Association, Banks as Employers report 2019.

¹ 2021 not comparable to previous years. Only Q4 data diversity data available for analysis due to revised survey tool becoming available in Q4.

² United Nations Research Institute for Social Development’s Sustainable Development Performance Indicators – “II.B.9 Gender equality: Proportion of women in managerial positions – Sustainability threshold or norm: The percentage of women in managerial positions in an organization shall be no less than 40% in any given year.”

Pay equity

Recognizing gender is fluid and disclosure is a choice, in 2022 Vancity started using our diversity survey data to report on our gender-based pay ratios. This allows employees to choose from binary, cisgender, transgender, and non-binary options, update their gender identity when they want, or decline to answer.

Average compensation for women as a percentage of average compensation for men (405-2)

		2023	2022	2021	2020	2019
Non-management	%	91	95	92	91	92
Management	%	96	97	96	94	99
Senior management	%	88 ¹	104	97	89	111

Data set includes permanent full-time employees (and those who may be on short-term leaves) and excludes part-time, contract employees, and employees on long-term leaves.

Compensation includes actual salaries from baseline earnings, profit share and benefits.

United Nations Research Institute for Social Development's Sustainable Development Performance Indicators – "II.B.9 Gender pay gap: Equality of remuneration – Sustainability threshold or norm: The difference between the average remuneration of men and women in an organization shall not exceed 3%."

¹ Incentive employees were not included in past years. It was decided to include them this year and for future years. There are also a higher percentage of males in incentive roles. This would account for the significant change in pay equity in senior management from 2022 to 2023.

Average compensation for transgender or nonbinary employees as a percentage of average compensation for men (405-2)

		2023	2022
Non-management	%	77	79
Management	%	*	*
Senior management	%	*	*

* Below reportable threshold.

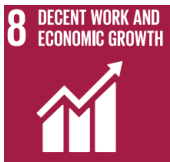
There are some cases of individuals being included in both the transgender or non-binary and men or women population because of intersectionality of gender identity, which is consistent with how diversity data is presented elsewhere in our reporting. In the new diversity gender data, there are 272 fewer employees counted due to those choosing not to disclose their gender.

Data set includes permanent full-time employees (and those who may be on short-term leaves) and excludes part-time, contract employees, and employees on long-term leaves. Compensation includes actual salaries from baseline earnings, profit share and benefits.



Employees (3-3)

Vancity is striving to create a workplace where employees are seen, valued and heard. We are [committed to diversity](#) and enabling our employees to learn and develop. Over the past few years, we have been reviewing our programs through a lens of removing bias and ensuring that opportunities exist for all [to succeed in their work and achieve their goals](#). For more on our approach, see [Annual Report](#), 'Employees,' page 19.



Target 10.3 – Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Employee experience

Employee experience score (2-29)

Employee experience is an indicator of how much employees feel they belong at their organization and can achieve their potential. There are four questions that go into the overall Employee Experience Score. The score is derived from the percentage of respondents that answered favourably (strongly agree or agree) across all four questions.

		2023	2022	2021	2020	2019
Overall employee experience score ¹	%	75 ♦	83	n/a	n/a	n/a
Employee experience percentile ²	%ile	61 st	85 th	n/a	n/a	n/a

1 Data source: Qualtrix Employee Engagement Survey. The response rate in 2023 was 85 per cent.

2 Vancity's percentile compared against respondent Canadian companies in the Workforce Science Associates database for the reporting year.

Paying a living wage

Entry-level employee hourly wage compared with BC's living wage (202-1)

In 2023, Vancity recertified as a Living Wage Employer based on Metro Vancouver's living wage of \$24.08/hour ♦. This is the minimum hourly rate that would be paid to meet basic living needs. Hourly rates are reviewed annually, and we continue to make living wage adjustments in what we pay our own employees. Vancity includes benefits in addition to base pay as part of a total compensation package. This means the equivalent hourly living wage needed to pay employees to be living wage compliant is reduced to reflect "credit" for these benefits.

We are fully compliant in paying eligible employees (full time, part time and casual employees) a living wage. Employers are allowed to have a small number of trainees or student co-ops that are not eligible for the living wage. The living wage increased to a minimum of \$25.68 per hour in Metro Vancouver in November 2023, effective May 2024.

Metro Vancouver Living Wage standard

<i>(\$ dollars per hour)</i>		2023	2022	2021	2020	2019
Metro Vancouver hourly living wage, including the value of benefits ¹	\$	24.08	20.52	19.50	19.50	19.50
Equivalent hourly living wage requirement for Vancity, adjusted to reflect the value of benefits which we provide to permanent employees in addition to base pay	\$	19.75	17.08	17.08	17.08	17.08

¹ The Metro Vancouver hourly living wage is announced in the calendar year before going into effect. The 2023 living wage was announced in November 2022 and went into effect in May 2023.

Vancity entry level employee hourly wage for permanent employees

<i>(\$ dollars per hour)</i>		2023	2022	2021	2020	2019
Permanent entry level employee	\$	19.75	17.82	17.82	17.82	17.82
Permanent entry level employee hourly value of benefits	\$	4.33	3.83	3.83	3.83	3.83
Permanent entry level employee hourly wage plus value of benefits	\$	24.08	21.65	21.65	21.65	21.65

United Nations Research Institute for Social Development's Sustainable Development Performance Indicators – "II.B.4 Living wage gap – Sustainability threshold or norm: Wage levels should meet the locally relevant living wage and thus the living wage gap shall be no greater than zero."

Vancity entry level employee hourly wage for non-permanent/contract employees

In 2023, we paid non-permanent employees a minimum of \$22.72 plus a vacation benefit. Living wage assumes a minimum amount of vacation time off or equivalent vacation paid in lieu (equivalent to 70 hours). Vancity offers vacation time or vacation time in lieu equivalent to 105 hours (six per cent of annual salary), 35 hours more than the living wage requirement. The additional week that Vancity offers our employees is considered a benefit that is equivalent to \$1.36/hr, to total \$24.08/hr. Non-permanent employees are not eligible for additional benefits.

<i>(\$ dollars per hour)</i>		2023	2022	2021	2020	2019
Non-permanent entry level employee hourly wage	\$	22.72	20.50	20.50	20.50	20.50
Non-permanent entry level employee hourly value of benefits (six per cent vacation allowance)	\$	1.36	1.23	1.23	1.23	1.23
Non-permanent entry level employee hourly wage plus vacation allowance	\$	24.08	21.73	21.73	21.73	21.73

United Nations Research Institute for Social Development's Sustainable Development Performance Indicators – "II.B.4 Living wage gap – Sustainability threshold or norm: Wage levels should meet the locally relevant living wage and thus the living wage gap shall be no greater than zero."

Performance management

At Vancity, we align our vision and values with the needs of our members, so that our success helps to build healthy communities. A performance-planning cycle connects individual performance to organizational goals and helps each employee's contribution positively impact the community in which they live and serve. Performance plans are aligned to Vancity's business plan and include both objectives and behaviours that reflect an employee's accountabilities. Ongoing coaching and feedback are critical to supporting the growth and development of our employees.

Labour relations and human rights

Our Employee Code of Conduct and Respect in the Workplace Policy sets out procedures for making and addressing employee complaints, incidents of discrimination, and any requisite corrective actions concerning labour relations and human rights. Our collective agreements govern unionized employees and include formal procedures for resolving workplace issues. We track grievances and breaches of the Code of Conduct and report these quarterly to the Equity and People Committee of the Board.

We have collective agreements with two unions: the BC Government and Service Employees' Union (BCGEU) and the Public and Private Workers of Canada (PPWC). 24 branches and four departments are unionized.

We believe that open and intentional communications with our union colleagues can promote discussion, transparency, and proactive problem-solving around both issues and opportunities that impact communities, members, employees, and our workplace. Vancity does not endorse or discourage unionization and recognizes that it's each employee's individual choice.

Employees covered by collective bargaining agreements (2-30)

We are mindful of creating an equitable experience for all employees across Vancity regardless of if they are in a bargaining unit or exempt. For all of our employees, our terms of employment and total rewards packages are overall at or ahead of market. We use an external vendor and several market surveys to audit this on an annual basis. In all cases, we strive to create an employee experience that is grounded in health and wellbeing of every employee.

		BM	2023	2022	2021	2020	2019
Employees unionized	%	23	30	30	31	32	31

Benchmark (BM) source: HR Metrics report for Canadian credit unions, 2023 median scores.

Employees grievances related to labour practices (2-25)

		2023	2022	2021	2020	2019
Total number of grievances related to labour practices that went to arbitration	#	16	76	68	7	42

Employees grievances related to human rights and harassment (406-1)

		2023	2022	2021	2020	2019
Number of incidents of discrimination	#	0	0	1	1	n/a
Number of grievances reviewed or addressed (file pending)	#	0	0	0	1	1
Number of grievances no longer subject to action or resolved	#	0	0	1	5	4
Total number of formal complaints filed related to respect in the workplace	#	3	0	1	6	5

Actions taken for an incident of discrimination filed in 2021 included unconscious bias training and a formal apology issued, and for an incident of discrimination filed in 2020, the complaint was withdrawn.

Employees who completed training on policies and procedures concerning relevant aspects of human rights (2-24)

		2023	2022	2021	2020	2019
Employees who completed training	%	100	100 ²	100	79 ¹	94

¹ The change in completion is attributed to a change in delivery from one bi-annual training course to four courses (one per quarter) per year. This may have impacted the number of employees who were able to complete all four courses. Since 2021, training has been required once a year.

² A very small number of employees did not complete mandatory compliance courses concerning aspects of human rights in 2022 leading to 99.9 per cent completion, which we rounded up to 100 per cent.

Health and safety

We are committed to providing a healthy and safe workplace. Vancity continues to prioritize the wellbeing and mental health of our employees and maintain our investments and commitments in this critical area. Our management team has completed training on supporting their own and their teams' mental health and we expanded this training to all employees in 2023.

As a financial institution, one of our most significant health and safety issues is the risk of robberies. We have extensive robbery training and security procedures as well as a robbery support program for affected employees. Training for new hires in our branches includes a module on handling a robbery. Our rules and safe-work procedures manual contains policies and procedures for workplace violence, including prevention and dealing with irate members. An employee assistance program is available to all employees and their immediate families. It's a voluntary, confidential, short-term counselling, advisory and information service available 24 hours a day, seven days a week, and includes a robbery recovery support program. We annually track robbery related incidents, monitor the number of paid care days used per permanent employee and maintain records of employee training on health and safety.

Days lost due to employee illness (2-4)

		BM	2023	2022	2021	2020	2019
Days for short-term disability leave	#		13,485	12,262	12,689	13,248	14,435
Care days	#		15,708	14,481	11,512	11,232	14,851
Pandemic pay days	#		228 ²	2,725	2,389	3,942	n/a
Total number of days lost due to employee illness	#		29,421	29,468	26,590¹	28,422¹	29,287
Absenteeism rate	%	7	12	12	10	11	12

Data includes unpaid care days taken.

Data includes permanent full-time and part-time employees.

Days lost due to illness includes time taken by employees to care for a sick family member.

Absenteeism rate is the number of workdays missed (lost) by employees due to illness or family care per permanent full-time equivalent.

Benchmark (BM) source: HR Metrics report for Canadian credit unions, 2023 median scores. Credit unions in the benchmark data have a short-term disability leave policy of four months versus six months for Vancity (so the number of days included for Vancity will tend to be greater in comparison).

¹ Pandemic pay was created specifically for employees to take care days due to COVID-19 complications, however it was not clearly delineated from other sick time. Therefore, total days lost due to illness/care for 2020 and 2021 were restated to include pandemic pay to reflect a correct measure of total sick/care days.

² Pandemic pay days ended in Q2 of 2023.

Parental leave

Parental leave should allow employees to take adequate leave and be able to return to work in the same or a comparable position. In many workplaces, some women are discouraged from taking leave and returning to work by employer practices that affect their employment security, remuneration, and career path, while many men are not encouraged to take the leave to which they are entitled. Equitable gender treatment for parental leave can lead to the greater recruitment and retention of qualified employees and boost employee morale and productivity. For example, men taking advantage of leave entitlements positively impacts women to take such leave without affecting their career path.

Number of employees who took parental leave (401-3)

		2023	2022
Men	#	14	14
Women	#	34	35
Transgender or non-binary	#	<10	<10
Did not participate	#	24	26

Number of employees who returned to work after parental leave ended (401-3)

		2023	2022
Men	#	15	12
Women	#	38	28
Transgender or non-binary	#	<10	<10
Did not participate	#	24	19

Number of employees who were still employed 12 months after returning from parental leave and retention rates of employees who took parental leave (401-3)

			2023		2022	
Men	#	%	11	92	14	100
Women	#	%	16	58	23	100
Transgender or non-binary	#	%	<10	*	<10	*
Did not participate	#	%	12	100	13	81

Employee profile

Employee profile by contract type (2-7, PAS)

		BM	2023	2022	2021	2020	2019
Full-time equivalents (FTE)	#		2,410	2,425	2,355	2,368	2,387
Headcount	#		2,639	2,738	2,679	2,601	2,675
Permanent full-time	%	87	91	91	88	86	85
Permanent part-time	%	10	8	8	10	13	14
Contract/temporary	%	3	1	1	2	2	2

Benchmark (BM) source: HR Metrics report for BC credit unions, 2023 median scores.

Full-time equivalents (FTE): calculated based on the number of regular scheduled hours worked (excluding overtime) divided by 1,820 working hours in a year.

Headcount: total number of permanent and non-permanent (contract) employees.

For definitions of terms, see the Glossary at vancity.com/AnnualReport.

Employees by gender (2-7, PAS)

		2023	2022	2021	2020	2019
Total permanent full-time	#	2,396	2,486	2,369	2,233	2,261
Men	#	714	763	578	873	875
Women	#	1,225	1,260	1,006	1,360	1,386
Transgender or non-binary	#	20	20	16	n/a	n/a
Did not participate	#	381	383	738	n/a	n/a
Total permanent part-time	#	212	215	271	326	366
Men	#	30	31	37	75	88
Women	#	106	125	118	251	278
Transgender or non-binary	#	<10	<10	<10	n/a	n/a
Did not participate	#	70	53	110	n/a	n/a
Total contract/temporary	#	31	37	39	42	48
Men	#	<10	<10	<10	23	23
Women	#	10	17	12	19	25
Transgender or non-binary	#	<10	<10	<10	n/a	n/a
Did not participate	#	17	14	15	n/a	n/a

In 2021 we changed our reporting to allow employees to self-identify gender. As this survey is not required and we do not have a 100% participation rate. The numbers do not directly correlate to headcounts, therefore may not sum.

Employee turnover

Number of permanent employee departures and turnover rates by gender and age (401-1)

		BM	2023		2022		2021		2020		2019	
Men	#	%	75	10	61	8	17	3	82	9	119	12
Women	#	%	111	8	93	7	23	2	134	8	173	10
Transgender or non-binary	#	%	<10	*	<10	*	<10	*	n/a	n/a	n/a	n/a
Did not participate	#	%	87	19	148	33	64	7	n/a	n/a	n/a	n/a
Aged under 30	#	%	66	17	77	18	101	25	55	13	95	20
Aged 30-50	#	%	130	8	144	9	143	9	86	6	128	8
Aged over 50	#	%	80	12	79	11	81	12	75	75	69	11

Total departures and overall turnover	#	%	13%	276	10	300	11	325	13	216	8	292	11
Voluntary departures and turnover	#	%	10%	189	7	250	9	273	11	156	6	231	9

Note, the average headcount is used when calculating employee turnover.

1 2021 not comparable to previous years. Only Q4 data diversity data available for analysis due to revised survey tool becoming available in Q4.

*Below reportable threshold.

Benchmark (BM) source: HR Metrics report for BC credit unions, 2023 median scores.

Number of permanent new employee hires and new employee hire rate by gender and age (401-1)

			BM	2023		2022		2021		2020		2019	
Men	#	%		44	6	97	12	10	2	59	6	84	9
Women	#	%		66	5	128	9	23	2	82	5	67	4
Transgender or non-binary	#	%		<10	*	<10	*	<10	*	n/a	n/a	n/a	n/a
Did not participate	#	%		108	23	123	27	59	0.6	n/a	n/a	n/a	n/a
Aged under 30	#	%		68	17	146	35	167	42	62	15	66	14
Aged 30-50	#	%		93	6	186	12	168	11	71	5	76	5
Aged over 50	#	%		18	3	22	3	15	2	8	1	9	1
Total new hires and new hire rate	#	%	16%	179	7	354	13	350	15	141	5	151	6

1 2021 not comparable to previous years. Only Q4 data diversity data available for analysis due to revised survey tool becoming available in Q4.

*Below reportable threshold. The new hire rate is the rate of new permanent employees joining the organization for the first time.

Benchmark (BM) source: HR Metrics report for Canadian credit unions, 2023 median scores.

Climate crisis (3-3)



Target 10.1 – Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

Target 10.2 – Integrate climate change measures into national policies, strategies, and planning.

Target 10.3 – Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.



Target 7.2 – Increase substantially the share of renewable energy in the global energy mix.

Target 7.3 – Double the global rate of improvement in energy efficiency.

Vancity's climate commitments

Social and environmental sustainability have long been at the heart of Vancity's business model and identity as a credit union. We believe the financial sector plays a crucial role in driving the global transition to a low-carbon economy by mobilizing and reallocating capital towards renewable energy, electrification, operational efficiency, and other emissions-reducing solutions. This requires coordination between finance, businesses, and regulatory bodies to accelerate the systemic change to a low-carbon economy. The five commitments, integrated into Vancity's vision and strategy, include:

1. Net zero by 2040 across mortgages and loans
2. Financing an equitable climate transition
3. Investments for a better future
4. Be transparent and accountable
5. Walk the talk in all we do

For more information, see the Climate Report, page 6.

Overall emissions profile

Emission scopes and categories		2023
Total scope 1 (from fossil gas, fleet)	tCO ₂ e	481
Total scope 2 (from purchased electricity)	tCO ₂ e	102
Scope 3: categories 1, 6, and 7	tCO ₂ e	1,529
Scope 3: category 15 investments and loans (financed emissions)	tCO ₂ e	242,317
Total scope 3 (including category 15)	tCO ₂ e	243,846
Total estimated emissions all scopes	tCO ₂ e	244,429

For more information, see the Climate Report page 27.

Operational greenhouse gas emissions

In 2023, Vancity saw an operational GHG emissions reduction of 52 percent from our 2019 baseline, at 2,112 tonnes CO₂e in 2023. Over half of the GHG reductions from base year 2019 relate to scope 3 commuting emissions, where the change relates to a combination of more employees now working from home and improvements in data collection and methodology. Energy conservation measures also resulted in a 33 per cent reduction in our scope 1 emissions.

Total energy consumption and energy consumption per employee (full-time equivalent) have been decreasing since 2019. Our total energy use in 2023 was 18 per cent below the 2019 baseline, and the energy consumption per employee decreased by 85 per cent compared to the 2019 baseline. We will continue look for opportunities to decarbonize the energy sources used to power our facilities.

Please see the Climate Report page 28 for further details on our approach to operational GHG emissions.

Operational GHG emissions by scope and category (305-1, 305-2, 305-3, 305-4, 2-4)

Emission scopes and categories		2023 Emissions	2019 Emissions ¹		% change from base year
Scope 1: Emissions from fossil gas	tCO ₂ e	455	676	%	-33
Scope 1: Emissions from fleet	tCO ₂ e	26	38	%	-32
Total scope 1²	tCO ₂ e	481	715	%	-33
Scope 2: Emissions from purchased electricity ³	tCO ₂ e	102	221	%	-54
Total scope 2^{2,3}	tCO ₂ e	102	221	%	-54
Total scope 1 + scope 2	tCO ₂ e	583 ♦	936	%	-38
Category 1 Purchased goods and services (paper ⁴)	tCO ₂ e	470	770	%	-39
Category 6 Business travel	tCO ₂ e	153	469	%	-67
Category 7 Employee commuting	tCO ₂ e	906	2,211	%	-59 ⁵
Total operational scope 3 emissions (not including category 15)^{2,6}	tCO ₂ e	1,529 ♦	3,451	%	-56
Total operational emissions^{2,6}	tCO ₂ e	2,112 ♦	4,387	%	-52
Total operational GHG emissions per employee (FTE)	tCO ₂ e	0.9	1.8	%	-83

1 We have not reported historical emissions for 2020 and 2021, since they no longer reflect our current calculation methodology and are therefore no longer comparable. 2019 base year operational emissions were restated to reflect updates in methodology, interpretation of guidance, and correction of errors. The 2019 restatements are in line with our base year recalculation policy.

2 May not sum to total due to rounding.

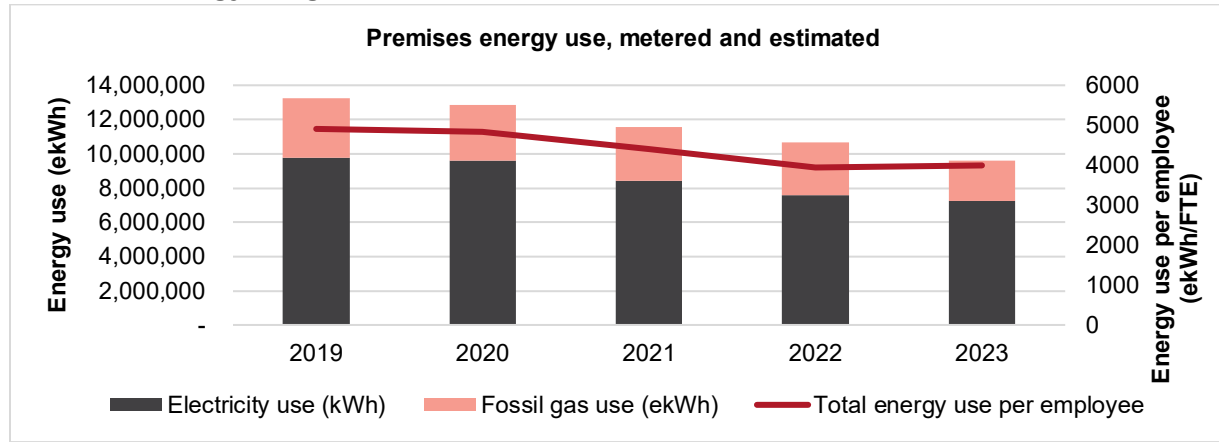
3 We calculated scope 2 emissions using the location-based method. Vancity does not operate in markets that provide product or supplier-specific data or other contractual instruments.

4 We used the [Environmental Paper Network Paper Calculator](#) to make environmental impact estimates.

5 We updated the methodology for calculating employee commuting in 2023 and although we cannot apply it to prior years retroactively, the reduction in emissions is due to more employees now working from home combined with the improvements in data collection and methodology.

6 We report scope 3, category 15, financed emissions separately. We have included the emissions from upstream leased assets as part of our reporting for fossil gas use under scope 1.

Premises energy usage



Financed greenhouse gas emissions: scope 3, category 15 (FN-AC-410b.1, FN-CB-410b.1)

Financed emissions refer to greenhouse gas emissions that are created as a result of the loans and investments financial institutions make or facilitate. They play a pivotal role in ensuring we successfully transition to a low carbon economy. It is important that financial institutions track and report financed emissions—including emissions related to the funding of fossil fuel companies and other high emitting sectors—in a transparent and consistent way so that they can be tracked and compared by investors and consumers, as well as by key policy and decision-makers at the national and global level.

In Vancity’s financed emissions profile, financed emissions, which is scope 3, category 15 for Vancity, equates to scopes 1, 2, and 3 for our members, clients, and investees. We report financed emissions in accordance with the Global GHG Accounting and Reporting Standard for the Financial Industry issued by the Partnership for Carbon Accounting Financials (PCAF Global GHG Standard).

Our data improvement plan continues to evolve and focuses on improving data access, quality, and coverage, as well as process and system improvements. We are developing long term data goals to ensure we prioritize data improvements critical to tracking actual progress made on targets, and to meeting our net zero by 2040 commitment. For more information, see the Climate Report page 31.

Near-term portfolio climate targets

As a member of the Net Zero Banking Alliance (NZBA), which focuses on lending and on balance sheet investments, we’re required to set decarbonization targets for carbon-intensive sectors. The most significant sector we finance is commercial and residential real estate and is where our targets are focused. See the Climate Report page 24 for more details.

Our 2025 absolute emissions reduction targets cover two significant sources of emissions attributed to our lending: residential and commercial service buildings. Buildings (residential and commercial combined, excluding construction) account for around 10–13 per cent of greenhouse gas emissions in BC and Canada,

mainly from fossil gas used to heat and cool them, and to provide hot water. Additional emissions relate to building materials and the construction sector. The following emissions reduction targets were approved by Vancity's Board of Directors in 2022:

- A 17 per cent reduction in absolute financed emissions for residential buildings by 2025 from a 2019 base year based on Science Based Targets initiative (SBTi) definitions of asset classes.
- A 27 per cent reduction in absolute financed emissions for commercial service buildings by 2025 from a 2019 base year based on definitions of asset classes per SBTi tool.

For our progress on these interim targets, see page 24 of the Climate Report.

Change in financed emissions since base year for real estate (2-4)

Real estate categories per SBTi SDA tool		2023 Financed emissions	2019 Financed emissions		% change from base year
Residential buildings	tCO ₂ e	38,868	34,451	%	+13
Commercial service buildings	tCO ₂ e	19,366	24,586	%	-21

The financed emissions data used to set our two targets was based on earlier estimates of financed emissions. The actual percentage change in emissions is based on recalculated financed emissions data (see page 31 of the Climate Report).

In addition to decarbonizing our commercial and residential building portfolios, we are working with our small- and medium-sized business members to help them reduce their emissions. To drive emissions reductions our focus is the following:

- *Policy advocacy:* Our work includes advocating for sizable emissions reductions through public policies, helping ensure planned and existing policies are implemented and that they achieve the goals they were designed to achieve. This work involves advocacy at all levels of government, policy development, thought leadership and strategic relationships, as well as coordination among many stakeholders. See the Climate Report page 16
- *Member engagement:* Our approach involves engaging with, and developing products and other solutions for, members to help finance and support the actions they want to take toward decarbonization. See the Climate Report page 15
- *Clean growth:* We're working to grow our lending in lower emitting assets and businesses to reduce our financed emissions going forward. As part of this we also opt to not provide financing for fossil fuel companies and projects. See the Climate Report page 19

Climate-related opportunities

Climate-related opportunities refer to economic, business, and investment opportunities that arise from efforts to address and adapt to climate change. Such opportunities include activities that contribute to environmental sustainability, the reduction of emissions, and the overall mitigation of climate-related risks. As Canadians are increasingly impacted by extreme weather events and looking to take climate action by shifting off fossil fuels, Vancity is working to cater our products and services to support emissions reductions and to foster resilience across our membership. We finance renewable energy projects and energy efficiency solutions, low-emission buildings, and in 2023 developed our first [Sustainable Issuance Framework](#).

Climate performance metrics

		2023	2022	2021	2020	2019
Square feet of energy efficient buildings financed	ft ²	729,635	617,024	720,133	216,169	482,493
Avoided emissions from clean energy projects	tCO ₂ e	6,654	5,743	4,317	3,330	3,225
Capital invested in own operations	\$	52,794	238,326	357,000	n/a	n/a

ft² = square foot; tCO₂e = tonnes of carbon dioxide equivalent.

Products and services to reduce GHG emissions (FS8)

Vancity enviroTM Visa: Five per cent of net revenues go to the enviroFundTM, which supports local environmental projects

Planet-WiseTM Transportation Loan: financing zero- and low-emission transportation including new or used pedal bikes, e-bikes, scooters, electric cars, hybrids, charging stations, and conversion kits

Planet-WiseTM Renovation Solutions: financing home energy retrofits that will reduce emissions and increase efficiency in residential homes, and providing support to access advice, evaluations, and rebates

Planet-WiseTM Teardown Financing: taking borrowers through the financial and environmental benefits of deconstruction, providing information on tax credits, and working with them to find the best financing option

Planet-WiseTM Business Solutions: financing for businesses and not-for-profit organizations to undertake equipment upgrades, switch to electric vehicles, and acquire other energy-saving technologies

Materials and waste

Vancity is committed to minimizing our environmental footprint. We believe that climate action goes beyond managing our carbon emissions – we also make efforts to reduce our operational impacts through water and materials and waste management.

Since 2021, we expanded our materials and waste disclosures to include electronic, furniture and construction waste, in addition to our office and branch waste. We take every effort to divert waste materials from these waste streams by donating furniture, using contractors that employ best practice in waste management, and finding vendors to reuse electronic waste.

Our offices and branches do not send any waste to landfill. The little waste that we do have is taken to an energy plant and burned to generate energy and our compost is turned into soil. We have a battery recycling program available to our members and employees where batteries are collected at Vancity Centre and branches and disposed of responsibly.

Waste generated, recycled, and diverted from the landfill

Total waste		2023	2022	2021	2020	2019
Total waste from all sources	t	226	223	264	n/a	n/a
Waste diversion rate	%	60	94	76	n/a	n/a
Waste per FTE	kg	94	92	112	n/a	n/a

t = tonne

Paper use

Vancity's paper use has declined since 2019. We expect further reductions in our paper consumption as more members switch to e-statements. The percentage of recycled content has decreased because we have experienced challenges with sourcing paper with a high recycled content.

		2023	2022	2021	2020	2019
Total paper use	t	84	92	98	111	129
Percentage of paper use with recycled content	%	65	76	80	83	58

t = tonnes

Water

Total water withdrawal by source

Water use at Vancity facilities includes domestic water consumption for our employees and visiting members, and landscaping requirements. To conserve water at owned facilities, we use water-efficient fixtures and appliances, and we repair water leaks as soon as is reasonably possible. We have set requirements for low water use in many of our new buildings and track water use at facilities where water meters are installed.

		2023	2022	2021	2020	2019
Total estimated water use	ML	13	17	15	20	27
Estimated water use per full-time employee	L/FTE	4.4	6.1	6.4	8.6	11



Responsible investment (3-3)

Responsible assets under management

Vancity Investment Management (VCIM) provides discretionary investment management services to clients—individuals, unions, not-for-profits, foundations, trusts, and other organizations. Through a strategic partnership with IA Clarington Investments, VCIM’s sub-advisor group provides portfolio management services to IA Clarington on the Inhance SRI Fund family, including environmental, social, and governance investment analysis. IA Clarington Inhance SRI funds are available to members through our branch network, as well as nationally through IA Clarington’s distribution network. All VCIM’s managed assets, including discretionary investment management services and IA Clarington Inhance SRI family, are managed in line with our Responsible Investing policies. Responsible investment means the inclusion of environmental, social, and governance (ESG) considerations into the management and selection of investments. Responsible investment assets under administration form part of our triple bottom line assets, see Annual Report page 25.

In June 2023, we began updating our Responsible Investment Policy for administered member investments held by our Sustainable Wealth Management (SWM) advisors regulated under the Canadian Investment Regulatory Organization (CIRO) with Aviso Wealth. This prospective Policy, to be applied in 2024, means that:

- Investment funds such as mutual funds, pooled funds, Exchange Traded Funds, and managed client accounts must follow one or more of the responsible investment approaches laid out in the Canadian Investment Funds Standards Committee (CIFSC) Responsible Investment Identification Framework
- Individual securities such as stocks, bonds, GICs/term deposits are negatively screened, using industry screens provided by Vancity Investment Management (VCIM), and designed specifically for SWM advisors

Corporate engagement (FS10, FS11, FN-AC-410a.3)

On behalf of VCIM and the IA Clarington Inhance SRI Fund family, VCIM’s sub-advisory group leads corporate engagement and shareholder advocacy activities to champion change in the companies in which members and clients invest. VCIM engages with companies to both mitigate potential negative impacts and to create potential positive impacts. This is conducted through a combination of direct dialogue with companies, supporting collaborative engagements alongside other investors and through filing shareholder resolutions with companies. In 2023, VCIM implemented a new engagement framework which addresses the impact areas that we have identified as most material to undertake engagement on.

- Biodiversity & Nature
- Climate, Energy, & Just Transition
- Financial Resilience & DEIR
- Governance & Disclosure
- Healthcare



- Human Capital Management
- Human Rights

Over the previous shareholder engagement period (January 2022 to June 2023) VCIM undertook engagements on topics including climate disclosure, fossil fuel financing, environmental justice, forced labour and supply chain due diligence, and board independence. VCIM filed ten shareholder resolutions with seven of these proposals going to vote at the respective company's Annual General Meetings (AGM).

We also use shareholder proxy voting to influence corporate management regarding our SRI principles. VCIM has adopted SHARE's (Shareholder Association for Research and Education) model proxy voting guidelines. VCIM participated on the SHARE's Proxy Voting Guidelines Advisory Committee, playing an integral role in the development of these guidelines to ensure that they reflect best practices and are aligned with VCIM's responsible investing philosophy.

Groupe Investissement Responsable (GIR) executes VCIM's proxy voting based on SHARE's guidelines. GIR partnered with SHARE in 2020 to establish a single entity to execute proxy votes and since this time, VCIM has abided by SHARE's model proxy voting guidelines and used GIR to execute votes.

Key components of SHARE's guidelines include:

- Recognition of systemic risks. We go beyond assessing how each vote affects issuers individually by looking at the impact of economy-wide systemic issues that may affect our portfolio and future investment returns. These include issues such as climate change, inequality, and human rights violations.
- Recognition that companies do not operate in a vacuum and that they affect and are affected by the people, social structures, and environment around them.
- The proxy voting guidelines and principles are inspired by the following international standards:
 - The Universal Declaration of Human Rights
 - The ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy
 - The OECD Guidelines for Multinational Enterprises
 - The UN Declaration on the Rights of Indigenous Peoples
 - The UN Global Compact
 - The UN Guiding Principles on Business and Human Rights

More information on VCIM corporate engagement can be found in the [Vancity Investment Management Shareholder Engagement reports](#).

		2023	2022	2021	2020	2019
Number of companies in portfolio with which Vancity Investment Management's sub advisory group interacted ¹	#	56	32	43	36	32
Percentage of companies in portfolio with which Vancity Investment Management's sub-advisory group interacted	%	34	23	28	19	21

¹ Number of companies interacted is for fiscal year 2023 and does not correspond with the numbers in VCIM's shareholder engagement report, which is published in July.

Ethical Principles for Business Relationships (2-24)

Who Vancity chooses to do business with and lend to has a deep impact on our members' communities. Under our [Ethical Principles for Business Relationships](#) (EPBRs), we value:

- Accountable and sustainable business leadership that engages in co-operative principles and practices
- Economic and social inclusion for all people
- Strong and resilient communities
- Environmental sustainability leadership

We look for alignment with our EPBRs when we enter a business relationship, and we look for ways to promote positive social, economic, and environmental practices. Applying the EPBRs enables our employees to have values-based conversations with businesses and make decisions to build healthy communities together. Where possible, we help move organizations along the spectrum into more values-based alignment. Our relationship managers determine the alignment along with support from Procurement and Contract Management. For larger contracts, deeper analysis is carried out. These assessment procedures are integrated into our lending, account opening, and purchasing policies. Vancity Internal Audit may periodically check performance. Training and coaching resources are also available for employees to develop their skills in asking thoughtful questions and engaging in meaningful conversations.

EPBRs assessments consider: ethical business practices; environmental, social, and community impacts; environmental policies and net-zero commitments; employee relations; supplier relations and partnerships; labour practices; workplace conditions including employee safety and well being; diversity and anti-racism; human rights; and involvement in and exposure to controversial industries, sectors, and business practices.



Financial and economic performance (2-4, 3-3)

For more on our approach to financial and economic performance, see our Annual Report page 27.

Key financial indicators and ratios

		2023	2022	2021	2020	2019
Return on members' equity (ROME) (business results)	%	0.1 ◆	6.2	9.3	4.3	5.6
ROME (after Shared Success)	%	-0.1 ◆	4.6	7.0	3.2	4.5
Total assets	\$	\$28.8B ◆	\$28.3B	\$26.6B	\$24.9B	\$23.2B
Assets under administration (AUA)	\$	\$6.7B ¹ ◆	\$6B	\$6.6B	\$5.6B	\$5.1B
Total assets and AUA	\$	\$35.5B	\$34.3B	\$33.2B	\$30.5B	\$28.2B
Equity to Total Assets	%	5.6	5.7	5.9	5.9	6.0
Net income before tax and distribution	\$	\$(3.3M)	\$112M	\$176.4M	\$65.3M	\$93.5M
Efficiency ratio ²	%	99.8 ◆	76.4	74.2	79.2	78.1
Liquidity ratio	%	14.4	14.1	13.6	16.9	13.1
Capital adequacy ratio	%	14.0	14.1	14.2	14.7	14.7
Allowance for credit losses as a percentage of total loans	%	0.4	0.4	0.4	0.6	0.4
Return on average assets	%	0.0	0.3	0.4	0.2	0.3
Net interest margin (net interest income as a percentage of average interest earning assets)	%	1.3	1.7	1.9	1.9	1.9
Net lending growth	\$	\$547M	\$1,335M	\$2,726M	\$436M	n/a
Net Sustainable Wealth Management (SWM) inflows	\$	\$117M	\$188M	\$462M	\$59M	n/a
Net interest income as a percentage of operating revenue	%	74.3	81.5	81.8	82.4	82.1
Percentage of member loans funded by member deposits ³	%	88	87	90	96	86
Core deposits ratio (average)	%	31.72	39.33	43.00	37.57	33.39
Gross impaired loans as a percentage of total loans	%	0.18	0.15	0.04	0.43	0.57
Low Quality Assets	%	0.15	0.13	0.03	0.35	0.48
Real Economy Revenue to Total Revenues	%	64.9	80.4	85.0	78.5	79.8

Data is derived from or is calculated using data from Vancity's assured consolidated Financial Statements unless otherwise stated.

1 We revised the boundary definition for assets under administration and net SWM inflows in 2023. Prior years were not restated, as the impact was determined to be insignificant. See the Glossary for definitions.

2 Data prior to 2021 has been restated to reflect 2021 calculation method. The 2021 calculation no longer includes distribution to community.

3 Calculation has changed from 2021. We have changed from using average balances for demand deposits to using month end balances for demand deposits. This has minimal impact on the Member Portfolio Funding Ratio.

Economic value distributed metrics table (201-1)

<i>(millions of dollars)</i>		2023	2022	2021	2020	2019
Direct economic value generated	\$	\$522M	\$602M	\$605M	\$541M	\$542M
Economic value distributed	\$	\$529M	\$515M	\$509M	\$467M	\$471M
Economic value retained	\$	\$(6M)	\$87M	\$97M	\$74M	\$70M

Triple bottom line assets and assets under administration (TBLAA) (2-4, FS7, FS8)

Our Triple bottom line assets and assets under administration metric is modeled after the work of the Global Alliance for Banking on Values. This measures how much of Vancity's assets contribute toward social, environmental, or economic wellbeing.

		2023	2022	2021	2020	2019
TBLAA ¹ assets and assets under administration (<i>billions</i>)	\$	\$11.8B ♦	\$11.0B	\$10.7B	\$8.9B	\$7.8B
TBLAA as % of overall Vancity assets and assets under administration	%	33.2	32.0	32.3	29.0	27.6
TBLAA as a % of total growth	%	71	22 ²	69 ²	47	n/a

¹ Includes triple bottom line assets from the asset categories in the table below. Any changes to TBLAA guidelines are applied prospectively.

² 2022 and 2021 restated to correct a previous reporting error.

TBLAA value by asset category and percentage of TBLAA per asset category (2-4, FN-AC-410a.1)

TBLAA is a composite measure of the percentage of on- and off-balance sheet assets within the following six asset categories that have positive social, environmental, or economic impacts.

(millions)			2023		2022		2021		2020		2019	
	\$	%										
Business lending	\$	%	\$3,626M	46	\$3,780M	48	\$3,619M	48	\$3,322M	49	\$3,194M	49
Consumer loans	\$	%	\$24M	4	\$22M	3	\$20M	3	\$15M	3	\$21M	3
Residential mortgages	\$	%	\$4,126M	26	\$3,764M	24	\$3,551M	24	\$2,586M	20	\$2,094M	17
Owned premises	\$	%	\$30M	90	\$27M	89	\$29M	89	\$27M	81	\$27M	78
Managed member/client investments	\$	%	\$3,396M	51	\$2,663M	44	\$2,704M	41	\$1,991M	36	\$1,689M	33
Treasury	\$	%	\$577M	16	\$704M ¹	19	\$781M	23	\$914M	20	\$763M	24

For the definition of impact in each asset category, see the [Glossary](#).

¹ Restated 2022 Treasury TBLAA due to an updated calculation, however, there was no impact on the total reported TBLAA figure.

Sustainable revenue (2-4)

[The Banker's Sustainable Banking Revenues Ranking](#) examines how much of a financial institution's overall revenue is being generated from sustainable lending, investments, and underwriting. The ranking is based on the Corporate Knights Sustainable Economy Taxonomy with a focus on sustainable revenue, which is defined as revenue from sales of goods and services that contribute to an efficient, renewable, low-carbon energy system, or to a circular economy, or to sustainable production generally, and in a limited number of well-defined cases, to social benefits. Vancity calculates sustainable revenue as the sum of interest income earned on TBLAA lending; impact investment income or revenue earned on treasury investments in green bonds; and revenue earned from member or client investments in options according to the Corporate Knights' list of Green Flag companies.

Sustainable Revenue (millions)		2023	2022	2021	2020	2019
Sustainable Revenue	\$	\$309M	\$237M	\$213M	\$200M ¹	\$221M

¹ Restated to reflect updated Corporate Knights methodology.

Supporting local communities (3-3)



Target 9.3 – Increase the access of small-scale industrial and other enterprises, to financial services, including affordable credit, and their integration into value chains and markets.



Target 11.3 – Enhance inclusive and sustainable urbanization and capacity for participatory, integrated, and sustainable human settlement planning and management in all countries.

Target 11.4 – Strengthen efforts to protect and safeguard the world's cultural and natural heritage.

Shared Success allocation and distribution to members and communities

Each year, through our Shared Success program we allocate the equivalent of 30 per cent of our net income to be given to members and communities beginning in the following year. We share these funds with our members in the form of share dividends, and with our community in the form of grants, donations, and other contributions. The total Shared Success allocation since 1994 is more than \$444 million. Because our Shared Success allocations depend on our profits, there will be no Shared Success dividends disbursed to members or new Shared Success funding in 2024. However, we will continue to support our communities in 2024 through our multi-year funding partnerships using money set aside for this purpose in previous years.

<i>(thousands of dollars)</i>		2023	2022	2021	2020	2019
Total Shared Success (30% of net income attributable to members) ¹	\$	\$0	\$22,056	\$31,906	\$13,891	\$18,300
Membership distribution – Shared Success dividends ^{1,2}	\$	\$0	\$3,869	\$15,954	\$6,947	\$9,150
Shared Success donations to community (allocation for following year) ^{1,3}	\$	\$0	\$18,187	\$15,954	\$6,947	\$9,150
Shared Success donations by program⁴						
Systems transformation grants ⁵	\$	\$9,889	\$13,139	\$5,345	\$3,835	\$9,395
Community responsive grants ⁵	\$	\$1,259	\$1,472	\$775	\$167	\$221
Vancity's enviroFund™	\$	\$1,039	\$776	\$887	\$735	\$1,026
Donation to the Vancity Community Foundation (core funding)	\$	\$1,000	\$500	\$350	\$350	\$350
Special projects/other	\$	\$329	\$891	\$1,294	\$161	\$291

Total community distributions³	\$	\$13,516	\$16,778	\$8,651	\$5,248	\$11,284
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1 Consistent with all items reported on the Statement of Operations in the summarized and consolidated Financial Statements, Shared Success distributions were recorded on an accrual basis. Allocations made in the current year will be distributed in the future.

2 In November 2021, the Board approved a change, aligned to our co-operative principles and made with member feedback, to end Patronage payments and to direct a larger percentage of the Shared Success pool to help advance social or environmental causes. This change took effect in 2022 and applied to the Shared Success payments distributed to members in March 2023. Amounts listed here include both dividends and patronage payments for 2019 – 2021.

3 Exact amount of community distributions in a particular year may not match allocations due to timing of donations and multi-year commitments.

4 Includes amounts disbursed and/or approved for disbursement.

5 See page 42 for a breakdown of community grants approved for distribution by focus area.

Community grants

Through the Shared Success Community Fund and EnviroFund™, we provided grants to organizations working towards accelerating community outcomes in service of increased financial resilience, reduced carbon emissions, climate justice, Reconciliation, and racial justice. These outcomes are rooted in our public commitments around climate, financial resilience and inclusion, and anti-racism; our values including Reconciliation; and our co-operative principles and values. In 2023, we approved grants for 195 not-for-profits, co-operatives and impact businesses totaling \$12.2 million. Where possible we focus our community investments at the intersections of these outcomes, adopting a multi-outcome approach to accelerate our impact.

Community grants approved for distribution and by percentage per primary impact area

		2023	2022	2021 ¹	2020	2019
Community grants approved (millions)	\$	\$12.2M	\$14.1M	\$8.7M	\$4.6M	\$10.4M
Indigenous communities	%	17	14	15	13	13
Energy and climate	%	27	24	16	26	22
Financial resilience and equity	%	56	24	6	23	16
Sustainable business and orgs	%	0	17	23	22	16
Affordable housing	%	0	7	10	15	33
Sustainable jobs	%	0	14	7	n/a	n/a
COVID-19 response ²	%	n/a	n/a	13	n/a	n/a
Other ³	%	0.17	n/a	10	n/a	n/a

A grant may fall in more than one impact area. For definitions of impact area terms, see the Glossary.

1 New categories were identified in 2021. Sustainable jobs was isolated from energy and climate, while COVID-19 response and Other were new.

2 In 2021, Vancity set up a special COVID-19 response fund to support small business and not-for-profit members struggling with another wave of COVID-19.

3 Includes Vancity's annual donation to VCF (\$350,000), Community Branch Grants, Pigeon Park Funding, Accounting Adjustments and Lighter Living grants that do not align well with the above focus areas.

Community impact loans (FS7, FS8)

We have a variety of community [impact lending programs](#). Broadly speaking, community impact loans are those we provide to specific types of organizations or within specific sectors that we believe improve the wellbeing of people and the community. We have internally developed guidelines to help guide what we categorize as community impact loans. Loans can be commercial real-estate loans, business loans (including loans to not-for-profit organizations, social enterprises, and co-operatives) or micro-loans. The outstanding balances from these loans form part of our triple bottom line assets, see page 39.

Business relationships and value chain (2-6)

Vancity is a financial co-operative serving personal and business members in BC with banking services (deposit-taking and lending), commercial mortgage lending, and investment advice and services.

Our supplier relationships include wholesalers, manufacturers, and contractors. In 2023, our largest spending was in information technology for both software and hardware solutions, and in consultancy services for strengthening critical capabilities and obtaining expertise for specific projects. We have long-term relationships with our suppliers that are core to the delivery of services to our members and short-term business relationships for project-based deliverables or acquiring services or products as needed. Renovations and operational suppliers also add up to a significant amount. Other relevant business relationships include ISSofBC, PHS, and others related to Black and women's business programs.

Changes in supply chain

We remain committed to our net zero goals with suppliers in purchasing. In new third-party engagements, we are committed to better alignment to our EPBRs. We have also mapped better controls to ensure risks related to relationships with suppliers are addressed accordingly. In 2023, there was an increase in US contracts mainly related to technology solutions.

Openings, closings, and relocations of branches (PAS)

Opened: Office space on the 14th floor at Central City.

Closures: Branch 1 (Vancity Centre), Branch 14 (Marpole), Branch 57 (Lynn Valley), office space at 815 West Hastings, and office space at ISSofBC Surrey.

Relocations: Branch 11 (4th Avenue)

Suppliers (2-4)

		2023	2022	2021	2020	2019
Total value of managed purchases by region <i>(millions of dollars)</i>	\$	\$172.4M	\$128.1M	\$126.3M	\$128.4M	\$130.4M
Total number of suppliers by region	#	793	768	826	889	1,028
Locally based ¹	# %	498 63	498 68	517 64	562 58	673 65
Rest of BC	# %	11 <1	21 <1	15 <1	21 <1	26 <1
Rest of Canada	# %	133 12	147 15	201 20	207 26	221 18
USA/other	# %	151 25	102 16	93 17	99 16	108 17

Previous percentages of suppliers by region were restated due to calculation adjustments.

¹ Percentage of locally based purchases of total dollars spent on managed purchases.

Taxes paid and payable

<i>(millions of dollars)</i>		2023	2022	2021	2020	2019
Federal taxes	\$M	\$0.8M	\$9.6M	\$14.4M	\$15.9M	\$13.8M
Provincial taxes	\$M	\$0.6M	\$1.7M	\$2.5M	\$3.3M	\$7.4M
Total taxes paid or payable	\$M	\$1.4M¹	\$11.3M	\$16.9M	\$19.2M	\$21.2M
Current tax expense	\$M	\$(4.7M)	\$19.9M	\$18.4M	\$13.5M	\$16.8M
Deferred tax expense	\$M	\$(1M)	\$(5.6M)	\$17.9M	\$(10.2M)	\$(4.7M)
Total income tax expense	\$M	\$(5.7M)	\$14.3M	\$36.3M	\$3.3M	\$12.1M

¹ The \$1.4M represents the total taxes paid or payable by Vancity's subsidiaries. An additional refund of \$1.75M is expected from 2023 losses carried back to 2020. This is partially captured in the current tax expense of \$(4.7M).

Tax relief or tax credit received from government (201-4)

Credit unions in BC are eligible for the small business tax rate, which is calculated based on a percentage of our member shares and deposits. The amount of credit union deduction fluctuates from year to year depending on the size of our member shares and deposits. Like most large organizations in BC, Vancity is taxed at a standard rate of 27 per cent (15 per cent federal and 12 per cent provincial). However, as a BC credit union, Vancity is also eligible for a reduction of the provincial rate of up to 10 per cent. The actual amount of the reduction is based on a prescribed formula that is driven by a "maximum cumulative reserve" that is increased by any shares issued and by the growth of any amounts owing, including deposits, to our members. The value of the credit union deduction is shown in the table below. The taxes paid and payable figures (above) already account for the decrease in tax as a result of the credit union deduction.

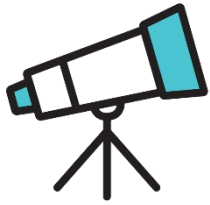
The [Scientific Research and Experimental Development \(SR&ED\) program tax credit](#) is a reduction of our taxes paid to the government. Generally, SR&ED tax credits received are dollar for dollar, and as a form of government assistance, they are subject to income tax whereby parts of the SR&ED credits get added back to following year's tax return.

Reported figures for taxes paid and payable (above) do not include tax credits received from the SR&ED program. The credits are disclosed separately in the table below.

The [B.C. Employer Training Grant](#) is a cost-sharing grant program that provides employers throughout B.C. with skills training funding for their workforces, including prospective new hires with the goal of building an agile and resilient workforce providing B.C. enterprises with a strategic competitive advantage for productivity and innovation. Vancity applied for this grant in 2023 for leading digital transformation projects; we were successful in achieving a refund of 80% of the total cost of the course.

<i>(millions of dollars)</i>		2023	2022	2021	2020	2019
Value of additional deduction for credit unions	\$	\$0	\$5.8M	\$9.1M	\$9.4M	\$3.6M
Value of SR&ED/Investment tax credit	\$	\$n/a ¹	\$0.6M	\$0.9M	\$0.9M	\$0.9M
Value of BC Training Grants <i>(thousands of dollars)</i>	\$	\$6.6k	n/a	n/a	n/a	n/a

¹ Value of SR&ED tax credit available after following year's tax return completed.



Governance. (3-3)

As a [values-based financial co-operative](#), Vancity is committed to transforming how banking is done so we can help our members and their local communities thrive financially, socially, and environmentally. A [co-operative](#) is a jointly owned and democratically controlled enterprise that supports the common economic, social, and cultural needs of its members. For more on our approach to Governance, see [Annual Report](#), 'Governance,' page 33.

Board of Directors (2-12, 2-10, 2-13)



Target 5.5 – Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.

Vancity’s highest governance body is the [Board of Directors](#), and along with the Executive Leadership Team, forms the structure that develops, approves and updates the organizations purpose, value, mission statements, strategies, policies, risk appetite, culture and goals related to sustainable development. The Board of Directors is legally responsible for the management and supervision of Vancity’s business and its affairs. It has the statutory authority and obligation to protect the assets of Vancity in the interest of all members. It is accountable for the stewardship of the credit union and must take all reasonable steps to ensure the safety, stability, and sustainability of Vancity. The responsibilities of the Board and its committees can be found on [Good Governance in practice](#).

The process for determining composition, qualification and expertise of Board members and committees that develop Vancity’s governance structure are found within the [Candidates’ Information Package](#), as well as within the [Governance Committee Terms of Reference](#), with the Governance Committee responsible for overseeing director education, and evaluating director skills and experience to identify areas for focus in future recruitment.

The Board’s role in managing impacts, values, and strategy can be found in its many [Terms of Reference](#).

The Board considers the legitimate interests that stakeholders, rightsholders and interested parties such as employees, suppliers, members, and communities may have in Vancity. It calls on expert advice, both internal and external, to offer an opinion and knowledge when required. It receives reports of insights from various engagements with members and other interested parties, such as results of surveys and focus groups. All this may influence Directors’ views of risks and opportunities.

A senior management committee structure provides effective oversight and risk management of the principal risks and impacts affecting Vancity. The Risk Management Committee consists of the Chief Executive Officer, Chief Risk Officer, Chief Financial Officer, Chief External Relations Officer, Chief Member Services Officer, Chief Technology & Information Officer, and the Chief Equity and People Officer.

The board is composed of nine directors, and 100 per cent of them are independent. Director attendance can be found in our [Annual Reporting to members](#). Ways in which members can provide input is outlined in



Vancity's Rules, and in the Credit Union Incorporation Act S77 (Special resolutions) and S77.1 (Member Proposals). Special Resolutions can be brought forward by the membership under the Credit Union Incorporation Act S.77 (1). Information regarding these inputs are disseminated to the members (when applicable) through our Election and AGM pages on Vancity.com, in April every year.

Board diversity (2-9, 405-1, II.C.6)

		BM	2023	2022	2021	2020	2019
Women ¹	%	26	67	67	67	56	78
Transgender or non-binary	%		0	0	0	n/a	n/a
Aged under 30	%		0	0	0	0	0
Aged 30-50	%		44	44	56	44	44
Aged over 50	%		56	56	44	56	56
Person with a disability	%	0.6	11	11	0	0	0
Indigenous person	%	0.9	22	11	0	11	0
Black, person of colour	%	8.3	33	44	56	56	44
2SLGBTQIA+	%		11	22	11	22	11

Vancity's Board of Directors is elected by our members. Data is based on nine board members.

Additional Board of Directors diversity segment tracking was introduced in 2019 and 2021.

Benchmark (BM) source: Osler's 2022 Report on Diversity Disclosure Practices

¹ United Nations Research Institute for Social Development's Sustainable Development Performance Indicators – "II.C.6 Number and percentage of women board members – Sustainability threshold or norm: The organization shall have at least 40% representation of women on the board in any given year."

Member participation in elections (2-29)

Board elections

The [Board of Directors Election](#) is held every year to fill open Director positions, and members are encouraged to participate in the election process as a key driver in maintaining our success as a democratic credit union.

		BM	2023	2022	2021	2020	2019
Number of eligible members who voted	#		26,348	26,705	33,303	31,070	13,461
Percentage of eligible members who voted	%	1.6	5.1	5.2	6.7	6.4	2.8

Benchmark (BM) source: Central 1 Credit Union, 2010 AGM Study for Canadian Credit Unions.

Board remuneration (2-19, 2-20)

Directors receive a monetary sum for each year they serve on the Board (referred to as “remuneration”). Remuneration differs from a salary in that directors are not employed by Vancity, but rather are elected to its Board. Remuneration is an important component in recognizing the significant time commitment Directors are asked to make to Vancity. As well as the regularly scheduled Board and Committee meetings, which take place during the day and in the evening, Directors are expected to attend various meetings, conferences, and events throughout the year to engage with members, and other credit unions and co-operatives. Directors can easily spend 40- 50 hours a month on Vancity-related business.

Director remuneration is independently reviewed every three years by an ad hoc committee of non-director members, known as the “Director Remuneration Committee” (DRC). The Committee’s objective is to prepare a recommendation that will be presented to the membership for approval at the Annual General Meeting (AGM).

Senior management and CEO compensation (2-19, 2-20)

The Board of Directors has the responsibility for monitoring and evaluating the performance of our President and Chief Executive Officer (CEO) and for determining the President and CEO’s compensation. The Board sets a compensation philosophy for Vancity and ensures that the compensation for the President and CEO, and senior management, is appropriate in relation to organizational needs and sector comparisons. The Board’s Human Resources Committee leads the evaluation and compensation process for the President and CEO.

We update our [CEO Compensation](#) Disclosure Statement annually (see reports tab). When the Board reviews CEO compensation, the process includes assessing compensation levels at the 50th percentile of a group of peer companies of comparable size, scope, and complexity. Vancity’s President and CEO has a long-term incentive plan, established by the Board based on organizational priorities. The long-term incentive plan also contained a retention component by deferring the payout for two years. Senior leaders (members of the executive leadership team, vice presidents, and directors) received a base salary and cash incentives that recognized progress on organizational scorecard targets as well as individual accountabilities. In 2023, executives also had long-term incentive plan targets related to ROME, growth in membership, and TBLAA. For more information, see Annual Report, ‘Senior management and executive compensation,’ page 39.

President and Chief Executive Officer annual compensation (2-4)

		2023	2022	2021	2020	2019
Total compensation	\$	\$637,582 ¹	\$1,125,684	\$1,033,810	\$705,477 ^{1,2}	\$1,050,152

The BC Financial Services Authority (BCFSA) is British Columbia’s regulatory agency for credit unions. BCFSA’s compensation definition includes base pay and variable pay (short- and long-term incentive plan) and excludes pension and benefits/perks.

1 Reflects change in CEO mid-year and associated compensation effects.

2 Restated to reflect updated long term incentive plan.

President and Chief Executive Officer annual compensation compared with median annual compensation, and percentage increase in annual total compensation compared with median annual percentage increase in annual total compensation for all employees (2-21)

		2023	2022	2021	2020	2019
Ratio of highest compensated full-time employee (inclusive of bonus) ¹ to lowest paid full-time employee	Ratio	14:1	25:1	23:1	18:1	28:1
Ratio of Vancity's CEO compensation to median annual total compensation for all employees ²	Ratio	8:1	14:1	13:1	10:1	15:1
Ratio of Vancity's CEO percentage increase in annual total compensation to median annual percentage increase in annual total compensation for all	Ratio	14:1	12:1	4.8:1	-6.4:1	0.6:1

GRI's compensation definition for our President and Chief Executive Officer includes base pay, variable pay (short- and long-term incentive plan) and benefits/perks. It excludes pension. Median employee compensation includes base pay, profit share or variable pay and benefits.

1 Ratio is based on CEO's compensation, however in 2023, one commission-based employee received more compensation than the CEO.

2 United Nations Research Institute for Social Development's Sustainable Development Performance Indicators – "II.B.3 CEO-to-worker pay ratio – Sustainability threshold or norm: The CEO-to-worker pay ratio shall not exceed 30:1."

Stakeholder Engagement (2-29)

Vancity's approach to engagement is defined by relationships built on trust and reciprocity. Through ongoing engagement, we seek to better understand our business, identify risks, and harness opportunities. Vancity has a wide landscape of stakeholders and interested parties that intersect with every area of our work. Many of these relationships are longstanding and continue to develop year over year.

As a co-operative, our members are Vancity's owners and our most important and influential stakeholders. Apart from members, key stakeholders and interested parties include our employees (who are also members), the communities in which we operate, and all levels of government, including our regulators. We use a variety of formal and informal approaches to solicit feedback, discuss issues, and collaborate with members, employees, peers, community groups, thought leaders, and decision makers. Many of our employees, leaders, and Board Directors meet regularly with members through their day-to-day work, at local events, or through volunteering or participating in the community in other ways.

Key Stakeholders

Members: Vancity engages with members through post-transactional surveys, focus groups, social media, the online [My2cents](#) member feedback panel, as well through one-on-one in-depth member interviews conducted in our branches, by phone, in writing, and online. Co-operative governance means that members can engage with Board Directors, become candidates in, and vote in Board Director elections. Members are also invited to attend and participate in the Annual General Meeting. For more on our approach to engaging members, see 'Member satisfaction and member feedback' on page 4.

Employees: We engage with employees through surveys, interviews, live update webinars, focus groups, one-on-one talks with direct reports as well as their direct reports' direct reports through manager-once-removed check-ins.

Community: We meet regularly with community groups and regularly participate in community events. We have longstanding relationships with many community groups, collaborate on shared areas of impact and in service of a cleaner and fairer world, and sponsor a number of not-for-profit organizations (see key memberships page 51). Surveys and community focus groups are carried out on an ad hoc basis for direct engagement on shared areas of interest. This approach involves direct consultation with community organizations, specifically ones representing underserved communities to integrate those perspectives into the development of products and services, strategies, and policies.

Governments: Vancity meets with, consults, and provides advice to decision makers at every level of local, regional, provincial, and federal government where Vancity does business in service of our members, business, and regulatory needs and to advance our commitment to building a clean and fair world (see Climate Report, page 16).

Regulators: We meet regularly with federal and provincial regulatory bodies, formally report on performance, respond to consultations, and produce submissions through engagement opportunities on current and emerging regulatory issues (see Public policy and advocacy below).

Other Stakeholders

Public interest groups: We fund, endorse, or collaborate on advocacy initiatives, then we monitor and respond to specific issues as they are raised.

Suppliers and business partners: We engage with businesses through the “Request for proposal” process and implementation of our Ethical Principles for Business Relationships (see page 37). Our supplier relationship managers have meetings as needed to discuss contractual obligations and delivery, as well as providing information on becoming a Living Wage employer.

Competitors and peers: Vancity works with peers on issues of common interest throughout the financial services industry as well as other working groups and committees, including Central 1 and the Global Alliance for Banking on Values. We contribute to thought leadership by engaging on panels and public dialogue with other financial institutions on sustainability topics.

Percentage of members surveyed who rate Vancity 9 or 10 out of 10 for ensuring they have a say in Vancity’s growth and future direction

		2023	2022	2021	2020	2019
Members who feel strongly they have a say in Vancity’s future direction	%	38	37	50	50	43

Public policy and advocacy (2-29, 2-24)

As a member-led, values-based financial institution Vancity works in concert with community, other businesses, and all levels of government to build a clean, fair world while promoting the interests of our members, our business, and the regulatory needs of our sector. In 2023, our work centered on policy to advance Vancity’s commitments on climate action, Reconciliation, and financial resilience and inclusion for our members. Vancity regularly engages with decision makers at all levels of government through consultation submissions, participation in advisory bodies and roundtables, and direct engagement with elected officials and civil servants in municipal, provincial, and federal governments. We also build and support coalitions with stakeholders who share our goals, and work with community partners to inform research and initiatives that serve to illuminate and elevate the profile of our advocacy priorities.

All of our public policy dialogue and advocacy is aligned with Vancity's strategic plan, business objectives, and core values — with a focus on driving the systems change necessary for a transformed economy that protects the earth and guarantees equity for us all. For specific examples of our public policy advocacy efforts, see our Annual Report page 37 and Climate Report page 16.

Political activities

Vancity is a non-partisan organization and does not permit the use of corporate resources for political activities. Board-level policies govern political activities and registerable contact with public office holders for advocacy purposes. Vancity ensures ongoing compliance with all relevant legislation and regulations governing advocacy and lobbying at all levels of government.

Key memberships in associations and advocacy organizations (2-28)

Note: Vancity's positions on key issues are not necessarily the same as the associations'.

[50-30 Challenge](#)

[BC Co-operative Association](#)

[BC Living Wage for Families Campaign](#)

[BC Non-profit Housing Association](#)

[BC Poverty Reduction Coalition](#)

[Building to Electrification Coalition](#)

[Business Council of British Columbia](#)

[Canadian Bankers Association](#)

[Canadian Business for Social Responsibility \(CBSR\)](#)

[Canadian Centre for Policy Alternatives \(BC Office\)](#)

[Canadian Council for Aboriginal Business](#)

[Canadian Credit Union Association](#)

[Carbon Disclosure Project](#)

[Central1 Credit Union](#)

[Ceres Investor Network](#)

[CFA Institute](#)

[Climate Action 100+](#)

[Climate Change Commitment](#)

[Climate Engagement Canada](#)

[Columbia Institute](#)

[Co-operative Housing Federation of BC](#)

[Credit Union Foundation of British Columbia](#)

[Embedding Project](#)

[FACE \(Federation of African Canadian Economics\) Coalition](#)

[Finance for Biodiversity](#)

[Glasgow Financial Alliance for Net Zero \(GFANZ\)](#)

[Global Alliance for Banking on Values](#)

[Global Reporting Initiative](#) (GRI Community)

[ICCR \(Interfaith Centre for Corporate Responsibility\)](#)
[IEHN \(Investors Environmental Health Network\)](#)
[IFRS Sustainability Alliance](#)
[International Cooperative Entrepreneurship Think Tank \(ICETT\)](#)
[Investor Action on AMR](#)
[Mortgage Investment Association of BC](#)
[Multi-Agency Partnership](#)
[Net Zero Asset Managers Initiative](#)
[Partnership for Carbon Accounting Financials](#)
[Portfolio Management Association of Canada](#)
[Presidents Group](#)
[Realize Strategies Co-operative](#)
[Responsible Investment Association](#)
[South Island Prosperity Partnership](#)
[Sustainable Finance Action Council](#)
[UN PRB's Collective Commitment to Climate Action](#)
[UN Principles for Responsible Banking](#)
[UN Principles for Responsible Investment](#)
[UN Race to Zero](#)
[UNEP Finance Initiative](#)
[UNEP FI Leadership Council](#)
[UNEP FI Net-Zero Banking Alliance](#)
[Urban Development Institute \(Pacific Region\)](#)

Vancity is also a member of several local boards of trade, chambers of commerce and business improvement associations.

Risk management

Vancity has a robust risk management system in place that integrates social and environmental factors into risk management practices, such as:

Enterprise Risk Management (ERM): Vancity's Board approved Enterprise Risk Management Framework provides a structured and strategic approach to understand risk and opportunities throughout the organization. This holistic perspective helps in balancing innovation, strategy, and risk.

Risk Appetite Framework (RAF): Vancity utilizes the Risk Appetite Framework to identify, assess, and prepare for potential risks that could harm or disrupt our ecosystem of members and communities. This framework allows for a deeper understanding of risks and be more innovative, while staying within regulatory parameters through informed decision making.

Integration into Core Processes: The RAF is implemented into Vancity's operational policies, procedures, internal controls, reporting structures, and oversight functions. This ensures that risk management is embedded into the core processes and operations of the organization.

Monitoring with Key Risk Indicators (KRIs): Vancity monitors risks at the enterprise level using relevant and leading key risk indicators. This monitoring is a proactive approach that allows Vancity to identify and respond to potential risks in a timely manner.

Reporting to Senior Management and the Board: The risks identified through the RAF and monitored using KRIs are reported to Senior Management and the Board of Directors on a quarterly basis. This regular reporting ensures that leadership has up-to-date information to make timely and informed decisions.

Lending (2-23, FN-MF-450a.3)

Because we have deep roots in relationship banking and understand the needs of the real economy, we see some risks differently. We manage key lending risks, including social and environmental risks, through our lending and investment policies, which are aligned to our Ethical Principles for Business Relationships. Beyond risk management, we take a proactive approach to lending and seek to do more business with organizations that benefit their communities.

Our Lending Policy requires us to consider social and environmental issues. Environmental risk procedures require employees to exercise due diligence in identifying environmentally risky situations. Loan underwriting must include an assessment of the potential financial, legal, and reputational risks associated with these issues. We also factor in flood plain levels and wildfire risk into our decision-making process. We reserve the right to decline financing for business/commercial activities that, while technically in compliance with laws and regulations, may have significant adverse environmental or social consequences.

Social and environmental risks of business banking loans and commercial mortgages are assessed at the time of the loan application, guided by our Ethical Principles for Business Relationships and lending policies, and subject to environmental due diligence. When managing risk for lending to any type of business, we take additional precautions, such as more frequent and in-depth monitoring. For commercial mortgages and our larger business banking loans, site and/or business visits are a mandatory pre-funding condition. These visits can identify environmental and social issues.

Our personal, commercial, and business lending areas are subject to internal audits scheduled based on the degree of risk they pose. To the extent that regulatory and strategic risks are addressed by environmental and social policies, the controls that ensure compliance are reviewed and tested by Internal Audit, as required. Staying abreast of changes in the external environment and developing the capabilities necessary to address these is integral to maintaining our professional standards.

Business and commercial loan portfolio breakdown by North American Industry Classification System (2-4, FS6, PAS)

British Columbia		2023	2022	2021	2020	2019
Accommodation and food services	%	2	2	2	3	3
Construction	%	11	12	10	12	15
Health care & social assistance	%	4	4	4	4	3
Manufacturing	%	1	1	1	1	1
Professional, scientific & technical	%	1	1	1	2	2
Real estate, rental & leasing	%	62	61	62	61	57
Retail trade	%	1	1	1	1	1
Transportation & warehousing	%	1	1	1	1	1
Wholesale trade	%	1.5	2	1	2	2
Other	%	10	17	10	9	10
Other services	%	6	0.02	7	6	5
Outside of British Columbia (Vancity Community Investment bank)		2023	2022	2021	2020	2019
Construction	%	10	17	15 ¹	6	11
Real estate, rental & leasing	%	70	66	75 ¹	90	88
Health care and social assistance	%	3	0.4	1 ¹	1	1
Utilities	%	4	4	n/a	n/a	n/a
Other	%	13	12	9 ¹	3	-

¹ Percent business loans per sector for Vancity Community Investment Bank were restated for 2021 due to errors in data calculations.

2019 figures updated due to previous error in classification.

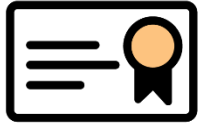
Percentages may not add to 100 per cent due to rounding.

Climate risk

Vancity takes a comprehensive approach towards the impact of climate change and applies proactive methodologies to identify, address and mitigate climate related risks and to capitalize emerging opportunities. The rate and magnitude of climate change is already straining community infrastructure, health and wellbeing, and cultural traditions and practices, and we can expect impacts to worsen due to a greater frequency and severity of weather-related events. These impacts will differ across communities as climate risks continue to compound existing social inequalities. And, as the global transition toward net zero is accelerated, it will also result in fast economic shifts.

Through our approach, we actively seek out opportunities arising from the transition to a low-carbon economy in the execution of new initiatives. Central to our strategy is the consideration of potential impacts on our members and communities. By assessing both physical and transition impacts of climate change on our lending and investment portfolio, we strive to align our efforts with their evolving needs and challenges. Robust frameworks and processes ensure the seamless integration of climate risk considerations into the planning, implementation, and ongoing management of our projects.

Our risk management approach emphasizes flooding as our greatest current and short-term climate-related physical risk. Additionally, we recognize wildfires as an emerging risk, particularly in geographic areas experiencing lending growth and facing a higher risk of fire. Vancity takes a proactive and comprehensive approach to address the challenges posed by climate change. For more information on our management approach to climate risk, see the Climate Report page 20.



Reporting principles and other information.

Reporting principles

We apply the following principles to the data we report:

- We report data for Vancity unless otherwise stated. Vancity refers to Vancouver City Savings Credit Union and its subsidiaries – see the Annual Report Structure and executive leadership team, page 35.
- We report data for the calendar and fiscal year January 1 to December 31.
- We include five years of data where comparable and available (for new indicators added in the reporting year as well).
- If data increases or decreases by a material amount from the prior year, or if over five years data is trending up or down, we include an explanation. We typically consider a material amount to be either +/- five per cent, or an amount we or our third-party survey providers consider to be a statistically significant variance for survey results.
- We include external industry benchmarks from sources we consider to be reliable, where meaningful and available, to provide context for our performance.
- We disclose in the table notes if data is estimated or based on extrapolation, and we provide details of the estimation or extrapolation.
- For relevant disclosures, we follow the protocols contained in the GRI's sustainability reporting standards unless otherwise stated.
- We're continuously improving our data tracking and reporting processes. Sometimes this means that while data quality improves, we may lose comparability of data over time. In these cases, historical data is either omitted, recalculated (if possible) or included with an appropriate table note if we think showing the historical data is of value. We indicate restatements and omissions of data in the table notes.
- When we restate data, we include a minimum of three years of data, where available.

Survey data

The following describes some of the key surveys we use to gather data.

Member relationship health survey:

A confidential telephone/email survey conducted monthly by Panalytics Research. We report an annual (average of all quarters) average score. See page 4 for specific scores, margins of error and levels of confidence.

Member Services Centre quality survey

A telephone survey administered by SQM Group. Call centre customer satisfaction (CSat) is the percentage of members who answered "very satisfied" (top box response) about their overall call centre experience. We report a year-to-date (as of December 31) cumulative score. The margin of error in 2023 was +/- 3%.

Employee Experience Score

Employee experience is an indicator of how much employees feel they belong at their organization and can achieve their potential. There are four questions that go into the overall Employee Experience Score. The score is derived from the percentage of respondents that answered favourably (strongly agree or agree) across all four questions. Vancity reports scores as a percentile measured against other participating Canadian companies.

MyDiversity survey

A confidential survey tool to capture the diversity of our employees. All employees are asked to participate in the survey tool; however, disclosure of diversity information is voluntary. Nearly 50 options and free text spaces are included in the survey tool to reflect a diverse range of identities within racial identity, abilities and disabilities, gender, and sexual orientation. It also includes options typically associated with dominant identities as opposed to a “yes” / “no” option on broader type of diversity, to offer an inclusive experience and mitigate assumptions and bias in the data.

Assurance of key performance and impact data

The 2023 data for performance and impact measures, below in **bold**, were assured to a reasonable level of assurance. The remaining measures were assured to a limited level of assurance by KPMG LLP. We selected these measures to be assured because they are strategic measures with organizational targets and relate to our material topics, where quantifiable.

- **Membership growth (%)**
- **Member satisfaction average (%)**
- **Employee experience (%)**
- **Return on average members' equity (business results) (%)**
- **Return on average members' equity (after Shared Success) (%)**
- **Operating earnings (\$)**
- **Net lending growth and net Sustainable Wealth Management (SWM) inflows (\$) ¹**
- **Total assets (\$)**
- **Total assets under administration (\$)**
- **Triple bottom line assets and assets under administration (\$)**
- **Efficiency ratio (%)**
- Percentage of employees who self-identify as Indigenous (%)
- Recertification as a Living Wage employer
- Scope 1 and 2 total operational GHG emissions (tCO2e)
- Scope 3 total operational GHG emissions (tCO2e)
- Total operational GHG emissions (tCO2e)
- Recertification on prior year operational footprint as carbon neutral (2022)
- Absolute financed GHG emissions (tCO2e) of residential mortgages (2019 and 2023) as defined by the Partnership for Carbon Accounting Financials (PCAF), and change (%) in financed GHG emissions since 2019

¹ Both metrics assured as one combined figure. For information on external assurance see KPMG LLP's independent practitioners' assurance report on p. 42 of the Annual Report. We have included detailed explanations of the methodology used to measure our performance and impact throughout these Accountability Statements, in the Glossary, and Climate Report.

- Absolute financed GHG emissions (tCO₂e) of commercial real estate: commercial service and residential buildings (2019 and 2023) as defined by PCAF, and change (%) in financed GHG emissions since 2019
- UN Principles for Responsible Banking Self-Assessment responses to: 2.1 Impact analysis, 2.2 Target setting, 2.3 Target implementation and monitoring, and 5.1 Governance structure for implementation of the principles, including the following quantitative metrics:
 - A.1.2: 2019 baseline residential building and commercial service buildings financed emissions as per SBTi (tCO₂e)
 - A.1.5: Climate related business opportunities and financial products balance (\$)
 - A.3.1: Green assets balance (\$)
 - A.4.1: Absolute (tCO₂e) and percentage change (%) of residential buildings and commercial service buildings emissions from 2019 baseline as per SBTi
 - B.4.3: Percentage of members who feel confident about their financial situation in the next 12 months (%)
 - B.4.4: Percentage of members with products connected to long-term savings and investment plans (% with term deposits and GICs, and % with managed or self-directed investment products)
 - B.4.5: Percentage of members who could not cover an unexpected expense of \$5,000
- Sustainability Issuance following quantitative metrics:
 - Net proceeds raised through Sustainability BDN issuance (\$)
 - Amount of proceeds allocated in aggregate (\$)
 - Balance of unallocated proceeds (\$)
 - Share of proceeds used for financing versus refinancing (%)

Material topics and determining report content (3-1)

Our Annual Report is aligned with the International Integrated Reporting Framework and is also prepared, including the Accountability Statements, in accordance with the Global Reporting Initiative's (GRI) Sustainability Reporting Standards.

For how we determine our material topics and our approach to external assurance, see Annual Report, 'About this report,' page 41.

Our 2023 Material topics are listed below.

Material topics (3-2)

2023 Vancity Material Topics	GRI Topic and Sector Standards
People	
Service experience	GRI 417: Marketing and Labeling
Helping protect members	GRI 205: Anti-corruption GRI 418: Marketing and Labeling GRI 417: Customer privacy
Financial health and inclusion	GRI FS14: Initiatives to improve access to financial services for disadvantaged people
Diversity and anti-racism	GRI 405: Diversity and Equal Opportunity GRI 406: Non-discrimination
Employees	GRI 401: Employment
Planet	
Climate crisis	GRI 305: Emissions
Responsible investment	GRI FS7/FS8: Products and services designed to deliver a specific social/environmental benefit GRI FS10: Companies held in the portfolio with which the reporting organization has interacted on environmental and social issues GRI FS11: Assets subject to positive and negative environmental or social screening
Profit	
Financial and economic performance	GRI 201: Economic Performance GRI 202: Market Presence
Supporting local communities	GRI 413: Local Communities
Governance	
Governance	GRI 2: General Disclosures

Changes in measures from 2023 (3-2)

The following measures were changed in 2023:

Added:

- Member primacy
- Economic value added
- Core deposits
- Four survey metrics related to financial health and inclusion, see page 10
- Allocation and impact reporting related to new sustainability issuance, see 2023 Sustainability Issuance Report
- Some SASB metrics related IFRS S2

Removed:

- Member satisfaction 9s and 10s out of 10
- Return rate from parental leave
- Total office paper use per FTE

Global Reporting Initiative content index

Vancity has reported in accordance with the [Global Reporting Initiative Sustainability Standards](#) (GRI Standards) for the period January 1st, 2023 to December 31st, 2023. We report using the GRI 1: Foundation 2021 and applicable sector standards for Financial Services.

The page numbers below refer to the following documents. See documents at vancity.com/AnnualReport.

AS = 2023 Accountability Statements

AR = 2023 Annual Report

CR = 2023 Climate Report

PRB = 2023 Principles for Responsible Banking Self-Assessment

Disclosure	Description	Page number, link, explanation, or reason for omission
GRI 2: General Disclosures 2022		
The organization and its reporting practices		
2-1	Organizational details	Business model, AR p. 6 Structure and executive leadership team, AR p. 38
2-2	Entities included in sustainability reporting	Structure and executive leadership team, AR p. 38 All entities included in Vancity's consolidated Financial Statements are covered in the report.
2-3	Reporting period, frequency and contact point	Reporting period: January 1, 2023, to December 31, 2023. Integrated Annual Report is published annually, May 8, 2024. Contact: Accountability_VC@vancity.com
2-4	Restatements of information	Days lost due to employee illness, AS p. 24 Operational GHG emissions by scope and category, AS p. 30 Change in financed emissions since base year for real estate, AS p. 32 Financial and economic performance, AS p. 38 Triple bottom line assets and assets under administration (TBLAA), AS p. 39 TBLAA value by asset category and percentage of TBLAA per asset category, AS p. 40 Sustainable revenue, AS p. 40 Suppliers, AS p. 44 President and Chief Executive Officer annual compensation, AS p. 48 Business and commercial loan portfolio breakdown by North American Industry Classification System, AS p. 54
2-5	External assurance	KPMG LLP's independent assurance report, AR p. 42
Activities and workers		
2-6	Activities, value chain, and other business relationships	Business relationships and value chain, AS p. 43 Business model, AR p. 7 Supporting local communities, AR p. 31
2-7	Employees	Employee profile, position status, and total headcount by gender, AS p. 25. We report on our significant location of operations in British Columbia and Ontario, we do not track self-employed consultants, and there are no significant seasonal fluctuations in our employee numbers.
2-8	Workers who are not employees	Not applicable. Vancity does not track the type of roles contractors fill and cannot report this.

Governance		
2-9	Governance structure and composition	Governance structure and responsibilities of the Board and its committees can be found on vancity.com, and also the Terms of Reference documents embedded within our approach to good governance. All committees have responsibilities related to decision-making on economic, environmental, and social impacts. The organizational structure and composition of the Board and the Executive Leadership Team can also be found on our webpage. All Vancity Board Directors are non-executive and independent. Directors' background information is included only if they choose to disclose it voluntarily. Board diversity, AS p. 47
2-10	Nomination and selection of the highest governance body	See election process and the desired skills and attributes of directors. The process for determining composition, qualification, and expertise of Board members and committees can be found as part of the Candidates' Information Package . When the election is over, the Election Guidelines (which includes the Desired Director Attributes and Experience, and the BCFSA Governance Guideline) is always available from the primary election information on our webpage.
2-11	Chair of the highest governance body	The Chair is not a senior executive of the organization.
2-12	Role of the highest governance body in overseeing the management of impacts	Governance, AS p. 46 See Rule 4.11 . Special Resolutions can also be brought forward by the membership under the Credit Union Incorporation Act S.77 (1). Information regarding this is disseminated to the members in the Election Bulletin, printed in April every year. Board's role in setting purpose, values, and strategy are in its Terms of Reference outlined on our Governance webpage. The Board's role in managing impacts, values, and strategy can also be found in its Terms of Reference.
2-13	Delegation of responsibility for managing impacts	Members of the Executive Leadership Team , including the CEO (who is accountable to the Board of Directors), each have and/or share accountabilities relating to economic, environmental and social topics.
2-14	Role of the highest governance body in sustainability reporting	The Board of Directors, upon recommendation from the Audit Committee.
2-15	Conflicts of interest	The Governance Committee has accountability for establishing and monitoring processes around conflicts of interest and set out in its terms of reference. In addition, the Board has established a Conflict of Interest Policy (for internal use only).
2-16	Communication of critical concerns	Member concerns and complaints, AS p. 4 No special resolutions or critical concerns were brought forward to the 2022 AGM or Board of directors. Member complaints and concerns are received by the office of the CEO and addressed accordingly.
2-17	Collective knowledge of the highest governance body	Directors' professional development activities may include economic, environmental, and social topics. Members with specific skills and attributes, including those with appropriate experience, are sought during the annual Board of Directors' Election and accessible all year round.
2-18	Evaluation of the performance of the highest governance body	The Board has a commitment to Vancity's success, but the annual assessment process is not available as public information. However, a general description regarding evaluation of the Board's performance can be found on our Governance webpage.
2-19	Remuneration policies	Board remuneration, AS p. 47 Senior management and CEO compensation, AS p. 48 Targets and incentive pay, AR p. 10 Information about the Board's remuneration
2-20	Process to determine remuneration	Refer to 2-19 above. Board remuneration, AS p. 47 Senior management and CEO compensation, AS p. 48 In terms of specific process, director remuneration is reviewed, and a recommendation is made, by the Directors' Remuneration Committee, an ad hoc committee which comprises three appointed general members, who are unaffiliated with, and independent from, the Vancity Board of Directors. Director remuneration is approved every three years by the membership, who vote by ordinary resolution

		at the Annual General Meeting. The Directors' Remuneration Committee made its recommendation to the membership at the 2022 Annual General Meeting and was approved by the membership to take effect for 2022-2025.
2-21	Annual total compensation ratio	President and Chief Executive Officer annual compensation compared with median annual compensation for all employees, AS p. 41
Strategy, policies, and practices		
2-22	Statement on sustainable development strategy	Message from the Chair, AR p. 5 Message from the CEO, AR p. 6
2-23	Policy commitments	Lending, AS p. 53 Business model, AR p. 7 Vision
2-24	Embedding policy commitments	Percentage of employees who reviewed and signed Vancity's Code of Conduct, AS p. 8 Employees who completed training on policies and procedures concerning relevant aspects of human rights, AS p. 23 Ethical principles for Business Relationships, AS p. 37 Public policy and advocacy, AS p. 50 Reconciliation with Indigenous people, AR p. 32 Principle 1: Alignment, PRB p. 3
2-25	Processes to remediate negative impacts	Internal whistleblowing to report any misconduct through Clearview Connects Compliments and complaints Impact Analysis, PRB p. 5
2-26	Mechanisms for seeking advice and raising concerns	Member concerns and complaints, AS p. 4 Whistleblower policies, AS p. 7 Employees who reviewed and signed Vancity's Code of Conduct, AS p. 8
2-27	Compliance with laws and regulations	Legal actions and fines, AS p. 7
2-28	Membership associations	Key memberships in associations and advocacy organizations, AS p. 51
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Member satisfaction, AS p. 4 Member feedback mechanisms, AS p. 4 Employee experience score, AS p. 20 Member participation in elections, AS p. 47 Stakeholder engagement, AS p. 49 Public policy and advocacy, AS p. 50 Member and client engagement, CR p. 15 Policy advocacy and community engagement, CR p. 16
2-30	Collective bargaining agreements	Employees covered by collective bargaining agreements, AS p. 22
Disclosures on material topics		
3-1	Process to determine material topics	Material topics and determining report content, AS p. 58
3-2	List of material topics	Material topics, AS p. 59 Changes in measures from 2021, AS p. 60
3-3	Management of material topics	Listed under each GRI standard below
201	Economic Performance	
3-3	Management of material topics	Financial and economic performance, AR p. 27

201-1	Direct economic value generated and distributed	Economic value distributed metrics table, AS p. 39
201-2	Financial implications and other risks and opportunities due to climate change	Climate-related risks and opportunities, CR, p. 9 Financial position and cash flows, CR p. 19 Risk management, CR p. 20
201-3	Defined benefit plan obligations and other retirement plans	Employees, AR p. 19 Pension and other retirement benefits, FS p. 40
201-4	Financial assistance received from government	Tax relief or tax credit received from government, AS p. 44
202	Market Presence	
3-3	Management of material topics	Financial and economic performance, AR p. 27
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Entry-level employee hourly wage compared with British Columbia's living wage, p. 20 (Vancity does not report living wage by gender) Paying a living wage, AR p. 20
202-2	Proportion of senior management hired from the local community	Information unavailable. Vancity does not track numbers of senior management hired by location, however most employees live and work in the southern British Columbia, where the communities we operate in are located.
205	Anti-corruption	
3-3	Management of material topics	Helping protect members, AS p. 6 Helping protect members, AR p. 15
205-1	Operations assessed for risks related to corruption	Not applicable. Vancity does not have operations in locations that have been flagged as high risk related to corruption.
205-2	Communication and training about anti-corruption policies and procedures	Percentage of employees who completed privacy training, AS p. 6 Percentage of employees who reviewed and signed Vancity's Code of Conduct, AS p. 8
205-3	Confirmed incidents of corruption and actions taken	Fraud Incidents, AS p. 7
305	Emissions	
3-3	Management of material topics	The climate crisis, AS p. 28 The climate crisis, AR p. 21 Strategy and decision making, CR p. 10
305-1	Direct (scope 1) GHG emissions	Operational GHG emissions by scope, AS p. 29 Greenhouse gas emissions, AR p. 21 Operational emissions profile, CR p. 27
305-2	Energy indirect (scope 2) GHG emissions	Operational GHG emissions by scope, AS p. 29 Greenhouse gas emissions, AR p. 21 Operational emissions profile, CR p. 27
305-3	Other indirect (scope 3) GHG emissions	Operational GHG emissions by scope, AS p. 29 Scope 3 category 15: Financed GHG emissions, AS p. 31 Greenhouse gas emissions, AR p. 21 Financed emissions, AR p. 22 Operational emissions profile, CR p. 27 Financed emissions profile – scope 3 (category 15), CR p. 30

305-4	GHG emissions intensity	Operational GHG emissions by scope, AS p. 29 Operational GHG emissions by scope, AS p. 31 Operational emissions profile, CR p. 27 Financed emissions profile – scope 3 (category 15), CR p. 30
305-5	Reduction of GHG emissions	Information incomplete. Vancity has recently committed to GHG reductions targets in financed emissions (scope 3 category 15) for the next five years from a 2019 baseline and a net-zero portfolio by 2040. Calculations and data showing reductions are still early stage. For more on GHG emissions reductions including the purchasing of offsets and carbon neutral operations, see our Climate Report, p. 22.
305-6	Emissions of ozone-depleting substances (ODS)	Information not relevant to Vancity. Vancity's operations do not produce, import, or export CFC-11 or any other ODS.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Information not relevant to Vancity. Vancity's operations do not contribute to a measurable increase of NOx, SOx, or other significant air emissions.
401	Employment	
3-3	Management of material topics	Employees, AS p. 20 Performance management, AS p. 22 Labour relations and human rights, AS p. 22 Health and safety, AS p. 23 Employees AR, p. 19
401-1	New employee hires and employee turnover	Number of permanent employee departures and turnover rates by gender and age, p. 26 Number of permanent new employee hires and new employee hire rate by gender and age p. 27
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Part-time employees receive all the same benefits as full time employees on a prorated basis. Temporary employees have varied contracts and we do not track this.
401-3	Parental leave	Parental Leave, AS p. 24 Vancity does not report return rates for parental leaves because the amount of time taken off for a parental leave has a lot of variation, so we are unable to accurately count the number of employees who were scheduled to return to work after leave in a reporting year.
405	Diversity and Equal Opportunity	
3-3	Management of material topics	Diversity and anti-racism, AS p. 15 Board diversity, AS p. 47 Diversity and anti-racism, AR p. 18
405-1	Diversity of governance bodies and employees	Percentage of employees in non-management, by indicator of diversity, AS p. 16 Percentage of employees in management, by indicator of diversity, AS p. 17 Percentage of employees in senior management, by indicator of diversity, AS p. 18 Board diversity, AS p 47
405-2	Ratio of basic salary and remuneration of women to men	Average compensation for women as a percentage of average compensation for men, AS asp. 19 Average compensation for transgender or nonbinary employees as a percentage of average compensation for men, AS p. 19
406	Non-discrimination	
3-3	Management of material topics	Diversity and anti-racism, AS p. 15 Pay equity, AS p. 19
406-1	Incidents of discrimination and corrective actions taken	Employee grievances related to human rights and harassments, AS p. 23
413	Local Communities	
3-3	Management of material topics	Business relationships and value chain, AS p. 43 Supporting local communities, AR p. 31

413-1	Operations with local community engagement, impact assessments, and development programs	Information not relevant to Vancity. Vancity does not measure a percentage of operations with implemented local community engagement programs or disclose publicly environmental and social impact assessments, however we are currently revising our stakeholder mapping and engagement, see AS p. 49, and we have a strategy for Financial Health and Inclusion that includes a focus on vulnerable groups, see AS p. 10.
413-2	Operations with significant actual and potential negative impacts on local communities	Information not relevant to Vancity. Vancity does not have any specific locations or operations with significant actual and potential negative impacts on local communities. For more on our overall portfolio analysis, see 2.1 Impact Analysis, PRB p. 5.
417	Marketing and Labeling	
3-3	Management of material topics	Service experience, AS p. 4 Helping protect members, AS p. 6 Service experience, AR p. 13 Helping protect members, AR p. 15
417-1	Requirements for product and service information and labeling	Responsible marketing and selling, AS p. 8
417-2	Incidents of non-compliance concerning product and service information and labeling	Responsible marketing and selling, AS p. 8
417-3	Incidents of non-compliance concerning marketing communications	Responsible marketing and selling, AS p. 8
418	Customer Privacy	
3-3	Management of material topics	Privacy, AS p. 6 Responsible marketing and selling, AS p. 8 Helping protect members, AS p. 6
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Breaches of privacy and losses of member or client data, AS p. 6
Financial Services Sector Supplement Disclosures		
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/large) and by sector	Business and commercial loan portfolio breakdown by North American Industry Classification System, AS p. 54
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	Products and services designed to provide access to basic financial services, affordable housing, credit and credit repair to individuals, AS p. 11 Triple bottom line assets and assets under administration (TBLAA), AS p. 39 Community impact loans, AS p. 43
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	Products and services to reduce GHG emissions, AS p. 33 Triple bottom line assets and assets under administration (TBLAA), AS p. 39 Community impact loans, AS p. 43
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	Corporate engagement, AS p. 35 Responsible investment, AR p. 25 Managed client investments, CR p. 25
FS11	Percentage of assets subject to positive and negative environmental or social screening	Corporate engagement, AS p. 35 Triple bottom line assets and assets under administration (TBLAA), AS p. 39 Responsible investment, AR p. 25 Managed client investments, CR p. 25
FS13	Access points in low-populated or economically disadvantaged areas by type	Initiatives to improve access, AS p. 10

FS14	Initiatives to improve access to financial services for disadvantaged people	Responsible marketing and selling, AS p. 8 Financial health and inclusion, AS p. 10 Initiatives to improve access, AS p. 10 Accessibility and inclusion in our built environment, AS p. 14
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Sustainability Accounting Standards Board content index

Vancity has partially reported to applicable [SASB standards](#) for the period January 1, 2023 to December 31, 2023. Standards reported fall under the topics of data security, business ethics, financial inclusion, incorporation of ESG factors in credit analysis, transition risk exposure, environmental risk to mortgaged properties, employee diversity & inclusion, and incorporation of ESG factors in investment management & advisory.

The page numbers below refer to the following documents. See documents at vancity.com/AnnualReport.

AS = 2023 Accountability Statements

AR = 2023 Annual Report

CR = 2023 Climate Report

FS = 2023 Consolidated Financial Statements

SASB Code	Indicator	Page number, link, or explanation
FN-CB-230a.2 FN-CF-230a.3	Description of approach to identifying and addressing data security risks	Privacy, AS p. 6 See Vancity Privacy Code
FN-CB-230a.1 FN-CF-230a.1	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of account holders affected	Breaches of privacy and losses of member or client data, AS p. 6 Vancity partially reports the number of breaches only.
FN-AC-270a.1	(1) Number and (2) percentage of licensed employees and identified decision makers with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	Vancity does not have any licensed employees and identified decision makers with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings.
FN-AC-270a.3	Description of approach to informing customers about products and services	Customers are informed by contacting Vancity Investment Management and via their website .
FN-AC-510a.1 FN-AC-270a.2 FN-CB-510a.1 FN-CF-270a.5 FN-MF-270a.3 FN-MF-270b.2	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations; or associated with marketing and communication of financial product related information to new and returning customers; or associated with selling and servicing of products; associated with communications to customers or remuneration of loan originators; or associated with discriminatory mortgage lending	Legal actions and incidents of non-compliance, AS p. 7 We do not report monetary losses but report number of incidents occurred for employee fraud.
FN-AC-510a.2 FN-CB-510a.2	Description of whistleblower policies and procedures	Whistleblower policies, AS p. 7 Member concerns and complaints, AS p. 4
FN-AC-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	Percentage of employees in non-management by indicators of diversity, AS p. 16 Percentage of employees in management by indicators of diversity, AS p. 17 Percentage of employees in senior management by indicators of diversity, AS p. 18
FN-AC-410a.1	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themed investing, and (3) screening	TBLAA value by asset category and percentage of TBLAA per asset category, AS p. 39

IFRS S2 Climate-related Disclosures		
FN-AC-410a.2 FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies; and in credit analysis	Responsible investment, AR p. 25 Strategy and decision making, CR p. 10
FN-AC-410a.3	Description of proxy voting and investee engagement policies and procedures	Corporate engagement, AS p. 35 Responsible investment, AR p. 25 Engagement with portfolio companies, CR p. 16
FN-AC-410b.1 FN-CB-410b.1	(1) Absolute gross financed emissions, disaggregated by (a) Scope 1, (b) Scope 2, and (c) Scope 3	Financed emissions profile – Scope 3 (category 15), CR p. 29
FN-AC-410b.2 FN-CB-410b.2	- Total amount of assets under management (AUM) included in the financed emissions disclosure - Gross exposure for each industry by asset class	- Financed emissions profile by asset class, CR p. 32 - Business loans, CR p. 38
FN-AC-410b.3 FN-CB-410b.3	- Percentage of total assets under management (AUM) included in the financed emissions calculation - Percentage of gross exposure included in the financed emissions calculation	- Financed emissions profile by asset class, CR p. 32 - Business loans, CR p. 38
FN-AC-410b.4 FN-CB-410b.4	Description of the methodology used to calculate financed emissions	Methodologies for emissions calculations – Financed emissions: scope 3, category 15, CR p. 49
FN-MF-450a.1	(1) Number and (2) value of mortgage loans in 100-year flood zones	Metrics and targets, CR p. 23
FN-MF-450a.2	(1) Total expected loss and (2) Loss Given Default (LGD) attributable to mortgage loan default and delinquency due to weather-related natural catastrophes, by geographic region	Climate resilience, CR p. 21 Vancity partially reports by assessing the probability of defaults tied to low, medium, and high flood and fire risk maps with a three- to five-year forecast, which helps to quantify the risk from a capital adequacy perspective.
FN-MF-450a.3	Description of how climate change and other environmental risks are incorporated into mortgage origination and underwriting	Lending, AS p. 53 Climate commitments, CR p. 6 Strategy and decision making, CR p. 10
Activity Metrics:		
FN-AC-000.A	Assets under management (AUM)	Key financial indicators and ratios, AS p. 38 Targets and results, AR p. 11
FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	Deposits from members, FS p. 45 Vancity partially reports value of demand deposits not segmented.
FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	Loans and advances to members, FS p. 32 We partially report value of retail loans including revolving credit loans.
FN-MF-000.A	(1) Number and (2) value of mortgages originated by category: (a) residential and (b) commercial	Loans and advances to members, FS p. 32 We partially report value of mortgages within segments of a) retail: residential mortgages including home equity revolving credit loans, and b) business: commercial mortgages including commercial loans and commercial revolving credit loans.

Accountability and Disclosure requirements per the Governance Guideline for BC Credit Unions

Indicator	Page number, link, or explanation
Addressing member needs and values when setting the credit union's risk appetite and strategic direction	Board terms of reference, AS p. 35
Communicating with members at a frequency and in a format that provides for meaningful comparison and evaluation	About this report, AR p.41 Member concerns and complaints, AS p. 4
Disclosing to members information that, as owners, they should reasonably expect to receive including an overview of the governance framework of the credit union and the director election process	Member participation in elections and other engagement, AS p. 36
Director attendance records for board and committee meetings and educational activities	Governance, AS p. 35
Board and committee chairs and memberships	Governance, AS p. 35 Directors, AR p. 33 Key memberships in associations and advocacy organizations, AS p. 39
Senior management and independent oversight functions	Executive leadership team, AR p. 35 Governance, AS p. 35
For each director, background information and experience, total compensation paid by the credit union, total expenses including education and other costs paid by the credit union, length of board tenure, interlocking directorships with other directors and a list of other board appointments held in his or her capacity as a director of the credit union	Board of Directors, AR p. 31 Board of Directors, AS p. 35 Board of Directors - Vancity
A management discussion and analysis report that provides information on the credit union's financial and operating results including meaningful comparative data, its principal risks and contingency strategies, a fair accounting of the credit union's activities and a commentary on the credit union's expected future performance	Financial and economic performance, AR p.24-28
The total amount and form of compensation paid to the CEO	CEO compensation package, AR p. 36 CEO compensation, AS p. 40
The rules of the credit union	Governance, AS p. 35 Constitution and Rules - Vancity
A description of credit union policies and practices for compensation	Senior management and CEO compensation, AS p. 40 Paying a living wage, AR p. 17 Paying a living wage, AS p. 18
A breakdown of profit allocations including policies governing dividends and community allocations, and corresponding dollar amounts and rationales	Shared Success allocation to members and communities, AS p. 31 Shared Success, FS p. 23 Targets and results, AR p. 9
The credit union provides members with the opportunity, at least annually, to participate in a forum with directors and senior management to ask questions and receive answers about the credit union	Examples of how we engage with our stakeholders, AS p. 36
The credit union has a policy in place to address member feedback and complaints that clearly defines the role of the board and means of direct contact in this process. This policy and means of contact are accessible to members	Member feedback mechanisms, AS p. 4 Member concerns and complaints, AS p. 4