

Vancity is committed to transparent communications with our members. As has been done in previous years, we've compiled thematic answers to member questions from the Annual General Meeting (AGM) that took place on May 6, 2025. Member questions—submitted both online and in-person—that may have been left unanswered due to time constraints are answered here, with some outstanding questions to be included in part two, to follow.

Member Services

Member Deposits & Returns

How does Vancity set its GIC/term deposit rates?

Our GIC rates are competitive and reflect market conditions, including recent rate changes by the Bank of Canada. Rates also vary based on product features and terms. Unlike some online-only institutions, we balance competitive returns with the costs of offering personalized service, branch access, and long-term stability. We offer promotional rates from time to time and a range of deposit options to suit different needs.

We do not aim to be a price leader, instead we focus on providing long-term value and stability.

Does Vancity have any plans to issue investment shares?

Credit unions may issue non-voting investment shares from time to time, allowing members to invest directly in their credit union's long-term growth and success. While Vancity may choose to issue investment shares in the future when raising additional capital is a priority, we currently have no plans to do so.

How can we be sure that Vancity puts members' deposits to good use?

At Vancity, we've always done things differently—for members and for our communities. We drive impact in areas where we can accelerate positive change, and offer hope that change is possible. But it's not enough to be a credit union that does good — we need to be a good credit union too.

When we say that Vancity is a Financial Force for Change, it means that we are determined to use the transformational power of money—your money—to create fair, equitable, resilient economies and communities.

We offer interest rates that are fair and competitive in relation to our external environment. Rates can vary, but one thing members can always count on, is that Vancity puts your money to good use.

Service Fees

How does Vancity approach the issue of service fees?

Vancity owes it to our members to be financially sustainable. Service fees cover our costs, many of which—such as Interac® e-Transfers—are incurred from our providers on an as-used basis. Fees are also an important revenue stream that ensures we can continue to invest in our products and services.

We understand that no one likes fees, but we update our service fees on occasion to allow us to invest in services for members. Our fees continue to be below the rates charged by other Canadian banks and credit unions.

As we've done for many years, we continue to provide several free banking services to members who need them:

- Our Access Chequing account provides free banking services to members with disabilities, as well as members that are part of our Refugee Assistance Program.
- We also offer free accounts to youth (under 25) and to seniors (65+).

Statements

Why did Vancity start charging for paper statements?

Charging for paper statements allows Vancity to recover some of our production costs. This fee is not unique to Vancity—today most financial institutions charge for printing and mailing statements.

Online statements can be accessed anytime in online banking—they provide the same information as printed statements and they are free. Online statements are also the more environmentally sustainable choice.

Certain member accounts do not have to pay the paper statement fee (e.g., youth, Pigeon Park, Refugee Assistance Program and more).

How does Vancity support members with varied needs to ensure inclusive access in both digital and print form?

As a values-based credit union, Vancity makes finance more inclusive in many ways, including providing basic banking accessible for everyone.

Members who have medical or accessibility barriers, or those without access to reliable internet due to affordability issues, can speak to a Vancity representative about alternatives to online banking.

In-person Branch Service

What is Vancity's branch strategy and what can we expect for the future?

Our branches are a very important part of our connections to community, and branches will continue to be a key part of how we serve members in future.

Our branch strategy reflects the changing makeup and needs of our communities. Vancity plans to open a new Burquitlam branch in Coquitlam in late 2025—and, we opened new branches on Lonsdale in North Vancouver and Wesbrook at UBC in 2023.

Three Vancity branches permanently closed in May 2023. Members were notified of the change and directed to the nearest alternate branch for in-person service. We are committed to balancing branch service to meet member needs while responding to changes in business conditions when necessary.

Banking for Newcomers

How does Vancity support newcomers with access to banking services?

Many newcomers have difficulty accessing credit in the first few years after their arrival because their credit history is often not recognized by financial institutions in Canada.

Since the 1990s, Vancity has opened bank accounts for thousands of refugees who transition through agencies that focus on settlement work. Through Vancity's Refugee Assistance Program, we offer multiple services to support the banking needs of newcomers, refugees, and displaced people. These include access to credit through Visa credit card services as well as Community Partner Refugee loans, start-up loans, and Foreign Credential Recognition services (FCR). The loan may be used to cover the costs of credential evaluation, bridging courses and exams, as well as other necessities, including English language courses, laptops, work equipment and rent.

Vancity is building additional support for the newcomer community in 2025.

Impact Strategy – Affordable Housing

What is Vancity doing to help alleviate the affordable housing crisis?

Affordable housing is one of the most challenging problems facing our members and communities. For years, we've funded organizations that help people living along the housing continuum: from emergency shelters through to transitional and subsidized housing, co-operatives, affordable market rentals and property ownership.

In 2024, 1,924 units of affordable housing were constructed or renovated with financing from Vancity. We also invested \$1 million in the [Vancity Affordable Community Housing Program](#), delivered through the Vancity Community Foundation. Through this program, grants are made

to non-profit housing providers and community landowners to build capacity or develop projects, and loans are made to kickstart the development of new housing projects.

Another important way Vancity supports the affordable housing sector in BC is through our deposit pools with the Co-operative Housing Federation of BC (CHFBC) and the BC Non-profit Housing Association (BCNPHA). In 2024, the pools generated \$1.45 million in core funding for CHFBC and \$2.44 million for BCNPHA.

How does Vancity ensure that its financing supports organizations that not only work to enlarge the supply of affordable housing, but also preserve affordability in the long-term?

We take a very careful, values-driven approach to commercial lending—especially when it comes to real estate and affordable housing. Before we approve any deal, we do a thorough review of both the project and the borrower. We prioritize developments that support affordability, community benefit, and long-term stability.

We don't finance private equity firms or those looking to flip properties and maximize short-term returns. That said, once a development is complete, we don't have control over future ownership decisions. Our goal is always to ensure that the projects we finance start with values-aligned foundations – reputable partners, clear community values, and a long-term lens. We work with borrowers who share our commitment to doing right by the community. In fact, we have many long-term relationships with non-profits and other organizations that share our commitment to affordable housing.

Vancity Community Investment Bank provides [specialized commercial financing](#) to housing developers and organizations that prioritize increasing the supply of affordable housing, as well as preserving affordable spaces. This includes [land trusts](#), [non-profits](#), [co-operatives](#) and [long-term care organizations](#) that build affordable and sustainable communities across Canada.

Operations

How many individual mortgages did Vancity fund in 2024?

As of the end of 2024, Vancity had a total of \$24,606,681 in loans and mortgages to private and business members. Vancity does not currently disclose the number of loans and mortgages.

How much of Vancity's operating income is reinvested into member services?

We invest 30% of our net profits into our members and communities. And because we're a co-operative, our members are our owners, so all other profits are re-invested into the organization.

This year, we are implementing a new, state-of-the-art digital and online banking platform—our biggest single financial outlay in 2024 and a significant financial commitment for 2025. These upgrades will close our 'tech gap' and offer members the technology solutions they have been

asking for. Other service improvements are being implemented on an ongoing basis, both in our products and services, and in back-end processes and operations.

Compensation and benefits for our member-serving staff is above market, recognizing their effort and dedication to advising our members and serving their financial needs. While we do

not track “investment in member services” as a standalone, clearly-defined metric in our financials—investing in member services is a central operational spending priority for Vancity.

Why did Vancity select KPMG as its auditor, and is KPMG a Canadian firm?

Vancity’s external auditors are appointed annually by our membership at the Annual General Meeting, on recommendation from the board of directors. Vancity and its board consider the auditor appointment annually in deciding on this recommendation. Our current auditors, KPMG Canada, have been the external auditors for Vancity since 2008 and the last time a competitive bidding process was undertaken for the external audit engagement was in 2016. They were vetted under our procurement processes with consideration for best practices, ethical standards and values alignment.

Why did Vancity select KPMG as its auditor, and is KPMG a Canadian firm?

Vancity’s external auditors are appointed annually by our membership at the Annual General Meeting, on recommendation from the board of directors. Vancity and its board consider the auditor appointment annually in deciding on this recommendation. Our current auditors, KPMG Canada, have been the external auditors for Vancity since 2008 and the last time a competitive bidding process was undertaken for the external audit engagement was in 2016. They were vetted under our procurement processes with consideration for best practices, ethical standards and values alignment.

KPMG Canada is a legally distinct entity from KPMG International.

Values and Vision

What are Vancity’s priorities around financial resilience and economic trends (e.g. tariffs)?

Vancity’s focus is on helping our members and communities be resilient in the face of economic uncertainty – whether that is inflation, interest rates, or global trade tensions like tariffs. We’re still feeling the effects of disrupted supply chains and shifting global markets. That’s why we continue to invest in local businesses, the growing Indigenous economy, and financial tools that help our members build long-term stability.

Resilience means more than weathering short-term shocks – it means preparing for the future. And we believe strong, inclusive, local economies are the best foundation for that future.

Is Vancity still committed to its underlying values?

At Vancity, we’re holding firm to the values that make us different. From tackling the housing and affordability crises to advancing equity, climate action, and Reconciliation, we continue to focus on where we can drive real, lasting change.

We’ve also renewed our commitment to the member experience, because being grassroots means staying connected to the people we serve. Our work is rooted in community – and that hasn’t changed.

How are values reflected in staff retirement practices?

At Vancity, our values show up in how we care for our employees – including how we support their financial well-being into retirement. That’s why we offer a defined benefit pension plan, which is considered the gold standard for retirement security.

Unlike many private sector employers, we made it a priority to expand access to this kind of stable, predictable retirement income for all staff. We listened to employee feedback, worked with pension experts, and launched a new plan in 2023 that now includes the majority of our employees – including PPWC members, who joined in October 2023.

It’s one more way we’re living our values—by investing in the long-term security and dignity of the people who make our organization what it is.

Board and CEO Remuneration

Q: What are the current Board and CEO compensation levels and how do they compare with other credit unions?

A: For the 2023–2024 Board year, director remuneration ranged from \$52,186 to \$85,140 depending on the role, with additional reimbursed expenses varying by director (e.g., \$938 to \$37,500).

When compared to our peers’ compensation, Vancity has a smaller board (nine members) than most other large Canadian credit union (typically 12 members). Vancity is one of Canada’s largest credit unions and our robust impact focus adds even more complexity – and volume – to the work required of Vancity’s board members. In a comparison with six other large Canadian credit unions, based on 2023 annual reports, Vancity had the second highest chair and director absolute compensation, and third highest committee chair compensation. But we had only the second lowest overall spend on director compensation and the fourth lowest estimated average compensation per director. The compensation changes proposed at the AGM were meant to keep Vancity in line with our Canadian credit union peers.

Vancity’s CEO total compensation for 2024 was \$1,108,914, which included:

- Base salary: \$480,769
- Short-Term Incentive: \$319,682
- Discretionary Long-Term Incentive: \$308,463

This compensation was reviewed and approved by the Board and is also benchmarked against peer organizations.

Meeting Fees and Compensation Structure

Is compensation for Director meetings fees a new proposal?

Board Remuneration is reviewed every three years by a committee of Vancity members, who make recommendations to be voted on by the membership. The proposed new meeting fee for Directors was part of this year’s set of recommendations made by the Director Remuneration Committee.

The rationale from the Directors' Remuneration Committee behind the proposed fee was with respect to the extra time and work some board members take on through special committees. These aren't permanent groups—they're set up by the board for specific purposes, like CEO searches, and they often meet several times a year.

Why recommend increases to Board Directors remuneration?

To ensure independent governance and oversight of the credit union by its member-elected board, Vancity's Board Directors are not employees. As a result, board remuneration is reviewed every three years by a member-led committee and approved by members at the AGM.

This is, intentionally, a process entirely independent from, and unconnected to, any staffing decisions made by Vancity.

Do Board members hold other jobs? How many hours do directors work? Are current stipends livable?

Each Board Director has their own personal circumstance, although many do hold other employment. Directors average 50+ hours of work per month, preparing for and attending meetings, strategic planning sessions, Director development opportunities, and community events. Meetings and events may take place during regular business hours, on weekday evenings, and/or on weekends.

We look for members with strong communication skills, effective judgement, and respect for others—in addition to the key attributes and experience set out in our list of Desired Director Attributes and Experience and the focus areas highlighted for aspiring directors.

Governance and Meeting Procedures

Is there a limit to the number of years that Vancity Directors can serve?

Vancity directors are elected by the membership, each serving a three-year term. Directors can serve up to four consecutive terms if re-elected: this would total a maximum of 12 years. Information on each director and their length of service can be found at vancity.com/about/leadership/board-of-directors.

How can members add new business to the agenda?

Members may bring forward requests to the Board of Directors anytime, and sometimes, may wish to bring them for consideration by the general membership.

- A **member proposal** is a matter proposed for member consideration and must be delivered in writing 90 days before the AGM and then attached to the notice of meeting, in accordance with the Credit Union Incorporation Act.
- A **member special resolution** is for more complex business matters. Members may propose a special resolution for consideration at a general meeting or special general meeting. A minimum of 300 signatures, plus around 5,630 signatures (as required under the Credit Union Incorporation Act s77(4)(b)(ii)), alongside a clear submission of the special resolution is required at least 90 days before the AGM. To pass, two-thirds of members who vote need to approve the resolution.