

# Accountability Statements.

2024 Annual Report.

Vancity



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The Accountability Statements supplement our 2024 Annual Report. They contain our management approach to material topics, data tables, explanations, and notes. We selected the data and information based on its relevance to our business strategy, interest to stakeholders, and effectiveness at demonstrating our impact. We used standard disclosures from the Global Reporting Initiative's Sustainability Reporting Standards (GRI 1: Foundation 2021) where applicable, including Financial Services Sector Supplement disclosures, as well as reporting applicable disclosures from the Sustainability Accounting Standards Board (SASB), the Public Accountability Statements (PAS) disclosures in Canada's *Bank Act*, and Accountability and Disclosure requirements per the Governance Guideline for BC Credit Unions.

We collect and manage accountability data using a web-based data management system (UL360), which includes data quality controls. As part of our commitment to continually improve our reporting, we have obtained independent third-party limited assurance of select 2024 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](https://vancity.com/AnnualReport):

1. [Annual Report](#)
2. [Climate Report](#)
3. [Consolidated Financial Statements](#)

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. See also Applicable criteria on page 60.

**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 reporting requirements](#)

# Profit.

## Financial performance. (3-3)



Vancity measures, tracks, and reports a variety of key 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 15.

### Why this is important to Vancity:

The financial strength of our credit union directly determines the amount of impact Vancity 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)

| Income Statement   |     | 2024  | 2023               | 2022               |
|--|-----|-------|--------------------|--------------------|
| Core revenue <sup>1</sup>  | \$M | 515.8 | 488.0              | 587.4              |
| Operating earnings <sup>2</sup>  | \$M | 21.6  | (5.0) <sup>2</sup> | 138.4 <sup>2</sup> |
| Net income before distribution and tax <sup>3</sup>  | \$M | 14.1  | (3.3)              | 112                |
| Net income attributable to members   | \$M | 5.8   | (1.3)              | 73.5               |
| Net interest margin (net interest income as a percentage of average interest) <sup>4</sup> | %   | 1.3   | 1.3                | 1.7                |
| Efficiency ratio <sup>5</sup>  | %   | 94.2  | 99.8               | 76.4               |
| Return on members' equity (ROME) <sup>6</sup> (after Shared Success)                       | %   | 0.4   | (0.1)              | 4.6                |
| ROME (business results)  | %   | 0.6   | 0.1                | 6.2                |
| Net interest income as a percentage of operating revenue <sup>7</sup>                      | %   | 72.7  | 74.3               | 81.5               |
| Return on average assets <sup>8</sup>  | %   | 0.0   | 0.0                | 0.3                |

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

1 The calculation for core revenue was introduced as a key performance metric in 2024. Previous years' data has been provided for comparisons. For definitions, see Applicable criteria, page 60.

2 The calculation for operating earnings was updated in 2024. Previous years' data has been restated for comparisons. For definitions, see Applicable criteria, page 60.

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

4 Net interest margin (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. NIM is 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).

5 The efficiency ratio is also known as operating efficiency and 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.

| <b>Balance Sheet and Off-Balance Sheet</b>                              |     | <b>2024</b>        | <b>2023</b> | <b>2022</b> |
|---|-----|--------------------|-------------|-------------|
| Total assets <sup>1</sup>   | \$B | 28.4               | 28.8        | 28.3        |
| Assets under administration (AUA) <sup>2</sup>                          | \$B | 7.6                | 6.7         | 6.0         |
| Total assets and AUA  | \$B | 36.0               | 35.5        | 34.3        |
| Percentage of member loans funded by member deposits <sup>3</sup>       | %   | 90                 | 88          | 87          |
| Net lending growth <sup>4</sup>   | \$M | (34) <sup>4</sup>  | 547         | 1,335       |
| Net Sustainable Wealth Management (SWM) inflows <sup>5</sup>            | \$M | (8.6) <sup>5</sup> | 117         | 188         |
| Liquidity ratio <sup>6</sup>  | %   | 12.7               | 14.4        | 14.1        |
| Capital adequacy ratio <sup>7</sup>                                     | %   | 14.2               | 14.0        | 14.1        |
| Equity to total assets  | %   | 5.7                | 5.6         | 5.7         |
| Gross impaired loans as a percentage of total loans <sup>8</sup>        | %   | 0.47               | 0.18        | 0.15        |
| Allowance for credit losses as a percentage of total loans <sup>9</sup> | %   | 0.4                | 0.4         | 0.4         |

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

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

2 For assets under administration definition, see Applicable criteria, page 60.

3 Uses average balances of demand deposits.

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

5 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. 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.

6 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.

7 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.

8 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.

9 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)

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

|   |     | 2024 <sup>2</sup> | 2023 | 2022 |
|---|-----|-------------------|------|------|
| TBLAA <sup>1</sup> assets and assets under administration                       | \$B | 12.1              | 11.8 | 11.0 |
| TBLAA as a percentage of overall Vancity assets and assets under administration | %   | 33.6              | 33.2 | 32.0 |

<sup>1</sup> Includes triple bottom line assets from the asset categories in the Applicable criteria, page 60

<sup>2</sup> 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, page 60.

## 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 categories 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<sup>1</sup>, and co-operatives).

For definitions, see Applicable criteria, page 60.

|                          |     |   | 2024  |    | 2023  |    | 2022             |    |
|--------------------------|-----|---|-------|----|-------|----|------------------|----|
| Business lending         | \$M | % | 3,730 | 46 | 3,626 | 46 | 3,780            | 48 |
| Retail loans             | \$M | % | 25    | 3  | 24    | 4  | 22               | 3  |
| Residential mortgages    | \$M | % | 3,310 | 21 | 4,126 | 26 | 3,764            | 24 |
| Owned premises           | \$M | % | 28    | 93 | 30    | 90 | 27               | 89 |
| Administered investments | \$M | % | 4,236 | 56 | 3,396 | 51 | 2,663            | 44 |
| Treasury                 | \$M | % | 748   | 22 | 577   | 16 | 704 <sup>2</sup> | 19 |

<sup>1</sup> 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.

<sup>2</sup> Restated 2022 Treasury TBLAA due to an updated calculation, however, there was no impact on the total reported TBLAA figure.

## 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 that economy. For more on our approach to economic impacts, see our Annual Report page 19.

### Why this is important to Vancity:

Vancity plays an integral part in the local economies where we operate. We exist to build to 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)

|   |     | 2024 | 2023 | 2022 |
|---|-----|------|------|------|
| Direct economic value generated <sup>1</sup>        | \$M | 557  | 522  | 602  |
| Economic value distributed <sup>2</sup>             | \$M | 546  | 529  | 515  |
| Economic value retained <sup>3</sup>                | \$M | 11   | (6)  | 87   |
| Real economy revenue to total revenues <sup>4</sup> | %   | 60.4 | 64.9 | 80.4 |

<sup>1</sup> 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.

<sup>2</sup> Economic value distributed is operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments

<sup>3</sup> Economic value retained is the difference between the two above

<sup>4</sup> 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 2024, members are to receive dividends in 2025 of \$231,000 and there will be \$1,730,000 available to be disbursed to community as of 2025. The total Shared Success allocation since 1994 is more than \$442 million.

|  |            | 2024                     | 2023 <sup>1</sup> | 2022          |
|--|------------|--------------------------|-------------------|---------------|
| Total Shared Success (30% of net income attributable to members) <sup>2</sup>      | \$K        | 1,730                    | 333 <sup>1</sup>  | 22,056        |
| Membership distribution – Shared Success dividends <sup>1,2,3</sup>                | \$K        | 231                      | 0 <sup>1</sup>    | 3,869         |
| Shared Success donation allocations to community (for future years) <sup>2,4</sup> | \$K        | 1,499                    | 333 <sup>1</sup>  | 18,187        |
| <b>Shared Success donations by program<sup>4,5</sup></b>                           |            |                          |                   |               |
| Systems transformation grants <sup>6</sup>   | \$K        | 4,796                    | 9,889             | 13,139        |
| Community responsive grants <sup>6</sup>   | \$K        | 0                        | 1,259             | 1,472         |
| Vancity's enviroFund™  | \$K        | 222                      | 1,039             | 776           |
| Donation to the Vancity Community Foundation (core funding)                        | \$K        | 0                        | 1,000             | 500           |
| Special projects/other   | \$K        | 151                      | 329               | 891           |
| <b>Total community distributions<sup>3</sup></b>                                   | <b>\$K</b> | <b>5,170<sup>1</sup></b> | <b>13,516</b>     | <b>16,778</b> |

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> Exact amount of community distributions in a particular year may not match allocations due to timing of donations and multi-year commitments.

<sup>5</sup> Includes amounts disbursed and/or approved for disbursement.

<sup>6</sup> See page 9 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 towards accelerating community outcomes in service of our public commitments around climate, financial resilience and inclusion, and anti-racism; our values including Reconciliation; and our co-operative principles and values. Where possible we focus our community investments at the intersections of these outcomes, adopting a multi-outcome approach to accelerate our impact. With a loss posted for 2023, we faced an unprecedented situation of minimal Shared Success community investment budget in 2024. However, using funds committed in previous years, in 2024, we approved grants for 65 not-for-profits, co-operatives and impact businesses totaling over five million dollars. In 2025, we are reviewing and refreshing our approach to Shared Success as a strategic lever in support of our impact goals.

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

|                                  |            | 2024       | 2023        | 2022        |
|----------------------------------|------------|------------|-------------|-------------|
| <b>Community grants approved</b> | <b>\$M</b> | <b>5.0</b> | <b>12.2</b> | <b>14.1</b> |
| Indigenous communities           | %          | 10         | 17          | 14          |
| Energy and climate               | %          | 36         | 27          | 24          |
| Financial resilience and equity  | %          | 31         | 56          | 24          |
| Sustainable business and orgs    | %          | 0          | 0           | 17          |
| Affordable housing               | %          | 23         | 0           | 7           |
| Sustainable jobs                 | %          | 0          | 0           | 14          |
| Other <sup>1</sup>               | %          | n/a        | 0.17        | n/a         |

A grant may fall in more than one impact area. For more information on impact areas, see [Shared Success](#).

<sup>1</sup> 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

### 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. Assessment against our EPBRs is integrated into our lending, account opening, partnerships, and purchasing policies. 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, wholesalers, manufacturers, and contractors. In 2024, our largest spend was with employee benefits providers, information technology suppliers (software, hardware, infrastructure, and services), investment partners, operational suppliers, and various types of consultancy services. We have long-term relationships with our suppliers that are core to the delivery of services to our members and short-term business relationships for project-based deliverables, acquiring services, or products as needed. We also saw an increase in vendors in the areas of consulting and technology, which was likely related to the implementation of our new strategy that includes a new digital banking platform initiative.

## Changes in supply chain

Overall, initiatives such as expanding our digital banking platform contributed to a significant amount of spending in 2024. We entered partnerships with new suppliers such as new benefits providers, consultants, and technology firms. Our key operational suppliers have remained the same while we continue to conduct competitive processes to find the best value for Vancity in the market.

### Local suppliers (2-4)

|   |            |   | 2024       |    | 2023       |    | 2022       |    |
|---|------------|---|------------|----|------------|----|------------|----|
| <b>Total value of managed purchases<sup>2</sup> by region</b> | <b>\$M</b> |   | <b>180</b> |    | <b>172</b> |    | <b>130</b> |    |
| <b>Total number of suppliers by region</b>                    | <b>#</b>   |   | <b>776</b> |    | <b>793</b> |    | <b>773</b> |    |
| Locally based <sup>3</sup> (BC and ON)                        | #          | % | 595        | 71 | 621        | 74 | 601        | 71 |
| Rest of Canada  | #          | % | 83         | 13 | 76         | 11 | 68         | 12 |
| Rest of the world   | #          | % | 98         | 16 | 96         | 16 | 104        | 17 |

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

2 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.

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

## Openings, closings, and relocations of branches and ATMs (PAS)

*Opened:* No branch or ATM openings in 2024

*Closures:* No branch closures. Three ATMs were removed in 2024 (Branch 5 – West Vancouver, Branch 52 – Port Moody, and Branch 70 – Morgan Creek reduced to one ATM due to spacing issues)

*Relocations:* No branch or ATM relocations in 2024

## Taxes paid and payable

|                                    |            | 2024       | 2023                   | 2022        |
|------------------------------------|------------|------------|------------------------|-------------|
| Federal taxes                      | \$M        | 4.3        | 0.8                    | 9.6         |
| Provincial taxes                   | \$M        | 1.2        | 0.6                    | 1.7         |
| <b>Total taxes paid or payable</b> | <b>\$M</b> | <b>5.5</b> | <b>1.4<sup>1</sup></b> | <b>11.3</b> |
| Current tax expense                | \$M        | 7.9        | (4.7)                  | 19.9        |
| Deferred tax expense               | \$M        | (3.9)      | (1)                    | (5.6)       |
| <b>Total income tax expense</b>    | <b>\$M</b> | <b>(4)</b> | <b>(5.7)</b>           | <b>14.3</b> |

<sup>1</sup> 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).

### 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.

|   |     | 2024             | 2023             | 2022 |
|---|-----|------------------|------------------|------|
| Value of additional deduction for credit unions | \$M | 2                | 0                | 5.8  |
| Value of SR&ED/Investment tax credit            | \$M | n/a <sup>1</sup> | 0.5              | 0.6  |
| Value of BC Training Grants                     | \$K | 0                | 6.6 <sup>2</sup> | n/a  |

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

<sup>2</sup> 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.

# People.

## Reconciliation with Indigenous Peoples. (3-3)



Reconciliation is a commitment that acknowledges the histories and injustices done to Indigenous people, and it is building 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 this is 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.



SDG 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.



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



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

### 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 our efforts to advance our Indigenous Banking Strategy and achieve PAIR, we are committed to creating equitable access to financial services, capital, and employment for Indigenous people. We anticipate an ongoing learning process in bringing an Indigenous lens to our everyday work before and after PAIR certification. Our approach reflects a holistic strategy that integrates cultural respect, economic empowerment, and internal advocacy to drive reconciliation efforts.

## **Indigenous banking strategy**

The Indigenous Banking Strategy is aimed at promoting long-term sustainable economic development by providing products and services specific for Indigenous people. This implies that we will support Indigenous entrepreneurs through specialized products and services, and we deliver the Wealth Mindset financial resilience workshops in indigenous communities to build economic understanding and empowerment. Our intention is that our Indigenous Banking Strategy aligns with 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 foster relationships with Indigenous communities.

## **Cultural awareness and education**

Vancity provides cultural awareness and education to our employees on the history of Indigenous Peoples (in Canada). This is done through land acknowledgements and courses offered through our employee online learning resource centre with modules focused on Indigenous cultural safety.

## **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 initiatives and celebrates the diverse Indigenous identities within our organization. As well, there are opportunities for Indigenous employees to be involved in specialized leadership programs such as the Indigenous Business Leadership Executive MBA.

For more on our approach to Reconciliation with Indigenous Peoples, see our Annual Report page 21.

## Service experience. (3-3)



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

### Why this is 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.



SDG 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.

|                               |   | 2024 | 2023 | 2022 |
|-------------------------------|---|------|------|------|
| Member satisfaction (average) | % | 81.4 | 80.9 | 80.7 |

For definitions, see Applicable criteria, page 60.

### Member feedback mechanisms (2-29)

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

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

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

We take complaints very seriously and view them as a way to identify and rectify problems. Our goal is to deal with member concerns in a timely manner, preferably by the employee who receives the complaint. We have a system which enables front-line employees to directly log complaints. Although not all

complaints require formal logging and reporting, themes are discussed at various management meetings. We have an external process for [compliments and complaints](#), which are formally tracked and received by the Board of Directors, the Office of the CEO, the Chief Complaints Officer and/or the Chief Member Impact and 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 2024, no special resolutions or critical concerns were brought forward at the AGM or to the Board.

Although Vancity is not obligated to report complaints to any regulator at this time, we abide by the [CCUA Member Code of Conduct](#), which provides a reasonable approach to settling complaints. We do, however, report complaints for Vancity Community Investment Bank 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 staff 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:

- [Budget planner spreadsheet template](#)
- [Calculators – Mortgage, Retirement, Cash Flow, Savings, Investments](#)
- [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.

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.

### Member numbers and breakdown by type

|                         |   | 2024    | 2023    | 2022    |
|-------------------------|---|---------|---------|---------|
| Total number of members | # | 570,587 | 569,692 | 562,259 |
| Individual members      | % | 92      | 92      | 92      |
| Business members        | % | 8       | 8       | 8       |

### Membership growth

|                       |   | 2024              | 2023  | 2022              |
|-----------------------|---|-------------------|-------|-------------------|
| Net membership growth | # | 895               | 7,433 | 1,998             |
| Net membership growth | % | 0.16 <sup>1</sup> | 1.32  | 0.36 <sup>2</sup> |

For definitions, see Applicable criteria, page 60.

<sup>1</sup> 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.

<sup>2</sup> In 2022, Vancity's membership grew by 1,998, or 0.36 per cent. This result was negatively impacted by the reintroduction of a process to close dormant memberships, which had been put on pause since 2017 as a result of technical challenges. This process resulted in the one-time closure of 5,824 memberships during the year. Excluding this one-time adjustment, Vancity's membership grew by 7,822 members, or 1.40 per cent in 2022. A dormant account is an account with no member-initiated activity for 24 months.

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

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

### Credit decisions

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

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 debt is the best option for the member. We offer a variety of tools to help members understand the true costs and obligations of borrowing and build their wealth and wellbeing in ways that reflect their values. And when members have a hard time servicing their debt, we provide them options to choose the best alternative that meets their needs.

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

**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.

|   |   | 2024 | 2023 | 2022 |
|---|---|------|------|------|
| Percentage of retail portfolio that have extended amortization beyond 30 years (per the Vancity policy cap) | % | 4.15 | 4.32 | 1.47 |

At the end of each quarter, the Vancity credit risk team calculate 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, labelling, or market communications in 2024.

## 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 this is 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. 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 is a breach of Vancity's Privacy Code regarding the privacy, confidentiality, and security of member personal information. Examples of breaches could include improperly accessing member personal information without consent, losses of customer data, and mail, email, or telephone calls that are directed to the wrong location. In 2024, the Privacy Office recorded a total of 64 substantiated privacy breaches. Substantiated breaches were largely the result of human error on the part of employees such as sending emails to incorrect recipients or statements printing errors.

|   |          | 2024      | 2023      | 2022      |
|---|----------|-----------|-----------|-----------|
| Substantiated privacy breaches identified and reported externally by members or other outside parties         | #        | 64        | 41        | 60        |
| Substantiated complaints received from regulatory bodies  | #        | 0         | 0         | 0         |
| Internally identified and reported substantiated privacy breaches (leaks, thefts, or losses of customer data) | #        | 0         | 33        | 20        |
| <b>Total substantiated reports and privacy breaches</b>   | <b>#</b> | <b>64</b> | <b>74</b> | <b>80</b> |

### 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.

|                                  |   | 2024 | 2023 | 2022 |
|----------------------------------|---|------|------|------|
| Employees who completed training | % | 91   | 99   | 99   |

### Use of member data for secondary purposes (FN-CF-220a.1)

Vancity does not use member data for secondary purposes. 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 and opt-in policy will incorporate updated opt-in 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 2025, incorporating stakeholders across lines of business and placing importance on member consent internally and externally.



### 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 Board's Audit Committee 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 2024, two resulted in dismissals and one in a final written warning.

|  |   | 2024 | 2023 | 2022 |
|--|---|------|------|------|
| Substantiated incidents of employee fraud <sup>1</sup> | # | 3    | 0    | 0    |

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

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

In 2024, there were no incidents of non-compliance with laws and/or regulations where fines or sanctions were incurred concerning insider trading, anti-trust, anti-competitive behavior, market manipulation, or malpractice.

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

In 2024, 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. 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 14.

**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.

|  |   | 2024            | 2023 | 2022             |
|--|---|-----------------|------|------------------|
| Employees who signed the Code of Conduct | % | 97 <sup>1</sup> | 100  | 100 <sup>2</sup> |

<sup>1</sup> In 2024, some new employees who joined Vancity during our transition to a new learning platform in Q4 had not signed by year-end.

<sup>2</sup> A very small number of employees did not complete and sign the Code of Conduct leading to 99.9 per cent of non-management employees and 99.9 per cent of management employees signing, which was rounded up to 100 per cent.

## 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 this is important to Vancity:

Vancity aims to balance the risks and opportunities associated with unbanked, underbanked, or underserved customers. We believe we can create long-term value by meeting the need of providing financial services to low-income populations and small businesses while avoiding predatory or irresponsible lending practices. For more on financial health and inclusion see [Annual Report](#), Financial health and inclusion, page 25.



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



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

### Financial confidence

As part of our UN PRB commitment, Vancity developed a target for members' financial confidence. This target is based on a retail member survey question: "Overall, how confident are you, that you can successfully manage your financial situation over the next 12 months? (1 = Not at all confident and 10 = Extremely confident)" and uses the average weighted score across respondents. Financial health and inclusion results in the table are from a Vancity retail member survey conducted in March 2024.

| Financial health and inclusion indicators   |     | 2024 | 2023 |
|---|-----|------|------|
| Average member financial confidence score   | /10 | 7.6  | 7.4  |
| Members with term deposits or GICs at Vancity and/or other providers                        | %   | 57.9 | 61.8 |
| Members with managed or self-directed investment products at Vancity and/or other providers | %   | 59.6 | 61.4 |
| Percentage of members who could not cover an unexpected expense of \$5,000                  | %   | 11.2 | 9.3  |

## 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 25, and [Financial inclusion](#).

### Members with accounts in programs aimed at people who were previously unbanked or underbanked<sup>1</sup> (FN-CB-240a.3)

|  |   | 2024  | 2023  | 2022  |
|--|---|-------|-------|-------|
| Pigeon Park Savings account members <sup>2</sup>                         | # | 5,945 | 5,932 | 5,774 |
| Members with Accessibility program <sup>3</sup> Visa accounts            | # | 3,993 | 3,565 | 3,376 |
| Members with Resettlement Assistance Program (RAP) <sup>4</sup> accounts | # | 9,397 | 8,365 | 5,933 |

<sup>1</sup> Vancity has determined that the above categories align to the Sustainability Accounting Standards Board's (SASB) definitions of "unbanked customers as individuals and families who have rarely, if ever, held a checking 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 checking 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."

<sup>2</sup> 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 – these 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 staff 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.

<sup>3</sup> Accessibility program Visa accounts: Credit is offered to low-income and disadvantaged members who take part in a Visa literacy discussion and agree to certain conditions.

<sup>4</sup> 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.

## 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 Visa accounts*: Credit is offered to low-income and disadvantaged members who take part in a Visa literacy discussion and agree to certain conditions.
- *Secured Visa deposit accounts*: One-year term deposit account that provides individuals who are ineligible for a standard credit card with up to \$500 of credit.
- *Vancity Fair & Fast Loan<sup>TM</sup>*: 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.

| Value and number of loans financed by size      |            |          | 2024         |              | 2023         |              | 2022         |              |
|---|------------|----------|--------------|--------------|--------------|--------------|--------------|--------------|
|   | \$M        | #        |              |              |              |              |              |              |
| \$0 - \$24,999                                  | \$M        | #        | 2            | 108          | 1            | 103          | 2            | 146          |
| \$25,000 - \$99,999                             | \$M        | #        | 39           | 818          | 20           | 364          | 9            | 184          |
| \$100,000 - \$249,999                           | \$M        | #        | 76           | 515          | 49           | 373          | 27           | 189          |
| \$250,000 - \$499,999                           | \$M        | #        | 38           | 130          | 32           | 96           | 36           | 96           |
| \$500,000 - \$999,999                           | \$M        | #        | 73           | 105          | 94           | 133          | 143          | 197          |
| \$1,000,000 - \$4,999,999                       | \$M        | #        | 529          | 252          | 493          | 234          | 685          | 358          |
| \$5,000,000 and greater                         | \$M        | #        | 605          | 69           | 705          | 58           | 616          | 55           |
| <b>Total value and number of loans financed</b> | <b>\$M</b> | <b>#</b> | <b>1,362</b> | <b>1,997</b> | <b>1,394</b> | <b>1,361</b> | <b>1,518</b> | <b>1,225</b> |
| <b>Average financed loan by size</b>            | <b>\$M</b> |          | <b>0.7</b>   |              | <b>1.0</b>   |              | <b>1.2</b>   |              |

## Accessibility in our built environment

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
- Supporting the creation of community owned affordable housing and energy retrofits of affordable housing, using Shared Success community funds
- Supporting critical affordable housing sector organizations using deposit pools
- Advocating for progressive affordable, climate ready housing policies

### Why this is 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.

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 an 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.

*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 26, and for more information on Vancity financing of Affordable Housing, see our [Community Impact Transactions](#) guidelines.

## Affordable housing units financed

|  |   | 2024  | 2023               | 2022  |
|--|---|-------|--------------------|-------|
| Units of affordable housing financed or refinanced | # | 1,924 | 1,451 <sup>1</sup> | 3,666 |

<sup>1</sup> Number of units of affordable housing financed in 2023 decreased due to market conditions.

## Employment. (3-3)



Vancity is striving to create a workplace where employees are seen, valued, and heard. We are [committed to diversity](#) and enabling our employees to learn and develop. Over the past few years, we have been reviewing our programs through a lens of removing bias and ensuring that opportunities exist for all [to succeed in their work and achieve their goals](#). For more on our approach, see [Annual Report](#), Employment, page 27.

### Why this is 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 experience

#### Employee experience score (2-29)

Employee engagement is an indicator of the overall commitment, enthusiasm, and satisfaction employees feel towards their organization. For definitions, see Applicable criteria, page 60.

|  |   | 2024 | 2023 | 2022 |
|--|---|------|------|------|
| Overall employee experience score <sup>1</sup> | % | 69   | 75   | 83   |

For definitions, see Applicable criteria, page 60.

<sup>1</sup> The response rate in 2024 was 84%.

### Paying a living wage

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

In 2024, Vancity recertified as a Living Wage Employer based on Metro Vancouver's living wage of \$25.68/hour. This is the minimum hourly rate that would be paid to meet basic living needs. Hourly rates are reviewed annually, and we continue to make living wage adjustments in what we pay our own employees. Vancity includes benefits in addition to base pay as part of a total compensation package. This means the equivalent hourly living wage needed to pay employees to be living wage compliant is reduced to reflect "credit" for these benefits.

We are fully compliant in paying eligible employees (full time, part time, and casual employees) a living wage. Employers are allowed to have a small number of trainees or student co-ops that are not eligible for the living wage. The living wage increased to a minimum of \$27.05 per hour in Metro Vancouver in November 2024, effective May 2025.

### Metro Vancouver Living Wage standard

|  |    | 2024  | 2023  | 2022  |
|--|----|-------|-------|-------|
| Metro Vancouver hourly living wage, including the value of benefits <sup>1</sup>   | \$ | 25.68 | 24.08 | 20.52 |
| Equivalent hourly living wage requirement for Vancity, adjusted to reflect the value of benefits which we provide to permanent employees in addition to base | \$ | 21.71 | 19.75 | 17.08 |

<sup>1</sup> The Metro Vancouver hourly living wage is announced in the calendar year before going into effect. The 2024 living wage was announced in November 2023 and went into effect in May 2024. 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 for Families BC](#). Living wage employers commit to meeting the general conditions set by the Living Wage Employer Program.

### Vancity entry level employee hourly wage for permanent employees

|   |    | 2024  | 2023  | 2022  |
|---|----|-------|-------|-------|
| Permanent entry level employee                                    | \$ | 21.71 | 19.75 | 17.82 |
| Permanent entry level employee hourly value of benefits           | \$ | 3.97  | 4.33  | 3.83  |
| Permanent entry level employee hourly wage plus value of benefits | \$ | 25.68 | 24.08 | 21.65 |

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

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

In 2024, we paid non-permanent employees a minimum of \$24.23 plus a vacation benefit. Living wage assumes a minimum amount of vacation time off or equivalent vacation paid in lieu (equivalent to 70 hours). Vancity offers vacation time or vacation time in lieu equivalent to 105 hours (six per cent of annual salary), 35 hours more than the living wage requirement. The additional week that Vancity offers our employees is considered a benefit that is equivalent to \$1.45/hr, to total \$25.68/hr. Non-permanent employees are not eligible for additional benefits.

|   |    | 2024  | 2023  | 2022  |
|---|----|-------|-------|-------|
| Non-permanent entry level employee hourly wage  | \$ | 24.23 | 22.72 | 20.50 |
| Non-permanent entry level employee hourly value of benefits (six per cent vacation allowance) | \$ | 1.45  | 1.36  | 1.23  |
| Non-permanent entry level employee hourly wage plus vacation allowance                        | \$ | 25.68 | 24.08 | 21.73 |

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

## Performance management

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

## Labour relations and human rights

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

We have collective agreements with two unions: the BC Government and Service Employees' Union (BCGEU) and the Public and Private Workers of Canada (PPWC). 26 branches and four departments are unionized.

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

### Employees covered by collective bargaining agreements (2-30)

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

|                     |   | BM | 2024 | 2023 | 2022 |
|---------------------|---|----|------|------|------|
| Employees unionized | % | 26 | 31   | 30   | 30   |

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

### Employees grievances related to labour practices (2-25)

|   |   | 2024 | 2023 | 2022 |
|---|---|------|------|------|
| Total number of grievances related to labour practices that went to arbitration | # | 32   | 16   | 76   |

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

|   |   | 2024 | 2023 | 2022 |
|---|---|------|------|------|
| Number of incidents of discrimination                                       | # | 0    | 0    | 0    |
| Number of grievances reviewed or addressed (file pending)                   | # | 0    | 0    | 0    |
| Number of grievances no longer subject to action or resolved                | # | 0    | 0    | 0    |
| Total number of formal complaints filed related to respect in the workplace | # | 3    | 3    | 0    |

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

|                                  |   | 2024 | 2023 | 2022             |
|----------------------------------|---|------|------|------------------|
| Employees who completed training | % | 100  | 100  | 100 <sup>1</sup> |

<sup>1</sup> A very small number of employees did not complete mandatory compliance courses concerning aspects of human rights in 2022 leading to 99.9 per cent completion, which we rounded up to 100 per cent.

## Health and safety

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

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

## Days lost due to employee illness (2-4)

|  |          | BM       | 2024          | 2023             | 2022          |
|--|----------|----------|---------------|------------------|---------------|
| Days for short-term disability leave                     | #        |          | 15,103        | 13,485           | 12,262        |
| Care days  | #        |          | 14,964        | 15,708           | 14,481        |
| Pandemic pay days  | #        |          | n/a           | 228 <sup>1</sup> | 2,725         |
| <b>Total number of days lost due to employee illness</b> | <b>#</b> |          | <b>30,067</b> | <b>29,421</b>    | <b>29,468</b> |
| <b>Absenteeism rate</b>                                  | <b>%</b> | <b>9</b> | <b>14</b>     | <b>12</b>        | <b>12</b>     |

Data includes unpaid care days taken. Data includes permanent full-time and part-time employees.

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

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

Benchmark (BM) source: HR Metrics report for Canadian credit unions, 2024 median scores. Credit unions in the benchmark data have a short-term disability leave policy of four months versus six months for Vancity (so the number of days included for Vancity will tend to be greater in comparison).

<sup>1</sup> 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

## Parental leave

Equitable opportunities for both men and women to take parental leave without being negatively impacted are essential for fostering a fair and supportive workplace. Parental leave policies should ensure that employees can take adequate leave and return to work in the same or a comparable position. Unfortunately, many women face discouragement from taking leave due to employer practices that threaten their employment security, remuneration, and career progression. Conversely, many men are not encouraged to utilize their entitled leave.

Promoting equitable gender treatment in parental leave can significantly enhance the recruitment and retention of qualified employees, while also boosting morale and productivity. When men take advantage of their leave entitlements, it sets a positive precedent, encouraging women to do the same without fear of career repercussions. This balanced approach benefits the entire workforce, creating a more inclusive and supportive environment for all employees.

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

|                           |   | 2024 | 2023 | 2022 |
|---------------------------|---|------|------|------|
| Men                       | # | 15   | 14   | 14   |
| Women                     | # | 37   | 34   | 35   |
| Transgender or non-binary | # | <10* | <10* | <10* |
| Did not participate       | # | 16   | 24   | 26   |

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

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

|                           |   | 2024 | 2023 | 2022 |
|---------------------------|---|------|------|------|
| Men                       | # | 14   | 15   | 12   |
| Women                     | # | 26   | 38   | 28   |
| Transgender or non-binary | # | <10* | <10* | <10* |
| Did not participate       | # | 22   | 24   | 19   |

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

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

|                           |   |   | 2024 |    | 2023 |     | 2022 |     |
|---------------------------|---|---|------|----|------|-----|------|-----|
| Men                       | # | % | 14   | 88 | 11   | 92  | 14   | 100 |
| Women                     | # | % | 34   | 87 | 16   | 58  | 23   | 100 |
| Transgender or non-binary | # | % | <10* | *  | <10* | *   | <10* | *   |
| Did not participate       | # | % | 19   | 76 | 12   | 100 | 13   | 81  |

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

## Employee profile

### Employee<sup>1</sup> profile by contract type (2-7, PAS)

|  |   | BM <sup>2</sup> | 2024  | 2023  | 2022  |
|--|---|-----------------|-------|-------|-------|
| Full-time equivalents (FTE) <sup>3</sup> | # |                 | 2,220 | 2,410 | 2,425 |
| Headcount <sup>4</sup>                   | # |                 | 2,360 | 2,639 | 2,738 |
| Permanent full-time                      | % | 84              | 91    | 91    | 91    |
| Permanent part-time                      | % | 13              | 7     | 8     | 8     |
| Contract/temporary                       | % | 3               | 1     | 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, longterm leaves of absence, salary continuance, and Vancity Community Foundation employees.

### Employees by gender (2-7, PAS)

|                                  |          | 2024         | 2023         | 2022         |
|----------------------------------|----------|--------------|--------------|--------------|
| <b>Total permanent full-time</b> | <b>#</b> | <b>2,153</b> | <b>2,396</b> | <b>2,486</b> |
| Men                              | #        | 631          | 714          | 763          |
| Women                            | #        | 1,089        | 1,225        | 1,260        |
| Transgender or non-binary        | #        | 19           | 20           | 20           |
| Did not participate              | #        | 370          | 381          | 383          |
| <b>Total permanent part-time</b> | <b>#</b> | <b>175</b>   | <b>212</b>   | <b>215</b>   |
| Men                              | #        | 25           | 30           | 31           |
| Women                            | #        | 85           | 106          | 125          |
| Transgender or non-binary        | #        | <10*         | <10*         | <10*         |
| Did not participate              | #        | 61           | 70           | 53           |
| <b>Total contract/temporary</b>  | <b>#</b> | <b>32</b>    | <b>31</b>    | <b>37</b>    |
| Men                              | #        | 6            | <10          | <10          |
| Women                            | #        | 9            | 10           | 17           |
| Transgender or non-binary        | #        | <5*          | <10*         | <10*         |
| Did not participate              | #        | 17           | 17           | 14           |

Employees to self-identify 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

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

|  |          |          | BM <sup>1</sup> | 2024       |           | 2023       |           | 2022       |           |
|--|----------|----------|-----------------|------------|-----------|------------|-----------|------------|-----------|
| Men  | #        | %        |                 | 120        | 18        | 75         | 10        | 61         | 8         |
| Women  | #        | %        |                 | 195        | 16        | 111        | 8         | 93         | 7         |
| Transgender or non-binary                    | #        | %        |                 | <10*       | *         | <10*       | *         | <10*       | *         |
| Did not participate                          | #        | %        |                 | 108        | 24        | 87         | 19        | 148        | 33        |
| Aged under 30                                | #        | %        |                 | 73         | 23        | 66         | 17        | 77         | 18        |
| Aged 30-50                                   | #        | %        |                 | 207        | 14        | 130        | 8         | 144        | 9         |
| Aged over 50                                 | #        | %        |                 | 156        | 23        | 80         | 12        | 79         | 11        |
| <b>Total departures and overall turnover</b> | <b>#</b> | <b>%</b> | <b>15</b>       | <b>436</b> | <b>18</b> | <b>276</b> | <b>10</b> | <b>300</b> | <b>11</b> |
| <b>Voluntary departures and turnover</b>     | <b>#</b> | <b>%</b> | <b>9</b>        | <b>227</b> | <b>9</b>  | <b>189</b> | <b>7</b>  | <b>250</b> | <b>9</b>  |

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

|  |          |          | BM <sup>1</sup> | 2024       |          | 2023       |          | 2022       |           |
|--|----------|----------|-----------------|------------|----------|------------|----------|------------|-----------|
| Men                                      | #        | %        |                 | 23         | 3        | 44         | 6        | 97         | 12        |
| Women                                    | #        | %        |                 | 34         | 3        | 66         | 5        | 128        | 9         |
| Transgender or non-binary                | #        | %        |                 | <10*       | *        | <10*       | *        | <10*       | *         |
| Did not participate                      | #        | %        |                 | 73         | 16       | 108        | 23       | 123        | 27        |
| Aged under 30                            | #        | %        |                 | 46         | 14       | 68         | 17       | 146        | 35        |
| Aged 30-50                               | #        | %        |                 | 74         | 5        | 93         | 6        | 186        | 12        |
| Aged over 50                             | #        | %        |                 | 11         | 2        | 18         | 3        | 22         | 3         |
| <b>Total new hires and new hire rate</b> | <b>#</b> | <b>%</b> | <b>13</b>       | <b>131</b> | <b>5</b> | <b>179</b> | <b>7</b> | <b>354</b> | <b>13</b> |

Note, 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, multiplied by 100.

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

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

## 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.

### Why this is important to Vancity:

Meeting our commitment to equity and our value of Reconciliation (see page 12) 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 being an anti-racist organization. Becoming 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.



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

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

### Workforce diversity

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

We collect confidential and voluntary candidate diversity data to understand the diversity of people we attract and outcomes for diverse candidates in the recruitment process. This enables us to address barriers in the recruitment process and set priorities for diverse recruitment. The executive leadership team regularly reviews employee diversity trends. Participation in our employee diversity survey decreased to 81 per cent in 2024, down from 84 per cent in 2023. 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.



## Employee profile (405-1)

|                                |   | BM <sup>1</sup> | 2024 | 2023 | 2022 |
|--------------------------------|---|-----------------|------|------|------|
| Men                            | % | 35              | 28   | 28   | 30   |
| Women                          | % | 65              | 50   | 51   | 52   |
| Transgender or non-binary      | % |                 | 1.0  | 0.8  | 0.8  |
| Did not participate            | % |                 | 19   | 18   | 17   |
| Person with a disability       | % | 3               | 15   | 15   | 16   |
| Indigenous person <sup>2</sup> | % | 2               | 1.6  | 1.9  | 1.8  |
| Black person                   | % |                 | 2.1  | 2.4  | 2.2  |
| Black, person of colour        | % | 37              | 46   | 46   | 47   |
| 2SLGBTQIA+ <sup>3</sup>        | % |                 | 7.4  | 7.6  | 8.1  |
| Aged under 30 years            | % | 29              | 12   | 15   | 16   |
| Aged 30-50 years               | % | 41              | 60   | 59   | 57   |
| Aged over 50 years             | % | 30              | 28   | 26   | 27   |
| Non-management                 | % |                 | 83   | 83   | 83   |
| Management                     | % |                 | 13   | 14   | 14   |
| Senior Management <sup>4</sup> | % |                 | 4    | 3    | 3    |

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

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

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

2 For definitions, see Applicable criteria, page 60.

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.

4 Senior management at Vancity is defined as director-level management and above, including the Executive Leadership Team.

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

|                           |   | BM <sup>1</sup> | 2024 | 2023 | 2022 |
|---------------------------|---|-----------------|------|------|------|
| Men                       | % | 27              | 27   | 27   | 28   |
| Women                     | % | 73              | 50   | 50   | 52   |
| Transgender or non-binary | % |                 | 1.2  | 1.0  | 1.0  |
| Did not participate       | % |                 | 21   | 20   | 19   |
| Person with a disability  | % |                 | 15   | 15   | 16   |
| Indigenous person         | % |                 | 1.6  | 2.0  | 1.8  |
| Black person              | % |                 | 2.1  | 2.4  | 2.2  |
| Black, person of colour   | % | 38              | 47   | 47   | 48   |
| 2SLGBTQIA+                | % |                 | 7.4  | 7.8  | 8.4  |
| Aged under 30 years       | % |                 | 14   | 17   | 18   |
| Aged 30-50 years          | % |                 | 58   | 58   | 55   |
| Aged over 50 years        | % |                 | 28   | 25   | 27   |

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

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

|                           |   | BM <sup>1</sup> | 2024   | 2023 | 2022 |
|---------------------------|---|-----------------|--------|------|------|
| Men                       | % | 34              | 34     | 34   | 56   |
| Women <sup>2</sup>        | % | 66              | 56     | 56   | 37   |
| Transgender or non-binary | % |                 | <3.14* | *    | *    |
| Did not participate       | % |                 | 10     | 8    | 7    |
| Person with a disability  | % |                 | 15     | 16   | 18   |
| Indigenous person         | % |                 | <3.14* | *    | *    |
| Black person              | % |                 | <3.14* | *    | *    |
| Black, person of colour   | % | 33              | 42     | 42   | 43   |
| 2SLGBTQIA+                | % |                 | 7.9    | 6.4  | 6.8  |

|                     |   | BM <sup>1</sup> | 2024 | 2023 | 2022 |
|---------------------|---|-----------------|------|------|------|
| Aged under 30 years | % |                 | 3    | 4    | 3    |
| Aged 30-50 years    | % |                 | 71   | 71   | 70   |
| Aged over 50 years  | % |                 | 26   | 25   | 27   |

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: HR Metrics report for Canadian credit unions, 2021 median scores. 'Black, people of colour: Canadian Bankers Association, Banks as Employers report 2019.

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

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

|                           |   | BM <sup>1</sup> | 2024   | 2023 | 2022 |
|---------------------------|---|-----------------|--------|------|------|
| Men                       | % | 53              | 33     | 39   | 40   |
| Women <sup>2</sup>        | % | 47              | 51     | 48   | 55   |
| Transgender or non-binary | % |                 | *      | *    | *    |
| Did not participate       | % |                 | 15     | 11   | 5    |
| Person with a disability  | % |                 | 14     | 14   | 13   |
| Indigenous person         | % |                 | <5.75* | *    | *    |
| Black person              | % |                 | <5.75* | *    | *    |
| Black, person of colour   | % | 18              | 29     | 27   | 35   |
| 2SLGBTQIA+                | % |                 | 6.9    | 7.1  | 7.2  |
| Aged under 30 years       | % |                 | 0      | 0    | 0    |
| Aged 30-50 years          | % |                 | 55     | 59   | 60   |
| Aged over 50 years        | % |                 | 45     | 41   | 40   |

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

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.

### Average compensation for women as a percentage of average compensation for men<sup>1</sup> (405-2)

|                   |   | 2024            | 2023            | 2022 |
|-------------------|---|-----------------|-----------------|------|
| Non-management    | % | 91              | 91              | 95   |
| Management        | % | 93              | 96              | 97   |
| Senior management | % | 78 <sup>3</sup> | 88 <sup>2</sup> | 104  |

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

3 The increased pay gap in senior management in 2024 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. We are exploring options for more detailed disclosures to compare compensation for senior management job classes performing work of equal value.

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

|                   |   | 2024 | 2023 | 2022 |
|-------------------|---|------|------|------|
| Non-management    | % | 77   | 77   | 79   |
| 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.

# Planet.

## Climate. (3-3)



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.

### Why this is important to Vancity:

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



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.

### Climate strategy

Vancity's approach to manage climate-related risks and opportunities include the following:

- Measure and disclose operational and financed emissions annually, expanding coverage and data quality over time in line with [The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard](#) (GHG Protocol) and the [Partnership for Carbon Accounting Financials](#) (PCAF)
- Have emissions reduction targets across operations, lending and investments in line with the Net-Zero Banking Alliance's Guidelines for Climate Target Setting for Banks (for on-balance sheet assets) and the Net Zero Asset Managers initiative (for off-balance sheet client investments managed by Vancity Investment Management)
- Advocate for progressive policies and regulations to speed the transition to a low-emission future in a way that is equitable and affordable

- Support and incent our members and clients to take action on climate, and use their feedback to develop, and refine our offers
- Assess the impacts of climate risk on Vancity’s lending and investment portfolios and mitigate them in accordance with our enterprise risk management framework
- Make concerted efforts to finance businesses, mortgages, and projects that provide positive climate services or are reducing their environmental impact
- Make community investments, using funds from our Shared Success programs (including enviroFund™), to support initiatives and organizations that are reducing emissions and helping to mitigate the impacts of climate change
- Monitor research and best practices to inform our work, including funding and participating in initiatives and forums to share opportunities and challenges and to contribute to the development of harmonized and ambitious sustainability frameworks and standards
- Regularly review and adjust our strategy and targets as needed

For more information, see the Climate Report, page 9.

## Greenhouse gas emissions

Scope 1 emissions are from sources that an organization owns or controls directly. Scope 2 emissions are indirect emissions from energy purchased, such as the emissions from electricity used in a company’s buildings. Scope 3 relates to emissions that are not produced by the organization, rather they are from assets or activities in their value chain.

### Overall emissions profile (2-4)

|   |                    | 2024                 | 2023                   |
|---|--------------------|----------------------|------------------------|
| <b>Total scope 1 (from fossil gas, fleet, and refrigerants)</b> | tCO <sub>2</sub> e | <b>554</b>           | <b>609<sup>1</sup></b> |
| <b>Total scope 2 (from purchased electricity)<sup>2</sup></b>   | tCO <sub>2</sub> e | <b>91</b>            | <b>102</b>             |
| Scope 3: categories 1, 6, and 7                                 | tCO <sub>2</sub> e | 1,559                | 1,529                  |
| Scope 3: category 15 investments and loans (financed emissions) | tCO <sub>2</sub> e | 232,915 <sup>3</sup> | 206,814 <sup>3</sup>   |
| <b>Total scope 3 (including category 15)</b>                    | tCO <sub>2</sub> e | <b>234,474</b>       | <b>208,343</b>         |
| <b>Total estimated emissions all scopes</b>                     | tCO <sub>2</sub> e | <b>235,119</b>       | <b>209,054</b>         |

For more information, see the Climate Report page 24.

<sup>1</sup> In 2024, we restated 2023 emissions to include refrigerants and set 2023 as our baseline.

<sup>2</sup> We calculated scope 2 emissions using the location-based method. Vancity does not operate in markets that provide product or supplier-specific data or other contractual instruments. We have also included electricity used to charge electric vehicles.

<sup>3</sup> Measured financed emissions where we have comparable data for 2023 and 2024. Includes scope 1 and 2 client emissions for loans and on and off-balance sheet managed investments, plus scope 3 member emissions for business loans. We recalculated 2023 data for commercial buildings, residential buildings, and business loans. See Climate Report page 27 and page 32 for more details.

## Operational emissions

We have set net-zero targets for our scope 1 and 2 operational emissions. Our goal is to reduce these emissions by 90 per cent by 2040, using 2023 as our base year. In 2024, we achieved a reduction of nine per cent in our scope 1 and 2 operational emissions from the 2023 baseline, keeping us on track to achieving our 2040 emissions reduction target. See the Climate Report page 25 for further details on our approach to operational GHG emissions.

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

|   |                         | 2024 Emissions   | 2023 Emissions           |   | % change from base |
|---|-------------------------|------------------|--------------------------|---|--------------------|
| Scope 1: Emissions from fossil gas                                      | tCO <sub>2</sub> e      | 402              | 454                      | % | -11                |
| Scope 1: Emissions from fleet   | tCO <sub>2</sub> e      | 26               | 26                       | % | 0                  |
| Scope 1: Emissions from refrigerants                                    | tCO <sub>2</sub> e      | 125              | 129                      | % | -3                 |
| <b>Total scope 1</b>  | <b>tCO<sub>2</sub>e</b> | <b>554</b>       | <b>609<sup>1</sup></b>   | % | <b>-9</b>          |
| Scope 2: Emissions from purchased electricity <sup>2</sup>              | tCO <sub>2</sub> e      | 91               | 102                      | % | -11                |
| <b>Total scope 2<sup>2</sup></b>  | <b>tCO<sub>2</sub>e</b> | <b>91</b>        | <b>102</b>               | % | <b>-11</b>         |
| <b>Total scope 1 + scope 2</b>  | <b>tCO<sub>2</sub>e</b> | <b>645</b>       | <b>711</b>               | % | <b>-9</b>          |
| Scope 3 category 1 – Purchased goods and services (paper <sup>3</sup> ) | tCO <sub>2</sub> e      | 376 <sup>4</sup> | 470                      | % | -20                |
| Scope 3 category 6 – Business travel                                    | tCO <sub>2</sub> e      | 284              | 153                      | % | +86                |
| Scope 3 category 7 – Employee commuting                                 | tCO <sub>2</sub> e      | 900              | 906                      | % | -1                 |
| <b>Total operational scope 3 emissions (not including category 15)</b>  | <b>tCO<sub>2</sub>e</b> | <b>1,559</b>     | <b>1,529</b>             | % | <b>+2</b>          |
| <b>Total operational emissions</b>                                      | <b>tCO<sub>2</sub>e</b> | <b>2,204</b>     | <b>2,240<sup>1</sup></b> | % | <b>-2</b>          |
| <b>Total operational GHG emissions per employee (FTE)</b>               | <b>tCO<sub>2</sub>e</b> | <b>1.0</b>       | <b>0.9</b>               | % | <b>+11</b>         |

tCO<sub>2</sub>e = tonnes of CO<sub>2</sub>-equivalent. Totals rows may not sum to total due to rounding. Emissions from CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, and HFCs (leakage from refrigerants) have been included in the calculations and converted to tCO<sub>2</sub>e. Emissions from other GHGs (PFCs and SF<sub>6</sub>) are not significant and are not reported in the above table. Currently, Vancity only reports tonnes of CO<sub>2</sub>e, and plans to include a breakdown by GHG gas in future.

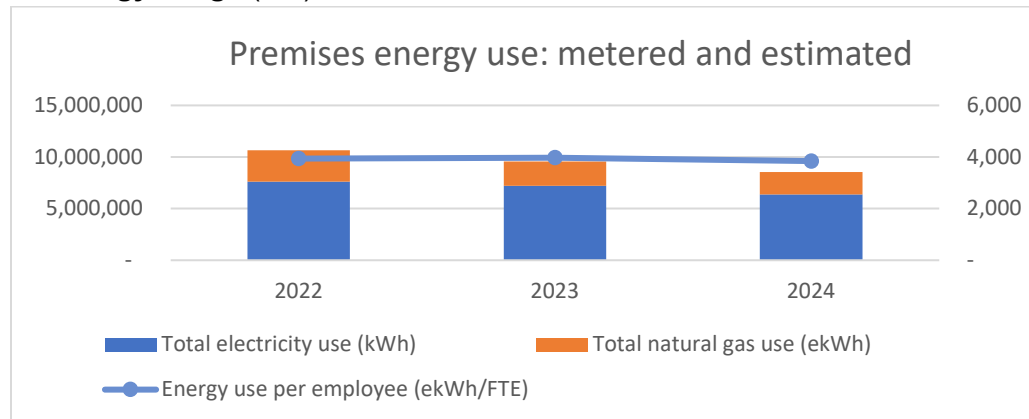
<sup>1</sup> In 2024, we restated 2023 emissions to include refrigerants and set 2023 as our baseline for 2040 targets. See the Climate Report page 42 for additional details.

<sup>2</sup> We calculated scope 2 emissions using the location-based method. Vancity does not operate in markets that provide product or supplier-specific data or other contractual instruments. We have also included electricity used to charge electric vehicles.

<sup>3</sup> We used the [Environmental Paper Network Paper Calculator](#) to make environmental impact estimates

<sup>4</sup> Operational GHGs from paper usage decreased in 2024 because paper consumption went down, and recycled content increased.

## Premises energy usage (2-4)



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

Financed emissions are greenhouse gas emissions attributed to the loans and investments financial institutions make or facilitate. Reducing financed emissions plays a pivotal role in ensuring a successful transition to a low-carbon economy. The most significant carbon intensive sector we finance is real estate. The following 2030 emissions reduction targets were approved by Vancity's Board of Directors in 2024.

- Reduce GHG emissions attributed to our commercial building loan portfolio by 60 per cent per square meter by 2030, from a 2023 base year
- Reduce GHG emissions attributed to our residential building loan portfolio 53 per cent per square meter by 2030 from a 2023 base year.

These targets collectively covered 65 per cent of on-balance sheet lending dollars as of December 31, 2024, and 76 per cent of lending-related emissions. To establish our targets, we applied the Science Based Targets initiative's (SBTi) Buildings Target Setting Tool, version 1.0. For our progress on intermediate targets, see page 28 of the Climate Report.

### Change in financed emissions since 2023 base year for real estate targets (2-4)

|                              | 2024 emissions intensity<br>kgCO <sub>2</sub> e/sq metre financed | 2023 emissions intensity<br>kgCO <sub>2</sub> e/sq metre financed | % change in<br>emissions intensity |
|------------------------------|---|---|------------------------------------|
| Residential buildings        | 18.9  | 18.8  | 0                                  |
| Commercial service buildings | 36.1  | 37.9  | -5                                 |

We have recalculated 2023 data to include emissions attributed to the use of refrigerants, and 2023 data for commercial buildings includes buildings for industrial use. Please see the Climate Report, changes to our calculation methodology on page 30.

### 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.

### Climate performance metrics

|  |                    | 2024      | 2023    | 2022    |
|--|--------------------|-----------|---------|---------|
| Square feet of energy efficient buildings financed | ft <sup>2</sup>    | 1,036,020 | 729,635 | 617,024 |
| Avoided emissions from clean energy projects       | tCO <sub>2</sub> e | 7,810     | 6,654   | 5,743   |
| Capital invested in own operations                 | \$                 | 334,169   | 52,794  | 238,326 |

ft<sup>2</sup> = square foot; tCO<sub>2</sub>e = tonnes of carbon dioxide equivalent.

## 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 this is 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.

### Potential impacts from lending and investing

#### Lending

In 2023, we assessed potential biodiversity impacts and dependencies associated with our lending portfolio, taking into consideration regional factors. One key threat to biodiversity in BC is urbanization, and how our wetlands and forests provide critical ecosystem services such as flood protection, storing carbon, and surface water. Using [ENCORE](#), we analyzed our commercial real estate and business loan portfolio. The analysis revealed that around two-thirds of our business lending portfolio, primarily real estate and construction financing, has high or very high potential dependencies on one or more ecosystem services, as well as high/very high potential impacts on biodiversity.

As part of the ongoing work to refresh Vancity's Impact Management and Measurement Framework, we aim to incorporate biodiversity criteria, including specifics on deforestation and land use change, and apply them to our lending portfolio.

## 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 begun to assess 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. Recently, we engaged with two companies in our portfolio, Costco and Starbucks, both of which 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 acknowledge the importance of stewarding water as a shared resource and managing waste and the possible hazardous impacts of waste on human and environmental health. We are committed to minimizing our environmental footprint by making efforts to reduce our operational impacts through water and materials and waste management.

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

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

## Waste generated, recycled, and diverted from the landfill (2-4)

|                                   |           | 2024       | 2023       | 2022       |
|-----------------------------------|-----------|------------|------------|------------|
| Waste generated on premises       | t         | 83         | 78         | 87         |
| Premises waste diversion rate     | %         | 100        | 100        | 100        |
| Construction waste                | t         | 2          | 92         | 27         |
| Construction waste diversion rate | %         | 100        | 8          | 66         |
| Furniture waste                   | t         | 29         | 49         | 49         |
| Furniture waste diversion rate    | %         | 81         | 86         | 91         |
| Electronic waste                  | t         | 7          | 8          | 10         |
| Electronic waste diversion rate   | %         | 100        | 100        | 100        |
| <b>Waste from all sources</b>     | <b>t</b>  | <b>120</b> | <b>226</b> | <b>172</b> |
| <b>Waste per FTE</b>              | <b>kg</b> | <b>54</b>  | <b>94</b>  | <b>92</b>  |
| Waste reused                      | t         | 9          | 3          | 9          |
| Waste composted                   | t         | 16         | 13         | 13         |
| Waste recycled                    | t         | 69         | 102        | 122        |
| Waste to energy                   | t         | 21         | 17         | 16         |
| <b>Waste diversion rate</b>       | <b>%</b>  | <b>95</b>  | <b>60</b>  | <b>94</b>  |

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 declined since 2020. We expect further reductions in our paper consumption as more members switch to e-statements. The percentage of recycled content has decreased because we have experienced challenges with sourcing paper with a high recycled content. 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.

|                                 |   | 2024 | 2023 | 2022 |
|---------------------------------|---|------|------|------|
| Paper use                       | t | 80   | 84   | 92   |
| Paper use with recycled content | % | 82   | 65   | 76   |

t = tonnes

*E-statements campaign:* Paper statements had made up roughly 75 per cent of the total paper we use each year by weight. To encourage members to switch from paper statements to e-statements, we introduced a fee in March 2024 for most paper statements. This resulted in a 28 per cent reduction in the number of statements issued to retail members. Part of this project included partnering with Veritree to plant one tree each time a member or Vancity Visa cardholder opted out of a paper statement from October 2023 to early January 2024. Veritree's aim was to plant the trees near Williams Lake, BC in an area where an old-growth stand was lost due to the Hanceville wildfire in 2017, and they worked closely with specialized teams and local Indigenous organizations and Nations on this work and monitored restoration efforts.

## Water withdrawal (2-4)

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.

|  |       | 2024      | 2023       | 2022       |
|--|-------|-----------|------------|------------|
| Estimated water use                        | L     | 9,696,725 | 12,905,244 | 14,710,267 |
| Estimated water use per full-time employee | L/FTE | 4,368     | 5,356      | 6,067      |

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



## 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 this is 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, page 60.

#### Vancity Investment Management

Vancity Investment Management is a subsidiary of Vancity, providing discretionary investment management services to both individual and institutional clients. It 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. We act to not only prevent perpetuating systemic exclusion but use our capital allocation for investing in ways that ensure the economy as a whole is more inclusive.

Vancity Investment Management assets under administration also form part of our Triple Bottom Line Assets Under Administration (TBLAA) calculation. For definitions, see Applicable criteria, page 60.

### **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 2023 to June 2024), we undertook engagements on topics including biodiversity, climate disclosure, fossil fuel financing, living wage, paid sick leave, forced labour and supply chain due diligence, and executive compensation. We filed eleven shareholder resolutions with seven of these proposals going to vote at the respective company's Annual General Meetings (AGM).

We also use shareholder proxy voting to influence corporate management regarding our SRI principles. 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 Responsable (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

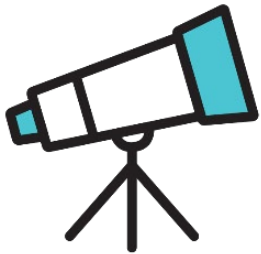
More information on Vancity Investment Management corporate engagement can be found in the [Vancity Investment Management Shareholder Engagement reports](#).

|   |   | 2024            | 2023 | 2022 |
|---|---|-----------------|------|------|
| Number of companies in portfolio with which Vancity Investment Management's sub advisory group engaged <sup>1</sup> | # | 45              | 56   | 32   |
| Percentage of companies in portfolio with which Vancity Investment Management's sub-advisory group engaged          | % | 19 <sup>2</sup> | 34   | 23   |

<sup>1</sup> Number of companies engaged is for fiscal year 2024 and does not correspond with the numbers in Vancity Investment Management's shareholder engagement report, which uses a different reporting time period.

<sup>2</sup> 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.

## 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 34.

### Why this is 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 (2-12, 2-10, 2-13)

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

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

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

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

The Board is composed of nine Directors, and 100 per cent of them are independent. Director attendance can be found in our [Annual Reporting to members](#). Ways in which members can provide input 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). Information regarding these inputs is shared with members (when applicable) through our Election and AGM pages on Vancity.com, in April every year.



### Board diversity (2-9, 405-1)

|                           |   | BM   | 2024 | 2023 | 2022 |
|---------------------------|---|------|------|------|------|
| Women <sup>1</sup>        | % | 30   | 67   | 67   | 67   |
| Transgender or non-binary | % |      | 0    | 0    | 0    |
| Aged under 30             | % |      | 0    | 0    | 0    |
| Aged 30-50                | % |      | 33   | 44   | 44   |
| Aged over 50              | % |      | 67   | 56   | 56   |
| Person with a disability  | % | 0.7  | 11   | 11   | 11   |
| Indigenous person         | % | 1.0  | 22   | 22   | 11   |
| Black, person of colour   | % | 10.2 | 44   | 33   | 44   |
| 2SLGBTQIA+                | % |      | 11   | 11   | 22   |

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

Benchmark (BM) source: Osler's 2024 report on [Diversity Disclosure Practices](#)

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

## Member participation in elections (2-29)

### Board elections

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

|  |   | BM  | 2024   | 2023   | 2022   |
|--|---|-----|--------|--------|--------|
| Number of eligible members who voted     | # |     | 34,264 | 26,348 | 26,705 |
| Percentage of eligible members who voted | % | 1.6 | 6.5    | 5.1    | 5.2    |

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

## Board remuneration (2-19, 2-20)

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

Director remuneration is 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 DRC's recommendation to the membership at the 2022 Annual General Meeting was approved by the membership to take effect for 2022-2025.

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

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

We update our [CEO Compensation](#) Disclosure Statement annually (see reports tab). When the Board reviews CEO compensation, the process includes assessing compensation levels at the 50th percentile of a group of peer companies of comparable size, scope, and complexity. Vancity's President and CEO has a long-term incentive plan, established by the Board based on organizational priorities. The long-term incentive plan also contained a retention component by deferring the payout for two years. Senior leaders (members of the executive leadership team, vice presidents, and directors) received a base salary and cash incentives that recognized progress on organizational scorecard targets as well as individual accountabilities. In 2024, there was no long-term incentive plan for all executives. For more information, see Annual Report, Senior management and executive compensation, page 39.

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

|                    |    | 2024      | 2023                 | 2022      |
|--------------------|----|-----------|----------------------|-----------|
| Total compensation | \$ | 1,128,145 | 637,582 <sup>1</sup> | 1,125,684 |

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.

<sup>1</sup> Reflects change in CEO mid-year and associated compensation effects.

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

|   |       | 2024 | 2023              | 2022 |
|---|-------|------|-------------------|------|
| Ratio of highest compensated full-time employee (inclusive of bonus) <sup>1</sup> to lowest paid full-time employee   | Ratio | 23:1 | 14:1 <sup>1</sup> | 25:1 |
| Ratio of Vancity's CEO compensation to median annual total compensation for all employees <sup>2</sup>  | Ratio | 13:1 | 8:1               | 14:1 |
| Ratio of Vancity's CEO percentage increase in annual total compensation to median annual percentage increase in annual total compensation for all employees | Ratio | 15:1 | 14:1              | 12:1 |

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

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

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

## Stakeholder Engagement (2-29)

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

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

## Key Stakeholders

**Members:** Vancity engages with members through post-transactional surveys, focus groups, social media, the online [My2cents](#) member feedback panel, as well through one-on-one in-depth member interviews conducted in our branches, by phone, in writing, and online. Co-operative governance means that members can engage with Board Directors, become candidates in, and vote in Board Director elections. Members are also invited to attend and participate in the Annual General Meeting. For more on our approach to engaging members, see Member engagement on page 14.

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

*Community:* We meet 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 55). Surveys and community focus groups are carried out on an ad hoc basis for direct engagement on shared areas of interest. This approach involves direct consultation with community organizations, specifically ones representing underserved communities to integrate those perspectives into the development of products and services, strategies, and policies.

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

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

**Other Stakeholders**

*Public interest groups:* We fund, endorse, or collaborate on advocacy initiatives, 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 9). Our supplier relationship managers have meetings as needed to discuss contractual obligations and delivery, as well as providing information on becoming a Living Wage employer.

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

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

|   |   | 2024 | 2023 | 2022 |
|---|---|------|------|------|
| Members who feel strongly they have a say in Vancity’s future direction | % | 39   | 38   | 37   |

**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.

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

## Political activities

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

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

Note: Vancity’s positions on key issues are not necessarily the same as the associations’. 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 Living Wage for Families Campaign](#)

[BC Non-profit Housing Association](#)

[BC Poverty Reduction Coalition](#)

[Building to Electrification Coalition](#)

[Business Council of British Columbia](#)

[Canadian Bankers Association](#)

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

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

[Canadian Council for Aboriginal Business](#)

[Canadian Credit Union Association](#)

[Carbon Disclosure Project](#)

[Central1 Credit Union](#)

[Ceres Investor Network](#)

[CFA Institute](#)

[Climate Action 100+](#)

[Climate Change Commitment](#)

[Climate Engagement Canada](#)

[Columbia Institute](#) / Centre for Civic Governance

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

[Credit Union Foundation of British Columbia](#)

[Embedding Project](#)

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

[Finance for Biodiversity](#)

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

[Global Alliance for Banking on Values](#)

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

[ICCR \(Interfaith Centre for Corporate Responsibility\)](#)

[IEHN \(Investors Environmental Health Network\)](#)

[IFRS Sustainability Alliance](#)

[International Cooperative Entrepreneurship Think Tank \(ICETT\)](#)

[Investor Action on AMR](#)

[Mortgage Investment Association of BC](#)

[Multi-Agency Partnership](#)

[Net Zero Asset Managers Initiative](#)

[Partnership for Carbon Accounting Financials](#)

[Portfolio Management Association of Canada](#)

[Presidents Group](#)

[Realize Strategies Co-operative](#)

[Responsible Investment Association](#)

[South Island Prosperity Partnership](#)

[Sustainable Finance Action Council](#) (until March 31, 2024)

[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)

## Risk management

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

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

*Risk Appetite Framework (RAF):* Vancity utilizes the Risk Appetite Framework to identify, assess, and prepare for potential risks that could harm or disrupt our ecosystem of members and communities. This framework allows for a deeper understanding of risks and to be more innovative, while staying within regulatory parameters, through informed decision making. Our risk appetite is the level of risk we are prepared to accept, in the pursuit of our vision.

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

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

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

### Credit risk (2-23, FN-CB-410a.2, FN-MF-450a.3)

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

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

Social and environmental risks of business banking loans and commercial mortgages are assessed at the time of the loan application, guided by our Ethical Principles for Business Relationships and lending policies, and subject to environmental due diligence. When managing risk for lending to any type of business, we take additional precautions, such as more frequent and in-depth monitoring. For commercial mortgages and our larger



business banking loans, site and/or business visits are a mandatory pre-funding condition. These visits can identify environmental and social issues.

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

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

| <b>British Columbia</b>  |   | <b>2024</b> | <b>2023</b> | <b>2022</b> |
|--|---|-------------|-------------|-------------|
| Accommodation and food services  | % | 2           | 2           | 2           |
| Construction   | % | 14          | 11          | 12          |
| Health care & social assistance  | % | 4           | 4           | 4           |
| Manufacturing  | % | 2           | 1           | 1           |
| Professional, scientific & technical                                       | % | 1           | 1           | 1           |
| Real estate, rental & leasing  | % | 58          | 62          | 61          |
| Retail trade   | % | 1           | 1           | 1           |
| Transportation & warehousing   | % | 0.4         | 1           | 1           |
| Wholesale trade  | % | 1           | 1.5         | 2           |
| Other  | % | 11          | 10          | 17          |
| Other services   | % | 6           | 6           | 0.02        |
| <b>Outside of British Columbia<br/>(Vancity Community Investment Bank)</b> |   | <b>2024</b> | <b>2023</b> | <b>2022</b> |
| Construction   | % | 9           | 10          | 17          |
| Real estate, rental & leasing  | % | 82          | 70          | 66          |
| Health care and social assistance  | % | 15          | 3           | 0.4         |
| Utilities  | % | 6           | 4           | 4           |
| Other  | % | 28          | 13          | 12          |

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

**Stress testing (FN-CB-550a.2)**

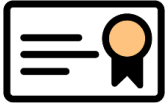
Vancity has robust stress testing programs in place to test and inform appropriate levels of reserves for the credit union. On an annual basis, Vancity performs the Internal Capital Adequacy Assessment Process (ICAAP), which is required by the regulator but is also a key tool in the credit union's risk 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 risk, flood risk, and earthquake risk to assess the adequacy of insurance coverages over these risk areas.

**Climate risk**

We are committed to actively integrating climate considerations into the core of decision-making processes. Our approach encompasses the identification and assessment of physical and transition risks associated with climate change and the pursuit of opportunities arising from the transition to a low-carbon economy. For more information on our management approach to climate risk, see the Climate Report page 20.



## 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 38.
- 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 2024 (3-2)

The following measures were changed in 2024:

Added:

- Core revenue, because it had become an important management indicator
- SASB disclosures in the areas of mortgage lending (percentage of retail portfolio that has extended amortizations beyond 30 years) privacy (use of information), and financial health and inclusion (number of Pigeon Park Savings, Resettlement Assistance Program, and accessibility accounts).

Removed:

- Member primacy, and core deposit ratio, because these are now less significant management indicators
- Low quality assets, because it is no longer needed by the GABV, and we have other similar measures

## Applicable criteria

**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.

**Operating earnings:** Net income (loss) before distribution and tax, 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. (\*These categories were not subject to external assurance in 2024, and the total including them has been reported separately).
- 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 Loan™, 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.

- 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 book 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 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 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)

**Offset prior year scope 1 + 2 and select scope 3 operational GHG emissions:** Number of offsets purchased, equivalent to calculated scope 1, scope 2, and select operational scope 3 emissions, calculated as scope 1 + scope 2 + scope 3 emissions attributed to paper, business travel, and commuting for the prior reporting year.

### 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.

The process to determine material topics is ongoing and involves gathering information for the identification and assessment of our impacts as they evolve and as new ones arise. Impacts identification and assessment takes into consideration our day-to-day activities, current social, political, and economic trends and issues, and what matters most to our stakeholders. Vancity's members are our primary stakeholder group, which include our employees. We also consider our suppliers, regulators, and the communities in which we operate as key stakeholders. One way we identify impacts and assess their significance is by conducting a biennial member prioritization research survey, which results in a ranked list of how members rate the importance of Vancity to addressing a range of issues.

The final step is to determine a prioritization of these issues in our reporting based on their significance. To do this for 2024, we conducted a materiality assessment exercise with employees from across of the organization. The exercise considered the severity and likelihood of actual and potential negative impacts, how those impacts may affect Vancity's financial prospects, as well as how Vancity could contribute to positive impacts and sustainable development. The participants also were asked to consider if these impacts were a direct cause of Vancity's operations, or if Vancity was contributing or linked to these impacts through our business relationships and value chain, which as a financial co-operative, are primarily through our lending and investing activities.

The materiality assessment resulted in 13 material topics (listed below). These were approved by the Board of Director's Audit Committee. For more about the reporting standards we use, material topics, and our approach to external assurance, see Annual Report, About this report, page 42.

## Material topics (3-2)

| 2024 Vancity Material Topics           | GRI Topic Standards   | UN Sustainable Development Goals (SDGs)   | Principles for Responsible Banking Priority Areas                  |
|--|---|---|--|
| Financial performance                  |   | SDG 8: Decent Work and Economic Growth  |  |
| Economic impacts                       | GRI 201: Economic Performance<br>GRI 413: Local Communities             | SDG 9: Industry, Innovation, and Infrastructure<br>SDG 11: Sustainable Cities and Communities | Healthy & Inclusive Economies                                      |
| Reconciliation with Indigenous Peoples |   | SDG 1: No Poverty<br>SDG 8: Decent Work and Economic Growth<br>SDG 10: Reduced Inequalities   | Healthy & Inclusive Economies<br>Human Rights                      |
| Service experience                     | GRI 417: Marketing and Labeling   | SDG 8: Decent Work and Economic Growth  | Healthy & Inclusive Economies                                      |
| Privacy and security                   | GRI 205: Anti-corruption<br>GRI 418: Customer privacy                   |   | Human Rights   |
| Financial health and inclusion         |   | SDG 8: Decent Work and Economic Growth<br>SDG 10: Reduced Inequalities                        | Healthy & Inclusive Economies                                      |
| Affordable housing                     |   | SDG 9: Industry, Innovation, and Infrastructure<br>SDG 11: Sustainable Cities and Communities | Healthy & Inclusive Economies                                      |
| Employment                             | GRI 401: Employment<br>GRI 202: Market Presence                         | SDG 8: Decent Work and Economic Growth  | Human Rights   |
| Diversity, equity and inclusion        | GRI 405: Diversity and Equal Opportunity<br>GRI 406: Non-discrimination | SDG 5: Gender Equality<br>SDG 10: Reduced Inequalities  | Human Rights   |
| Climate                                | GRI 305: Emissions  | SDG 7: Affordable and Clean Energy<br>SDG 13: Climate Action                                  | Climate  |
| Biodiversity and nature                |   | SDG 12: Responsible Consumption and Production<br>SDG 15: Life on Land                        | Nature   |
| Responsible investment                 |   |   | Climate<br>Nature<br>Healthy & Inclusive Economies<br>Human Rights |
| Governance                             | GRI 2: General Disclosures  | SDG 5: Gender Equality  |  |

# Global Reporting Initiative content index.

Vancity has reported in accordance with the [Global Reporting Initiative Sustainability Standards](#) (GRI Standards) for the period January 1<sup>st</sup>, 2024 to December 31<sup>st</sup>, 2024. 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](https://vancity.com/AnnualReport).

AS = 2024 Accountability Statements

AR = 2024 Annual Report

CR = 2024 Climate Report

PRB = 2024 Principles for Responsible Banking Self-Assessment

| Disclosure                                   | Description   | Page number, link, explanation, or reason for omission   |
|--|---|--|
| GRI 2: General Disclosures 2022              |   |  |
| The organization and its reporting practices |   |  |
| 2-1  | Organizational details                                    | Business model, AR p. 10<br>Structure and executive leadership team, AR p. 38  |
| 2-2  | Entities included in sustainability reporting             | Structure and executive leadership team, AR p. 38<br>All entities included in Vancity's consolidated Financial Statements are covered in the report.   |
| 2-3  | Reporting period, frequency and contact point             | Reporting period: January 1, 2024, to December 31, 2024.<br>Integrated Annual Report is published annually, May 6, 2025.<br>Contact: <a href="mailto:Accountability_VC@vancity.com">Accountability_VC@vancity.com</a>  |
| 2-4  | Restatements of information                               | Operating earnings, p. 4<br>Local suppliers, p. 10<br>Overall emissions profile, p. 40<br>Operational GHG emissions by scope and category, p. 41<br>Premises energy usage, p. 41<br>Change in financed emissions since base year for real estate, p. 42<br>Waste generated, recycled, and diverted from the landfill, p. 45<br>Water withdrawal, p. 46 |
| 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. 9<br>Business model, AR p. 10<br>Economic impacts, AR p. 19  |
| 2-7  | Employees   | Employee profile, position status, and total headcount by gender, AS p. 32<br>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  | <p><a href="#">Governance structure and responsibilities of the Board and its committees</a> can be found on vancity.com, and also the Terms of Reference documents embedded within our approach to good governance.</p> <p>All committees have responsibilities related to decision-making on economic, environmental, and social impacts.</p> <p>The organizational structure and composition of the <a href="#">Board</a> and the <a href="#">Executive Leadership Team</a> can also be found on our webpage.</p> <p>All Vancity Board Directors are non-executive and independent. Directors' background information is included only if they choose to disclose it voluntarily.</p> <p>Board diversity, AS p. 51</p> |
| 2-10                              | Nomination and selection of the highest governance body                     | <p>See <a href="#">election process</a> and the desired skills and attributes of directors.</p> <p>The process for determining composition, qualification, and expertise of Board members and committees can be found as part of the <a href="#">Candidates' Information Package</a>.</p> <p>When the election is over, the Election Guidelines (which includes the Desired Director Attributes and Experience, and the BCFA Governance Guideline) is available from the primary election information on our webpage.</p>   |
| 2-11                              | Chair of the highest governance body  | The Chair is not a senior executive of the organization.  |
| 2-12                              | Role of the highest governance body in overseeing the management of impacts | <p>Governance, AS p. 50</p> <p>See <a href="#">Rule 4.11</a>. Special Resolutions can also be brought forward by the membership under the Credit Union Incorporation Act S.77 (1). Information regarding this is disseminated to the members in the Election Bulletin, printed in April every year.</p> <p>Board's role in setting purpose, values, and strategy are in its Terms of Reference outlined on our <a href="#">Governance</a> webpage.</p> <p>The Board's role in managing impacts, values, and strategy can also be found in its Terms of Reference.</p>   |
| 2-13                              | Delegation of responsibility for managing impacts                           | Members of the <a href="#">Executive Leadership Team</a> , including the CEO (who is accountable to the Board of Directors), each have and/or share accountabilities relating to economic, environmental, and social topics.  |
| 2-14                              | Role of the highest governance body in sustainability reporting             | The Board of Directors, upon recommendation from the Audit Committee.   |
| 2-15                              | Conflicts of interest   | The Governance Committee has accountability for establishing and monitoring processes around conflicts of interest and set out in its terms of reference. In addition, the Board has established a Related Party & Conflict of Interest Policy (for internal use only).   |
| 2-16                              | Communication of critical concerns  | <p>Member concerns and complaints, AS p. 14</p> <p>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. <a href="#">Member complaints and concerns</a> are received by the Office of the CEO and addressed accordingly. No special resolutions or critical concerns were brought forward to the 2024 AGM or Board of Directors.</p>  |
| 2-17                              | Collective knowledge of the highest governance body                         | <p><a href="#">Directors' professional development activities</a> may include economic, environmental, and social topics.</p> <p>Members with specific skills and attributes, including those with appropriate experience, are sought during the <a href="#">annual Board of Directors' Election</a>.</p>   |
| 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 <a href="#">Governance</a> webpage. The corporate secretary works with the board chair to implement and required change to performance.  |
| 2-19                              | Remuneration policies   | <p>Board remuneration, AS p. 52</p> <p>Senior management and CEO compensation, AS p. 52</p> <p>Targets and incentive pay, AR p. 13</p> <p><a href="#">Information about the Board's remuneration</a></p>  |
| 2-20                              | Process to determine remuneration   | <p>Board remuneration, AS p. 52</p> <p>Senior management and CEO compensation, AS p. 52</p> <p><a href="#">Information about the Board's remuneration</a></p>   |
| 2-21                              | Annual total compensation ratio   | President and Chief Executive Officer annual compensation compared with median annual compensation for all employees, AS p. 53  |
| Strategy, policies, and practices |   |   |

|                                |  |   |
|--------------------------------|--|---|
| 2-22                           | Statement on sustainable development strategy                                  | Message from the Chair, AR p. 5<br>Message from the CEO, AR p. 7  |
| 2-23                           | Policy commitments   | Risk management, AS p. 56<br>Ethical Principles for Business Relationships, AS p. 9<br>Policies and conditions for clean growth, CR p. 18<br>Business model, AR p. 10<br><a href="#">Vision</a>   |
| 2-24                           | Embedding policy commitments   | Percentage of employees who reviewed and signed Vancity's Code of Conduct, AS p. 20<br>Employees who completed training on policies and procedures concerning relevant aspects of human rights, AS p. 30<br>Ethical principles for Business Relationships, AS p. 9<br>Public policy and advocacy, AS p. 54<br>Reconciliation with Indigenous Peoples, AS p. 12<br>Reconciliation with Indigenous Peoples, AR p. 21<br>UNEP-FI Principles for Responsible Banking Principle 1: Alignment, AR p. 41 |
| 2-25                           | Processes to remediate negative impacts  | Internal whistleblowing to report any misconduct through <a href="#">Clearview Connects</a><br><a href="#">Compliments and complaints</a><br>UNEP-FI Principles for Responsible Banking Principle 2: Impact & target setting, AR p. 41  |
| 2-26                           | Mechanisms for seeking advice and raising concerns                             | Member concerns and complaints, AS p. 14<br>Whistleblower policies, AS p. 20<br>Employees who reviewed and signed Vancity's Code of Conduct, AS p. 20   |
| 2-27                           | Compliance with laws and regulations   | Legal actions and fines, AS p. 20   |
| 2-28                           | Membership associations  | Key memberships in associations and advocacy organizations, AS p. 55  |
| Stakeholder engagement         |  |   |
| 2-29                           | Approach to stakeholder engagement   | Member satisfaction, AS p. 14<br>Member feedback mechanisms, AS p. 14<br>Employee experience score, AS p. 27<br>Member participation in elections, AS p. 52<br>Stakeholder engagement, AS p. 53<br>Public policy and advocacy, AS p. 54<br>Member and client engagement, CR p. 14<br>Policy advocacy and community engagement, CR p. 16   |
| 2-30                           | Collective bargaining agreements   | Employees covered by collective bargaining agreements, AS p. 29   |
| Disclosures on material topics |  |   |
| 3-1                            | Process to determine material topics   | Process to determine material topics, AS p. 63  |
| 3-2                            | List of material topics  | Material topics, AS p. 64<br>Changes in measures from 2024, AS p. 59  |
| 3-3                            | Management of material topics  | Listed under each GRI standard below  |
| <b>201</b>                     | <b>Economic Performance</b>  |   |
| 3-3                            | Management of material topics  | Financial performance, AS p. 4<br>Financial performance, AR p. 15   |
| 201-1                          | Direct economic value generated and distributed                                | Direct economic value generated and distributed, AS p. 7  |
| 201-2                          | Financial implications and other risks and opportunities due to climate change | Climate-related risks and opportunities, CR, p. 9<br>Financial position and cash flows, CR p. 19<br>Risk management, CR p. 20   |

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|------------|--|--|
| 201-3      | Defined benefit plan obligations and other retirement plans                  | Pension and other retirement benefits, FS p. 39  |
| 201-4      | Financial assistance received from government                                | Tax relief or tax credit received from government, AS p. 11  |
| <b>202</b> | <b>Market Presence</b>   |  |
| 3-3        | Management of material topics  | Economic impacts, AS p. 7<br>Economic impacts, AR p. 19  |
| 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. 27 (Vancity does not report living wage by gender)<br>Paying a living wage, AR p. 27  |
| 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.   |
| <b>205</b> | <b>Anti-corruption</b>   |  |
| 3-3        | Management of material topics  | Privacy and security, AS p. 18<br>Privacy and security, AR p. 24   |
| 205-1      | Operations assessed for risks related to corruption                          | Not applicable. Vancity does not have operations in locations that have been flagged as high risk related to corruption.   |
| 205-2      | Communication and training about anti-corruption policies and procedures     | Percentage of employees who completed privacy training, AS p. 19<br>Percentage of employees who reviewed and signed Vancity's Code of Conduct, AS p. 20  |
| 205-3      | Confirmed incidents of corruption and actions taken                          | Fraud Incidents, AS p. 19  |
| <b>305</b> | <b>Emissions</b>   |  |
| 3-3        | Management of material topics  | Climate, AS p. 39<br>Climate, AR p. 29<br>Strategy and decision making, CR p. 10   |
| 305-1      | Direct (scope 1) GHG emissions   | Operational GHG emissions by scope and category, AS p. 41<br>Greenhouse gas emissions, AR p. 30<br>Operational emissions, CR p. 25   |
| 305-2      | Energy indirect (scope 2) GHG emissions                                      | Operational GHG emissions by scope and category, AS p. 41<br>Greenhouse gas emissions, AR p. 30<br>Operational emissions, CR p. 25   |
| 305-3      | Other indirect (scope 3) GHG emissions                                       | Operational GHG emissions by scope and category, AS p. 41<br>Financed greenhouse gas emissions: scope 3, category 15, AS p. 42<br>Greenhouse gas emissions, AR p. 30<br>Financed emissions – scope 3 (category 15), AR p. 30<br><br>Financed emissions profile – scope 3 (category 15), CR p. 30   |
| 305-4      | GHG emissions intensity  | Operational GHG emissions by scope and category, AS p. 41<br>Operational emissions, CR p. 25<br>Financed emissions by activity, CR p. 32   |
| 305-5      | Reduction of GHG emissions   | Information incomplete. Vancity has recently committed to GHG reductions targets in operational scope 1 and scope 2 emissions to be net zero by 2040 and for financed emissions (scope 3 category 15) from a 2023 baseline to a net-zero portfolio by 2040. Calculations and data showing reductions are still early stage. For more on GHG emissions reductions including the purchasing of offsets, see our Climate Report, p. 25 and p. 28. |

|            |  |  |
|------------|--|--|
| 305-6      | Emissions of ozone-depleting substances (ODS)  | Information not relevant to Vancity.<br>Vancity's operations do not produce, import, or export CFC-11 or any other ODS.  |
| 305-7      | Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions                    | Information not relevant to Vancity.<br>Vancity's operations do not contribute to a measurable increase of NOx, SOx, or other significant air emissions.   |
| <b>401</b> | <b>Employment</b>  |  |
| 3-3        | Management of material topics  | Employment, AS p. 27<br>Employment AR, p. 27<br>Performance management, AS p. 29<br>Labour relations and human rights, AS p. 29<br>Health and safety, AS p. 30   |
| 401-1      | New employee hires and employee turnover   | Number of permanent employee departures and turnover rates by gender and age, p. 33<br>Number of permanent new employee hires and new employee hire rate by gender and age p. 33   |
| 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. 31<br>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.  |
| <b>405</b> | <b>Diversity and Equal Opportunity</b>   |  |
| 3-3        | Management of material topics  | Diversity, equity, and inclusion, AS p. 34<br>Diversity, equity, and inclusion, AR p. 28<br>Board diversity, AS p. 51<br>Leadership diversity, AR p. 35  |
| 405-1      | Diversity of governance bodies and employees   | Percentage of employees in non-management, by indicator of diversity, AS p. 36<br>Percentage of employees in management, by indicator of diversity, AS p. 36<br>Percentage of employees in senior management, by indicator of diversity, AS p. 37<br>Board diversity, AS p. 51   |
| 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. 38<br>Average compensation for transgender or nonbinary employees as a percentage of average compensation for men, AS p. 38  |
| <b>406</b> | <b>Non-discrimination</b>  |  |
| 3-3        | Management of material topics  | Diversity, equity, and inclusion, AS p. 34<br>Diversity, equity, and inclusion, AR p. 28<br>Pay equity, AS p. 38   |
| 406-1      | Incidents of discrimination and corrective actions taken   | Employee grievances related to human rights and harassments, AS p. 30  |
| <b>413</b> | <b>Local Communities</b>   |  |
| 3-3        | Management of material topics  | Economic impacts, AS p. 7<br>Economic impacts, AR p. 19<br>Business relationships and value chain, AS p. 9   |
| 413-1      | Operations with local community engagement, impact assessments, and development programs           | Information not relevant to Vancity.<br>Vancity does not measure a percentage of operations with implemented local community engagement programs or disclose publicly environmental and social impact assessments, however we are currently revising our stakeholder mapping and engagement, see AS p. 53, and we have a strategy for Financial Health and Inclusion that includes a focus on vulnerable groups, see AS p. 21. |
| 413-2      | Operations with significant actual and potential negative impacts on local communities             | Information not relevant to Vancity.<br>Vancity does not have any specific locations or operations with significant actual and potential negative impacts on local communities.<br>For more on our overall portfolio analysis, UNEP-FI Principles for Responsible Banking Principle 2: Impact & target setting, AR p. 41.  |
| <b>417</b> | <b>Marketing and Labeling</b>  |  |

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|---|---|---|
| 3-3   | Management of material topics   | Service experience, AS p. 14<br>Service experience, AR p. 22<br>Privacy and security, AS p. 18<br>Privacy and security, AR p. 24  |
| 417-1   | Requirements for product and service information and labeling   | Responsible marketing and selling, AS p. 16   |
| 417-2   | Incidents of non-compliance concerning product and service information and labeling   | Responsible marketing and selling, AS p. 16   |
| 417-3   | Incidents of non-compliance concerning marketing communications   | Responsible marketing and selling, AS p. 16   |
| <b>418</b>  | <b>Customer Privacy</b>   |   |
| 3-3   | Management of material topics   | Privacy and security, AS p. 18<br>Privacy and security, AR p. 24<br>Responsible marketing and selling, AS p. 16   |
| 418-1   | Substantiated complaints concerning breaches of customer privacy and losses of customer data  | Breaches of privacy and losses of member or client data, AS p. 18   |
| <b>Financial Services Sector Supplement Disclosures</b> |   |   |
| 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. 57   |
| 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. 23<br>Triple bottom line assets and assets under administration (TBLAA), AS p. 6  |
| 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. 31<br>Products and services, CR p. 12<br>Assets, investing, and financing aligned to climate-related opportunities, CR p. 22<br>Triple bottom line assets and assets under administration (TBLAA), AS p. 6 |
| 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. 48<br>Responsible investment, AR p. 33<br>Greenhouse gas emissions and assets, investing, and financing activity exposed to material transition and physical risks, CR p. 23  |
| FS11  | Percentage of assets subject to positive and negative environmental or social screening   | Triple bottom line assets and assets under administration (TBLAA), AS p. 6<br>Responsible investment, AS p. 47<br>Responsible investment, AR p. 33<br>Managed client investments, CR p. 12  |
| FS13  | Access points in low-populated or economically disadvantaged areas by type  | Capacity building and initiatives to improve access, AS p. 22   |
| FS14  | Initiatives to improve access to financial services for disadvantaged people  | Responsible marketing and selling, AS p. 16<br>Financial health and inclusion, AS p. 21<br>Capacity building and initiatives to improve access, AS p. 22<br>Accessibility in our built environment, AS p. 24  |

# Sustainability Accounting Standards Board content index.

Vancity has partially reported to applicable [SASB standards](#) for the period January 1, 2024 to December 31, 2024. 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](http://vancity.com/AnnualReport).

AS = 2024 Accountability Statements

AR = 2024 Annual Report

CR = 2024 Climate Report

FS = 2024 Consolidated Financial Statements

| SASB Topic   | Code         | Indicator  | Page number, link, or explanation   |
|--|--------------|--|---|
| <b>Asset Management &amp; Custody Activities</b>   |              |  |   |
| 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. 19<br>Legal actions and fines, AS p. 20<br>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 <a href="#">website</a> .  |
| 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. 36<br>Percentage of employees in management by indicators of diversity, AS p. 36<br>Percentage of employees in senior management by indicators of diversity, AS p. 37 |
| Incorporation of Environmental, Social, and Governance Factors in Investment Management & Advisory | 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. 6   |
|  | 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. 47<br>Responsible investment, AR p. 33<br>Strategy and decision making, CR p. 10  |
|  | FN-AC-410a.3 | Description of proxy voting and investee engagement policies and procedures  | Corporate engagement, AS p. 48<br>Responsible investment, AR p. 33<br>Engagement with portfolio companies, CR p. 16   |
| 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 profile – Scope 3 (category 15), CR p. 30  |
|  | FN-AC-410b.2 | Total amount of assets under management (AUM) included in the financed emissions disclosure  | Financed emissions by activity, CR p. 32  |

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|   | FN-AC-410b.3 | Percentage of total assets under management (AUM) included in the financed emissions calculation  | Financed emissions by activity, CR p. 32  |
|   | FN-AC-410b.4 | Description of the methodology used to calculate financed emissions   | Methodologies for emissions calculations – Financed emissions: scope 3, category 15, CR p. 47   |
| 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 behavior, market manipulation, malpractice, or other related financial industry laws or regulations | Fraud incidents, AS p. 19<br>Legal actions and fines, AS p. 20<br>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. 14<br>Whistleblower policies, AS p. 20  |
| Activity Metrics                        | FN-AC-000.A  | Assets under management (AUM)   | Key financial indicators and ratios – Balance sheet and off-balance sheet, AS p. 5<br>Targets and results, AR p. 13   |
|   | FN-AC-000.B  | Total assets under custody and supervision  | We do not report assets under custody and supervision.  |
| <b>Commercial Banks</b>                 |              |   |   |
| 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. 18<br>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. 18<br>Privacy, AR p. 24<br>See <a href="#">Vancity Privacy Code</a>  |
| Financial 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. 57 for more information) 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. 57 for more information) 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. 22   |
|   | FN-CB-240a.4 | Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers  | We no longer track and report the number of participants in financial literacy programs because the programs aimed specifically at unbanked, underbanked, or underserved customers have been shifted to some of our partner organizations, and financial literacy has become embedded as a key topic under our service experience to all members (see Advice and financial literacy, AS p. 15 for more information).  |

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| 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. 56<br>Strategy, CR p. 9  |
| 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 profile – Scope 3 (category 15), CR p. 30  |
|   | FN-CB-410b.2 | Gross exposure for each industry by asset class   | Financed emissions by activity, CR p. 32  |
|   | FN-CB-410b.3 | Percentage of gross exposure included in the financed emissions calculation   | Financed emissions by activity, CR p. 32  |
|   | FN-CB-410b.4 | Description of the methodology used to calculate financed emissions   | Methodologies for emissions calculations – Financed emissions: scope 3, category 15, CR p. 47   |
| 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 behavior, market manipulation, malpractice, or other related financial industry laws or regulations | Fraud incidents, AS p. 19<br>Legal actions and fines, AS p. 20<br>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. 14<br>Whistleblower policies, AS p. 20  |
| 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. 57 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. 57  |
| 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. 44<br>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. 31<br>We partially report value of retail loans including revolving credit loans.  |
| <b>Consumer Finance</b>   |              |   |   |
| 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. 19   |
|   | 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. 20   |
| 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.18<br>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  | We do not report card-related fraud losses.   |
|   | FN-CF-230a.3 | Description of approach to identifying and addressing data security risks   | Privacy, AS p. 18<br>Privacy, AR p. 24<br>See <a href="#">Vancity Privacy Code</a>  |

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| 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 are conducting a review of variable compensation plans. We do not yet report remuneration of covered employees that is variable and linked to the amount of products and services sold.  |
|                         | 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. 14 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. 20  |
| 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 credit card accounts as at December 31, 2024 was 196,367.  |
| <b>Mortgage Finance</b> |              |   |  |
| 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. 31<br>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. 17<br>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. 19<br>Legal actions and fines, AS p. 20<br>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.   |
|                         | 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. 20  |
|                         | 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 |

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|  |              |  | relevant aspects of human rights, AS p. 30 and Employees who reviewed and signed Vancity's Code of Conduct AS p. 20 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   | Metrics and targets, CR p. 22   |
|  | FN-MF-450a.2 | (1) Total expected loss and (2) Loss Given Default (LGD) attributable to mortgage loan default and delinquency due to weather-related natural catastrophes, by geographic region | Climate resilience, CR p. 21<br>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. 56<br>Climate commitments, CR p. 6<br>Strategy, CR p. 9  |
| 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. 31<br>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 as mortgages purchased is not a significant part of the business.   |

# 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. 50   |
| Communicating with members at a frequency and in a format that provides for meaningful comparison and evaluation   | Member concerns and complaints, AS p. 14<br>About this report, AR p.42   |
| 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. 52   |
| Director attendance records for board and committee meetings and educational activities  | Governance, AS p. 50   |
| Board and committee chairs and memberships   | Governance, AS p. 50<br>2024-25 Directors, AR p. 36<br>Key memberships in associations and advocacy organizations, AS p. 55  |
| Senior management and independent oversight functions  | Governance, AS p. 50<br>Executive leadership team, AR p. 38  |
| 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. 50<br>2024-25 Directors, AR p. 36<br>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. 15  |
| The total amount and form of compensation paid to the CEO  | Senior management and CEO compensation, AS p. 52<br>Senior management and executive compensation, AR p. 39   |
| The rules of the credit union  | Governance, AS p. 50<br><a href="#">Constitution and Rules - Vancity</a>   |
| A description of credit union policies and practices for compensation  | Senior management and CEO compensation, AS p. 52<br>Paying a living wage, AS p. 27<br>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. 8<br>Distribution to community and members, FS p. 49<br>Targets and results, AR p. 13 |
| 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. 53   |
| 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. 14<br>Member concerns and complaints, AS p. 14   |