2025 Annual Report.

Accountability Statements.

vancity

Accountability Statements.

Vancity 2025 Annual Report.

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Foreword.

The Accountability Statements supplement our 2025 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, as well as reporting applicable disclosures from the Sustainability Accounting Standards Board (SASB) and the Integrated Reporting (IR) Framework, both of which are now part of the IFRS Foundation. Furthermore, we used the Public Accountability Statements (PAS) disclosures in Canada's *Bank Act*, and Accountability and Disclosure requirements per the Governance Guideline for BC Credit Unions. Our reporting also continues to incorporate the reporting requirements of the Principles for Responsible Banking (PRB).

We collect and manage accountability data using a web-based data management system (UL360), which includes data quality controls. As part of our commitment to continually improve our reporting, we have obtained independent third-party limited assurance of select 2025 accountability metrics. For the scope and results of the limited assurance engagement, see KPMG LLP's independent practitioners' limited assurance report, on page 44 of the Annual Report.

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

- Annual Report
- Climate Update
- Consolidated Financial Statements

Reporting period: January 1, 2025, to December 31, 2025
Integrated annual reporting is published annually, May 2026
Contact: Accountability_VC@vancity.com

Throughout these statements, "Vancity" or "we" refers to Vancouver City Savings Credit Union and its active subsidiaries as listed in the organization chart on page 24 of the Annual Report.

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. For definitions see also page 98.

BM	external benchmark data
n/a	data not available
[xxx-x]	GRI Standards
[FSx]	GRI's old Financial Services Sector disclosures
[FN-XX-xxxx.x]	SASB Standards
[PAS]	Public Accountability Statement disclosures

Note on reporting boundary following the merger with First Credit Union [2-2]

On December 1, 2025, First Credit Union (FCU) completed a business combination with Vancity under Section 16 of the Credit Union Incorporation Act, through which FCU became a part of Vancity. While the merger's legal close took place on December 1, 2025, the underlying banking and reporting systems have not yet been fully integrated by the time of this report preparation. As a result, unless otherwise stated, all data and information presented in this report reflect Vancity operations only and exclude FCU.

This report contains forward-looking statements that reflect Vancity's current expectations regarding future events, performance, and results. Forward-looking statements include, but are not limited to, statements regarding Vancity's strategic objectives, financial and operational targets, climate commitments and emissions reduction targets (including our net-zero by 2040 target), sustainability goals, and the anticipated benefits of the merger with First Credit Union. These statements are based on assumptions, estimates, and projections that management considers reasonable in light of historical trends, current conditions, and expected future developments. However, forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond Vancity's control, including but not limited to changes in economic and geopolitical conditions, interest rates, regulatory requirements, trade policy, and competitive factors. Actual results may differ, potentially materially, from those expressed or implied in these statements. Vancity does not undertake any obligation to update or revise forward-looking statements, except as required by applicable laws. Readers are cautioned not to place undue reliance on these forward-looking statements.

Caution regarding climate and sustainability-related statements

This report contains statements about Vancity's climate targets, emissions, and sustainability commitments. These statements rely on data, methodologies, and measurement standards that continue to evolve, including the Greenhouse Gas Protocol, the Partnership for Carbon Accounting Financials (PCAF), and frameworks established by the Net-Zero Banking Alliance. Key terms such as "net zero," and "financed emissions" do not yet have universally settled definitions and may be interpreted or measured differently as standards develop.

Climate-related targets are based on assumptions, scenarios, and data that management believes to be reasonable at the time of publication, but that are subject to significant uncertainty. Achieving our targets will depend on factors beyond Vancity's direct control, including the pace of grid decarbonization in British Columbia and across Canada, the availability and cost of low-carbon technologies, the actions of our members, borrowers, and investees, government policy and regulatory developments, and the quality and availability of third-party emissions data. There can be no assurance that these targets will be achieved within the stated timeframes or at all.

Make profit, innovate, and grow.

Financial performance. [3-3]

Vancity measures, tracks, and reports a variety of financial performance indicators that inform management of overall financial health and long-term financial sustainability. For more on our approach to financial performance, see our Annual Report page 18.

Why is it important to Vancity?

The financial strength of our credit union directly determines the amount of impact we can have in the communities in which we serve.

Target 8.1 – Sustain per capita economic growth in accordance with national circumstances.

Key financial indicators and ratios [2-4]

Data in the following tables is derived from or is calculated using data from Vancity's audited consolidated Financial Statements, unless otherwise stated.

Table 1. Income Statement

	Unit	2025[1]	2024	2023
Core revenue[2]	$M	675.4	515.8	488.0
Net income before distribution and tax[3]	$M	113.4	14.1	(3.3)
Net income attributable to members	$M	69.9	5.8	(1.3)
Net interest margin[4]	%	1.8	1.3	1.3
Operating efficiency ratio[5]	%	78.4	94.2	99.8
Return on members' equity (ROME)[6] (after Shared Success allocation)	%	4.2	0.4	(0.1)
ROME (business results)	%	5.4	0.6	0.1
Net interest income as a percentage of operating revenue[7]	%	78.1	72.7	74.3
Return on average assets[8]	%	0.2	0.0	0.0

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

1 Result is from, or calculated from, the audited 2025 Consolidated Financial Statements available at vancity.com/AnnualReport. These results reflect the December 1, 2025 merger with First Credit Union.

2 Core revenue is defined as operating income, adjusted for impairment expense on financial instruments and any one-time gains and losses from the sale of real estate assets. For definitions, see Applicable criteria for selected metrics, page 98.

3 Net income before tax and distribution is calculated as revenue less operating expenses plus non-operating income.

4 Net interest margin (NIM) is defined as net interest income divided by average interest-earning assets (Interest-earnings assets are: Cash and cash equivalents, Interest bearing deposits with financial institutions, Financial investments, Loans and advances to members which includes accrued interest receivable and excludes allowance for expected credit losses). NIM is a profitability indicator comparing the net interest income generated from credit products like loans and mortgages, with the outgoing interest paid to deposit-holders, expressed as a percentage of interest-earning assets.

5 The operating efficiency ratio is calculated as total operating expenses divided by total operating income excluding loan impairment expense. It measures how much we must spend to make one dollar. A lower efficiency ratio is desired because this means it costs less to generate each dollar of income.

6 Return on average members' equity (ROME) is calculated as net earnings from operations divided by average members' equity, excluding member shares. It measures how much profit we generate with every unit of members' equity. Members' equity is defined as capital and reserves attributable to members. It includes contributed surplus, retained earnings, and accumulated other comprehensive income.

7 Net interest income as a percentage of operating revenue is net interest income divided by total operating income, excluding loan impairment expense. Operating revenue includes non-interest income such as fees, commissions, real estate development income and net gains on financial assets. This ratio represents the relative proportion of net interest income in relation to operating revenue. Net interest income is the income we earn from loans (interest income) less the interest we pay on deposits (interest expense).

8 Return on average assets is net earnings from operations divided by average assets. It measures how efficient we are at using our assets to generate earnings.

Table 2. Balance Sheet and Off-Balance Sheet

	Unit	2025	2024	2023
Total assets[1]	$B	31.5[2]	28.4	28.8
Assets under administration (AUA)[3]	$B	9.6[4]	7.6	6.7
Total assets and AUA	$B	41.0[4]	36.0	35.5
Percentage of member loans funded by member deposits[5]	%	89	90	88
Net lending growth[6]	$M	991	(34)[7]	547
Member deposit growth[8]	$M	786	402	610
Net Sustainable Wealth Management (SWM) inflows[9]	$M	237	(8.6)[10]	117
Liquidity ratio[11]	%	14.9[2]	12.7	14.4
Capital adequacy ratio[12]	%	14.0	14.2	14.0
Equity to total assets	%	5.6[2]	5.7	5.6
Gross impaired loans as a percentage of total loans[13]	%	0.56[2]	0.47	0.18
Allowance for credit losses as a percentage of total loans[14]	%	0.4[2]	0.4	0.4

1 Assets (financial, per the balance sheet) are defined as everything Vancity owns that is determined to have a future economic benefit.

2 Result is from, or calculated from, the audited 2025 Consolidated Financial Statements available at vancity.com/AnnualReport. These results reflect the December 1, 2025 merger with First Credit Union.

3 For assets under administration definition, see Applicable criteria for selected metrics, page 98.

4 These results reflect the December 1, 2025 merger with First Credit Union.

5 Uses average balances of retail and commercial demand deposits.

6 Net lending growth is the change in the total value of loans issued from period to period. Calculated as new lending products opened plus increases in existing lending products during the period less closed loans, principal payments, and prepayments during same period.

7 In 2024, a sluggish real estate market tempered mortgage growth, resulting in a modest $34 million dip in the lending portfolio.

8 Member deposit growth is the change in the total value of retail and commercial deposits received from period to period. Calculated as new deposit products opened plus increases in existing deposit products during the period less closed deposits during same period.

9 Net sustainable wealth management (SWM) inflows are the net funds added/lost to the SWM portfolio during the period. Calculated as inflows minus outflows, excluding market value changes and excluding Vancity group RRSP, SMRP, and Vancity pension.

10 Vancity experienced a decrease in SWM inflows in 2024 primarily related to personnel changes in our wealth advisory team and an associated transfer of client accounts. We remain confident in the strength of our advisory practice and have instituted an employee retention strategy that includes enhanced compensation and succession planning.

11 Liquidity is how quickly and economically assets can be converted into cash. The liquidity ratio is calculated as total liquid assets divided by total deposits and debt liabilities. This represents assets that could be easily liquidated to pay short-term obligations. It is calculated using the definition in the BC Financial Institutions Act.

12 The capital adequacy ratio is calculated as regulatory capital divided by risk-weighted assets. It is one measure that reflects the strength of a financial institution and is looked upon as a cushion for unexpected losses. Capital levels for BC credit unions are regulated pursuant to the Financial Institutions Act. Minimum capital adequacy ratio is eight per cent, along with a requirement that at least 35 per cent of capital base should consist of retained earnings.

13 Gross impaired loans as a percentage of total loans are the total balance of all loans where it is not expected that the full balance of the loans will be recovered (also known as impaired loans) divided by the total balance of all loans outstanding. This is a loan quality indicator that represents the proportion of our entire loan portfolio that we have determined to be impaired. When a loan is not expected to be fully repaid, the loan is "impaired," and the balance of the loan that is recorded in the financial statements is reduced (or "written down") to the amount of the loan that is expected to be recovered by Vancity. Gross impaired loans are the total balance of all loans that we expect will not be fully repaid, before taking into account any impairment (or write down). This measure indicates the total outstanding balance of all loans that are impaired.

14 Allowance for credit losses as a percentage of total loans is calculated as allowance for credit losses divided by gross total loans. This is an asset quality ratio that measures the allowance available to absorb loan losses relative to total loans outstanding. Allowance for credit losses is an estimate of the portion of loans that is unlikely to be repaid. It consists of an individual allowance for each loan and a collective allowance for the loan portfolio as a whole.

Triple bottom line assets and assets under administration (TBLAA) [FS7, FS8, FS11]

Our Triple bottom line assets and assets under administration metric measures how much of Vancity's assets contribute toward social, environmental, or economic wellbeing. TBLAA as a concept of measuring our performance in impactful assets is influenced by the Global Alliance for Banking on Values.

Table 3. Triple bottom line assets and assets under administration

	Unit	2025	2024	2023
TBLAA[1] assets and assets under administration	$B	13.2	12.1[2]	11.8
TBLAA as a percentage of overall Vancity assets and assets under administration	%	33.7	33.6	33.2

1 Includes triple bottom line assets from the asset categories in the Applicable criteria for selected metrics, page 98.

2 In 2024, Vancity's Sustainable Wealth Management (SWM) Wealth Solutions redefined their criteria and methodology for eligible assets under administration (AUA) deemed responsible investments, adopting the Canadian Investment Funds Standards Committee (CIFSC) Responsible Investment Fund List. Due to the complex nature of SWM AUA calculations, retrospective application was impracticable. For definitions, see Applicable criteria for selected metrics, page 98.

TBLAA value by asset category and percentage of TBLAA per asset category [FN-AC-410a.1]

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

The outstanding loan balances from community impact lending programs form a significant part of our triple bottom line assets. 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 or business loans (including loans to not- for-profit organizations, social enterprises[1], and co-operatives).

For definitions, see Applicable criteria for selected metrics, page 98.

Table 4. TBLAA value and percentage of TBLAA per asset category

	Unit		2025		2024		2023	
Business lending	$M	%	3,667	45	3,730	46	3,626	46
Retail loans	$M	%	25	3	25	3	24	4
Residential mortgages	$M	%	3,536	21	3,310	21	4,126	26
Owned premises	$M	%	4	12[2]	28	93	30	90
Administered investments	$M	%	4,811	56	4,236	56	3,396	51
Treasury	$M	%	1,190	25	748	22	577	16

1 Social enterprises are organizations that are mission-based – their mission (i.e., the purpose of the business) is first and foremost in their operations – and there is strong community benefit in their structure. They may be structured as not for profits, co-operatives, mission-based for profits, Indigenous owned businesses, or First Nation ventures. Their mission could be focused on social, environmental, economic, or cultural impact. The enterprises could be delivering products or services that meet this mission; providing jobs for individuals facing barriers as their main mission; or generating revenues in order to support the financial sustainability of the not for profit or co-operative.

2 In 2025, there was a significant decrease in the percentage of our owned premises categorized as TBLAA due to Vancity Centre's LEED Existing Buildings Operations and Maintenance certification expiring. We are not pursuing recertification at this time but are continuing our work of reducing the carbon across our entire portfolio. For more information, see our 2025 Climate Update page 16.

Centre the member.

Governance. [3-3]

Vancity's Board of Directors represents the membership and has a legal responsibility to protect Vancity's assets. Board members are responsible for ensuring good governance at Vancity. They act as stewards of our organization, provide critical oversight, and help ensure that members' money is invested in ways that improve our communities. The Board delegates the day-to-day management of Vancity to the President and Chief Executive Officer, who establishes the accountabilities of each member of the executive leadership team. Each Director serves on three or more committees and may be appointed to the boards of our subsidiaries or affiliates. For more on our approach to Governance, see Annual Report, Governance, page 22.

Why is it important to Vancity?

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.

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.

Board of Directors [2-10, 2-11, 2-12, 2-15, 2-17]

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 organization's purpose, value, mission statements, strategies, policies, risk appetite and risk culture. 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, including its role in managing impacts, values, and strategy, can be found in the Terms of Reference of the Board.

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. Following each election, the Election Guidelines—which include the Desired Director Attributes and Experience and the BCFSA Governance Guideline—remain accessible through the primary election webpage.

The Board considers the legitimate interests that stakeholders, rightsholders, and interested parties such as employees, suppliers, members, and communities may have in Vancity. It draws on internal and external expert advice when needed and receives insights from member and stakeholder engagement activities such as surveys and focus groups. These inputs inform Directors' assessments of risks and opportunities.

The Board is composed of nine Directors, including the Chair, and 100 per cent of them are non-executive and independent. 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 Related Party & Conflict of Interest Policy.

The Governance Committee also monitors Directors' attendance at Committee meetings, and this information is publicly reported.

Directors' professional development activities may include economic, environmental, and social topics and reported following the close of each Board year. Candidates with specific skills and attributes, including those with appropriate experience, are sought during the annual Board of Directors' https://www.vancity.com/about/leadership/board-of-directors/election/ and the requirements available all year round.

Sustainability-related governance structure [2-9, 2-12, 2-13, 2-14]

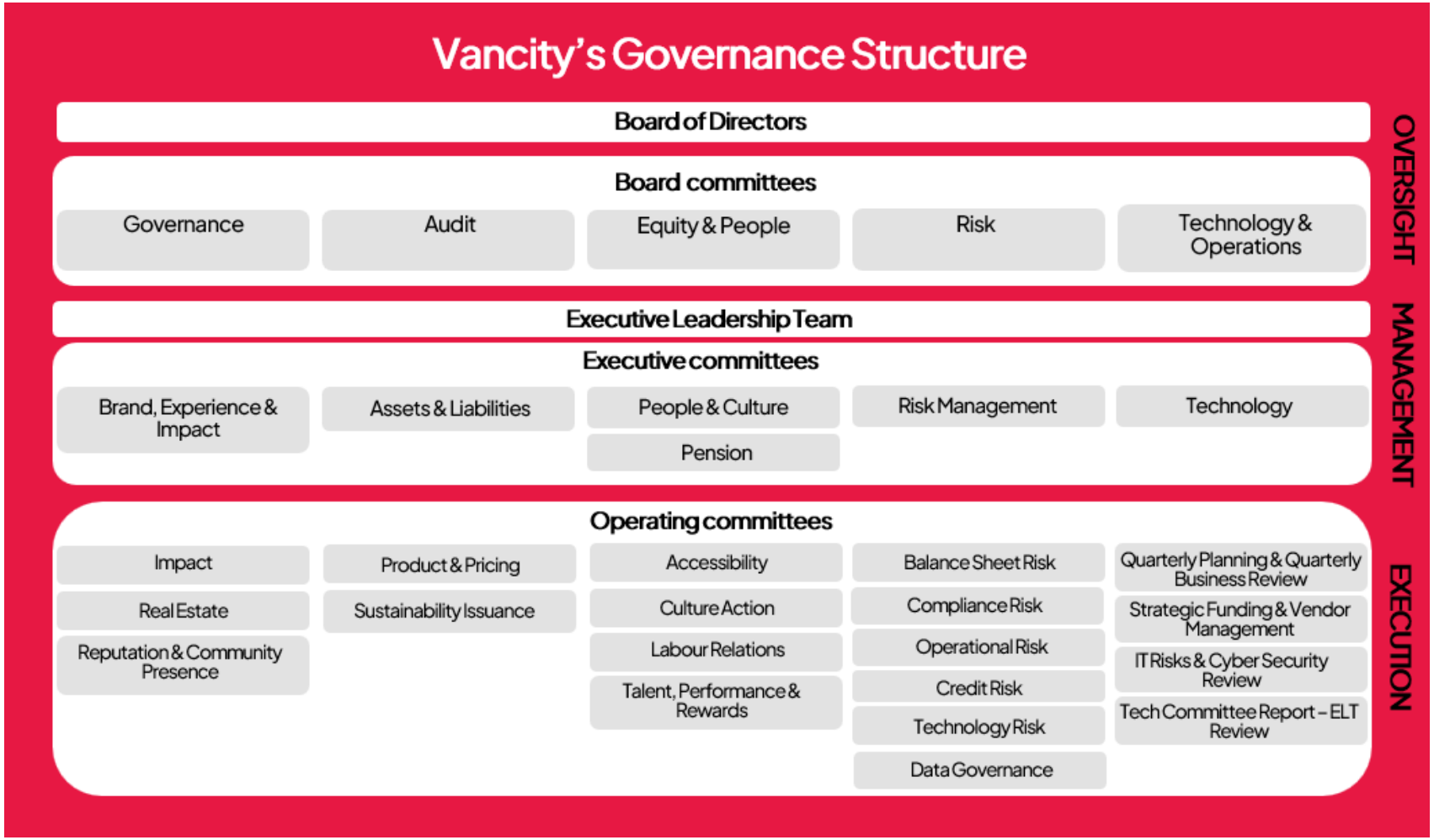
Vancity's governance structure is organized into five levels:

- Board of Directors (governing)
- Board committees (advising)
- Executive leadership team (accountable)
- Executive committees (directing)
- Operating committees (delivery)

At the Board level, the purpose is to provide strategic oversight, alignment with the organization's vision and values, and high-level governance, while management-level committees focus on directing, delivering, and overseeing work across divisions. Each level has defined responsibilities and meeting cadences, ensuring that decision-making, accountability, and escalation are handled consistently and at the appropriate tier within the organization.

Sustainability-related responsibilities are distributed across multiple committees rather than concentrated in a single body. Each committee provides oversight within its area of expertise, while management embeds the governance of material topics into core business processes. This integrated approach ensures that economic, environmental, and social considerations are addressed holistically throughout the organization.

Chart 1. Vancity's governance structure



Board-level governance

Governance structure and responsibilities of the Board and its committees, including terms of reference, can be found on Meet the Board, Board responsibilities, Governance tab. The various committees have responsibilities related to decision-making on economic, environmental and social impacts, risks and opportunities.

Table 5. Board committees' sustainability-related mandates

Board Committee	Sustainability-related mandates
Audit Committee	On behalf of the Board of Directors, provides oversight of Vancity's accountability (sustainability) reporting process, internal controls, and assurance functions to ensure compliance with standards and regulations. It reviews the Annual Report plan, evaluates performance indicators and ensures effective processes and controls for reliable, fair, and integrity-driven accountability reporting. The Committee also oversees external assurance, considers appropriateness and materiality of measures, and receives quarterly updates on public targets and significant aspects of non-financial performance. See Annual Report, About this report, p. 9.
Equity and People Committee	Oversees human resource and compensation strategy and policies. It ensures a safe and respectful environment for employees, reviews pay equity, and ensures that evaluation, compensation and succession planning for Vancity's executive leadership is in line with Vancity's strategic direction and values. It establishes and oversees the process for employees to submit anonymous complaints regarding possible breaches of the Code of Conduct, monitors compliance with employment standards, human rights, and other applicable legislation, and reviews management's recommendations as to the mandate for any collective bargaining agreement before Board approval. See Employment, p. 26, Diversity, equity and inclusion, p. 28.
Governance Committee	Assists the Board in guiding Vancity's long-term strategic vision, providing governance oversight, and optimizing member and community engagement. It reviews and recommends approval of Vancity's Ethical Principles for Business Relationships Policy and monitors compliance with certain statutory requirements. See Economic impacts, p. 55. The Committee also reviews and approves qualifications and remuneration for non-director members of the Directors' Remuneration Committee, as well as recommends their appointments to the Board. See Board remuneration, p. 18. The Committee ensures the Board of Directors' election process is aligned with Vancity's values and promotes member engagement in our democratic process. See Board of Directors, p. 11. Beginning in 2025, it receives quarterly reports on progress toward impact strategies. See Climate, p. 75.
Nominations and Election Committee	The Nominations and Election Committee oversees the Board of Directors' election to ensure compliance with the applicable legislation, Vancity Rules and Election Guidelines. The Committee ensures members are notified of the upcoming election and nominees meet the applicable requirements. It manages the election process to promote transparency, member engagement, and diversity, equity, and inclusion in Board representation. See Annual Report, Governance, p. 22.

Board Committee	Sustainability-related mandates
Risk Committee	Supports the Board of Directors in defining Vancity's risk appetite and overseeing its risk profile, including exposures to risk and performance against defined risk appetite. It fosters Vancity's risk culture and tasks management with embedding enterprise risk management practices across operations. The Committee reviews key risks—current and prospective—to the credit union and oversees identification, assessment, monitoring and mitigation of risks. It also oversees Vancity's Risk Appetite Framework. See Risk management, p. 20, Climate, p. 75.
Technology Committee	Provides oversight of how Vancity leverages technology to achieve its business strategy. The Committee does this by monitoring and advising on technology-related risks, opportunities, and investments. The Committee maintains visibility on current and emerging risks—including those related to cybersecurity, IT operations, data analytics, and software development—and promotes technology literacy among Directors. It reviews internal audit findings related to Vancity's use of technology, monitors information security, and advises on significant technology investments and priorities. See Annual Report, Privacy and security, p. 24.

In addition to the existing structure, Vancity established a Board Advisory Committee following the merger with First Credit Union (FCU) on December 1, 2025. Composed of representatives from Vancity and the legacy FCU board, the committee meets quarterly to provide strategic advice, reflecting Vancity's community-based banking approach and ensuring regional perspectives remain central to decision-making.

Management-level governance

While Board committees provide oversight of sustainability-related matters, executive committees are accountable for management and strategic direction, supported by operating committees responsible for execution. The information presented in this table is effective as of December 31, 2025. In 2026, we anticipate some modifications to align with changes in our organizational structure.

Table 6. Sustainability-related management structure and accountabilities

Committee	Level	Sustainability-related accountability
Brand, Experience & Impact Executive Committee	Executive committee	Responsible for monitoring long-term trends and overseeing actions to optimize impact goals and outcomes, member experience, Shared Success, and community investment. The Committee also governs Vancity's impact measurement framework, including Triple Bottom Line Assets and Assets Under Administration. See Economic impacts, p. 55.
Risk Management Committee (RMC)	Executive committee	Responsible for identifying, assessing, and mitigating potential risks that could impact the organization's strategy, operations, reputation, and financial stability. It also ensures that an appropriate risk management framework is in place to monitor risk exposure and maintain compliance with regulatory requirements. See Risk management, p. 20, Climate p. 75.

Committee	Level	Sustainability-related accountability
People & Culture Executive Committee	Executive committee	Provides strategic leadership and oversight on all matters related to Vancity's people, culture, and workplace environment. It ensures alignment between the organization's strategic objectives and its human capital strategies, fostering a culture of engagement, inclusion, and high performance. See Employment, p. 29.
Assets and Liabilities Committee	Executive committee	Responsible for identifying, managing, and overseeing Vancity's financial risks, overseeing Treasury's execution of strategies that ensure the safe and sound financial execution of the organization's business strategy within risk appetite, while protecting liquidity and capital. Its sub-committee, the Product and Pricing Committee, manages and oversees client-facing product offerings and pricing, ensuring adequate risk-adjusted profitability and alignment with organizational goals through regular review and discussion of product features and pricing strategies. See Responsible marketing and selling, p. 52.
Impact Committee	Operating committee	Ensures a coordinated approach to advancing Vancity's impact objectives and strategy by driving progress against impact targets, keeping all relevant parties informed of developments—including any roadblocks or changes in direction—and fostering collective problem solving through open discussion of challenges. It is also responsible for providing insight, strategic input, updates, and raising issues related to the tracking, measurement and implementation of workplans and initiatives related to Vancity's four impact focus areas (see Annual Report, Operating context and strategic priorities, p. 13). The Committee makes recommendations and escalates decisioning the Brand, Experience & Impact Executive Committee.
IT Risk & Cyber Security Review Committee	Operating committee	Reviews operational risk items such as third-party risk, security risks, and Payment Card Industry Compliance. It provides feedback on the annual cybersecurity roadmap. See Privacy and security, p. 24.
Operational Risk Management Committee	Operating committee	A sub-committee and advisory body to Risk Management Committee. Meets periodically to discuss enterprise-wide operational risks, including physical and transition climate risks. See Climate, p. 75.
Sustainability Issuance Committee	Operating committee	Accountable for the governance of the Sustainability Issuance Framework and oversight of issuances made under the Framework. The Committee oversees the four core components of a sustainability issuance in accordance with ICMA Green Bond and Social Bond Principles: Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds and Reporting. See Responsible investment, p. 91. and Sustainability Issuance Report, p. 8.
Accessibility Advisory Committee	Advisory Committee	The Accessibility Advisory Committee was formed to ensure that feedback from employees and members is considered and integrated into our culture, services, and operations. See Diversity, equity and inclusion, Annual Report p. 28 and Financial health and inclusion, p. 34

Although it sits outside Vancity's formal governance structure, the Indigenous Advisory Committee plays an important role in strengthening our approach to Reconciliation and Indigenous banking initiatives. Comprised of influential Indigenous business and

community leaders, this committee focuses on meaningful consultation and feedback regarding Reconciliation and Indigenous banking initiatives. See Reconciliation with Indigenous Peoples, p. 73. and Annual Report, Reconciliation with Indigenous Peoples, p. 36.

Under Vancity's governance framework, working groups are specialized, cross-functional bodies that provide advisory input, practical guidance, and collaborative support on defined strategic or operational areas. Their role is to complement executive and operating committees by concentrating on material topics that require deeper subject-matter expertise and integrated decision-making.

Table 7. Sustainability-related working groups

Working Groups	Level	Mandate
Leaders Accessibility Working Group	Working group	It drives the implementation of Vancity's accessibility commitments. Comprised of senior leaders from key departments, the group has decision-making authority to allocate resources, remove barriers, implement accessibility commitments and ensure compliance with the Accessible Canada Act, and internal policies. See Annual Report, Diversity, equity and inclusion, p. 28.
Impact Lending Working Group	Working group	Plays an advisory and oversight role in shaping and monitoring Vancity's impact lending practices. Its mandate is to find ways to create more positive impact relative to existing and growing assets under administration through an integrated team approach, develop a better understanding of market opportunities and community trends, make updates to impact lending guidelines, review impact lending opportunities and transactions, and advise other areas of the organization on TBLAA categories. See Financial performance, p. 5 and Applicable criteria for selected metrics, p. 98.
Affordable Housing Innovation Taskforce	Working group	It brings together leaders from across the organization to coordinate Vancity's efforts to address the housing affordability crisis and strengthen our strategic approach to affordable housing under the Impact Strategy and Vancity 2.0 business plan. The group identifies and advances innovative, scalable solutions, while monitoring and reporting on progress toward existing affordable housing targets and developing new metrics as needed. See Affordable housing, p. 70.
Decarbonization Working Group	Working group	Provides direction on our strategy to reduce scope 1 and 2 emissions and align them with our facility and capital management objectives. See Climate, p. 75.
Impact Review Committee	Working group	This committee meets on an ad hoc basis to consider lending and investment opportunities that require deeper assessment of their alignment to our Ethical Principles for Business Relationships, impact goals, and reputational risk tolerance. See Climate, p. 75.

Member participation in governance [2-29]

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. Members are eligible to vote in the Board of

Director elections if they are 19 years of age or older, not delinquent in any obligations to Vancity, and have at least five dollars in a Class B Membership Shares account for each member named on the account.

Table 8. Board elections

	Unit	BM[1]	2025	2024	2023
Number of eligible members who voted	#		30,910	34,264	26,348
Percentage of eligible members who voted	%	1.6	5.9	6.5	5.1

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

Ways in which members can provide input are outlined in Vancity's Rules (rule 8.1), 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). We shared information regarding these inputs with members (when applicable) through our Election and AGM pages on Vancity.com, in the Election Bulletin, in April every year.

According to the survey results, 42 per cent of our members feel strongly that they have a say in Vancity's growth and future direction, reflecting continued member engagement in our co-operative governance model.

Table 9. Members surveyed who rate Vancity 9 or 10 out of 10 for ensuring they have a say in Vancity's growth and future direction

	Unit	2025	2024	2023
Members who feel strongly they have a say in Vancity's future direction	%	42	39	38

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. Information about the Board's remuneration can be found in the Director Remuneration and Expenses document.

Director remuneration is reviewed, and a recommendation is made, by the Directors' Remuneration Committee (DRC), 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 2025 Annual General Meeting, and due to an error with the voter calculations, at the 2026 AGM, a motion will be brought forward asking attendees to ratify the corrected voting results of all motions from the 2025 AGM. Until then, no changes will be made to Director remuneration. For more details, see page 22 of the Annual Report.

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 engagement on page 49.

Employees: We engage with employees through regular town halls with the CEO and senior leaders, employee 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 frequently with community groups and regularly participate in community events. We have longstanding relationships with many community organizations, 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 63). 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 Public policy and advocacy, page 62).

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, and 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 58). 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 (GABV). We contribute to thought leadership by engaging on panels and public dialogue with other financial institutions on sustainability topics.

Risk management

Managing risk responsibly is essential to delivering on Vancity's purpose and protecting the interests of members, employees, and communities. Vancity's approach goes beyond financial risk—it integrates social, environmental, and governance considerations into every decision. Our risk management practices include:

Enterprise Risk Management Framework (ERMF): Vancity's Board approved Enterprise-wide Risk Management Framework provides a structured, organization-wide approach to identifying and managing risks and opportunities. This holistic perspective help balance innovation and strategy with sound risk practices.

Risk Appetite Framework (RAF): The Risk Appetite Framework defines the enterprise-wide level of risk Vancity is prepared to accept in pursuit of its vision and objectives, to safeguard against potential risks that could harm or disrupt our ecosystem of members and communities. This framework guides informed decision-making, enables innovation, while staying within Board approved risk limits and regulatory parameters.

Embedding risk into core processes: Risk management is not a standalone activity – it is integrated into Vancity's operational policies, procedures, internal controls, reporting structures, and oversight functions. This ensures risk considerations are part of everyday decisions and operations.

Proactive monitoring: Vancity monitors risks at the enterprise level using Key Risk Indicators (KRIs). These indicators provide early warning signals, allowing timely and effective response to emerging risks.

Reporting to senior management and the Board: Risks identified through the RAF and monitored using KRIs are reported quarterly to Senior Management and the Board of Directors. This regular reporting ensures leadership has timely, accurate information to make decisions that safeguard Vancity's resilience and sustainability.

Credit risk [2-23, FN-CB-410a.2, FN-MF-450a.3]

Given our deep roots in relationship banking and understanding 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 environmental risks. Loan underwriting must include an assessment of the potential financial, legal, and reputational risks. We factor in modeling of 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 lending risk to any type of business, we conduct reviews 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.

Table 10. Business and commercial loan portfolio breakdown by North American Industry Classification System [FS6]

British Columbia	Unit	2025	2024	2023
Accommodation and food services	%	2	2	2
Construction	%	15	14	11
Health care & social assistance	%	4	4	4
Manufacturing	%	2	2	1
Professional, scientific & technical	%	1	1	1
Real estate, rental & leasing	%	56	58	62
Retail trade	%	1	1	1
Transportation & warehousing	%	1	0.4	1
Wholesale trade	%	1	1	1.5
Other	%	12	11	10
Other services	%	6	6	6
Outside of British Columbia (Vancity Community Investment Bank)	**Unit**	**2025**	**2024**	**2023**
Construction	%	14	9	
Real estate, rental & leasing	%	68	82	10
Health care and social assistance	%	1	15	70
Utilities	%	3	6	3
Other	%	14	28	4

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

Stress testing [FN-CB-550a.2]

Vancity has robust stress testing programs in place to test and inform appropriate levels of reserves for the credit union. On an annual basis, Vancity performs the Internal Capital Adequacy Assessment Process (ICAAP), which is required by the regulator but is also a key tool in the credit union's risk management. The ICAAP is the process by which Vancity sets its internal capital target, with the objective that the capital target be sufficient to allow Vancity to survive severe but plausible stress tests. In the ICAAP, management starts with the Enterprise Risk Management framework to identify all material risks to the organization. These risks are individually stress tested in a building block approach to estimate the internal capital target. The ICAAP also includes enterprise-wide stress tests to validate that the internal capital target is sufficient. The internal capital target is included in management's long-term budgeting and capital planning to ensure that our business plan and strategy does not result in a breach of our capital limit.

On an annual basis, Vancity also performs the Liquidity Stress Testing (LST) exercise, which is a key risk management practice to evaluate the credit union's liquidity reserves and its survival horizon under severe but plausible stress tests. In the LST, management designs multiple enterprise-wide stress tests (both systemic and idiosyncratic) and uses severe third-party runoff events to help quantify a liquidity stress. The stress is used to evaluate management's liquidity toolkit and Vancity's survival horizon, both with and without management actions. This informs management on what is an adequate level of liquidity to hold as an organization, and what policy limits would best suit the credit union. This stress test is also incorporated in our ICAAP to help determine our capital targets.

One of the key risk dimensions in the Enterprise Risk Management framework, and by extension in the ICAAP, is climate risk. As a result, management has designed specific stress tests to quantify appropriate capital reserves to address the impact of climate risk on Vancity. Management looks at wildfire, flood, and earthquake risk to assess the adequacy of insurance coverages over these risk areas.

To assess the impact of adverse economic conditions on Vancity's exposure, we conduct a series of stress tests across key commercial lending segments to evaluate borrower resilience and portfolio risk. For the Commercial Mortgage Portfolio, the analysis focuses on the Debt Service Coverage (DSC) Ratio, examining the financial resilience of commercial fixed rate term mortgage borrowers who are due to renew within the next 18 months, particularly under scenarios of elevated interest rates. Additionally, the Loan-to-Value (LTV) Ratio is assessed to understand the potential effects of declining property values on both fixed and variable term mortgages. In the Construction Loan Portfolio, the Loan-to-Cost (LTC) Ratio is modeled to determine the impact of rising construction costs, with particular attention to inflation in materials such as steel, aluminum, and lumber.

For our management approach to climate-related risks, see the Climate section (page 75).

Privacy and security. [3-3]

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.

Why is it important to Vancity?

We see issues around data security and fraud as highly important to the long-term viability of Vancity, especially with the prevalence and increasing sophistication of cybercrime.

Target 9.1 – Develop quality, reliable, sustainable, and resilient infrastructure to support economic development and human well-being.

Privacy

Data security [FN-CB-230a.2, FN-CF-230a.3]

There are many safeguards in place such as secure firewalls, web encryption, and enhanced monitoring that allow us to identify fraudulent transactions and potential unauthorized use of personal information. For more on our approach see Protecting members' information and the Annual Report, Privacy and security, page 24.

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. A privacy breach occurs when there is unauthorized or accidental access, collection, use, or disclosure of personal information.

In 2025, of the 59 identified leaks, thefts or losses of customer data, 25 were substantiated reports received from outside parties (e.g. member or client) and 34 were substantiated reports identified internally by employees or our Corporate Privacy Office during routine audits. Key reasons for breaches generally include misdirected emails, letters and telephone calls as well as employee misconduct or errors.

Table 11. Number of substantiated reports of privacy breaches [2-4]

	Unit	2025	2024[1]	2023
Substantiated privacy breaches identified and reported externally by members or other outside parties	#	25	16	41
Substantiated complaints received from regulatory bodies	#	0	0	0
Internally identified and reported substantiated privacy breaches (leaks, thefts, or losses of customer data)	#	34	49	33
Total substantiated reports of privacy breaches	**#**	**59**	**65**	**74**

1 2024 data has been restated to reflect updated incident information.

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. If an employee does not complete their compliance training within a specific timeframe, the employee's systems access may be restricted.

Table 12. Percentage of employees who complete privacy training

	Unit	2025	2024	2023
Employees who completed privacy training	%	99	91	99

Use of member data for secondary purposes [FN-CF-220a.1]

Vancity does not use member data for secondary purposes without authorization. We do not transfer data through sale, rental, or sharing, and we do not sell targeted advertisements. Understanding that these activities are becoming more commonplace, our revised consent policies will incorporate updated opt-out requirements. Vancity is currently assessing evolving practices of consent for members. We have a stream of policy opportunities stemming from this analysis that are scheduled for 2026, incorporating stakeholders across lines of business and placing importance on member consent internally and externally.

Ethical use of artificial intelligence

Vancity uses artificial intelligence (AI) to support operational efficiency, service quality, and consistency in member and employee experiences, including through the automation of routine processes and the enhancement of service delivery. The use of AI is guided by

Vancity's Ethical AI Strategy, which sets expectations for responsible, ethical, and appropriate adoption of AI-enabled tools across the organization, aligned with our overall business strategy and values.

Governance and oversight of artificial intelligence are established through Vancity's Responsible Use of Artificial Intelligence Policy, which sets clear accountabilities and guides the ethical design and deployment of AI in a way that considers potential impacts on members, employees, and communities. Protecting member privacy and safeguarding personal information are central considerations in the use of AI-enabled solutions, supported by requirements and safeguards to promote data security, responsible data use, and compliance with applicable privacy obligations.

Compliance

Vancity is regulated by several bodies, including the BC Financial Services Authority (BCFSA), an agency of the BC government. Vancity Community Investment Bank 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 Audit Committee of the Board quarterly. Provisions are recorded in the Financial Statements where appropriate. Vancity also has policies on money laundering and terrorist financing.

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. Incidents of employee dishonesty and/or breach of conduct are reported to the People and Culture division. Any actions taken as a result of internal investigations are determined by the People and Culture division. Of the three substantiated incidents in 2025, all three resulted in termination of employment.

Table 13. Number of substantiated incidents of employee fraud

	Unit	2025	2024	2023
Substantiated incidents of employee fraud[1]	#	3	3	0

1 Substantiated incidents include proven mismanagement of personal accounts, member account compromise, misrepresentation of facts, and theft of cash.

Anti-competitive behaviour [206-1, FN-CB-510a.1, FN-AC-510a.1]

In 2025 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 behaviour, market manipulation, or malpractice.

Legal actions and fines [2-27, FN-CB-510a.1, FN-AC-510a.1]

In 2025, Vancity did not identify any significant instances of non-compliance with laws and/or regulations where fines or sanctions were incurred concerning product and service misinformation and/or mislabeling, fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations infractions.

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. This protection applies when reporting suspected fraud, corruption, dishonest, unethical, or improper activities. Misconduct may include conflicts of interest (including bribery and corruption), fraud, violations of laws, regulations, policies and procedures, and any other breaches of the Employee Code of Conduct.

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 50.

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.

Table 14. Percentage of employees who signed the Code of Conduct

	Unit	2025	2024	2023
Employees who signed the Code of Conduct	%	99.5[1]	96.8[2]	100

1 In 2025, a small number of employees who were on leave or joined Vancity later in the year were outside standard completion timelines and had not completed the Code of Conduct by year-end. For details, see page 36.

2 In 2024, some new employees who joined Vancity during our transition to a new learning platform in Q4 had not signed by year-end.

Inspire our employees to do their best work.

Employment. [3-3]

Vancity is striving to create a workplace where employees are seen, valued, and heard. We are committed to providing our employees with an inclusive and innovative culture and the ability to grow and develop in their careers. For more on our approach, see Annual Report, Employment, page 26.

Why is it important to Vancity?

At Vancity, our employees are also members, so when we say we have our members' best interests in mind, that means also taking care of our employees' best interests.

Target 8.5 – 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 engagement

Employee engagement [2-29]

Employee engagement is an indicator of the overall commitment, enthusiasm, and satisfaction employees feel towards their organization, based on the employee engagement survey conducted annually. For definitions, see Applicable criteria for selected metrics, page 98. In 2025, employee engagement rose to 81%, the highest result since 2022. In 2025, factors related to motivation and strategic alignment—employees' understanding of how their roles connect to Vancity's overall vision—showed improvement compared with 2024.

Table 15. Employee engagement score

	Unit	2025	2024	2023
Overall employee engagement[1] score[2]	%	81	69	75

1 Previously called employee experience score

2 The response rate was 84% in both 2024 and 2025.

Paying a living wage

Entry-level employee hourly wage compared with BC's living wage [202-1]

In 2025, Vancity was recertified as a Living Wage Employer based on Metro Vancouver's living wage of $27.05 per 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. Employers are allowed to have a small number of trainees or student co-ops that are not eligible for the living wage. We are fully compliant with the Metro Vancouver living wage standard for eligible employees (full-time, part-time, and casual), as shown below.

Table 16. Vancity entry level employee hourly wage for permanent employees compared to Metro Vancouver Living Wage standard[1]

	Unit	2025		2024		2023	
		Standard	Vancity	Standard	Vancity	Standard	Vancity
Permanent entry level employee	$	23.33[3]	23.33	21.71[3]	21.71	19.75[3]	19.75
Permanent entry level employee hourly value of benefits	$	n/a	3.72	n/a	3.97	n/a	4.33
Permanent entry level employee hourly wage plus value of benefits[2]	$	27.05	27.05	25.68	25.68	24.08	24.08

1 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."

2 The Metro Vancouver hourly living wage is announced in the calendar year before going into effect. The 2025 living wage was announced in November 2024 and went into effect in May 2025. A living wage reflects the hourly rate of pay that enables a family with two parents working full time, with two children, to meet basic living needs. See Living Wage BC. Living wage employers commit to meeting the general conditions set by the Living Wage Employer Program.

3 Equivalent hourly living wage requirement for Vancity, adjusted to reflect the value of benefits which we provide to permanent employees in addition to base.

Living wage assumes a minimum amount of vacation time off or equivalent vacation paid in lieu for non-permanent employees (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 $1.53/hr. Non-permanent employees are not eligible for additional benefits.

Table 17. Vancity entry level employee hourly wage for non-permanent/contract employees

	Unit	2025	2024	2023
Non-permanent entry level employee hourly wage	$	25.52	24.23	22.72
Non-permanent entry level employee hourly value of benefits (six per cent vacation allowance)	$	1.53	1.45	1.36
Non-permanent entry level employee hourly wage plus vacation allowance	$	27.05	25.68	24.08

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."

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 Equity & People Committee leads the evaluation and compensation process for the President and CEO.

We update our CEO Compensation Disclosure Statement annually (see Reporting tab). When the Board reviews CEO compensation, the process includes assessing compensation levels at the fiftieth percentile of a group of peer companies of comparable size, scope, and complexity. Vancity's President and CEO has both a short-term and a long-term incentive plan, established by the Board based on strategic priorities. The long-term incentive plan is designed to encourage a sustained, multi-year focus on strategic goals. Payments under this pan are made at the end of three years. Senior leaders (members of the executive leadership team, vice presidents, and directors) received a base salary and variable incentives that recognized progress on organizational scorecard targets as well as individual accountabilities. In their 2025–27 long-term incentive plans, the CEO and other members of the executive leadership team have sustainability-linked incentives related to implementing our Impact Strategy.

In 2025, following a robust, third-party led, CEO and executive compensation review, the Board revised the CEO total rewards structure, effective January 1, 2025. The process included assessing compensation levels at the fiftieth percentile of a group of peer companies of comparable size, scope, and complexity. Revised CEO compensation reflects market conditions with increased competition for experienced leaders at larger, more complex credit unions, alongside higher regulatory and operational demands.

In 2025, the ratio of our CEO to median employee annual compensation was 20:1. The UN Sustainable Development Performance Indicators' maximum threshold for CEO-median worker pay ratio is 30:1 and in 2024, the 100 top paid CEOs in Canada made 248 times more than the average worker.

For more information, see Annual Report, Senior management and executive compensation, page 27.

Table 18. President and Chief Executive Officer annual compensation [2-4]

	Unit	2025	2024	2023
Base salary	$	640,000[1]	480,769[2]	534,762
Short-term incentive	$	767,867[3]	319,682	56,598[4]
Long-term incentive	$	-	-	46,222[4]
Total regular compensation	$	1,407 ,867	800,451[2]	637,582[4]
Discretionary incentive[5]	$	445,362	308,463	n/a
Total compensation	$	1,853,229	1,108,914[2]	637,582[4]

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.
Totals may not sum due to rounding.

1 Base salary reflects of a Board-approved salary adjustment provided to the CEO effective January 1, 2025.

2 Base salary has been restated to reflect pro-rated annual salary because CEO Wellington Holbrook was appointed on January 8, 2024.

3 Paid in 2026 for 2025 fiscal year performance.

4 Lower than usual CEO compensation reflects CEO transition and time under interim CEO during the year.

5 This discretionary incentive plan was implemented as an interim measure to bridge the period between the conclusion of the prior LTI Plan on December 31, 2023, and the commencement of the new LTI Plan effective January 1, 2025. The award for the first LTI performance period is payable at the end of the initial three-year period in 2027. The discretionary incentive is not part of the ongoing CEO compensation structure.

The following table represents the annual compensation of the highest paid employee, which is almost always the President and CEO, 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. GRI's compensation definition for our President and CEO 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.

Table 19. Annual total compensation ratio [2-21]

	Unit	2025	2024	2023
Ratio of highest compensated full-time employee (inclusive of bonus)[1] to lowest paid full-time employee	Ratio	37:1[3]	23:1	14:1[1]
Ratio of Vancity's CEO compensation to median annual total compensation for all employees[2]	Ratio	20:1[3]	13:1	8:1
Ratio of Vancity's CEO percentage increase in annual total compensation to median annual percentage increase in annual total compensation for all employees	Ratio	10:1	15:1	14:1

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."

3 Total CEO compensation in 2025 includes a discretionary incentive which is not part of ongoing CEO compensation structure.

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. Our performance-planning cycle connects individual performance to organizational goals, supporting each employee in creating meaningful impact for the members, communities and teams they serve. Performance plans are aligned to Vancity's business plan and include both objectives and behaviours that reflect an employee's accountabilities. Ongoing coaching, feedback, and regular check-ins are critical to supporting the growth and development of our employees.

In 2025, we refreshed our performance management framework by defining a set of new behaviours to help evolve our culture in support of our strategic goals. These behaviours were thoughtfully chosen to foster an environment where achievement, accountability, initiative, and growth are expected, supported, and celebrated. They clarify what success looks like for every employee and are intended to drive stronger outcomes for our members. To support our transition to a more outcome-oriented culture and to ensure greater agility, we also introduced the option of a quarterly goal review cycle, enabling more frequent alignment, prioritization, and progress tracking as business needs evolve.

We also launched a senior leadership development program, focused on building adaptive leadership capability, strengthening collaboration and innovation, and aligning leadership behaviours with the organization's refreshed strategy, culture, and performance framework.

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.

Labour relations

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 General Employees' Union (BCGEU) and the Public and Private Workers of Canada (PPWC). 26 branches and five 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.

Table 20. Percentage of unionized employees

	Unit	BM[1]	2025	2024	2023
Employees unionized	%	26	31	31	30

1 Benchmark (BM) source: HR Metrics report for Canadian credit unions, 2024 median scores.

Employees grievances related to labour practices [2-25]

Grievances are managed through formal remediation processes, including arbitration where appropriate, and outcomes are reviewed to support continuous improvement.

Oversight of labour-related remediation is provided by the People and Culture team and reports to the People & Culture Executive Committee. They are responsible for monitoring and addressing labour disputes, grievances, and arbitration cases and evaluating and recommending strategies for dispute resolution and employee relations improvement. They also ensure compliance with employment laws, labour standards, and workplace regulations.

Table 21. Total number of grievances related to labour practices[1]

	Unit	2025	2024	2023
Total number of grievances related to labour practices that were referred to arbitration	#	16	32	16
Total number of grievances related to labour practices that were heard at arbitration	#	0	0	0

1 These metrics apply only to unionized employees.

Human rights in the workplace

Employees grievances related to human rights and harassment [406-1, 2-25]

Vancity is committed to maintaining a workplace where all individuals are treated with dignity and respect, free from bullying, harassment, discrimination, sexual harassment, or misuse of authority. Formal mechanisms are in place to address complaints related to inappropriate workplace behaviour, ensuring timely investigation and corrective actions in alignment with human rights legislation, our Employee Code of Conduct and Respect in the Workplace Policy. Complaints are handled promptly and confidentially, with outcomes aligned to human rights legislation and organizational policies.

Table 22. Number of employees grievances related to human rights and harassment[1]

	Unit	2025	2024	2023
Number of incidents of discrimination	#	2	0	0
Number of grievances reviewed or addressed (file pending)	#	1	0	0
Number of grievances no longer subject to action or resolved	#	1	0	0
Total number of formal complaints filed related to respect in the workplace	#	6	3	3

1 These metrics apply only to unionized employees.

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

Vancity embeds its Code of Conduct and Respect in the Workplace Policy through mandatory annual training and certification for all employees. Each employee is required to review and consent to the Code of Conduct and complete an e-learning module that includes the Respect in the Workplace component, which addresses human rights in the workplace, inappropriate behaviour, and reporting responsibilities. Compliance with these requirements is monitored through an established process to ensure consistent application across the organization. In 2026, we are planning to restructure our e-learning curriculum.

Table 23. Rate of Employees who completed training on policies and procedures concerning relevant aspects of human rights

	Unit	2025	2024	2023
Employees who completed Respect in the Workplace training	%	99[1]	100	100

1 In 2025, system access shut-off enforcement was applied only to select mandatory courses with direct legal and regulatory risk due to increased training demand in Q4, and most outstanding completions related to employees hired later in the year.

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 (see table below) and maintain records of employee training on health and safety.

Table 24. Days lost due to employee illness

	Unit	2025	2024	2023
Days for short-term disability leave	#	13,764	15,103	13,485
Care days	#	13,100	14,964	15,708
Pandemic pay days	#	n/a	n/a	228[3]
Total number of days lost due to employee illness[1]	**#**	**26,864**	**30,067**	**29,421**
Absenteeism rate[2]	**%**	**13**	**14**	**12**

1 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.
2 Absenteeism rate is the number of workdays missed (lost) by employees due to illness or family care per permanent full-time equivalent.
3 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. Pandemic pay days ended in Q2 of 2023

Please note that tables below include diversity data based on our voluntary employee diversity survey. Employees may choose whether or not to self-identify and may select more than one category. Percentages are calculated using the total employee population rather than only survey respondents and as a result, figures may not add to 100 per cent.

Parental leave

Our parental leave policies are designed to ensure that employees can take adequate leave and return to work in the same or a comparable position. Promoting equitable gender treatment in parental leave can significantly enhance the recruitment and retention of qualified employees, while also boosting morale and productivity. This balanced approach benefits the entire workforce, creating a more inclusive and supportive environment for all employees.

Table 25. Number of employees who took parental leave [401-3]

	Unit	2025	2024	2023
Men	#	21	15	14
Women	#	49	37	34
Transgender or non-binary	#	<10*	<10*	<10*
Did not participate	#	12	16	24

* Below the reporting threshold per Vancity's Diversity Data Access and Reporting Policy.

Table 26. Number of employees who returned to work after parental leave ended [401-3]

	Unit	2025	2024	2023
Men	#	18	14	15
Women	#	41	26	38
Transgender or non-binary	#	<10*	<10*	<10*
Did not participate	#	9	22	24

* Below the reporting threshold per Vancity's Diversity Data Access and Reporting Policy.

Table 27. Number of employees who were still employed 12 months after returning from parental leave and retention rates[1] of employees who took parental leave [401-3]

	Unit		2025		2024		2023	
Men	#	%	12	86	14	88	11	92
Women	#	%	26	96	34	87	16	58
Transgender or non-binary	#	%	<10*	*	<10*	*	<10*	*
Did not participate	#	%	18	86	19	76	12	100

* Below the reporting threshold per Vancity's Diversity Data Access and Reporting Policy.

1 Retention rate: The percentage obtained by dividing the total number of employees who remained employed 12 months after returning from leave in the reporting year by the total number who returned from parental leave in the previous reporting year.

Employee profile

Employee profile by contract type [2-7, PAS]

Table 28. Number and percentage of employees[1] by contract type

	Unit	BM[2]	2025[5]	2024	2023
Full-time equivalents (FTE)[3]	#		2,155	2,220	2,410
Headcount[4]	#		2,484	2,360	2,639
Permanent full-time	%	84	90	91	91
Permanent part-time	%	13	7	7	8
Contract/temporary	%	3	3	1	1

1 Employee: Vancity group individual permanent full-time and part-time (regular) and non-permanent (contract and on-call) employees.

2 Benchmark (BM) source: HR Metrics report for BC credit unions, 2024 median scores.

3 Full-time equivalents (FTE): Total active full-time equivalents based on the number of hours actually worked (excluding overtime) by all employees (permanent and non-permanent) in the fiscal year. It is calculated by dividing total hours worked by 1,820 working hours in a year. Vancity Community Foundation, the Board of Directors, and external consultants are excluded from the FTE calculation.

4 Headcount: Included in the total employee headcount are active and inactive employees. Inactive employees are those on maternity leave, short-term disability leave, short-term leaves of absence (unpaid), jury duty, compassionate care leave, workers compensation board claim, leaves managed, suspension paid and suspension unpaid. Excluded in the total employee headcount are consultants, future hires, employees on long-term disability, long-term leaves of absence, salary continuance, and Vancity Community Foundation employees.

5 110 First Credit Union employees joined Vancity in the December merger, but they aren't included in Vancity's 2025 employee figures because the organizations' systems had not yet been integrated.

Employees by gender [2-7, PAS]

Table 29. Number of employees by gender

	Unit	2025	2024	2023
Total permanent full-time	**#**	**2,174**	**2,153**	**2,396**
Men	#	667	631	714
Women	#	1,086	1,089	1,225
Transgender or non-binary	#	17	19	20

	Unit	2025	2024	2023
Did not participate	#	404	370	381
Total permanent part-time	**#**	**178**	**175**	**212**
Men	#	25	25	30
Women	#	82	85	106
Transgender or non-binary	#	<10*	<10*	<10*
Did not participate	#	71	61	70
Total contract/temporary	**#**	**71**	**32**	**31**
Men	#	18	6	<10
Women	#	27	9	10
Transgender or non-binary	#	<10*	<5*	<10*
Did not participate	#	26	17	17

Employees self-identify their gender. This survey is not mandatory, and we do not have a 100% participation rate. The numbers do not directly correlate to headcounts, therefore may not sum.

* Below the reporting threshold per Vancity's Diversity Data Access and Reporting Policy.

Employee turnover

Table 30. Number of permanent employee departures and turnover rates[1] by gender and age [401-1]

	Unit		2025		2024		2023	
Men	#	%	71	10	120	18	75	10
Women	#	%	96	8	195	16	111	8
Transgender or non-binary	#	%	<10*	*	<10*	*	<10*	*
Did not participate	#	%	79	16	108	24	87	19
Aged under 30	#	%	57	18	73	23	66	17
Aged 30-50	#	%	121	8	207	14	130	8
Aged over 50	#	%	76	11	156	23	80	12

	Unit		2025		2024		2023	
Total departures and overall turnover	**#**	**%**	**254**	**10**	**436**	**18**	**276**	**10**
Voluntary departures and turnover	**#**	**%**	**166**	**7**	**227**	**9**	**189**	**7**

1 Percentages represent turnover rates relative to the average annual headcount of each demographic group, rather than the share of total employee departures.

Table 31. Number of permanent new employee hires and new employee hire rate[1] by gender and age [401-1]

	Unit		BM[2]	2025		2024		2023	
Men	#	%		89	13	23	3	44	6
Women	#	%		93	8	34	3	66	5
Transgender or non-binary	#	%		<10*	*	<10*	*	<10*	*
Did not participate	#	%		131	26	73	16	108	23
Aged under 30	#	%		113	36	46	14	68	17
Aged 30-50	#	%		159	11	74	5	93	6
Aged over 50	#	%		35	5	11	2	18	3
Total new hires and new hire rate	**#**	**%**	**13**	**307**	**13**	**131**	**5**	**179**	**7**

1 The average headcount is used when calculating employee turnover, and the new hire rate is the rate of new permanent employees joining the organization for the first time, which is calculated by the total number of new employees hired for the year divided by the average number of employees for the year. Percentages therefore show new hire rates relative to the average annual headcount of each demographic group, rather than total new hires.

2 Benchmark (BM) source: HR Metrics report for Canadian credit unions, 2024 median scores.

* Below the reporting threshold per Vancity's Diversity Data Access and Reporting Policy.

Diversity, equity, and inclusion. [3-3]

Discrimination can impose unequal burdens on individuals or deny fair opportunities on the basis of individual merit. We aim to do 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. 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.

Why is it important to Vancity?

Meeting our commitment to equity and our value of Reconciliation (see page 73) means we prioritize diversity and inclusion internally and the improvement of access to financial services for those who face barriers in the communities where we operate (see page 21). We're committed to becoming an anti-racist organization. An anti-racist organization means having in place a set of conscious efforts to provide equitable opportunities for all people on an individual and systemic level, including taking action against racial hatred, bias, and systemic racism; acknowledging earned and unearned advantages; confronting acts and systems of racial discrimination; and working toward changing personal racial bias.

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.

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. One of the ways we do this is through our voluntary, employee-led Employee Resource Groups. These are designed to foster a diverse and inclusive workplace aligned with our values and business objectives, provide space for employees with lived experience to connect, and include Women's Equity, Racial Equity, Persons with Disabilities, Mental Health, Indigenous, and 2SLGBTQIA+ communities.

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

was 80 per cent in 2025. 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 also aim for Indigenous representation of employees at three per cent organization wide.

In 2025, Vancity relaunched the Talent Program Initiative with approval from the BC Office of the Human Rights Commissioner, which is an ongoing program designed to increase equitable access to jobs, training, and career growth for three historically excluded groups: Indigenous, Black, and transgender individuals. Additionally, we now offer a formal accommodations process within our role applications to better attract talent of diverse abilities.

Board diversity [2-9, 405-1]

Table 32. Board diversity

	Unit	BM[1]	2025	2024	2023
Men	%		22	33	33
Women[2]	%	30.5	78	67	67
Transgender or non-binary	%		0	0	0
Aged under 30	%		0	0	0
Aged 30-50	%		44	33	44
Aged over 50	%		56	67	56
Person with a disability	%	0.5	11	11	11
Indigenous person	%	1.1	22	22	22
Black, person of colour	%	10.7	44	44	33
2SLGBTQIA+[3]	%		11	11	11

1 Vancity's Board of Directors is elected by our members. Data is based on nine Board members. Benchmark (BM) source: Osler's 2025 report on Diversity Disclosure Practices

2 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.

3 2SLGBTQIA+ refers to Two-Spirit, Lesbian, Gay, Bisexual, Transgender, Queer and/or Questioning, Asexual, Intersex, and the countless affirmative ways in which people choose to self-identify.

Employee profile [405-1]

Please note that tables below include diversity data based on our voluntary employee diversity survey. Employees may choose whether or not to self-identify and may select more than one category. Percentages are calculated using the total employee population rather than only survey respondents and as a result, figures may not add to 100 per cent.

Table 33. Percentage of employees by indicators of diversity

	Unit	BM[1]	2025	2024	2023
Men	%		29	28	28
Women	%	54[3]	48	50	51
Transgender or non-binary	%		0.9	1.0	0.8
Did not participate	%		20	19	18
Person with a disability	%	7.3[3]	14	15	15
Indigenous person[1]	%	2.4[5]	1.4[6]	1.6	1.9
Black person	%		2.1	2.1	2.4
Black, person of colour	%	44[3]	47	46	46
2SLGBTQIA+	%		7.3	7.4	7.6
Aged under 30 years	%	28[4]	13	12	15
Aged 30-50 years	%	42[4]	59	60	59
Aged over 50 years	%	30[4]	28	28	26
Non-management	%		82	83	83
Management	%		14	13	14
Senior Management[2]	%		4	4	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.

1 For definitions, see Applicable criteria for selected metrics, page 98.
2 Senior management at Vancity is defined as director-level management and above, including the executive leadership team.
3 Benchmark (BM) sources: "Women", "Black, person of colour" (Visible minorities), "Person with a disability": Canadian Bankers Association — Banks as Employers report 2023

4 Benchmark (BM) sources: Age categories: Statistics Canada. Vancouver, Census Metropolitan Area, British Columbia: 2021 Census Profile (aged 15-64 years).
5 Benchmark (BM) sources: "Indigenous person": Employment Equity Act: Annual Report 2024.
6 The decline reflects lower participation by new employees in the voluntary diversity survey. Actions in 2026 will focus on improving participation and advancing progress toward the three per cent representation target.

Table 34. Percentage of employees in non-management by indicators of diversity [405-1, FN-AC-330a.1]

	Unit	2025	2024	2023
Men	%	29	27	27
Women	%	49	50	50
Transgender or non-binary	%	1.1	1.2	1.0
Did not participate	%	22	21	20
Person with a disability	%	14	15	15
Indigenous person	%	1.4	1.6	2.0
Black person	%	2.1	2.1	2.4
Black, person of colour	%	48	47	47
2SLGBTQIA+	%	7.3	7.4	7.8
Aged under 30 years	%	15	14	17
Aged 30-50 years	%	57	58	58
Aged over 50 years	%	28	28	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.

Table 35. Percentage of employees in management by indicators of diversity [405-1, FN-AC-330a.1]

	Unit	BM[1]	2025	2024	2023
Men	%	52	32	34	34
Women[2]	%	48	56	56	56
Transgender or non-binary	%		<2.99*	<3.14*	*
Did not participate	%		11	10	8
Person with a disability	%		15	15	16
Indigenous person	%		<2.99*	<3.14*	*
Black person	%		<2.99*	<3.14*	*
Black, person of colour	%	40	45	42	42
2SLGBTQIA+	%		7.5	7.9	6.4
Aged under 30 years	%		3	3	4
Aged 30-50 years	%		71	71	71
Aged over 50 years	%		26	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.
* Below the reporting threshold per Vancity's Diversity Data Access and Reporting Policy.

1 Benchmark (BM) sources: "Women", "Black, person of colour" (Visible minorities), "Person with a disability": Canadian Bankers Association — Banks as Employers report 2023

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."

Table 36. Percentage of employees in senior management by indicators of diversity [405-1, FN-AC-330a.1]

	Unit	BM[1]	2025	2024	2023
Men	%	59	35	33	39
Women[2]	%	41	50	51	48
Transgender or non-binary	%		<4.76*	*	*
Did not participate	%		14	15	11

	Unit	BM[1]	2025	2024	2023
Person with a disability	%		13	14	14
Indigenous person	%		<4.76*	<5.75*	*
Black person	%		<4.76*	<5.75*	*
Black, person of colour	%	24	36	29	27
2SLGBTQIA+	%		7.6	6.9	7.1
Aged under 30 years	%		0	0	0
Aged 30-50 years	%		57	55	59
Aged over 50 years	%		43	45	41

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.

* Below the reporting threshold per Vancity's Diversity Data Access and Reporting Policy.

1 Benchmark (BM) sources: "Women", "Black, person of colour" (Visible minorities), "Person with a disability": Canadian Bankers Association — Banks as Employers report 2023

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

Vancity has been reporting our gender pay data in our annual reports since 1997, nearly three decades before it was legally mandated. We now publish a pay transparency report annually, as required by the BC Pay Transparency Regulation. In 2022, we began using our diversity survey data to report on our gender- based pay ratios. This approach allows employees to select from binary, cisgender, transgender, and non-binary options, update their gender identity as needed, or choose not to disclose this information.

Table 37. Average compensation for women as a percentage of average compensation for men[1] [405-2]

	Unit	2025	2024	2023
Non-management	%	90	91	91
Management	%	96	93	96
Senior management	%	82[2]	78[2]	88

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.

1 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%," (i.e., less than 97% or more than 103%).

2 The pay gap in senior management in 2024 and 2025 was related to several factors, the most material of which was CEO compensation, which is significantly higher than for other senior management roles and can skew the results. The CEO role changed in 2024 to being filled by a man from being filled by a woman.

Table 38. Average compensation for transgender or nonbinary employees as a percentage of average compensation for men [405-2]

	Unit	2025	2024	2023
Non-management	%	73	77	77
Management	%	*	*	*
Senior management	%	*	*	*

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.

* Below the reporting threshold per Vancity's Diversity Data Access and Reporting policy.

Be experts in our business and deliver.

Service experience. [3-3]

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

Why is it important to Vancity?

As a financial co-operative, providing our members the best financial products and services to meet their needs is a top priority.

Target 8.10 – Strengthen the capacity of domestic financial institutions to encourage and expand access to banking and financial services for all.

Member engagement

Member satisfaction [2-29]

We survey our members to measure their satisfaction with our products and services. Through an online member experience tracking survey, we learn how well we are meeting their banking needs. This helps us maintain and improve our relationship with them. We review results by diversity (e.g., gender, age, ability, ancestry, income, etc.) to help ensure we are meeting the needs of all our members and communities. For definitions, see Applicable criteria for selected metrics, page 98.

Table 39. Member satisfaction [2-29]

	Unit	2025	2024	2023
Member satisfaction (average)	%	81.8	81.4	80.9

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, 2-25, 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 Experience 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 2025, no special resolutions or critical concerns were brought forward at the AGM or to the Board.

The Governance Committee receives on a quarterly basis the Chief Complaints Officer report which informs the Board on matters relating to the Complaint Handling Program under the Market Conduct Code in support of the Governance Committee's stewardship and oversight accountabilities as documented in the Credit Union's Complaint Handling Policy. Member complaints and concerns are received by the Office of the CEO and addressed accordingly.

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 to the Financial Consumer Agency of Canada (FCAC). For details, see the annual public complaints statement.

Advice and financial literacy [PAS]

At the core of meaningful member interactions is understanding our members' financial needs and goals – to spend, borrow, save, and plan – by fostering a trusted financial relationship. Vancity employees support members in building their financial literacy by providing tailored advice to meet members where they are at, be responsive to their needs, understand the benefits of products and service, and ensure they see the best advisor for them. At Vancity, literacy before lending is a fundamental member-advice principle, and we augment advice by providing tools, resources, and workshops that support members to deepen their understanding.

Some of these tools and resources include:

- How to guides and calculators, including a budget planner spreadsheet template
- Wealth Mindset – Indigenous Financial Resilience
- Financial Literacy seminars through Progressive Intercultural Community Services Society
- Foreign Credential Recognition Loan Financial Education
- Small Business Startup Foundations
- PowerPlay Money Managers™ High school edition

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 2025, we provided Progressive Intercultural Community Services Society with a grant and the subject matter expertise of six employees to develop a new financial literacy workshop series to support the specific financial needs and questions that Newcomers have when settling in Canada.

The Wealth Mindset - Indigenous Financial Resilience program, developed in collaboration with Indigenous Elders and consultants, meets the unique needs and strengths of Indigenous learners and communities.

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.

Membership

A Vancouver City Savings 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.

Table 40. Member numbers and breakdown by type

	Unit	2025[1]	2024	2023
Total number of members	#	572,683	570,587	569,692
Individual members	%	92	92	92
Business members	%	8	8	8

1 Please note that 2025 data reflects Vancouver City Savings Credit Union members only and does not include FCU members.

Table 41. Membership growth

	Unit	2025[1]	2024	2023
Net membership growth	#	2,096	895	7,433
Net membership growth	%	0.37	0.16[2]	1.32

For definitions, see Applicable criteria for selected metrics, page 98.

1 Please note that 2025 data reflects Vancouver City Savings Credit Union members only and does not include FCU members. At the time of reporting, Vancity and FCU systems had not yet been integrated, and a combined member count could not be produced reliably or consistently with our existing methodology.

2 The introduction of fees for paper statements was associated with an increase in some members with less active accounts or with lower balances leaving Vancity in the first half of 2024.

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.

Credit decisions

We don't want to provide credit to members that puts them in a position of taking on debt they can't afford in the event interest rates rise. But we do want to understand our members' credit needs, so we can provide advice and make a difference. 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.

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 retail 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 granting a mortgage is the best option for the member at the time. We offer a variety of tools to help members understand the true costs and obligations of borrowing and how to 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 select the best approach 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.

Mortgage modifications [FN-MF-270a.2]

Extended amortization is one of the relief measures the Government of Canada has requested financial institutions grant their borrowers to improve affordability. In response to this, Vancity introduced a ten per cent cap to track mortgages with amortizations between 30 and 35 years in order to maintain a reasonable balance between managing credit risk and supporting borrowers.

Table 42. Percentage of retail portfolio that have extended amortization beyond 30 years

	Unit	2025	2024	2023
Percentage of retail portfolio that have extended amortization beyond 30 years (per the Vancity policy cap)	%	3.13	4.15	4.32

At the end of each quarter, the Vancity credit risk team calculates the total commitment for the Retail Mortgage Portfolio with a remaining amortization over 30 years. This value is the numerator, and the denominator is the total commitment for the entire Retail portfolio, including both mortgage and non-mortgage products.

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, labeling, or market communications in 2025.

Embed impact in everything we do.

Economic impacts. [3-3]

Local communities, businesses, and people are the backbone of a thriving economy. Whether it's through our Shared Success program, community grants, or our use of local suppliers, as a financial co-operative, we see ourselves as an active contributor to the local economy. For more on our approach to economic impacts, see our Annual Report page 32.

Why is it important to Vancity?

Vancity plays an integral part in the local economies where we operate. We exist to build wealth locally, for those who live, work, and create in the communities that we are in.

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.

Direct economic value generated and distributed

Direct economic value is the value created by an organization through its operations and ultimately redistributed through its interactions with its ecosystem. Creation and distribution of economic value through generation of revenues and incurrence of operating costs provides insight into how Vancity contributes economic value to the economy.

Economic value and real economy [201-1]

Table 43. Economic value and real economy

	Unit	2025	2024	2023
Direct economic value generated[1]	$	692	557	522
Economic value distributed[2]	$	600	546	529
Economic value retained[3]	$	92	11	(6)
Real economy revenue to total revenues[4]	$	70	60.4	64.9

1 Direct economic value generated is revenue, which is income earned by Vancity, primarily through interest income from loans and investments, and fee and commission income, and is calculated as net interest plus other income per Vancity Financial Statements plus wholesale borrowings interest expense per Financial Statements plus gains from business reorganizations and other.
2 Economic value distributed is operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments.
3 Economic value retained is the difference between the two above.
4 The real economy is the part of the economy that generates goods and services, rather than the financial economy, which is concerned exclusively with activities in financial markets. Real economy revenue is the net interest margin on real economy assets and fees for providing banking services.

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 attributable to members 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. Based on our profit in 2025, members are to receive dividends in 2026 of almost $2.8 million and there will be over $8.3million available to be disbursed to community as of 2026. The total Shared Success allocation since 1994 is more than $463 million.

Table 44. Shared Success allocation and distribution

	Unit	2025	2024	2023[1]
Total Shared Success allocation (30% of net income attributable to members)[2]	$K	21,039	1,730	333[1]
Membership distribution – Shared Success dividends[1,2,3]	$K	2,772	231	0[1]
Shared Success donation allocations to community (for future years)[2,4]	$K	18,267	1,499	333[1]

Shared Success donations by program[4,5]	Unit	2025	2024	2023
Systems transformation grants[6]	$K	3,224	4,796	9,889
Community responsive grants[6]	$K	0	0	1,259
Vancity's enviroFund™	$K	746	222	1,039
Donation to the Vancity Community Foundation (core funding)	$K	850	0	1,000
Special projects/other	$K	440	151	329
Total community distributions[3]	**$K**	**5,260**	**5,170[1]**	**13,516**

1 Because Shared Success allocations depend on profits, there were no Shared Success dividends disbursed to members in 2024 or new Shared Success funding in 2024 due to 2023 financial performance, except for the 2023 (restated) enviroFund™ allocation, which is based solely on VISA profits and is a protected part of Shared Success. In 2024, we continued to support community partnerships, drawing on previously committed funds to uphold our long-term agreements and sustain critical community initiatives.
2 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.
3 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.
4 Exact amount of community distributions in a particular year may not match allocations due to timing of donations and multi-year commitments.
5 Includes amounts disbursed and/or approved for disbursement.
6 See page 57 for a breakdown of community grants approved for distribution by focus area.

Community grants

Through the Shared Success Community Fund (including the enviroFund™), Vancity provides grants to organizations working to advance outcomes in service of our four areas: climate action, affordable housing, equity and Reconciliation, and co-operatives and local economies. Where possible we focus our community investments at the intersections of these outcomes, adopting a multi-outcome approach to accelerate our impact.

Table 45. Community grants approved for distribution and by percentage per primary impact area

	Unit	2025	2024	2023[1]
Community grants approved	**$M**	**4.0**	**5.0**	**12.2**
Indigenous communities[2]	%	0	10	17
Climate action	%	38	36	27

	Unit	2025	2024	2023[1]
Equity and Reconciliation	%	24	31	56
Co-ops and local economy	%	16	0	0
Affordable housing	%	22	23	0
Other[1]	%	0	n/a	0.17

A grant may fall in more than one impact area. For more information on impact areas, see Shared Success.

1 Includes grants such as Vancity's annual donation to the Vancity Community Foundation, Community Branch Grants, Pigeon Park funding, accounting adjustments and enviroFund™ grants that do not align well with the above focus area

2 Beginning in 2025, we included the category of Indigenous communities under the revised category of Equity and Reconciliation.

Co-operatives [2-24]

One of the seven co-operative principles is cooperation among co-operatives, and Vancity upholds this principle in how we conduct our business and through the relationships we seek. We provide co-operatives with banking services and invest in co-op organizations to strengthen the sector in BC. We are also guided by the principle of concern for community, working for the sustainable development of the communities we serve. Our focus is on building resilient local economies by supporting small and medium enterprises, co-operatives and credit unions, social enterprises, and non-profits. This approach reflects our legacy of strengthening community-based organizations and fostering collaboration within the broader co-operative sector, including initiatives like credit union mergers that enhance resilience across British Columbia.

The December 1, 2025 merger between Vancity and First Credit Union united two values-driven credit unions, reflecting our commitment to cooperation among co-operatives and concern for community, while strengthening community banking across BC, preserving local identity, enhancing member services, and amplifying social and environmental impact.

Ethical Principles for Business Relationships [2-24]

Who Vancity chooses to do business with and lend to has a deep impact on our 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 and 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 our EPBRs enables our employees to have values-based conversations with businesses and embed impact in everything we do. Where possible, we help move organizations into more values-based alignment. We try to work with companies that lower our risks, and assessment against our EPBRs is integrated into our lending, account opening, partnerships, and procurement policies. For example, for procurement, when conducting a request for proposal (RFP), new suppliers complete a questionnaire which includes values alignment, environmental leadership, and aspects of human rights, and Vancity Internal Audit may periodically check performance.

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 service providers, goods and materials suppliers, and contractors. In 2025, similar to 2024, our largest spending was with employee benefits providers, information technology suppliers (software, hardware, infrastructure, and services), investment partners, operational suppliers, and various types of consultancy services. In 2025, total vendor spending increased by ten per cent from around $180 million to $198 million. This year-over-year increase reflects both continued investment in strategic vendor relationships and increased demand in several technology and professional services categories.

Changes in supply chain

Our reliance on our ten largest suppliers fell from 49 per cent to 46 per cent. This shows progress in spreading our spending across a broader group of suppliers. Doing so helps reduce operational risk and strengthens our position when negotiating contracts. It also suggests that more spending flowed to mid-sized suppliers, which could indicate a more competitive and balanced supplier market.

Most of the spending increases were in digital tools, advisory services, and upgrades to core systems. These investments support our broader goals of automating processes, improving the member experience, and being better prepared for regulatory requirements, and they reflect a focus on building long-term capabilities.

Spending declines were largely the result of deliberately winding down older systems, continuing to shift away from physical channels to more automation, and completing major transformation initiatives. This points to disciplined cost management and a move toward simpler, more scalable digital platforms.

Our 2025 spending shows a clear shift toward digital investment and advisory support, with reduced reliance on legacy systems and a small number of large suppliers. This suggests progress towards a more balanced, resilient supplier base that better supports our priorities in modernization.

Local suppliers [204-1]

Table 46. Total value of managed purchases and total number of suppliers by region

	Unit		2025		2024		2023	
Total value of managed purchases[1] by region	**$M**		**198**		**180**		**172**	
Total number of suppliers by region	**#**		**822**		**776**		**793**	
Locally based[2] (BC and ON)	#	%	623	69	595	71	621	74
Rest of Canada	#	%	82	14	83	13	76	11
Rest of the world	#	%	117	16	98	16	96	16

In 2024, we redefined local suppliers and restated previous years' data applying the updated definitions. Previous percentages of suppliers by region were restated due to calculation adjustments. Percentages based on dollars spent by region to total spend.

1 Managed purchases are goods and services procured by Vancity, for which decision-making and oversight are performed internally. These don't include spending related directly to payments made to the government—municipal, provincial, or federal—or costs associated with the lease of premises where Vancity has a place of business.

2 Local is defined as suppliers with remit-to addresses in BC and Ontario.

Openings, closings, and relocations of branches and ATMs [PAS]

Openings: The December merger with First Credit Union added eight branches (and ATMs).

Closures and relocations: No branch or closures or relocations in 2025.

Taxes paid and payable [PAS]

Vancity reports the total amount of income and capital taxes paid or payable to federal and provincial governments for the financial year. We do not disclose provincial taxes broken down by province, as the vast majority of our operations occur in British Columbia, and taxes paid or payable in other provinces such as Ontario or Quebec were immaterial—representing less than 0.1% of total taxes in recent years.

Table 47. Total taxes paid or payable [2-4]

	Unit	2025	2024	2023[1]
Federal taxes	$M	22.1	4.3	0.8
Provincial taxes	$M	3.9	1.2	0.6
Total taxes paid or payable	**$M**	**25.9**	**5.5**	**1.4[1]**
Current tax expense	$M	22.9	7.9	(4.7)
Deferred tax expense	$M	(2.6)	(3.9)	(1)
Total income tax expense	**$M**	**20.2**	**4[2]**	**(5.7)**

1 The $1.4M represents the total taxes paid or payable by Vancity's subsidiaries. An additional refund of $1.75M was expected from 2023 losses carried back to 2020. This was partially captured in the 2023 current tax expense of $(4.7M).
2 The total income tax expense for 2024 was restated.

Tax relief or tax credit received from government [201-4]

Credit unions in BC are eligible for the small business tax rate on some or all of their income. 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. This amount of deduction changes year over year. 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 do not include tax credits received from the SR&ED program. The credits are disclosed separately in the table below.

Table 48. Tax relief or tax credit received from government

	Unit	2025	2024	2023[1]
Value of additional deduction for credit unions	$M	13.2	2	0
Value of SR&ED/Investment tax credit	$M	n/a[1]	0.3	0.5
Value of BC Training Grants	$K	0	0	6.6[2]

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

2 The B.C. Employer Training Grant is a cost-sharing grant program that provides employers throughout BC 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, and we were successful in achieving a refund of 80% of the total cost of the course.

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. 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.

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 33.

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

50-30 Challenge
BC Co-operative Association
BC Non-profit Housing Association
BC Policy Solutions
BC Poverty Reduction Coalition
Building to Electrification Coalition
Business Council of British Columbia
Canadian Bankers Association
Canadian Business for Social Responsibility (CBSR)
Canadian Council for Aboriginal Business
Canadian Credit Union Association
Canadian Purpose Economy Project
Carbon Disclosure Project
CD Howe Institute
Central1 Credit Union
Centre for Civic Governance
Ceres Investor Network
CFA Institute
Climate Action 100+
Climate Change Commitment
Climate Engagement Canada
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
Living Wage BC
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 Solutions
Responsible Investment Association
South Island Prosperity Partnership
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)
Vancouver Island Economic Alliance

Financial health and inclusion. [3-3]

At Vancity, we define economic inclusion as efforts aimed at bringing financial services to underserved communities, and financial inclusion as providing affordable access to basic financial services to those individuals that are underbanked so that they can access financial products, build their savings, and grow their assets leading to increased confidence.

Why is it important to Vancity?

We exist to build wealth locally, for those who live, work, and create in the communities that we are in.

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

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.

Financial confidence

As part of our UN Principles for Responsible Banking (PRB) commitment, we track our members' financial health and the extent to which our members feel Vancity has played a role in building their confidence to manage their finances. 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 May 2025.

Table 49. Financial health and inclusion indicators

	Unit	2025	2024	2023
Average member financial confidence score	/10	7.2	7.6	7.4
Percentage of members who could not cover an unexpected expense of $5,000	%	7.9	11.2	9.3

In 2025, two previously reported indicators, members with term deposits or GICs, and members with managed or self-directed investments, were not included in the Financial Health & Inclusion survey, as we plan to transition to a new measurement approach. Although these perception-based indicators have remained relatively stable year over year, we do not yet have sufficient insight into the factors that drive these results. Therefore, we are developing improved indicators rooted in actual financial behaviours and transactions to provide a more accurate and actionable picture of members' financial health in future reporting.

Capacity building and initiatives to improve access [FS13, FS14, PAS]

Vancity aims to help enhance social justice and economic inclusion for our members and communities. We believe social justice means a society that gives individuals and groups fair treatment and a just share of the benefits of society, which demands people have equal rights and opportunities. As a signatory to the United Nations' Principles for Responsible Banking (PRB), we have determined financial health and inclusion to be a key focus area, and our approach mirrors the priorities outlined in Canada's National Financial Literacy Strategy 2021-2026, focused on meeting members' needs for timely advice, accessible products and services, and financial empowerment.

We offer products and services that 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. For more on initiatives to improve access see the Annual Report, page 34, and Financial inclusion.

Table 50. Members with accounts in programs aimed at people who were previously unbanked or underbanked[1] [FN-CB-240a.3, 2-4]

	Unit	2025	2024	2023[1]
Pigeon Park Savings account members[2]	#	5,720	5,945	5,932
Members with Accessibility program[3] accounts	#	4,268	3,993	3,565
Members with Resettlement Assistance Program (RAP)[4] accounts	#	5,799[5]	9,397	8,365

1 Vancity considers the above categories aligned with the Sustainability Accounting Standards Board's (SASB) definitions of "unbanked customers as individuals and families who have rarely, if ever, held a chequing account, a savings account, or other type of transaction or cheque cashing account at an insured depository institution, and underbanked as individuals and families who have had a chequing or savings account and used one of these products or services from an alternative financial services provider in the past 12 months: money orders, cheque cashing, international remittances, payday loans, refund anticipation loans, rent-to-own services, pawn shop loans, or auto title loans."

2 Vancity defines individuals who need low-barrier banking services offered at Pigeon Park Savings (PPS), and the areas of community need into these categories: People who cannot open a bank or credit union account because of inadequate identification (according to formal government compliance rules); People with mental health or substance use issues who may be refused service or treated without dignity in other financial institution settings; People who live on the street or in parks who may be

refused service or treated without dignity in other financial institution settings; Vulnerable people who need a safe place to keep their money to prevent it from being stolen or lost; People without a fixed address or a place to receive mail; People without significant financial means or financial services needs; People who receive employment paycheques or government payments by cheque (versus direct deposit). PPS chequing accounts include: The $5/month PPS chequing account has unlimited transactions, but no cheques or online banking; Debit cards are withdrawal only, no deposits, and come with $400 ATM/POS online limits; In lieu of typical Official Cheques and Drafts, PPS offers certified Counter Cheques to members at no charge – this function in much the same way as an Official Cheques or draft but can be stopped in the event that they're lost or stolen. At present, PPS does not offer any lending, and the only savings option is a Pigeon Park Cashable term – it's essentially the same as the Vancity 30-day cashable, PPS accounts are separate from other Vancity accounts, PPS members cannot bank in other Vancity branches as Vancity branch employees are not trained or prepared to deal with low-barrier banking members, however PPS is creating limited opportunities for PPS members to "graduate" to Vancity over time.

3 Accessibility program: Provides members living with a disability or other barriers to financial services improved access to financial services and credit building products, thereby supporting them to achieve their financial goals and move towards economic self-reliance. (The indicator name and definition reported in the 2024 Accountability Statements was incorrectly labeled as 'Visa' accounts. The label has been corrected in this report. The underlying data values have not changed.)

4 Resettlement Assistance Program (RAP) account: 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.

5 In May 2025, we reviewed Resettlement Assistance Program (RAP) accounts and identified many members who had reached the end of the program's two-year benefit period. As a result, approximately 3,500–4,000 accounts were moved to standard low-fee or no-fee options once their introductory benefits ended. This one-time account transition, which will become an annual process going forward, led to a noticeable decline in the number of RAP accounts reported in 2025

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 that 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:** Provides members living with a disability or other barriers to financial services improved access to financial services and credit building products, thereby supporting them to achieve their financial goals and move towards economic self-reliance.
- **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 provide individual members with challenges accessing financial services a fast, simple, and convenient way to access financing at an affordable cost. We developed this as an alternative service to payday lenders.
- **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.

New financed business and commercial loans and lines of credit [PAS]

Vancity provides access to finance to small and mid-sized business as well as to larger enterprises. The lower average loan size and significant increase in the number of loans funded under $250,000 over the past three years is a result of our small business team's focus on working closely with local entrepreneurs and building relationships with small businesses.

Table 51. Value and number of loans financed by size

	Unit		2025		2024		2023	
$0 - $24,999	$M	#	1	107	2	108	1	103
$25,000 - $99,999	$M	#	20	377	39	818	20	364
$100,000 - $249,999	$M	#	60	398	76	515	49	373
$250,000 - $499,999	$M	#	55	186	38	130	32	96
$500,000 - $999,999	$M	#	85	119	73	105	94	133
$1,000,000 - $4,999,999	$M	#	818	340	529	252	493	234
$5,000,000 and greater	$M	#	839	74	605	69	705	58
Total value and number of loans financed	**$M**	**#**	**1,878**	**1,601**	**1,362**	**1,997**	**1,394**	**1,361**
Average financed loan by size	**$M**		**1.2**		**0.7**		**1.0**	

Accessibility in our built environment [FS14]

Our approach to accessibility is evolving. It's about recognizing visible and invisible barriers to participation and actively addressing them so that everyone feels that they belong and are valued. The Accessibility Advisory Committee was formed in 2024 to ensure that feedback from employees and members is considered and integrated into our culture, services, and operations. The committee is a cross-functional team of senior leaders and employees with lived experience and tasked with identifying and removing barriers, promoting best practices, and ensuring our spaces – both physical and virtual – meet the diverse needs of our employees and members.

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.

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.

Affordable housing. [3-3]

Affordable housing is financing that results in renovations or new developments that maintain or create new affordable homes. These projects require a reasonable plan to secure affordability and ownership over time (usually through subsidies of either land, second mortgages, affordability covenants, etc.). The projects can include a mix of affordable units, with a significant number of below market units (e.g., secured by an affordability covenant) combined with market units. Typically, these projects are done through programs delivered either directly by, or in partnership with not-for-profit housing groups and/or governments. Examples include Rental Housing, Co-op Housing, and Social Housing.

Our approach to addressing the affordable housing crisis in our community has focused on the following:

- Financing housing providers and developers to support the creation of new and/or the preservation of existing affordable homes
- Offering accessible home ownership solutions and advice to retail members
- Investing Shared Success community funds to support the creation of community owned affordable housing projects and energy retrofits of existing affordable housing projects
- Using deposit pools to support critical affordable housing sector organizations
- Advocating for progressive affordable, climate ready housing policies

Why is it important to Vancity?

Cost of living and housing affordability remains a key concern for Canadians and our members, as evidenced by both the Member Materiality Study and Member Resilience Survey (both conducted in 2024). Half of our members (49 per cent) agree that housing affordability is a direct personal problem, with those most impacted being renters, those living with parents, 2SLGBTQI+, or aged 19-34. A Royal LePage report found that one in four BC renters spend more than half of their net income on rent, and two in three renters spend more than 30 per cent of their net income on rent. 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 its 2025 report, Canada Mortgage and Housing Corporation (CMHC) estimates that housing starts must double to restore affordability by increasing supply—highlighting the scale of the challenge and the need for solutions; beyond this, housing affordability is only one piece of a much larger affordability challenge for many Canadians.

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. 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, interest rates fluctuations 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.

Target 9.1 – Develop quality, reliable, sustainable, and resilient infrastructure to support economic development and human well-being, with a focus on affordable and equitable access for all.

Target 11.1 - Ensure access for all to adequate, safe, and affordable housing and basic services.

Products and services designed to help provide affordable housing

We place emphasis on supporting access to affordable housing and home ownership. We have programs, products, and partnerships 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:

"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.

Multiplex Construction Mortgage: Introduced in 2025, this product supports members in creating more affordable housing options and increasing urban density by financing the development of multi-unit properties, helping address the ongoing shortage of accessible, climate-ready homes.

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.

Special programs: Mortgage renewal subject matter expertise, education for members on available government programs, and Indigenous Housing solutions.

Partnerships: Co-operative Housing Federation of BC, Affordable Community Housing Program (VCF), Rent Bank (VCF), and Indigenous Housing Partners.

For more on Vancity's work, see Affordable Housing and Annual Report, Affordable housing, page 35, and for more information on Vancity financing of Affordable Housing, see our Community Impact Transactions guidelines.

Affordable housing units financed

Table 52. Units of affordable housing financed or refinanced

	Unit	2025	2024	2023
Units of affordable housing financed or refinanced	#	3,915	1,924	1,451

Reconciliation with Indigenous Peoples. [3-3]

Reconciliation is a commitment that acknowledges the histories and injustices done to Indigenous people and builds meaningful relationships with Indigenous communities. From the Truth and Reconciliation Commission (TRC) of Canada's 94 calls to action released in December 2015, at Vancity we focus most on number 92: Business and Reconciliation.

Why is it important to Vancity?

One of Vancity's core values is a commitment to Reconciliation, and we have adopted the call to action for businesses from the Truth and Reconciliation Commission and the UN Declaration of the Rights of Indigenous Peoples.

Target 1.4 – Ensure that all have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services.

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

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.

Actions for Reconciliation in our business

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. In 2022, Vancity announced our commitment to certify with the Canadian Council for Indigenous Business in their Partnership Accreditation in Indigenous Relations (PAIR) program. In 2025, we achieved Bronze-level PAIR certification, marking an important milestone in advancing our Indigenous Banking Strategy. Our work toward, and following, PAIR certification reflects an ongoing learning journey to more consistently apply an Indigenous lens across our everyday work. This includes strengthening equitable access to financial services, capital, and employment for Indigenous peoples, while embedding cultural respect,

accountability, and partnership into our policies, practices, and decision-making. PAIR provides a structured framework to guide this work, supporting continuous improvement in how we contribute to Reconciliation over time.

Indigenous banking strategy

The Indigenous Banking Strategy is aimed at serving three needs identified by Indigenous community: financial resilience, more and better housing, and support for entrepreneurs. The goal is to create long-term economic development, relationships, and reciprocity via specialized programs, products, services, and advice. The Indigenous Banking Strategy aligns to the calls to action from the TRC report.

Indigenous Advisory Committee

In 2024, we established an Indigenous Advisory Committee comprised of influential Indigenous business and community leaders to focus on meaningful consultation and feedback regarding Vancity's Reconciliation and Indigenous banking initiatives.

Cultural awareness and education

Vancity provides education on cultural awareness, the history of Indigenous Peoples (in Canada), and the multigenerational effects of the Indian Act and residential schools. This is done through courses offered through our online learning resource centre, and the practice of land acknowledgements in meetings and emails.

Employee Resource Group (ERG)

The Indigenous ERG is intended to provide a cultural and community connection for Indigenous employees which promotes the wellbeing, empowerment, and identity celebration of the group members. Leadership includes Indigenous co-chairs and sponsorship from Vancity's CEO. The ERG encourages employee participation in workshops and cultural initiatives and celebrates the diverse Indigenous identities within our organization.

For more on our approach to Reconciliation with Indigenous Peoples, see our Annual Report page 36.

Climate. [3-3]

Climate change isn't a distant threat. It's here, shaping our lives and our communities. Rising costs, unpredictable weather, and growing uncertainty demand more than words. They demand action.

Why is it important to Vancity?

As a financial co-operative, Vancity believes banking can, and must, be a force for climate resilience by using the tools of finance as a means to fight the climate crisis and build a just, sustainable future.

Our big goal is clear: net zero by 2040. That means cutting emissions, supporting members and businesses to adapt, and ensuring no one is left behind. Because climate justice is economic justice.

By mobilizing and reallocating capital towards renewable energy, electrification, operational efficiency, and other emissions-reducing solutions, the financial sector plays a crucial role in driving the global transition to a low-carbon economy.

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.

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.

Vancity remains committed to delivering emissions reductions and advancing the global transition to a cleaner and fairer world. Climate risks are financial risks, and the financial sector has a key role to play in addressing these through science-based targets, transparency, and accountability.

We consider the potential impacts of climate risk that our members and communities will face, and we assess physical and transition impacts of climate change on our lending and investment portfolios. We also work to cater our products and services to support reduced fossil fuel use and to foster resilience for our members, clients, and communities.

Building on a foundation of leadership in sustainable finance, in 2021, we set the following five public climate commitments.

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

Climate-related governance

Board oversight of climate-related risks and opportunities

Governance of both VCU's and Vancity Community Investment Bank's climate response is a key priority. The Boards oversee our efforts to help build a clean and fair world, receive updates on progress towards our climate commitments, and receive quantitative, scenario-based risk analysis in reports from management.

The Vancouver City Savings Credit Union (VCU) Board of Directors is elected by and accountable to our members. The VCU Board sets Vancity's strategic direction and oversees risk management. The Vancity Community Investment Bank Board members are appointed, allowing the Board to select individuals with the specific expertise and experience needed to guide the Bank's strategic direction and support its mission of financing a sustainable future. Effective Board governance ensures oversight and accountability for both financial and non-financial risks, including those stemming from climate change.

Directors engage in external courses on risk management and receive information on climate initiatives, co-operative values, and Indigenous banking. In recruiting candidates, the VCU Board identifies leadership in service of financial inclusion, labour relations, or climate justice as desired areas of focus and experience for nominees. To stay informed and connected with current trends, Directors of both Boards attended climate-related events.

Both Boards have delegated certain climate-related accountabilities to their committees, as shown in the table below.

Table 53. Board committees' climate-related mandates

Board committee	Climate-related mandate
Vancouver City Savings Credit Union (VCU) Risk Committee (RC) and Vancity Community Investment Bank Risk Conduct and Review Committee (RCRC)	The Board, supported by its Committees, provides oversight and strategic advice on current and potential future risk exposures, as well as risk mitigation strategies. This includes determination of risk appetite, key risk indicators (KRIs), and related tolerance thresholds. VCU and Vancity Community Investment Bank operate under a unified enterprise-wide Risk Appetite Framework (RAF) that monitors organizational risk through clearly defined risk appetite statements, thresholds, and KRIs. Climate risk is a key focus area within this framework, overseen by VCU's Risk Committee (RC) and Vancity Community Investment Bank's Risk Conduct and Review Committee (RCRC), ensuring robust governance of climate-related exposures both now and in the future. In collaboration with the Boards, the Committees also review the Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP incorporates advanced modeling of credit risk impacts from climate-related event, such as flooding and wildfires, to confirm that adequate capital reserves are maintained to withstand severe but unlikely climate stress scenarios.
VCU Audit Committee	Responsible for reviewing management's annual plan and performance indicators for the annual integrated report on behalf of both VCU and Vancity Community Investment Bank, ensuring there is an effective process in place that includes appropriate controls designed to provide assurance that accountability reporting has integrity, includes material issues, and provides for reliable and fairly presented reporting that is consistent with any financial information disclosed. Considers the appropriateness and materiality of all measures.
VCU Governance Committee	Reviews and recommends for approval VCU's Ethical Principles for Business Relationships (EPBRs) policy on an annual basis. Beginning in January 2025, received quarterly reports on management's progress on Vancity's impact strategies to build a clean and fair world, on behalf of the Vancity Group, including accountability for Vancity's climate transition plan.
Boards	The Boards integrate climate-related issues into their core activities, using these issues as a key lens when revising and approving risk management policies, business plans, strategic priorities, and organizational performance objectives. The Boards also approve critical frameworks and policies, including VCU's and Vancity Community Investment Bank's respective Enterprise Risk Management Framework (ERMF), RAF, and the ICAAP. This ensures that climate considerations are embedded into strategic and operational decisions.
Operational Risk Management Committee	A sub-committee and advisory body to VCU's RMC. Meets periodically to discuss enterprise-wide operational risks, including physical and transition climate risks (i.e., what they are, where they exist, and what mitigations are being taken or recommended).

Management structure and accountabilities

Vancity's CEO and executive leadership team are responsible for delivering on the strategic direction set by the Board, for fostering an effective risk culture, and integrating financial, social, and environmental factors into the business decision-making process. Executive roles listed below with "Vancity" refer to group-level mandates, and Vancity Community Investment Bank roles refer to Bank-specific mandates. Specific accountabilities for climate risks and opportunities are as follows:

Table 54. Climate-related management structure and accountabilities

Role or business area	Climate-related accountability
Vancity executive leadership team (ELT) Vancity Community Investment Bank senior leadership team (SLT)	Work within their respective divisions to identify, assess, and act upon opportunities to drive positive climate impacts among our members, in the community, and within VCU and Vancity Community Investment Bank.
Vancity Chief Risk Officer	Oversees Vancity's climate-related risks, focusing on physical risk identification and mitigation. Oversight is in accordance with VCU's ERMF and RAF. Chairs VCU's executive Risk Management Committee (RMC).
Vancity Community Investment Bank Chief Risk Officer	Oversees climate-related risks, focusing on physical risk identification and mitigation. Oversight is in accordance with Vancity Community Investment Bank's ERMF and RAF. Chairs the Risk Management Committee.
Vancity Chief Strategy Officer (CSO)	Oversees and leads Vancity's public climate-related commitments as well as our climate-related obligations under the international agreements and partnerships we are part of. Provides input into the development of banking products, to influence how products may be tailored to support members' emissions reductions.
Vancity Chief Financial Officer (CFO)	Oversees the preparation of the Annual Report, including related disclosure of our environmental and social risks. The CFO is responsible for establishing and maintaining adequate internal controls over external reporting, supported as applicable by executive team members and other senior management.
Vancity Vice President (VP) Impact Strategy	Reports to the CSO and is responsible for implementing actions to achieve our climate targets.
Vancity Climate Strategy and Performance (CSP) team	Creates and leads Vancity's approach to achieving net zero and our other climate commitments, measuring our climate performance and establishing targets. The CSP team reports to the VP Impact Strategy.

The Climate Strategy and Performance and Enterprise Risk Management teams engage with external experts including climate consultants, insurance companies, CUNA Mutual Insurance Society (CUMIS), industry alliances including the United Nations Environment Programme Finance Initiative (UNEP FI) and the Global Alliance for Banking on Values (GABV), standards organizations such as the International Financial Reporting Standards (IFRS), the Global Reporting Initiative (GRI), and the Partnership for Carbon Accounting Financials (PCAF), and our financial regulators: British Columbia Financial Services Authority (BCFSA) and the Office of the Superintendent of Financial Institutions (OSFI). These teams also engage with peers by sharing learnings and advising on climate-related risks and opportunities through internal working groups described below:

Table 55. Climate-related working groups

Working groups	Mandate
Impact Review Committee	This committee meets on an ad hoc basis to consider lending and investment opportunities that require deeper assessment of their alignment to our Ethical Principles for Business Relationships, impact goals, and reputational risk tolerance.
Decarbonization Working Group	This committee meets every quarter to provide direction on our strategy to reduce scope 1 and 2 emissions and align them with our facility and capital management objectives. It is attended by key leadership from the Real Estate, Facilities, and Procurement team, and the Climate Strategy and Performance team. Vancity's Sustainable Operations Manager chairs this committee.

Climate strategy

At Vancity, we're committed to reducing emissions and working to address climate-related risks and opportunities through a comprehensive approach that touches every part of our business.

We start by setting ambitious targets and strategies, aligning with global initiatives like the UNEP FI Guidance for climate target setting for banks to guide reductions across our operations, lending, and investments. These targets aren't static. We review and refine them regularly to stay on track. We measure and disclose our progress, reporting operational and financed emissions annually and improving data quality in line with leading standards such as the Greenhouse Gas Protocol and the Partnership for Carbon Accounting Financials (PCAF). And we stay informed and collaborative, monitoring research, sharing best practices, and contributing to the development of harmonized sustainability standards.

We integrate strong climate action into our operations and actively advocate for robust climate policies, collaborating with governments to accelerate a just and affordable transition to a low-emission future. And we don't do this alone, our members and clients are key partners. We support and encourage them to take climate action and use their feedback to shape better products and services. Our

commitment extends to the community through programs like Shared Success and enviroFund™, where we invest in initiatives that reduce emissions and help communities adapt to climate change.

In 2023, Vancity joined the Corporate Knights Action Declaration on Climate Policy Engagement, committing to align our public policy advocacy, including industry association memberships and with the goals of the Paris Agreement. As part of this commitment, we undertook a detailed assessment of our most relevant key memberships, evaluating each based on their climate policy positions and advocacy efforts. These insights guide targeted engagement strategies, including direct outreach to organizations with the greatest opportunities for improvement and suggesting actionable steps organizations could take to better align with the Paris Agreement. Vancity remains committed to transparency and will continue to monitor and refine our approach to climate policy engagement in alignment with this framework.

Managing climate risk is another priority. We assess and mitigate risks across our lending and investment portfolios through our enterprise risk management framework. At the same time, we finance climate solutions, backing businesses, mortgages, and projects that deliver positive environmental impact.

We spent time developing Vancity's Climate Action Plan in 2025 (published in 2026). The core of the plan translates our climate commitments into strategic focus areas that span the organization and our broader ecosystem. They aim to further embed climate action across business functions and partnerships by delivering a coordinated approach to reducing emissions, managing climate-related risks, and fostering a just, resilient transition for our members and communities.

For more information on our climate strategy, see our Climate Action Plan.

Climate-related risks

Process for identifying and assessing climate risks

Our commitment to robust risk management is embedded in the Enterprise Risk Management Framework (ERMF), a methodology addressing risk at the enterprise level. The ERMF establishes a vital link between strategy, risk, and business objectives, providing a comprehensive structure for identifying, assessing, managing, and reporting risks. Aligned with this framework is the Risk Appetite Framework (RAF), a structured approach facilitating consistent decision-making to mitigate uncertainties. The RAF is revised annually, reviewed by the executive leadership team (ELT), endorsed by the Risk Committee, and approved by the Board. Performance against risk appetite is monitored through key risk limits and reported to the Board quarterly. The ERMF and RAF are interdependent and core to risk management at Vancity.

Climate risk integration

We are committed to actively integrating climate considerations into the core of decision-making processes for new initiatives and projects. Our approach encompasses not only the identification and assessment of climate-specific risks but also the pursuit of opportunities arising from the transition to a low-carbon economy throughout the implementation of new initiatives. Through our robust frameworks and processes, we ensure that climate risk integration becomes an integral part of the planning, implementation, and ongoing management of our projects. This comprehensive approach allows us to navigate the complexities of both physical and transition risks associated with climate change. By doing so, we not only fortify our organization against potential negative impacts but better position ourselves on emerging opportunities in the evolving landscape of sustainable finance. Moreover, our commitment to aligning with Canada's and BC's climate action plans underscores our commitment to contributing to broader environmental objectives.

Physical risk

Our partnership with the insurance industry is essential for assessing flood and fire exposure stemming from severe weather events. We continuously evaluate our members' protection against these risks and explore ways to mitigate them beyond traditional insurance coverage. Recent advancements in our climate-related flood and wildfire risk modelling, which include precise property location data, have helped to better understand our exposure, so we can strengthen how we manage this risk. One approach to help manage these risks effectively, is by engaging with our members to enhance their climate-risk resilience.

Table 56. Climate-related risks

	Unit	2025	2024	2023
Percentage of mortgage portfolio exposed to high or very high flood risk	%	0.28	0.23	0.25
Percentage of mortgage portfolio exposed to high wildfire risk	%	4.03	3.62	3.38

Transition risk

Our efforts to measure emissions attributed to our lending enable us to identify transition risks and opportunities by pinpointing areas with the highest concentrations of financed emissions, categorized by asset class, sector, and building use (see 2025 Climate Update, Financed emissions by activity or asset class, page 32). Transition risks encompass policy, legal and regulatory, market, and reputational risks. We continuously monitor the evolving legal and regulatory landscape and actively engage with industry associations and government bodies. By adopting a community-centric approach, we mitigate reputational risks, ensuring our products, services, strategy, and messaging align with the needs of our community.

Managing climate risks and integration of climate risk into risk management practices

Effectively managing climate risks and incorporating them into our risk-management practices is a key focus for us. We acknowledge that risks are not linear. Rather, they are interconnected, interdependent, and dynamic. Our strategic discipline of enterprise risk management plays a crucial role in achieving our business objectives by comprehensively addressing various risks and understanding their combined impact on Vancity and its subsidiaries. The Enterprise Risk Management Framework serves as a vital link between our strategy, identified risks, and business objectives. This connection allows the Board of Directors, ELT, and employees throughout Vancity to share a common understanding of the risks we face and the strategies in place to manage them.

Employing a structured approach, we categorize risks affecting Vancity's objectives, facilitating a standardized method for identification and mitigation across diverse business areas. Annually, we refresh the Risk Appetite Framework (RAF) in alignment with our business plan, enhancing our risk appetite statements, limits, and early warning key risk indicators. This process aids in the clear identification of core issues, enabling us to address challenges and avoid unpleasant surprises.

Along with risk statements, limits, and metrics, we also set thresholds that clearly define the levels of risk we are willing to accept, manage, or escalate to the Board. This comprehensive approach ensures that our risk management practices evolve alongside our strategic objectives, enabling us to navigate uncertainties and challenges effectively while safeguarding the interests of Vancity and our stakeholders.

Climate resilience

Climate-risk modelling has been a significant component of our Internal Capital Adequacy Assessment Process (ICAAP) analysis for several years. For physical risk analysis, we utilize a basic climate-modelling tool based on assumptions and proxies. By using these models, we assess the probability of defaults tied to low, medium, and high flood and fire risk maps with a three- to five-year forecast.

This helps us quantify the risk from a capital adequacy perspective, considering insurance coverage for specific damages or deductible costs associated with expected climate events.

Transition risk has been diligently tracked for a few years, and we are pleased to report a low exposure due to our strategic decision to avoid direct investments in the oil and gas sector. Although member employment in transition-risk sectors is not currently quantified due to data limitations, our overall risk remains minimal, reflecting our commitment to sustainable and responsible lending and investment practices. Through the development of our upcoming Climate Risk Management Framework (CRMF), we are refining our transition risk screening and management approach and establishing business-relevant Key Risk Indicators (KRIs) to improve confidence in our exposure assessment.

Forward-looking modelling tool

We are advancing our scenario analysis capabilities by integrating methodologies that combine climate science with macroeconomic modelling. Using integrated assessment models, we simulate a range of climate policy pathways and emissions trajectories. These outputs are then translated by macroeconomic models into impacts on key economic variables—such as GDP, employment, asset prices, and borrower income. By linking these dynamic scenarios to our portfolio data, we can assess how climate risks may affect credit quality, capital requirements, and overall financial resilience. This approach supports robust, forward-looking stress testing and enhances our ability to inform ICAAP narratives and strategic decision-making.

SCSE 2025

As part of our ongoing commitment to climate risk management, we completed the 2025 Standardized Climate Scenario Exercise (SCSE) for Vancity Community Investment Bank and submitted all required materials to OSFI. By assessing a sample of our portfolio using the Bank's loans, the exercise marked a significant advancement in our ability to assess and manage climate-related risks across our portfolio.

We referenced internationally recognized climate pathways known as Representative Concentration Pathways (RCPs). These scenarios illustrate different levels of global mitigation ambition, future greenhouse gas concentrations, and resulting temperature increases by 2090, whereby:

- **RCP 2.6:** represents a low-emission pathway aligned with strong global climate mitigation efforts.
- **RCP 4.5:** reflects a moderate-emission pathway assuming some mitigation actions.
- **RCP 8.5:** represents a high-emission pathway with limited mitigation and continued growth in emissions.

Our scenario analysis incorporated these three pathways. By modeling our exposures under these scenarios, we evaluated a sample of our portfolio on the potential impacts of both physical risks, such as flooding and wildfire, and transition risks arising from policy changes, market shifts, and evolving energy prices.

For physical risk, we focused on flood and wildfire exposures within our real estate lending portfolio, leveraging geo-coded property data and collaborating with Co-operators to refine our modelling. Lending arrangements were grouped by region, property type, and age, allowing us to apply scenario analysis and estimate changes in risk profiles through 2050. The use of more granular data has provided us with a clearer understanding of how climate hazards may affect our assets over time.

Transition risk was assessed for both credit and real estate exposures. For credit risk, we reviewed our lending portfolio using OSFI's scenarios and adjusted our risk estimates accordingly. For real estate, we considered how properties and borrowers might be affected by the transition to a low-carbon economy, with risk estimates reflecting relevant factors. Market risk, which is focused more on equity and interest rate risk in stocks and bonds, was deemed not applicable given the sample set of Vancity Community Investment Bank's lending portfolio.

We continue to enhance the quality and precision of our scenario analysis by integrating increasingly granular portfolio data into our models. This includes detailed property location, asset characteristics, and borrower profiles, which support more accurate and actionable risk insights. The experience and learnings from this exercise will inform future climate risk management practices and may be extended to broader applications within Vancity.

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, energy efficiency solutions, low-emission buildings, and building energy retrofits.

Table 57. Climate-related opportunities

	Unit	2025	2024	2023
Square feet of low-carbon buildings financed	ft^2	1,111,699	1,036,020	729,635
Avoided emissions from clean energy projects	tCO_2e	12,475	7,810	6,654
Capital invested in own operations	$	735,738	334,169	52,794
Electric and low-carbon vehicles financed	$	2,602,874	1,137,207	2,602,873
Climate conversations (includes individual and business members)	#	11,630	854	n/a

ft^2 = square foot; tCO2e = tonnes of carbon dioxide equivalent

For more information on climate-related risks and opportunities, see our 2025 Climate Update, page 11.

Biodiversity and nature. [3-3]

By having a better understanding of business activities throughout our value chain that may be taking place in areas of high biodiversity, Vancity can reduce the potential risks of having harmful impacts. These areas may include areas of special importance or sensitivity.

Why is it important to Vancity?

Natural ecosystems provide clean water and air, support climate resilience, and contribute to food security and human health. Protecting biological diversity is important for ensuring the survival of plant and animal species, genetic diversity, and healthy ecosystems.

Target 12.5 – Substantially reduce waste generation through prevention, reduction, recycling, and reuse.

Target 15.1 – Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains, and drylands, in line with obligations under international agreements

Managing nature and biodiversity risks in our lending and investing [101-1]

When evaluating lending opportunities, Vancity considers potential environmental and social impacts in line with our Lending Policy and follows guiding principles such as the Ethical Principles for Business Relationships and Community Impact Transactions Guidelines. These principles encourage environmentally responsible practices and support municipal, provincial, and federal efforts to protect ecosystems. Loan underwriting includes an assessment of financial, legal, and reputational risks associated with environmental issues.

These reviews aim to minimize harm and maximize positive outcomes. Importantly, even if financing activities are compliant with laws and regulations, Vancity may decline financing if those activities are found to have significant potential adverse environmental or social consequences. Decisions involve informed judgment, and our approach reflects current industry practice where nature-related disclosures are evolving to adopt frameworks like the Taskforce on Nature-related Financial Disclosures (TNFD) or GRI Biodiversity Standard.

Biodiversity portfolio assessment

In 2023, we assessed biodiversity impacts and dependencies in our lending portfolio, with emphasis on regional factors. Urbanization remains a key threat to biodiversity in BC, where wetlands and forests provide critical ecosystem services such as flood protection, carbon storage, and water regulation.

Through this assessment, we found that roughly two-thirds of our business lending—primarily real estate and construction financing—had high or very high potential dependencies on ecosystem services and significant potential impacts on biodiversity. Therefore, biodiversity and land use are being considered as part of Vancity's ongoing work to refresh the Impact Management and Measurement Framework.

Managed investments

As a socially responsible asset manager, Vancity Investment Management is committed to preventing biodiversity loss and promoting the conservation and restoration of nature through our portfolio activities. To accelerate our work on biodiversity-related risks, we are a signatory of the Finance for Biodiversity pledge. This initiative brings together leading financial institutions focused on the protection and restoration of biodiversity and ecosystems through targeted financing, investments, and engagement.

We have committed to integrating biodiversity criteria into our ESG policies and actively engaging with companies on biodiversity issues. Additionally, we have assessed our investments for significant positive and negative impacts on biodiversity and report on the conclusions in our biodiversity progress report.

We have been engaging with portfolio companies on nature-related topics for several years. This includes addressing issues ranging from plastic waste to pesticide use. For example, we engaged with Costco and Starbucks, which are companies in our portfolio that have significant nature-related impacts and dependencies. We requested that they conduct biodiversity dependency and impact assessments to understand the extent to which their supply chains and operations are vulnerable to, and contribute to, biodiversity and nature loss.

For more detailed information on how we are integrating biodiversity into Vancity Investment Management's strategy please refer to our biodiversity progress report.

Operational environmental impacts

We recognize the importance of minimizing our environmental footprint, and we remain committed in our efforts to reduce our operational impacts through managing the waste we generate and through water stewardship.

Waste management

We take every effort to divert materials from waste streams by using contractors that employ best practice in waste management, donating furniture, finding vendors to reuse electronic waste, offering a battery recycling program, and composting organic waste[1]. The little waste that cannot be reused or recycled is taken to an energy plant and burned to generate energy.

1 Organic waste is disposed of at three different compost facilities, and depending on location, material will either be composted and used mainly in turf for landscaping and golf courses, mixed with sand and used for soil amendment, or converted into biofuel. All three facilities meet the strict standards of British Columbia's Organic Matter Recycling Regulation (BC OMRR), as well as standards set by the Canadian Council of Ministers of Environment (CCME) and the BC Landscape Nursery Association (BCLNA).

Table 58. Waste generated, recycled, and diverted from the landfill [306-3, 306-4]

	Unit	2025	2024	2023
Waste generated on premises	t	82	83	78
Premises waste diversion rate	%	100	100	100
Construction waste	t	49	2	92
Construction waste diversion rate	%	26	100	8
Furniture waste	t	6	29	49
Furniture waste diversion rate	%	10	81	86
Electronic waste	t	9	7	8
Electronic waste diversion rate	%	100	100	100
Waste from all sources	**t**	**146**	**120**	**226**
Waste per FTE	**kg**	**69**	**54**	**94**
Waste reused	t	6	9	3
Waste composted	t	15	16	13
Waste recycled	t	63	69	102
Waste to energy	t	20	21	17
Waste diversion rate	**%**	**71**	**95**	**60**

t = tonnes
Waste diversion for premises waste includes recycling, composting, and waste to energy.

Waste diversion for electronic waste, furniture waste, and construction waste is calculated by the percentage of the total weight of items that were either reused or recycled. Total tonnes may not sum due to rounding.
In 2024, management decided to stop estimating premises waste generated from FTE who are remote or located at non-collection sites.

Paper use

Vancity's paper use has been declining since 2020. We expect further reductions in our paper consumption as more members switch to e-statements. As a financial institution, we send out notifications in the form of paper mail to residents and take operational responsibility for recycling these materials through RecycleBC's Extended Producer Responsibility program. Each year, to support RecycleBC's programming and end-use processing, we are required to pay a fee per kilogram of paper that may end up in residential waste streams.

Table 59. Paper use

	Unit	2025	2024	2023
Paper use	t	71	80	84
Paper use with recycled content	%	87	82	65

t = tonnes

Water consumption

Water consumption is water that is tracked from direct water meter, sub water meter, or estimated with like premises. 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.

Table 60. Water consumption [303-5, 2-4]

	Unit	2025	2024	2023
Estimated water use	L	12,245,462	9,696,725	12,905,244
Estimated water use per full-time employee	L/FTE	5,683	4,368	5,356

Previous years' data was restated due to changes in methodology in 2024.

Premises energy use: electricity and gas

Our total energy use in 2025 was 11 per cent less than the total energy use in 2023. In 2025, we attribute the reductions in energy consumption to optimizing the thermal and electrical controls in several of our branches. We plan to continue this work and expand controls optimization to the rest of our facility portfolio to reduce our energy consumption.

Energy consumption remains an important performance indicator to reflect the actions we've taken, because there are factors outside of our control that impact our GHG emissions, such as changing emission factors and global warming potentials. In 2025, our energy consumption per employee (FTE) increased despite a reduction in our total energy use.

Table 61. Energy consumption: premises energy use, metered and estimated [2-4]

	Unit	2025	2024	2023
Total natural gas use	ekWh	1,959,565	2,149,441	2,374,560
Total electricity use	kWh	6,538,004	6,382,344	7,199,561
Energy use per employee	ekWh/FTE	3,944	3,843	3,973

Responsible investment. [3-3]

Responsible investment involves integrating environmental, social, and governance (ESG) factors into investment decisions and active ownership. Responsible investing is powerful because this approach seeks competitive returns while benefiting society and the environment.

Why is it important to Vancity?

Responsible investment encourages investors to engage with their wealth in a more meaningful way by becoming more engaged in how their capital can be used to create a better world.

Wealth Solutions

Vancity Sustainable Wealth Management (SWM) Wealth Solutions is a team of advisors that provides retail investors (or clients) financial and investment advice. Wealth Solutions advisors are comprised of the following roles: Wealth Relationship Manager (WRM), Wealth Planner (WP), and Wealth Advisor (WA).

Vancity is partnered with Aviso Wealth, an investment dealer, dually registered for mutual funds and securities from which the Vancity advisors operate within one of their two divisions: Aviso Wealth – Mutual Fund division (formerly known as Credential Asset Management, or CAM) and Aviso Wealth – Investment division (formerly known as Credential Securities Inc., or CSI). WRMs and WPs fall within the Mutual Fund division, and offer only mutual funds to their clients, whereas WAs offer individual securities (such as stocks, limited partnership units, trust units, money market instruments, and bonds), exchange traded funds (ETFs), and managed account programs in addition to mutual funds.

SWM calculates and reports its Triple Bottom Line Assets Under Administration (TBLAA) calculation for the Wealth Solutions book of business. TBLAA for Wealth Solutions is the market value of client investments (Assets under Administration, or AUA) on clients' behalf that incorporate environmental, social, and governance factors (ESG) into the selection and management of investments.

Investment funds such as mutual funds, pooled funds, ETFs, and managed account programs to be counted towards TBLAA must be on the Canadian Investment Funds Standards Committee (CIFSC) Responsible Investments (RI) Fund List. For definitions, see Applicable criteria for selected metrics, page 98.

Vancity Investment Management

Vancity Investment Management is a subsidiary of Vancity, providing discretionary investment management services to both individual and institutional clients. Vancity Investment Management invests in companies with industry leading ESG practices. We seek responsible, progressive companies because we believe they are better managed, which in turn enhances their resilience, competitiveness, and growth potential.

Our investment process integrates ESG analysis with in-depth financial analysis to identify companies with the potential to thrive given evolving environmental risk, increased social expectations, and changing shareholder demands. When selecting investments for our portfolios, attention is given to factors, other than financial factors, that are identified as critical in the overall evaluation of a company's prospects for future returns. We believe that by doing so, we can maximize returns through an extra level of risk mitigation. Climate change is one of the greatest challenges we face, and we believe investment decisions can meaningfully advance the goal of mitigating the most dangerous consequences of human interference in the climate system. Our climate risk strategy is based on four elements: divestment, decarbonization, re-investment, and engagement.

We also acknowledge the role that finance plays in creating a better society and helping to remove barriers that have historically excluded many equity-deserving groups from access to capital. We act on our fiduciary responsibilities by incorporating principles of Diversity, Equity, Inclusion, and Reconciliation (DEIR) into both investment decisions and shareholder engagement.

Vancity Investment Management assets under administration also form part of our Triple Bottom Line Assets Under Administration (TBLAA) calculation. For definitions, see Applicable criteria for selected metrics, page 98.

Responsible assets under management

Through a strategic partnership with IA Clarington Investments, Vancity Investment Management'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 our 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 ESG considerations into the management and selection of investments.

Corporate engagement [FS10, FS11, FN-AC-410a.3]

On behalf of Vancity Investment Management and the IA Clarington Inhance SRI Fund family, our sub-advisory group leads corporate engagement and shareholder advocacy activities to champion change in the companies in which members and clients invest. We engage 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. Vancity Investment Management's engagement framework addresses the following 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 (July 2024 to June 2025), we undertook engagements on topics including biodiversity, climate disclosure, fossil fuel financing, living wage, freedom of association, forced labour and supply chain due diligence, and executive compensation. We filed seven shareholder resolutions with six 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. Vancity Investment Management has adopted SHARE's (Shareholder Association for Research and Education) model proxy voting guidelines. We 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 our responsible investing philosophy. Groupe Investissement Responsible (GIR) executes our 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, we have 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 Vancity Investment Management corporate engagement can be found in the Vancity Investment Management Shareholder Engagement reports.

Table 62. Number and percentage of companies in portfolio with which Vancity Investment Management's sub advisory group engaged

	Unit	2025	2024	2023
Number of companies in portfolio with which Vancity Investment Management's sub advisory group engaged[1]	#	47	45	56
Percentage of companies in portfolio with which Vancity Investment Management's sub-advisory group engaged	%	21	19[2]	34

1 Number of companies engaged is for fiscal year 2025 and may not correspond with the numbers in Vancity Investment Management's shareholder engagement report, which uses a different reporting time period.

2 Percentage of companies in portfolio with which Vancity Investment Management's sub-advisory group engaged decreased in 2024 because the total number of companies in the portfolio went up from 167 to 236 due to the launch of the two Vancity Investment Management funds, the Global Impact Fund and Global Low Volatility Fund.

Sustainability Issuance

We also offer investors a way to invest their money more sustainably and directly in Vancity through our Sustainability Issuance Framework. The Framework guides issuances of green, social, and sustainable financing instruments, including bonds, loans, commercial paper, and deposit products. Sustainalytics provides a second-party opinion of the Framework, confirming it is credible and impactful, and that it aligns with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2021, Green Loan Principles 2021, and the Social Loan Principles 2021.

Through the issuance, Vancity allocates proceeds raised of each green, social, or sustainable instrument to finance and/or re-finance, in part or in full, expenditures or investments. These are collectively the Eligible Assets that meet the eligibility criteria specified within each of the green and social categories defined. The Eligible Criteria is based on priorities set forth in the United Nations Sustainable Development Goals (UN SDGs) and reflect Vancity's internal impact lending guidelines.

We have used the Framework to issue bearer deposit notes (BDNs). BDNs are also known as commercial paper and are used for short-term borrowing, often referred to as money market funding. They are typically issued to institutional investors for maturities of less than one year.

For details on the Framework and reporting on issuances and allocations, see Sustainability Issuance Framework.

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 24. In 2025, data and information presented in these statements reflect Vancity operations only and do not include First Credit Union, unless otherwise stated.
- We report data for the calendar and fiscal year January 1 to December 31.
- We include three 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 three 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 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.

Changes in measures from 2025 [3-2]

The following measures were changed in 2025. Added:

- Total number of grievances related to labour practices heard at arbitration. In 2025, we began reporting grievances heard at arbitration to better reflect actual outcomes.
- Total amount of low-carbon vehicles financed. This metric shows Vancity's commitment to the energy transition in transportation and our growth in this business opportunity.

Removed:

- Operating earnings. As of 2025, this metrics is no longer used on our scorecard.
- Members with term deposits or GICs at Vancity and/or other providers. In 2025, this indicator was excluded due to a transition to a new measurement approach.
- Members with managed or self-directed investment products at Vancity and/or other providers. In 2025, this indicator was excluded due to a transition to a new measurement approach.

Applicable criteria for selected metrics.

Core revenue: Operating income, adjusted for impairment expense on financial instruments and any one-time gains and losses from the sale of real estate assets.

Assets under administration (AUA): The total fair value of off-balance sheet assets, in accordance with IFRS, of Aviso Wealth - Mutual fund division, Aviso Wealth - Investment division, Vancity Investment Management - Investment Counsellor Business, Vancity Investment Management - Estates and Trusts, Member Experience & Community Engagement Operations - Estates and Trusts, Senior Management Retirement Plan, Group Registered Retirement Savings Plan (RRSP) - Vancity Staff Group RRSP, and Vancity Staff Pension - Defined Benefit Pension Plan.

Triple bottom line assets and assets under administration (TBLAA): Is comprised of six asset classes. Business lending, retail loans, and residential mortgages (except for location efficient residential mortgages) are determined to be TBLAA at loan initiation based on the criteria in place that year.

1) TBLAA—Business lending: Commercial, business, and microloans that facilitate positive community impact defined as an improvement (or potential improvement) in the lives of people and/or the community and environment, and informed by Vancity's Guidelines for impact lending, which are reviewed and updated annually by the Impact Lending Working Group (ILWG). Impact businesses include not-for-profit organizations, social enterprises or ventures, 'green' businesses, co-operatives and other credit unions, unions, First Nation Governments, educational and care facilities, churches and other religious facilities, businesses owned/controlled by Indigenous people*, women*, newcomers*, Black entrepreneurs*, members of the 2SLGBTQIA+ community*, microbusiness, B corporations, and Community Contribution Companies. This does not include investment real estate lending. These loans support sectors such as affordable housing; arts & culture/heritage building; clean technology; co-operative and credit union syndicates; energy efficient/green buildings; green businesses, health and wellness; Indigenous communities; local and organic food; microfinance and poverty reduction; social purpose real estate; women entrepreneurs and others. (*Starting in Q4 of 2025, Vancity began a process where these categories could only be included when evidenced by a voluntary identification form signed by the business member).

2) TBLAA—Retail loans: Consumer loan/Visa products that support social & cultural inclusion, community building, financial inclusion/address issues of affordability, and/or environmental sustainability. Products include Branch 71 Alert Bay personal loans, Clean Air Auto Loans, Creative Credit, Vancity Fair & Fast LoanTM, Home Energy Loan Program, Refugee Loan, Planet Wise Vehicle, Unity Product, Accessibility Visa, Secured Visa, RAP Visa.

3) TBLAA—Residential mortgages: Mortgages and other home financing that:

   1) contribute to at least one of the following principles: social justice and financial inclusion, environmental sustainability, or co-operative practices or principles (detailed criteria has been developed for classification under each principle). Eligible products include On-Reserve Housing Loan, Mixer mortgage, Co-op Home loan, Laneway Housing Mortgage Bundle, Planet-Wise Renovation Solutions;

   2) are a reasonable value for the region ($3 million for properties in Vancouver, North Vancouver, West Vancouver, Richmond, North Burnaby, South Burnaby, and Whistler, or $2 million for properties in the rest of the Lower Mainland.);

   3) allow individual households to build, renovate, or buy residential property with a maximum of 4 units; and

   4) are owner occupied, unless rented for below-market rent.

   Most of the financing for residential mortgages classified as impact falls under the principle of environmental sustainability and is for homes in location efficient areas, defined as either:

      (a) postal codes where at least 40 per cent of residents commute by transit, bicycle, or walking as defined by Statistics Canada. Vancity obtains this data from a third-party data provider, Environics, and applies the current year criteria from the latest Environics information, which is updated annually, to the entire residential mortgage loan book; or

      (b) homes in walkable, transit-oriented communities as defined by Walk Score.

   Location efficient mortgages classified under criteria (a) are not required to meet criteria (3) and (4) above.

   Another significant type of financing for residential mortgages classified as impact falls under the financial inclusion principle and is for first time home buyers with the requirements being that for loans made in 2024 the maximum home value must not exceed $999,999 and maximum household income cannot exceed $120,000 or $150,000 for greater Vancouver and Victoria, and for loans made prior to 2024 the maximum home value must not exceed $750,000 and no household income cap. And beginning in 2025, the first time home buyers requirements were updated again so that the maximum home value must not exceed $1,499,999.

4) TBLAA—Owned premises: Buildings (including fixtures and fittings) that we own that provide access to financial services in underserved communities, are energy efficient properties/green buildings, and/or include affordable housing units.

5) TBLAA—Administered investments:

Sustainable Wealth Management (SWM) Wealth Solutions:

Mutual Funds and Exchange Traded Funds (ETFs) Eligibility – Vancity uses a list of eligible qualified Canadian domiciled mutual funds and Canadian domiciled ETFs provided by the Canadian Investment Funds Standards Committee (CIFSC) Responsible Investment (RI) Fund List. CIFSC publishes a list of funds that fall within its Responsible Investment Identification Framework, under one or more of the following Responsible Investment Environmental, Social, and Governance (ESG) Approaches: ESG Thematic Investing, Impact Investing, ESG Exclusions, or ESG Best in Class, or ESG Related Engagement and Stewardship Activities. Vancity Investment Management pooled funds are also deemed eligible for TBLAA.

Individual Securities – Individual securities such as stocks, limited partnership units, trust units, and bonds, count towards TBLAA if not on the Vancity Investment Management negative screen list of companies deriving more than five per cent of annual revenue from the following industries: Weapons, Tobacco, Nuclear, Adult Entertainment, Gambling, and Fossil Fuels (including oil and gas producers, pipeline companies, coal power producers, natural gas distribution utilities, LNG operations, and service companies whose primary business is supporting the fossil fuel industry). When it cannot be determined whether an investment is eligible, the holdings are not classified for inclusion as TBLAA.

Vancity Investment Management: The TBLAA calculation is completed through Vancity Investment Management's Investment Counsellor Portfolio Manager (ICPM) business. ICPM business is composed of retail and institutional portfolios that hold a combination of cash, Vancity Investment Management pooled funds, and segregated securities managed in the custody of Raymond James, Fidelity Clearing Canada, and RBC Investor & Treasury Services. All portfolios managed by the ICPM business are fully discretionary managed accounts, which allow Vancity Investment Management to trade securities without clients' approval, and are assigned entirely to an Environmental, Social and Governance (ESG) or Socially Responsible Investment (SRI) compliant model based on:

- Negative screen for ineligible/excluded investments: The ESG analysis involves an initial negative screen on each company against industries we consider not aligned with responsible investing. Vancity Investment Management does not invest in companies that derive more than five per cent of annual revenue from the following industries: Weapons, Tobacco, Nuclear Power, Adult Entertainment, Gambling, and Fossil Fuels including oil and gas producers, pipeline companies, coal power producers, natural gas distribution utilities, LNG operations, and service companies whose primary business is supporting the fossil fuel industry).

- Positive screen for eligible investments: The negative screen is followed by a rigorous assessment of each company's performance in the areas of environmental management, corporate governance, human capital management, community relations, diversity and inclusion, human rights, and sustainable products or services. Companies that lag peers and/or have outstanding exposure to significant controversies are excluded from investment.
- Monitoring and engagement: Once an investment is made, we continue to monitor ESG progress and use our rights as shareholders to vote proxies and to actively engage company management.

All securities held within the Vancity Investment Management pooled funds and IA Clarington Inhance pooled funds and all individual securities including equities and fixed income are subject to the above model. Mutual funds and exchange traded funds (ETFs) are eligible as TBLAA if they are present on the CIFSC RI Fund List. Cash and money markets are classified as SRI as these funds will be channeled to ESG or SRI themed investments.

When Vancity Investment Management is unable to determine if the security is ESG or SRI, then it is not classified for inclusion as TBLAA. The ICPM business transfers in securities and cash in-kind from other institutions for new and existing members, then gradually deploys the cash towards model securities to align with the member-executed Investment Policy Statement. Most non-SRI securities are securities pending rebalancing to the ESG and SRI compliant model.

6) TBLAA—Treasury investments: The market value of all liquidity investments in the form of Canada Mortgage and Housing Corporation mortgage- backed securities pools connected to social housing, investments in green bonds, plus equity investments that meet the definition of a community impact transaction. These include transactions with social purpose real estate, social enterprises, and microbusiness.

Member satisfaction (average): The score represents the weighted 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". Average member satisfaction out of 100 = Mean score of monthly weighted average out of 10 multiplied by 10 to produce a score out of 100. The data in each month are weighted by Member Tenure and Number of Services. Each month is then weighted equally to generate yearly total results. The question is asked in the Member relationship health survey conducted by Panalytics.

Membership growth: A member is a 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. Membership growth rate is calculated as the reporting year-end total membership minus the previous year-end total membership, divided by the previous year-end total membership.

Employee engagement score (previously employee experience score): Vancity's overall average score of the Qualtrix Employee Experience survey is derived from the average percentage of respondents that answered favourably (strongly agree or agree) across all four of the following questions: Overall, I am very satisfied with Vancity as a place to work; I would gladly recommend Vancity as a place to work to people I know and respect; I am proud to work for Vancity; It would take a lot for me to leave Vancity.

Certified Living Wage Employer: Receipt of Certification from Living Wage BC that their criteria for being a living wage employer was met for the reporting year.

Employees who self-identify as Indigenous: In the myDiversity survey (a custom module within myHR, Vancity's core Human Resources Information System), the number of employees who selected "Indigenous" as one of the racial identities they identify as, divided by total employee headcount. The total employee headcount are active and inactive employees. Inactive employees are those on parental leave, short-term disability leave, short-term leaves of absence (unpaid), jury duty, compassionate care leave, workers compensation board claim, leaves managed, suspension paid and suspension unpaid. Excluded in the total employee headcount are consultants and Board members, future hires, employees on long-term disability, long-term leaves of absence, salary continuance, and Vancity Community Foundation employees.

Scope 1 + scope 2 operational GHG emissions: Greenhouse Gas Protocol – Corporate Accounting and Reporting Standard (Revised Edition)

Carbon credits purchased: Number of carbon credits purchased, equivalent to prior year combined scope 1, scope 2, and scope 3 emissions attributed to paper, business travel, and commuting.

Process to determine material topics. [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. The GRI Standards enable Vancity to report information about our most significant impacts on the economy, environment, and people, including impacts on human rights, and how we manage these impacts. In determining our material topics, we also consider all the sustainability-related risks and opportunities that could reasonably be expected to affect our prospects over the short, medium, or long term.

We assess, and evolve, our suite of material topics on an ongoing basis as new issues or impacts arise. We gather information from our day-to-day activities; social, political, and economic trends; and, most importantly, from our stakeholders. As a financial co-operative, our members are our primary stakeholders: they're both our customers and our main providers of financial capital. We regularly engage with members and conduct a biennial survey to understand the priorities they would like Vancity to focus on, beyond providing financial services. These survey findings are a key input into our materiality assessment.

The 2024 materiality assessment process also included leaders and subject matter experts from across multiple departments. They focused on both impact and financial materiality, considering the severity and likelihood of actual and potential negative impacts, how Vancity could contribute to impacts and sustainable development, and how those impacts may affect Vancity's financial prospects. Participants also considered whether impacts were a direct result of our operations, or if we were contributing or linked to these impacts through our business relationships and value chain, through lending and investing activities. During the validation process, we refined the list of material topics by using professional judgement, consulting with subject matter experts, and incorporating stakeholder feedback. As a final step, we included them in the Annual Report plan reviewed by the Audit Committee of the Board. The materiality assessment resulted in 13 material topics (listed below).

We confirmed in 2025 that the material topics identified in the 2024 assessment (described below) remain relevant. We expect to conduct an in-depth materiality assessment again in 2026.

For more about the reporting standards we use, material topics, and our approach to external assurance, see Annual Report, About this report, page 9.

Material topics. [3-2]

In 2025, our material topics are disclosed in alignment with Vancity's five strategy pillars, and the structure of the Annual Report and Accountability Statements also reflects them. However, material topics may overlap multiple strategy pillars.

Vancity's Strategy Pillars	Material Topics 2025	GRI Topic Standards	SASB Topics	UN Sustainable Development Goals (SDGs)	Principles for Responsible Banking Priority Areas
Make profit, innovate, and grow	Financial performance			SDG 8: Decent Work and Economic Growth	
Centre the member	Governance	GRI 2: General Disclosures	Incorporation of ESG Factors in Credit Analysis Systemic Risk Management Environmental Risk to Mortgaged Properties		
	Privacy and security	GRI 205: Anti-corruption GRI 418: Customer privacy	Transparent Information & Fair Advice for Customers Business Ethics Data Security Customer Privacy Selling Practices Lending Practices Discriminatory Lending		Human Rights
Inspire our employees to do their best work	Employment	GRI 401: Employment GRI 202: Market Presence		SDG 8: Decent Work and Economic Growth	Human Rights
	Diversity, equity, and inclusion	GRI 405: Diversity and Equal Opportunity GRI 406: Non-discrimination	Employee Diversity & Inclusion	SDG 5: Gender Equality SDG 10: Reduced Inequalities	Human Rights
Be experts in our business and deliver	Service experience	GRI 417: Marketing and Labeling	Business Ethics Lending Practices	SDG 8: Decent Work and Economic Growth	Healthy & Inclusive Economies
Embed impact in everything we do	Economic impacts	GRI 201: Economic Performance GRI 204: Procurement practices GRI 413: Local Communities		SDG 9: Industry, Innovation, and Infrastructure SDG 11: Sustainable Cities and Communities	Healthy & Inclusive Economies

Vancity's Strategy Pillars	Material Topics 2025	GRI Topic Standards	SASB Topics	UN Sustainable Development Goals (SDGs)	Principles for Responsible Banking Priority Areas
	Financial health and inclusion		Financial Inclusion & Capacity Building	SDG 8: Decent Work and Economic Growth SDG 10: Reduced Inequalities	Healthy & Inclusive Economies
	Affordable housing			SDG 9: Industry, Innovation, and Infrastructure SDG 11: Sustainable Cities and Communities	Healthy & Inclusive Economies
	Reconciliation with indigenous peoples			SDG 1: No Poverty SDG 8: Decent Work and Economic Growth SDG 10: Reduced Inequalities	Healthy & Inclusive Economies Human Rights
	Climate	GRI 102: Climate change	Financed Emissions Environmental Risk to Mortgaged Properties	SDG 7: Affordable and Clean Energy SDG 13: Climate Action	Climate
	Biodiversity and nature	GRI 101: Biodiversity GRI 303: Water and effluents GRI 306: Effluents and waste		SDG 12: Responsible Consumption and Production SDG 15: Life on Land	Nature
	Responsible investment		Incorporation of ESG Factors in Investment Management & Advisory		Climate Nature Healthy & Inclusive Economies Human Rights

Appendix.

Global Reporting Initiative content index.

GRI COMMUNITY MEMBER 2026

We have reported in accordance with the Global Reporting Initiative Sustainability Standards (GRI Standards) for the period : January 1, 2025, to December 31, 2025. 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, Climate Action, and Emissions tracking and disclosures pages.

AS = 2025 Accountability Statements
AR = 2025 Annual Report
FS = 2025 Consolidated Financial Statements
CU = 2025 Climate Update
CAP = Climate Action Plan
Methodology handbook = Methodologies for emissions calculations

Disclosure	Description	Page number, link, explanation, or reason for omission
GRI 2: General Disclosures 2021		
The organization and its reporting practices		
2-1	Organizational details	Business model, AR p. 10 Structure and executive leadership team, AR p. 24
2-2	Entities included in sustainability reporting	Structure and executive leadership team, AR p. 24 Note on reporting boundary following the merger with First Credit Union, AS p. 4
2-3	Reporting period, frequency and contact point	Foreword, AS p. 3
2-4	Restatements of information	Key financial indicators and ratios, AS p. 5 Targets and results, AR p. 15 Members with accounts in programs aimed at people who were previously unbanked or underbanked, AS p. 65 Number of substantiated reports of privacy breaches, AS p 25 Number of substantiated reports of privacy breaches, AR p. 25 President and Chief Executive Officer annual compensation, AS p. 32 Senior management and executive compensation, AR p. 27 Total taxes paid and payable, AS p. 61
2-5	External assurance	KPMG LLP's independent assurance report, AR p. 44
Activities and workers		
2-6	Activities, value chain, and other business relationships	Business relationships and value chain, AS p. 59 Business model, AR p. 10 Economic impacts, AR p. 32

Disclosure	Description	Page number, link, explanation, or reason for omission
2-7	Employees	Employee profile, AS p. 39 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	Sustainability-related governance structure, AS p. 12 Board diversity, AS p. 43
2-10	Nomination and selection of the highest governance body	Board of Directors, AS p. 11
2-11	Chair of the highest governance body	Board of Directors, AS p. 11
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability-related governance structure, AS p. 12 Board of Directors, AS p. 11
2-13	Delegation of responsibility for managing impacts	Sustainability-related governance structure, AS p. 12
2-14	Role of the highest governance body in sustainability reporting	Sustainability-related governance structure, AS p. 12 Process to determine material topics, AS p. 103
2-15	Conflicts of interest	Board of Directors, AS p. 11
2-16	Communication of critical concerns	Member concerns and complaints, AS p. 50
2-17	Collective knowledge of the highest governance body	Board of Directors, AS p. 11
2-18	Evaluation of the performance of the highest governance body	The Board's 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. The corporate secretary works with the Board chair to implement and required change to performance.
2-19	Remuneration policies	Board remuneration, AS p. 18 Senior management and CEO compensation, AS p.31 Senior management and executive compensation, AR p. 27
2-20	Process to determine remuneration	Board remuneration, AS p. 18 Senior management and CEO compensation, AS p. 31
2-21	Annual total compensation ratio	Senior management and CEO compensation, AS p. 31
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

Disclosure	Description	Page number, link, explanation, or reason for omission
2-23	Policy commitments	Risk management, AS p. 20 Ethical Principles for Business Relationships, AS p. 58 Corporate engagement, AS p. 93 Progress update, CU p. 6 Overview of Vancity's climate journey, CAP p. 10
2-24	Embedding policy commitments	Employees who reviewed and signed Vancity's Code of Conduct, AS p. 27 Employees who completed training on policies and procedures concerning relevant aspects of human rights, AS p. 36 Ethical principles for Business Relationships, AS p. 58 Public policy and advocacy, AS p. 62 Co-operatives, AS p. 58 UNEP-FI Principles for Responsible Banking Principle 1: Alignment, AR p. 42
2-25	Processes to remediate negative impacts	The processes to remediate negative impacts are included under each material topics, especially: Member concerns and complaints, AS p. 50 Labour relations and human rights, AS p. 34 Compliance, AS p. 58 UNEP-FI Principles for Responsible Banking Principle 2: Impact & target setting, AR p. 42
2-26	Mechanisms for seeking advice and raising concerns	Member concerns and complaints, AS p. 50 Labour relations and human rights, AS p. 34 Whistleblower policies, AS p. 27 Employees who reviewed and signed Vancity's Code of Conduct, AS p. 27
2-27	Compliance with laws and regulations	Compliance, AS p. 26 Legal actions and fines, AS p. 27
2-28	Membership associations	Key memberships in associations and advocacy organizations, AS p. 63
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Member participation in governance, AS p. 17 Stakeholder engagement, AS p. 19 Employee engagement, AS p. 29 Member satisfaction, AS p. 49 Member feedback mechanisms, AS p. 49 Public policy and advocacy, AS p. 62 Climate action in 2025, CU p 7 Advocacy and engagement, CAP p. 33 UNEP-FI Principles for Responsible Banking Principle 4: Stakeholders, AR p. 43
2-30	Collective bargaining agreements	Employees covered by collective bargaining agreements, AS p. 34
Disclosures on material topics		

Disclosure	Description	Page number, link, explanation, or reason for omission
3-1	Process to determine material topics	Process to determine material topics, AS p. 103 Understanding our material topics, AR p. 9
3-2	List of material topics	Material topics, AS p. 104 Changes in measures from 2025, AS p. 96
3-3	Management of material topics	Listed under each GRI standard below
Disclosures on topic standards		
101	**Biodiversity**	
3-3	Management of material topics	Biodiversity and nature, AS p. 86 Biodiversity and nature, AR p. 39
101-1	Policies to halt and reverse biodiversity loss	Managing nature and biodiversity risks in our lending and investing, AS p. 86
101-2	Management of biodiversity impacts	Not applicable. Vancity's operations do not involve a mitigation hierarchy nor partake in targeted restoration sites of significant size or impact.
101-3	Access and benefit-sharing	Not applicable. Vancity's operations do not involve use of genetic resources or traditional knowledge associated with genetic resources nor are materially active in cosmetic, pharmaceuticals, or agriculture.
101-4	Identification of biodiversity impacts	Not applicable. Vancity's operations do not directly involve the production of products and services in our supply chain that have significant actual and potential impacts on biodiversity.
101-5	Locations with biodiversity impacts	Not applicable. Vancity's operations do not occur in locations of significant size that have significant actual and potential impacts on biodiversity.
101-6	Direct drivers of biodiversity loss	Not applicable. Vancity's operations do not directly involve activities that lead or could lead to land and sea use change or exploitation of natural resources.
101-7	Changes to the state of biodiversity	Not applicable. Vancity's operations do not directly affect ecosystems.
101-8	Ecosystem services	Not applicable. Vancity's operations do not directly involve activities that affect or could affect ecosystem services or the beneficiaries of ecosystem services.
303-3	Water withdrawal	Water consumption, AS p. 89
306-3	Waste generated	Waste management, AS p. 88
306-4	Waste diverted from disposal	Waste management, AS p. 88
102	**Climate change**	
3-3	Management of material topics	Climate, AS p. 75
102-1	Transition plan for climate change mitigation	About our plan, CAP p. 4

Disclosure	Description	Page number, link, explanation, or reason for omission
102-2	Climate change adaptation plan	Know more to do more, CAP p. 21
102-3	Just transition	Not applicable. Transition and adaptation efforts do not directly impact employee turnover in the banking sector.
102-4	GHG emissions reduction targets and progress	Progress made on targets (operational emissions), CU p. 16 Financed emissions: progress on net-zero targets, CU p. 20 Progress on managed client investments, CU p. 23
102-5	Scope 1 GHG emissions	Operational greenhouse gas emissions: scopes 1 and 2, CU p. 16 Estimated scopes 1 and 2 emissions by type of greenhouse gas, 2025, CU p. 44 Operational emissions: scopes 1 and 2, Methodology handbook p. 3
102-6	Scope 2 GHG emissions	Operational greenhouse gas emissions: scopes 1 and 2, CU p. 16 Estimated scopes 1 and 2 emissions by type of greenhouse gas, 2025, CU p. 44 Operational emissions: scopes 1 and 2, Methodology handbook p. 3
102-7	Scope 3 GHG emissions	Operational greenhouse gas emissions: scope 3 (categories 1, 6, and 7), CU p. 18 Operational emissions: scope 3 (categories 1, 6, and 7), Methodology handbook p. 8 Financed emissions: scope 3 (category 15), CU p. 25 Financed emissions: scope 3 (category 15), Methodology handbook, p. 16
102-8	GHG emissions intensity	2025 Total operational emissions, CU p. 19 Financed emissions by activity or asset class, CU p. 32
102-9	GHG removals in the value chain	Not applicable. Vancity does currently not engage in carbon removals—neither directly through ownership or control of removal sinks, nor indirectly through activities in its value chain.
102-10	Carbon credits	Compensatory carbon credit purchase for 2024 emissions, CU p. 19 Vancity reports total amount of carbon credits purchased. Detailed project information can be found on the BC Carbon Registry.
201	**Economic Performance**	
3-3	Management of material topics	Financial performance, AS p. 5 Financial performance, AR p. 18
201-1	Direct economic value generated and distributed	Direct economic value generated and distributed, AS p. 55
201-2	Financial implications and other risks and opportunities due to climate change	Climate strategy, AS p. 79 Climate-related risks and opportunities, AS p. 80 Climate-related opportunities, AS p. 84
201-3	Defined benefit plan obligations and other retirement plans	Pension and other retirement benefits, FS p. 44
201-4	Financial assistance received from government	Tax relief or tax credit received from government, AS p. 61

Disclosure	Description	Page number, link, explanation, or reason for omission
202	**Market Presence**	
3-3	Management of material topics	Economic impacts, AS p. 55 Economic impacts, AR p. 32
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, AS p. 30 (Vancity does not report living wage by gender) Paying a living wage, AR p. 30
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 Lower Mainland of British Columbia or the Greater Toronto Area, where the communities we operate in are located.
204	**Procurement practices**	
3-3	Management of material topics	Economic impacts, AS p. 55 Economic impacts, AR p. 32
204-1	Proportion of spending on local suppliers	Local suppliers, AS p. 60
205	**Anti-corruption**	
3-3	Management of material topics	Privacy and security, AS p. 24 Privacy and security, AR p. 25
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	Employees who completed privacy training, AS p. 25 Employees who reviewed and signed Vancity's Code of Conduct, AS p. 27
205-3	Confirmed incidents of corruption and actions taken	Fraud incidents, AS p. 26
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Anti-competitive behaviour, AS p. 27
401	**Employment**	
3-3	Management of material topics	Employment, AS p. 29 Employment, AR, p. 26 Performance management, AS p. 33 Labour relations and human rights, AS p. 34 Health and safety, AS p. 36
401-1	New employee hires and employee turnover	Number of permanent employee departures and turnover rates by gender and age, AS p. 40 Number of permanent new employee hires and new employee hire rate by gender and age, AS p. 41

Disclosure	Description	Page number, link, explanation, or reason for omission
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. 37 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, equity, and inclusion, AS p. 42 Diversity, equity, and inclusion, AR p. 28 Board diversity, AS p. 43 Leadership diversity, AR p. 29
405-1	Diversity of governance bodies and employees	Percentage of employees in non-management, by indicator of diversity, AS p. 45 Percentage of employees in management, by indicator of diversity, AS p. 46 Percentage of employees in senior management, by indicator of diversity, AS p. 46 Board diversity, AS p. 43
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 p. 48 Average compensation for transgender or nonbinary employees as a percentage of average compensation for men, AS p. 48
406	**Non-discrimination**	
3-3	Management of material topics	Diversity, equity, and inclusion, AS p. 42 Diversity, equity, and inclusion, AR p. 28 Pay equity, AS p. 47
406-1	Incidents of discrimination and corrective actions taken	Employee grievances related to human rights and harassments, AS p. 35
413	**Local Communities**	
3-3	Management of material topics	Economic impacts, AS p. 55 Economic impacts, AR p. 32 Business relationships and value chain, AS p. 59
413-1	Operations with local community engagement, impact assessments, and development programs	Not applicable.
413-2	Operations with significant actual and potential negative impacts on local communities	Not applicable.

Disclosure	Description	Page number, link, explanation, or reason for omission
417	**Marketing and Labeling**	
3-3	Management of material topics	Service experience, AS p. 49 Service experience, AR p. 30 Privacy and security, AS p. 24 Privacy and security, AR p. 25
417-1	Requirements for product and service information and labeling	Responsible marketing and selling, AS p. 52
417-2	Incidents of non-compliance concerning product and service information and labeling	Responsible marketing and selling, AS p. 52
417-3	Incidents of non-compliance concerning marketing communications	Responsible marketing and selling, AS p. 52
418	**Customer Privacy**	
3-3	Management of material topics	Privacy and security, AS p. 24 Privacy and security, AR p. 25 Responsible marketing and selling, AS p. 52
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Privacy breaches and losses of member or client data, AS p. 24
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. 22
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, AS p. 66 Triple bottom line assets and assets under administration (TBLAA), AS p. 9
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 address climate change, AR p. 38 Products, services, and member engagement, CU p. 7 Assets, investing, and financing aligned to climate-related opportunities, CU p. 11 Triple bottom line assets and assets under administration (TBLAA), AS p. 9
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. 93 Responsible investment, AR p. 40 Greenhouse gas emissions and assets, investing, and financing activity exposed to climate-related transition and physical risks, CU p. 12
FS11	Percentage of assets subject to positive and negative environmental or social screening	Triple bottom line assets and assets under administration (TBLAA), AS p. 9 Responsible investment, AS p. 91 Responsible investment, AR p. 40

Disclosure	Description	Page number, link, explanation, or reason for omission
		Greenhouse gas emissions and assets, investing, and financing activity exposed to climate-related transition and physical risks, CU p. 12
FS13	Access points in low-populated or economically disadvantaged areas by type	Capacity building and initiatives to improve access, AS p. 65
FS14	Initiatives to improve access to financial services for disadvantaged people	Capacity building and initiatives to improve access, AS p. 65 Accessibility in our built environment, AS p. 68 Responsible marketing and selling, AS p. 52

Sustainability Accounting Standards Board content index.

We have partially reported to applicable SASB standards for the period January 1, 2025 to December 31, 2025. 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, Climate Action, and Emissions tracking and disclosures pages.

AS = 2025 Accountability Statements
AR = 2025 Annual Report
FS = 2025 Consolidated Financial Statements
CU = 2025 Climate Update
CAP = Climate Action Plan
Methodology handbook = Methodologies for emissions calculations

SASB Topic	Code	Indicator	Page number, link, or explanation
Asset Management & Custody Activities			
Transparent Information & Fair Advice for Customers	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.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product related information to new and returning customers	Fraud incidents, AS p. 26 Legal actions and fines, AS p. 27 We do not report monetary losses, but report number of incidents occurred for employee fraud.
	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.
Employee Diversity & Inclusion	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. 45 Percentage of employees in management by indicators of diversity, AS p. 46 Percentage of employees in senior management by indicators of diversity, AS p. 46
Incorporation of Environmental, Social, and Governance Factors in Investment	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. 9

SASB Topic	Code	Indicator	Page number, link, or explanation
Management & Advisory	FN-AC-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, AS p. 91 Responsible investment, AR p. 40 Climate strategy, AS p. 79 Products and services designed to help provide affordable housing, AS p. 71 Managing nature and biodiversity risks in our lending and investing, AS p. 86
	FN-AC-410a.3	Description of proxy voting and investee engagement policies and procedures	Corporate engagement, AS p. 93 Responsible investment, AR p.40 Progress on managed client investments, CU p. 23
Financed Emissions	FN-AC-410b.1	(1) Absolute gross financed emissions, disaggregated by (a) Scope 1, (b) Scope 2, and (c) Scope 3	Financed emissions: scope 3 (category 15), CU p. 25
	FN-AC-410b.2	Total amount of assets under management (AUM) included in the financed emissions disclosure	Financed emissions: scope 3 (category 15), CU p. 25
	FN-AC-410b.3	Percentage of total assets under management (AUM) included in the financed emissions calculation	2025 coverage and data quality of financed emissions, CU p. 26
	FN-AC-410b.4	Description of the methodology used to calculate financed emissions	Financed emissions: scope 3 (category 15), Methodology handbook p. 16
Business Ethics	FN-AC-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti- trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	Fraud incidents, AS p. 26 Legal actions and fines, AS p. 27 We do not report monetary losses, but report number of incidents occurred for employee fraud.
	FN-AC-510a.2	Description of whistleblower policies and procedures	Member concerns and complaints, AS p. 50 Whistleblower policies, AS p. 27
Activity Metrics	FN-AC-000.A	Assets under management (AUM)	Balance sheet and off-balance sheet, AS p. 7
	FN-AC-000.B	Total assets under custody and supervision	We do not report assets under custody and supervision.
Commercial Banks			
Data Security	FN-CB-230a.1	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of account holders affected	Privacy breaches and losses of member or client data, AS p. 24 We partially report the number of breaches only.
	FN-CB-230a.2	Description of approach to identifying and addressing data security risks	Privacy, AS p. 24 Privacy, AR p. 25 See Vancity Privacy Code

SASB Topic	Code	Indicator	Page number, link, or explanation
Inclusion & Capacity Building	FN-CB-240a.1	(1) Number and (2) amount of loans outstanding that qualify for programs designed to promote small business and community development	Although Vancity tracks and reports business loans by industry (see Business and commercial loan portfolio breakdown by North American Industry Classification System, AS p. 22) for the purpose of risk management, we do not specifically report loans outstanding that qualify for programs designed to promote small business and community development.
	FN-CB-240a.2	(1) Number and (2) amount of past due and nonaccrual loans or loans subject to forbearance that qualify for programs designed to promote small business and community development	Although Vancity tracks and reports business loans by industry (see Business and commercial loan portfolio breakdown by North American Industry Classification System, AS p. 22) for the purpose of risk management, we do not specifically report loans outstanding that qualify for programs designed to promote small business and community development, so we do not report past due and nonaccrual loans or loans subject to forbearance for these types of loans.
	FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Members with accounts in programs aimed at people who were previously unbanked or underbanked, AS p. 65
	FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Information is unavailable. Vancity's approach to financial literacy is embedded in our service experience, see page 49.
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	Credit risk, AS p. 21 Climate strategy, AS p. 79 Products and services designed to help provide affordable housing, AS p. 71 Managing nature and biodiversity risks in our lending and investing, AS p. 86
Financed Emissions	FN-CB-410b.1	(1) Absolute gross financed emissions, disaggregated by (a) Scope 1, (b) Scope 2, and (c) Scope 3	Financed emissions: scope 3 (category 15), CU p. 25
	FN-CB-410b.2	Gross exposure for each industry by asset class	Emissions profile by asset class, CU p. 27
	FN-CB-410b.3	Percentage of gross exposure included in the financed emissions calculation	Emissions profile by asset class, CU p. 27
	FN-CB-410b.4	Description of the methodology used to calculate financed emissions	Financed emissions: scope 3 (category 15), Methodology handbook p. 16

SASB Topic	Code	Indicator	Page number, link, or explanation
Business Ethics	FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti- trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	Fraud incidents, AS p. 26 Legal actions and fines, AS p. 27 We do not report monetary losses, but report number of incidents occurred for employee fraud.
	FN-CB-510a.2	Description of whistleblower policies and procedures	Member concerns and complaints, AS p. 50 Whistleblower policies, AS p. 27
Systemic Risk Management	FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Vancity does not have a G-SIB score. We conduct capital adequacy stress testing per BCFSA and OSFI regulations (see Stress testing, AS p. 23 for more information).
	FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Stress testing, AS p. 23
Activity Metrics	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. 50 We partially report 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. 35 We partially report value of retail loans including revolving credit loans.
Consumer Finance			
Customer Privacy	FN-CF-220a.1	Number of account holders whose information is used for secondary purposes	Use of member data for secondary purposes, AS p. 25
	FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Legal actions and fines, AS p. 27
Data Security	FN-CF-230a.1	(1) Number of data breaches, (2) percentage that are personal data breaches, (3) number of account holders affected	Privacy breaches and losses of member or client data, AS p. 24 We partially report the number of breaches only.
	FN-CF-230a.2	Card-related fraud losses from (1) card-not-present fraud and (2) card-present and other fraud	Vancity monitors card-related fraud, but we do not currently report card-related fraud losses externally.
	FN-CF-230a.3	Description of approach to identifying and addressing data security risks	Privacy, AS p. 24 Privacy, AR p. 25 See Vancity Privacy Code
Selling Practices	FN-CF-270a.1	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold	We have many different variable pay plans, and we do not yet report remuneration of covered employees that is variable and linked to the amount of products and services sold

SASB Topic	Code	Indicator	Page number, link, or explanation
	FN-CF-270a.2	Approval rate for (1) credit and (2) pre-paid products for applicants (with note to discuss strategy to minimise credit deterioration of loans in portfolio)	We do not yet report credit approval rates.
	FN-CF-270a.3	(1) Average fees from add-on products, (2) average APR of credit products, (3) average age of credit products, (4) average number of credit accounts, and (5) average annual fees for pre-paid products	We do not report this.
	FN-CF-270a.4	(1) Number of customer complaints filed, (2) percentage with monetary or nonmonetary relief	We do not report number of complaints or the percentage with monetary or non-monetary relief, however we have an approach for managing complaints (see Member concerns and complaints, AS p. 50 for more information).
	FN-CF-270a.5	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	Legal actions and fines, AS p. 27
Activity Metrics	FN-CF-000.A	Number of unique consumers with an active (1) credit card account and (2) pre-paid debit card account	We do not report credit card accounts by unique customer and no longer offer pre-paid debit cards.
	FN-CF-000.B	Number of (1) credit card accounts and (2) pre-paid debit card accounts	We partially report this: the total number of active credit card accounts as at December 31, 2025 was 150,000.
Mortgage Finance			
Lending Practices	FN-MF-270a.1	(1) Number and (2) value of residential mortgages of the following types: (a) combined fixed- and variable-rate, (b) Prepayment Penalty, and (c) Total	Loans and advances to members, FS p. 35 Vancity partially reports the total value of residential mortgages.
	FN-MF-270a.2	(1) Number and (2) value of (a) residential mortgage modifications, (b) foreclosures, and (c) short sales or deeds in lieu of foreclosure	Mortgage modifications, AS p. 53 Vancity partially reports the percentage of mortgages that amortization was extended beyond 30 years.
	FN-MF-270a.3	Total amount of monetary losses as a result of legal proceedings associated with communications to customers or remuneration of loan originators	Fraud incidents, AS p. 26 Legal actions and fines, AS p. 27 We do not report monetary losses, but report number of incidents occurred for employee fraud.
	FN-MF-270a.4	Description of remuneration structure of loan originators	We have many different variable pay plans and are conducting a review of variable compensation plans. We do not yet report remuneration structure of loan originators.
Discriminatory Lending	FN-MF-270b.1	(1) Number, (2) value, and (3) weighted average Loan- to-Value (LTV) ratio of mortgages issued to (a) minority and (b) all other borrowers	We do not report this data on mortgages to minority and all other borrowers.

SASB Topic	Code	Indicator	Page number, link, or explanation
	FN-MF-270b.2	Total amount of monetary losses as a result of legal proceedings associated with discriminatory mortgage lending	Legal actions and fines, AS p. 27
	FN-MF-270b.3	Description of policies and procedures for ensuring nondiscriminatory mortgage origination	We do not report policies and procedures specific to nondiscriminatory mortgage origination. All Vancity employees must complete compliance courses with elements of human rights training and review and sign the Code of Conduct to act in accordance with the respective standards and ethics (see Employees who completed training on policies and procedures concerning relevant aspects of human rights, AS p. 36 and Employees who reviewed and signed Vancity's Code of Conduct AS p. 27 for more information).
Environmental Risk to Mortgaged Properties	FN-MF-450a.1	(1) Number and (2) value of mortgage loans in 100-year flood zones	Greenhouse gas emissions and assets, investing, and financing activity exposed to climate-related transition and physical risks, CU p. 12
	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	Greenhouse gas emissions and assets, investing, and financing activity exposed to climate-related transition and physical risks, CU p. 12 We partially report this by reporting 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	Credit risk, AS p. 21 Climate strategy, AS p. 79 Managing nature and biodiversity risks in our lending and investing, AS p. 86
Activity Metrics	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. 35 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.
	FN-MF-000.B	(1) Number and (2) value of mortgages purchased by category: (a) residential and (b) commercial	We do not report this because mortgages purchased is not a significant part of the business.

Integrated Reporting <IR> Framework content index.

We have reported in accordance with the Integrated Reporting <IR> Framework January 2021, for the period January 1,2025 to December 31, 2025. The page numbers below refer to the following documents. See documents at vancity.com/AnnualReport and Climate Action pages.

AS = 2025 Accountability Statements
AR = 2025 Annual Report
CU = 2025 Climate Update
CAP = Climate Action Plan

Guiding principles	Page number, link, explanation
(A) Strategic focus and future orientation	Message from the Chair, AR p. 5 Message from the CEO, AR p. 6 Operating context and strategic priorities, AR p. 13
(B) Connectivity of information	About this report, AR p. 9
(C) Stakeholder relationships	Member participation in governance, AS p. 17 Stakeholder engagement, AS p. 19 Employee engagement, AS p.29 Member satisfaction, AS p. 49 Member feedback mechanisms, AS p. 49 Public policy and advocacy, AS p. 62 Climate action in 2025, CU p 7 Advocacy and engagement, CAP p. 33 UNEP-FI Principles for Responsible Banking Principle 4: Stakeholders, AR p. 43
(D) Materiality	Process to determine material topics, AS p. 103 Understanding our material topics, AR p. 9 Material topics, AS p. 104
(E) Conciseness	About this report, AR p. 9
(F) Reliability and completeness	About this report, AR p. 9 KPMG LLP's independent assurance report, AR p. 44
(G) Consistency and comparability	Reporting principles, AS p. 96

Content elements	Page number, link, explanation
(A) Organizational overview and external environment	Operating context and strategic priorities, AR p. 13
(B) Governance	Structure and executive leadership team, AR p. 24 Sustainability-related governance structure, AS p. 12 Climate-related governance, AS p. 76
(C) Business model	Business model, AR p. 10
(D) Risks and opportunities	Operating context & strategic priorities, AR p. 13 Risk management, AR p. 22 Risk management, AS p. 20 Compliance, AS p. 26 Climate-related risks, AS p. 80 Climate-related opportunities, AS p. 84 Managing nature and biodiversity risks in our lending and investing, AS p. 86 Further risks can be found under each material topic in the AS
(E) Strategy and resource allocation	Message from the Chair, AR p. 5 Message from the CEO, AR p. 6 Business model, AR p. 10 Operating context and strategic priorities, AR p. 13
(F) Performance	Targets and results, AR p. 15 Further details on the performance can be found under each material topic in the AS
(G) Outlook	Operating context & strategic priorities, AR p. 13
(H) Basis of the preparation and presentation	Process to determine material topics, AS p. 103 Material topics, AS p. 104 About this report, AR p. 9 Understanding our material topics, AR p. 9

Governance Guideline for BC Credit Unions accountability and disclosure requirements.

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. 11
Communicating with members at a frequency and in a format that provides for meaningful comparison and evaluation	Member concerns and complaints, AS p. 50 About this report, AR p. 9
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. 17
Director attendance records for board and committee meetings and educational activities	Governance, AS p. 11
Board and committee chairs and memberships	Governance, AS p. 11 2025-26 Directors, AR p. 23 Key memberships in associations and advocacy organizations, AS p. 63
Senior management and independent oversight functions	Governance, AS p. 11 Executive leadership team, AR p. 24
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, AS p. 11 2025-26 Directors, AR p. 23 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 performance, AR p. 18
The total amount and form of compensation paid to the CEO	Senior management and CEO compensation, AS p. 31 Senior management and executive compensation, AR p. 27
The rules of the credit union	Governance, AS p. 11 Constitution and Rules - Vancity
A description of credit union policies and practices for compensation	Senior management and CEO compensation, AS p. 31 Paying a living wage, AS p. 30 Paying a living wage, AR p. 27
A breakdown of profit allocations including policies governing dividends and community allocations, and corresponding dollar amounts and rationales	Shared Success allocation and distribution to members and communities, AS p. 56 Distribution to community and members, FS p. 55 Targets and results, AR p. 15
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	Stakeholder engagement, AS p. 19
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. 49 Member concerns and complaints, AS p. 50

Public Accountability Statement.

We voluntarily disclose the Public Accountability Statement (PAS) requirements from the Bank Act, but are not required to, as Vancouver City Savings Credit Union is not a federally regulated financial institution. While our subsidiary Vancity Community Investment Bank is federally regulated, it does not meet the reporting threshold of $1 billion in equity.

Content elements	Page number, link, explanation
1. Affiliates	See Active subsidiaries section on page 24 of the Annual Report.
2. Community Development and Philanthropic Activity	See Economic impacts section (page 32) of the Annual Report and page 55 of the Accountability Statements.
3. Charitable Donations	See Economic impacts section (page 32) of the Annual Report and page 55 of the Accountability Statements.
4. Employee Giving and Volunteering	While Vancity promotes employee involvement in community volunteering and provides numerous opportunities, including festivals (e.g. Lunar New Year Parade) and sponsored events like Car Free Day, the organization does not
5. Stakeholder Consultations	In the Annual Report under Service experience (page 30) we describe the new services launched in 2025. In the AS on page 50 Member concerns and complaints are disclosed.
6. Support for Small Business	Activities focusing on small business and community investments are described on page 32 of the Annual Report. Information on Women Entrepreneurs Program and Black Entrepreneurship Program are disclosed on page 34 of the AR.
7. Debt Financing to Firms in Canada	'New financed business and commercial loans and lines of credit' is disclosed on page 68 of AS.
8. Access to Financial Services	Initiatives to improve access to financial services for low-income individuals, senior citizens and disabled persons disclosed under Financial health and inclusion on page 34 of AR and under 'Capacity building and initiatives to improve access' on page 65 of AS. Information on Advice and Financial literacy disclosed on page 51 of AS.
9. Branches opened, closed and relocated, ATMs Opened and Closed	There is a list of Community branches on page 46 of the Annual Report. Branches and ATMs opened, closed and relocated are disclosed on page 60 under Economic impacts in the Accountability Statements.
10. Employment in Canada	The number of individuals employed including the number of full-time positions held by those individuals, and the number of part-time positions held by those individuals are included under Employee profile section on page 39 of the Accountability Statements.
11.Taxes paid and payable in Canada	The information is disclosed under Taxes paid and payable section on page 61 of the Accountability Statements.
12. Adopted Voluntary Codes of Conduct and Public Commitments	As a provincially regulated credit union, Vancity is mandated to adhere to the Market Conduct Code, which addresses key principles such as fair treatment, transparency, complaint handling, and access to banking services. In addition, Vancity subscribes to the Canadian Code of Practice for Consumer Debit Card Services, while other voluntary codes managed by the Canadian Bankers Association generally apply to federally regulated financial institutions. Vancity Community Investment Bank is committed to a number of voluntary codes of conduct and public commitments to protect consumer interests.