

2023

# *ESG Report*

*(Environmental,  
Social, and Governance)*



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# A MESSAGE FROM THE CEO

From challenging economic conditions to unprecedented climate events, ESG has had a vital influence on the world today – both inside and outside of the boardroom. As local and community-based financial institutions, Canada's credit unions integrate the core principles of ESG into their cooperative values. This includes a longstanding dedication to making a positive impact on the financial, social, and environmental well-being of Canadians and the communities they live in.

Today, over 11 million\* Canadians trust a local credit union or caisse populaire as their chosen financial institution because they put their members first. Canada's credit unions are proud to provide close to 30,000 people in Canadian cities, big and small, with purposeful and financially lucrative employment. In 2023, credit unions across Canada reinvested 5.4 percent of their pre-tax profits into local community organizations.

The 2023 ESG Report showcases the ongoing contributions that Canada's credit union/caisse populaire sector make to the Canadian economy. Read this comprehensive report to see how the sector is making a difference in local communities across the country from an environmental, social, and governance perspective.



**Jeff Guthrie,**  
*President & CEO | CCUA*

\*Figure includes Quebec.



## SECTION I

# *Canada's Credit Unions*



# CANADA'S 389\* CREDIT UNIONS AND CAISSES POPULAIRES

Are **member-owned, co-operative financial institutions**. This different way of banking allows Canadians to hold on to more of their money.

Are governed by about 4,079 volunteer directors\*



Women CEOs number 31%, proving credit unions are leading Canada's financial services in gender parity\*

Are the only financial institutions operating in over 350 communities



Operate from 2,055 locations,\* including rural and local locations\*



Serve over 11 million Canadians\*



\*Data includes the Desjardins Group



## SECTION II

# *Environment*

# CANADA'S CREDIT UNIONS UNDERSTAND THE IMPORTANCE OF CLIMATE CHANGE

Credit unions **understand the impact of climate change**, extreme weather events and its risk to the sustainable development of their members. Although they are at various stages of their journey, they are taking **proactive measures to address climate-related risks and opportunities**. Credit unions are responding to climate change by:

1 in 10 Credit Unions offer GICs & Term Deposits that help fund social and/or environmental causes

3 in 10 Credit Unions offer Eco-Loans



2 in 6 Canadian signatories to the U.N.'s Principles of Responsible Banking are Credit Unions

2 in 8 Canadian signatories to the U.N.'s Net Zero Banking Alliance (NZBA) are Credit Unions

4 signatories to the U.N.'s Principles of Responsible Banking & U.N.'s Net Zero Banking Alliance (NZBA) are Credit Unions



Figures are based on year-end 2023 reporting



2023-2024 ESG REPORT  
(ENVIRONMENTAL, SOCIAL, AND GOVERNANCE)

# CLIMATE CHANGE IS AN URGENT CRISIS

Climate change, including extreme weather events, is an urgent crisis with broad social and environmental consequences. Credit unions are responding to climate change by:

Adopting climate-related financial risk disclosures

Offering eco-loans and/or socially responsible investment products

Reducing paper waste through specific program(s)



Reducing IT waste with procurement guidelines and/or equipment optimization processes, and/or by participating in recycling programs

Lending to social enterprises, co-operatives or other businesses that have an explicit mission to address social and/or environmental issues

Maintaining robust waste management programs to divert materials away from landfills





# CREDIT UNIONS CARE ABOUT THE ENVIRONMENT

## Meridian Credit Union (ON):

In honour of Earth Month 2023, Meridian Credit Union developed an inspirational initiative for Ontario-based businesses to get their environmental improvement ideas moving. The Meridian Eco-Upgrade Project included more than \$30,000 in funding for green initiatives designed to save resources and shrink Meridian's carbon footprint.

## East Coast Credit Union (NS):

Currently, three East Coast Credit Union branches utilize solar energy to generate their own power. In addition, the credit union has partnered with Bullfrog Power to offset the remaining energy consumption of its branch operations. As part of this partnership, the credit union purchases RECs (renewable energy certificates) from Bullfrog, audited from regional and provincial renewable energy sources. As the credit union undertakes renovations, it continues to look for other opportunities to reduce energy use, such as incorporating LED lighting, occupancy sensors, geothermal heating and cooling, and green roof applications.

## Your Neighbourhood Credit Union (ON):

Your Neighbourhood Credit Union has a Battery Recycling Program that allows residents to drop off their used batteries at any YNCU location to be shipped to Environmental 360 Solutions Ltd. (E360S) in Port Colborne. E360S will then proceed with separating the single-use batteries into metals, minerals, plastics, and paper. Following this the entire battery is recovered and reused, keeping all materials from the landfill to further reduce waste in the local community.



## SECTION III

# *Social*

# GIVING BACK TO OUR MEMBERS

Credit unions exist to **provide service to their members and not solely to generate profit**. Credit unions are committed to improving the financial wellbeing of Canadians.

## 4,867 of Ding-Free ATMs

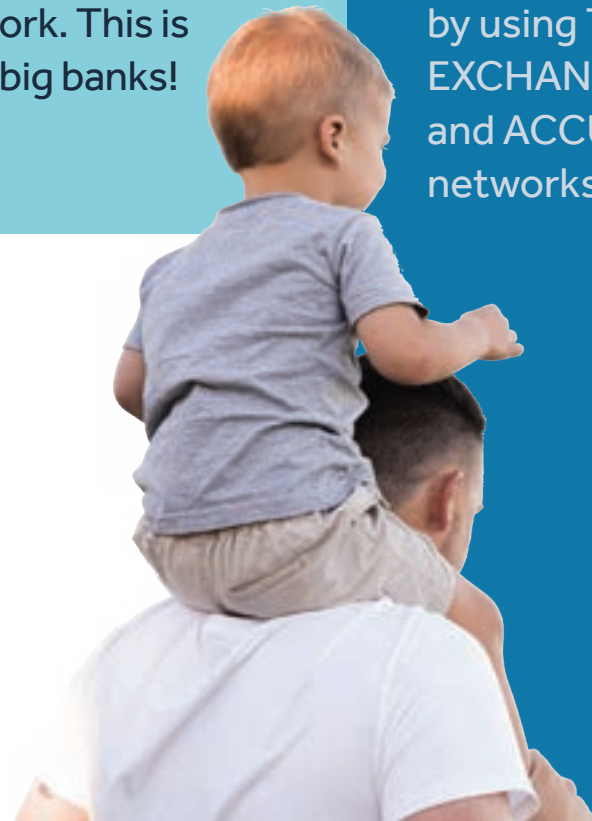
Across Canada, credit union members can access surcharge-free ATMs at any other credit union through the ACCULINK shared service and THE EXCHANGE network. This is an ATM network bigger than most big banks!

## \$15.5 million saved

Members saved over \$15.5 million on ATM fees by using THE EXCHANGE and ACCULINK networks.

## Returned \$283 million to members

Canada's credit unions returned \$283 million to their members through dividends and patronage.



# INDIGENOUS RECONCILIATION AND DEI

## Summerland and District Credit Union (BC):

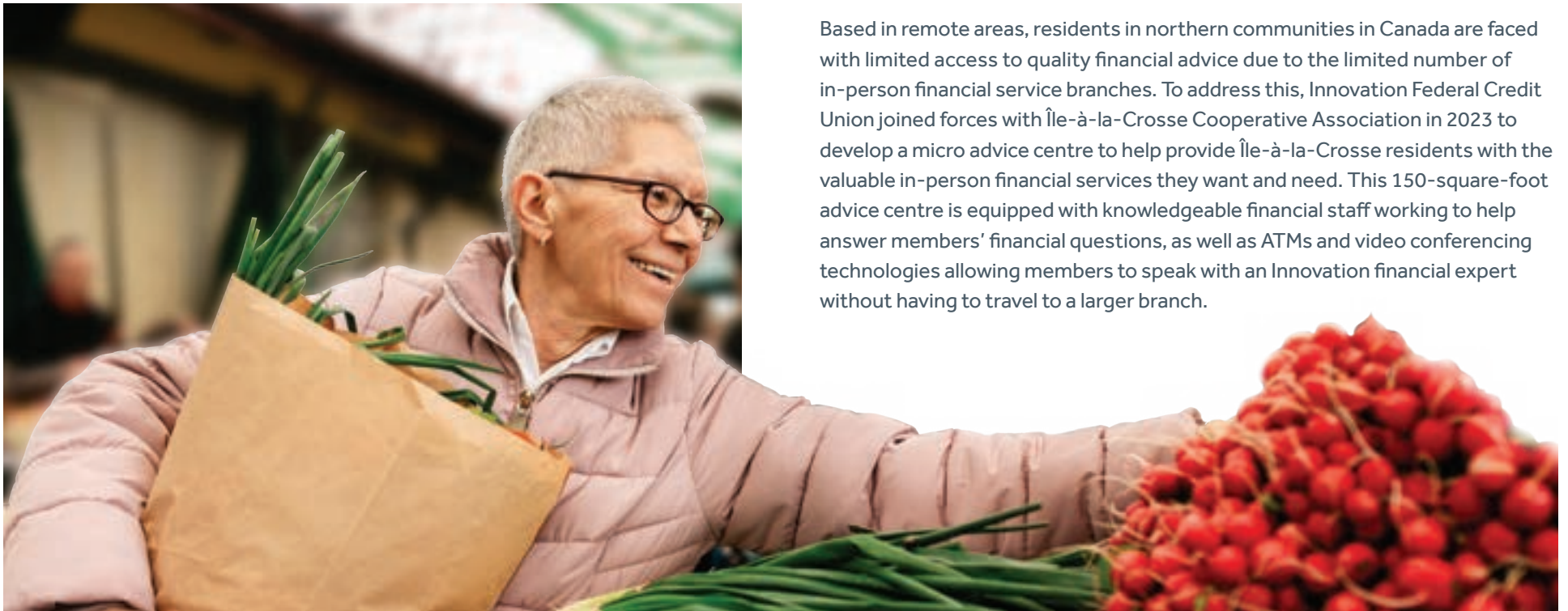
Last year in March, Summerland and District Credit Union launched its Wage Equity Initiative, a project designed to address the systemic disparities in compensation and opportunities facing minorities in the workforce. This initiative reinforces the credit union's longstanding dedication to fostering gender equality and fair pay practices for those working within the financial industry and beyond.

## Northern Credit Union (ON):

In June 2023, Northern Credit Union made a \$5,000 donation to 5 Ontario Federation of Indigenous Friendship Centres as part of the credit union's continued efforts to provide safe and inclusive spaces for Indigenous communities to gather, connect, receive support, and practice their culture. The donation also helped to support the North Bay Indigenous Friendship Centre's (NBIFC) 15th Annual Pow-Wow, where the community of North Bay learned about and celebrated different aspects of Indigenous culture.

## Innovation Federal Credit Union (SK):

Based in remote areas, residents in northern communities in Canada are faced with limited access to quality financial advice due to the limited number of in-person financial service branches. To address this, Innovation Federal Credit Union joined forces with Île-à-la-Crosse Cooperative Association in 2023 to develop a micro advice centre to help provide Île-à-la-Crosse residents with the valuable in-person financial services they want and need. This 150-square-foot advice centre is equipped with knowledgeable financial staff working to help answer members' financial questions, as well as ATMs and video conferencing technologies allowing members to speak with an Innovation financial expert without having to travel to a larger branch.





# PROMOTING DIVERSE AND INCLUSIVE COMMUNITIES

## Assiniboine Credit Union (MB):

Assiniboine Credit Union (ACU) has fostered a culture of open and respectful communication, and allyship with Indigenous Peoples. ACU wholeheartedly supports its workforce in diversity, equity, and inclusion training with a strong emphasis on learning about Indigenous Peoples and engaging in Reconciliation. This transformative work is spearheaded by the Indigenous Leadership Circle (ILC), an employee-led circle that operates with the full support of ACU. The ILC is dedicated to raising awareness of Indigenous issues and sharing knowledge and lived experiences. Through a series of impactful events, tours, and educational activities they have connected credit union employees and members to the rich tapestry of Indigenous history, culture, traditions, and awareness.

As a powerful ally, in 2023, ACU awarded two bursaries to Indigenous individuals enrolled in post-secondary business programs, partnered with AMIK Inc. to deliver two Cultural Awareness sessions, and had 95 credit union employees enroll in CCUA's Reconciliation Education Indigenous Awareness course. These initiatives underscore ACU's unwavering commitment to the Calls to Action of the Truth and Reconciliation Commission of Canada and its dedication to the Winnipeg Indigenous Accord.

## Prospera Credit Union (BC):

In 2023, Prospera Credit Union launched customized unconscious bias and microaggressions training courses for all employees. These courses had a 99 percent completion rate and led to important discussions among teams about racism and ways to create a safer, more respectful environment for their employees and members.

In addition, their four employee resource groups, Prospera Women's Network, Prospera Pride (for the 2SLGBTQ+ community and their allies), Tapestry (for newcomers to Canada) and PossAbilities (for employees and family members with disabilities) continue to grow, with more than 135 employees attending events and meetings last year.



# CANADA'S CREDIT UNIONS MAKE AN IMPACT IN THEIR LOCAL COMMUNITIES\*

An average of **5.4%** of Canada's credit unions' pre-tax income went to community donations and sponsorships.

In the same year, credit unions contributed **\$56 million**:

**\$45.8M**

Donations

**\$0.6M**

Donations-in-kind

**\$1.3M**

**940** credit union scholarships and bursaries

**70,000+**

Volunteer hours by credit union employees



**60%**

Credit union purchases from nonprofits, social enterprises, co-ops, B Corps, Indigenous-owned, locally-owned businesses and purchasing products and services that are fair trade and support environmental sustainability.

**23,385**

Canadians reached through financial literacy programs



Discounted financial services to **35,671** community organizations



**\$9.1M**

Sponsorships towards improving health, education, standard of living among others

Figures are based on year-end 2023 reporting | \*Data does not include Desjardins



2023-2024 ESG REPORT  
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# GIVING BACK

Canada's credit unions constantly seek ways to support their local communities and neighbourhoods.

The examples below are just a few of the different ways credit unions across the country continue to give back to the local economy.

## Affinity Credit Union (SK):

Community events and organizations help build vibrant communities and Affinity Credit Union is proud to lend its support to their important work.

In 2023, Affinity announced its commitment of \$250,000 to the Saskatoon Food Bank & Learning Centre's Plant Possibility Campaign. This funding will contribute to a new, central facility that will optimize its operations and enhance its ability to address hunger. This vital contribution reinforces the credit union's commitment to positively impacting the community, as the funds will enable the Saskatoon Food Bank & Learning Centre, and the role it plays within the provincial food bank association, to deliver much-needed services and programs to local residents – both now and in the future.

## Libro Credit Union (ON):

Credit unions care about creating a fair and equitable world for all Canadians. Last year, Libro Credit Union renewed its partnership with Junior Achievement South Western Ontario (JA) to expand the delivery of financial literacy programming to over 4,000 elementary and high school students in Ontario. The credit union committed to donating \$150,000 over three years to JA – an organization dedicated to inspiring and preparing young people to succeed in a global economy, helping students avoid the cycle of poverty and develop real-world skills they can apply to their lives immediately and in the future.

This financial investment went towards helping students in grades 4 through high school to build financial literacy skills that will significantly impact their future.

## Westoba Credit Union (MB):

In 2023, Westoba Credit Union stepped in to support enhanced accessibility at the Somerset Community Hall. As part of the Westoba Credit Union Inspire Program, Westoba donated \$15,000 to support the construction of barrier-free washroom facilities.



# SUPPORTING AFFORDABLE HOUSING IN OUR COMMUNITIES

Credit unions are among the **largest lenders** to homeowners.

\$171 million spent towards affordable housing, excluding residential mortgages



Partnerships with non-profits like Habitat for Humanity



Collaborating with Indigenous Nations to build cost-effective and eco-friendly houses

Loans are available to community organizations for affordable rentals, benefiting vulnerable Canadians

Affordable Housing GICs & Loan Products





# SUPPORTING AFFORDABLE HOUSING IN OUR COMMUNITIES

Collaboration with the Canada Mortgage and Housing Corporation (CMHC) allows credit unions to lend a higher percentage of funds for construction costs to private landlords planning affordable housing projects.



Donations & volunteer hours to help build affordable homes



Innovation through programs such as Rent-to-Own & Family & Friends Mortgage



# AFFORDABLE HOUSING

Credit unions across Canada are making great strides to ensure members have access to affordable housing and the financial fortitude to keep afloat in these turbulent times. From offering competitive rates on variable and fixed mortgages to repayment flexibility and innovative strategies to unlock a path to homeownership, credit unions are doing their part to build avenues of entry for residents in the Canadian housing market.

## Kootenay Savings Credit Union (BC):

To help address the housing crisis facing many Canadians in Manitoba, Kootenay Savings Credit Union donated \$10,000 to support the Lower Columbia Affordable Housing Society's Fruitvale Affordable Housing Project to help with the development of affordable housing units in Fruitvale, Manitoba. The new build will go towards building 31 units of varied affordable housing in the Fruitvale community.

## Assiniboine Credit Union (MB):

To put their values of truth and reconciliation into action in 2023, Assiniboine donated \$10,000 to the Astum Api Niikinaahk Tiny Homes Village. The first of its kind, the village consists of a community of 22 minimal-barrier, independent homes designed to provide housing to community members in need in some of Winnipeg's most disadvantaged neighbourhoods. Assiniboine's donation is in keeping with the financial institution's cooperative values to foster healthy

and inclusive communities for those residing in Manitoba as they work toward their vision of a world where innovative financial services in local communities contribute to a sustainable future for all.

## Servus Credit Union (AB):

The need for affordable housing for communities across Alberta is at critical levels. Servus is a proud partner of The Right at Home Housing Society which focuses on providing Edmonton residents with safe, affordable, and adequate housing to ensure the most vulnerable populations are not left out in the cold.



## SECTION IV

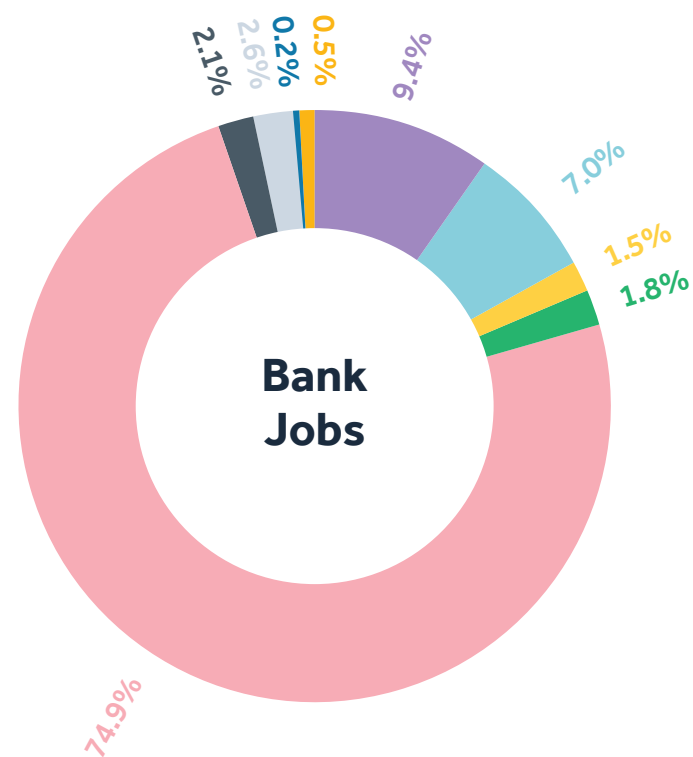
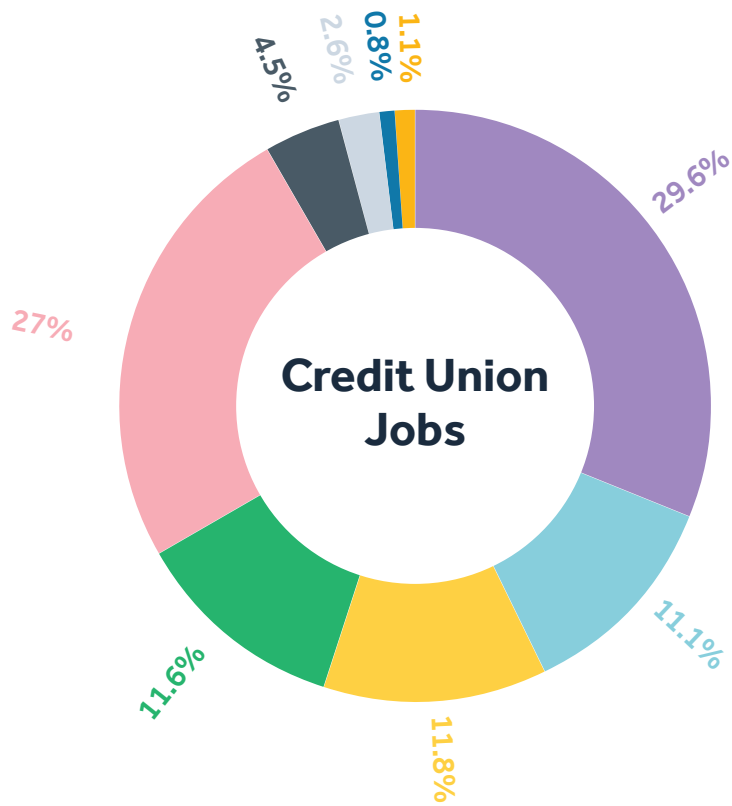
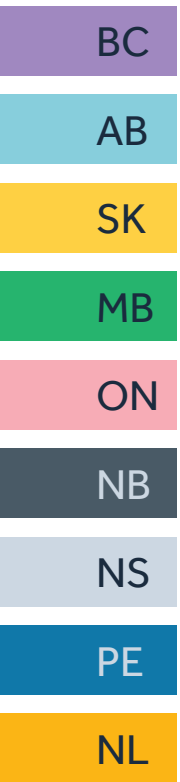
# *Canada's Economy*

# STRENGTHENING CANADA'S ECONOMY

Credit unions in Canada provide close to **30,000 full-time jobs** in their communities.

## Jobs on Main Street

Credit unions provide good jobs on main streets of cities and towns from coast-to-coast. Because credit unions and their head offices are based locally, professional jobs are distributed across all regions in Canada. Compare that to 75 per cent of big bank jobs that are concentrated in Ontario and its big financial centres.



Source: CCUA, Q2 2024 & CBA, 2022



# LENDING MARKET SHARE

Canada’s credit unions are among the largest lenders to homeowners. Credit unions are **supporting home ownership** by providing homeowners, small business owners, and farmers with access to vital capital.

## Mortgage Lending

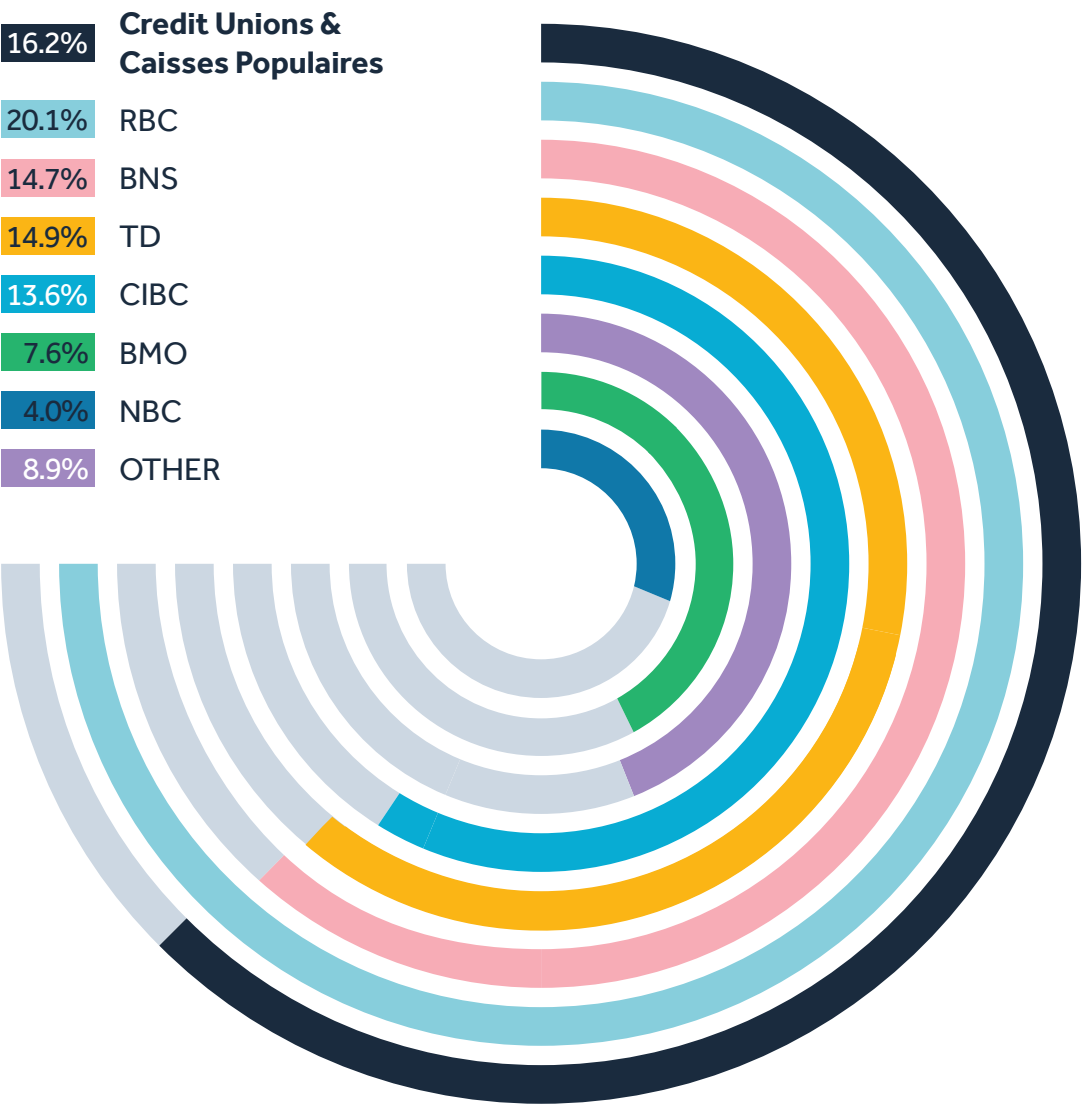
Residential mortgages:  
**\$154.2 Billion**

## Credit Union Lending

Personal loans:  
**\$11.2 Billion**

Commercial loans:  
**\$95.4 Billion**

Source: Q2, 2024 (Excludes Desjardins Group)



Source: CCUA, 2023. Figures include Quebec.

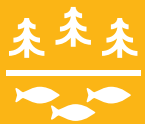


# THE LEADER IN SMALL BUSINESS LENDING

Canada's credit unions support over **350,000** small and medium-sized businesses.

Credit unions and caisses populaires are responsible for **21 %** of lending to small and medium-sized businesses—a share as large as any of the big banks.

Top industries represented by small and medium-sized businesses (1-499 employees):



**1 Agriculture, forestry, fishing and hunting**

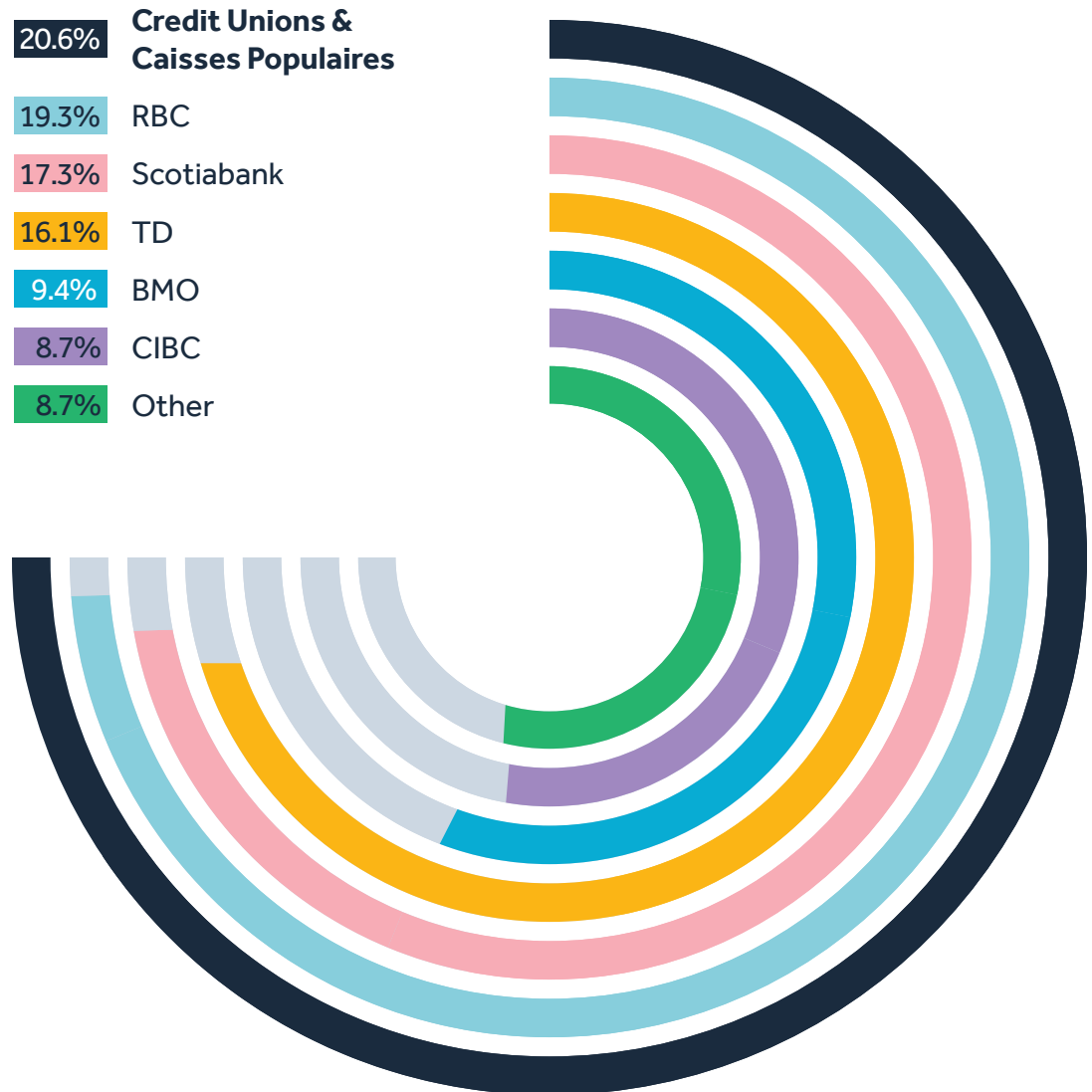


**2 Construction**



**3 Real estate and rental and leasing**

Based on the industries that Canada's credit unions report as their top 3.



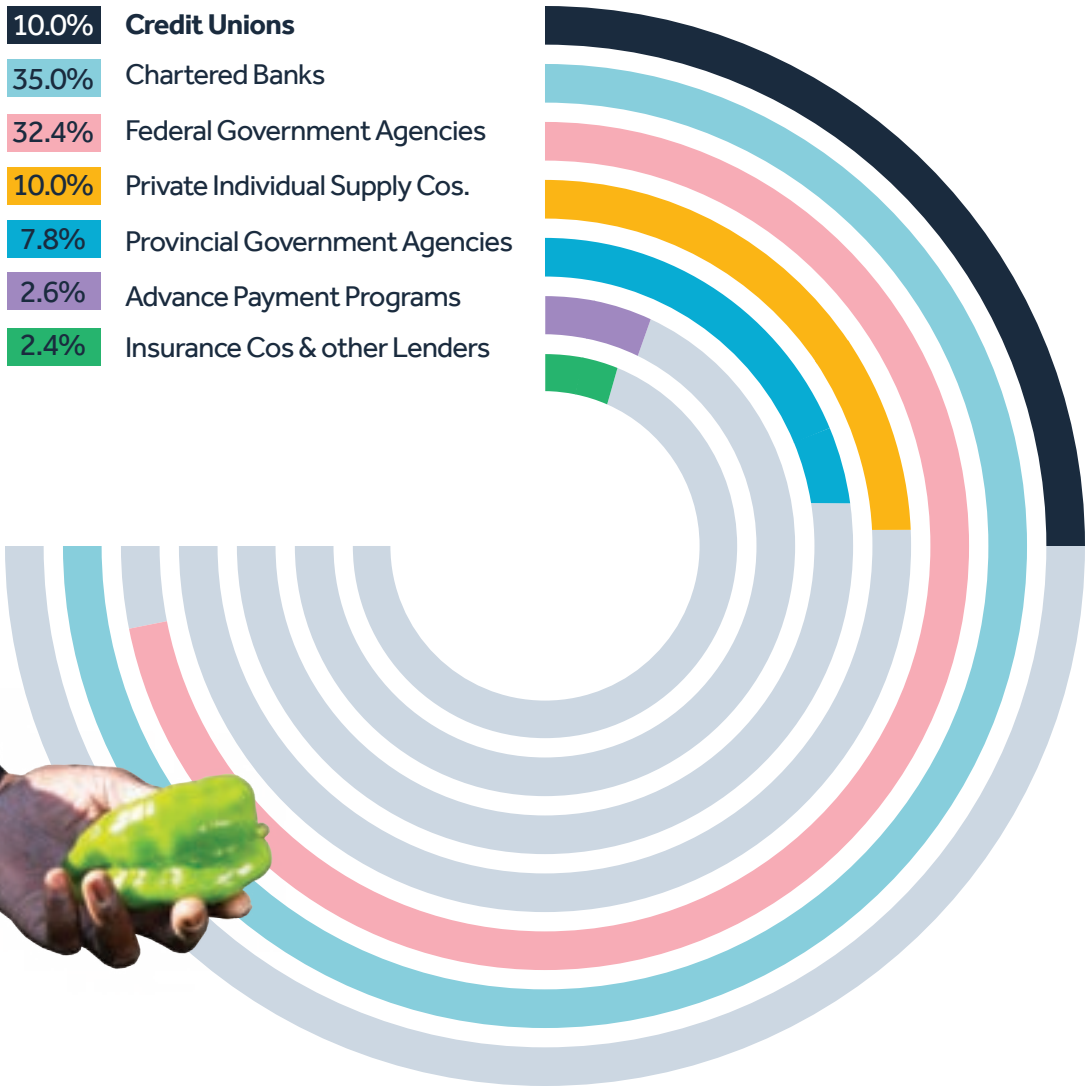
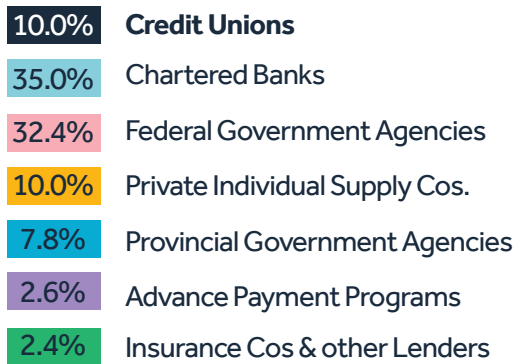
Source: CFIB, 2022, Figure includes Quebec





# SUPPORTING RURAL COMMUNITIES AND FARMERS

## AGRICULTURAL LENDING MARKET SHARE



Source Statistics Canada, 2023. National agricultural lending market share excludes Quebec.



# CREDIT UNIONS ARE ADVANCING FINANCIAL LITERACY

**Each One, Teach One** is an approach to providing basic and plain language financial knowledge, without ties to any products or services, with the sole goal of empowering individuals to make the right financial decisions for themselves and their families. Since 2008, volunteer credit union staff have met and worked with thousands of Canadians from coast-to-coast to help them increase their financial knowledge, skills and confidence.



## Since 2019

450+ credit union staff volunteers have trained to deliver Each One, Teach One workshops



**1,500+**

Workshops delivered



**18,000+**

Canadians benefited from the workshops





# FINANCIAL LITERACY

Canada's credit unions champion financial literacy in their communities. They constantly seek ways to empower Canadians with the knowledge and tools they need to make informed financial decisions. Below are some examples.

## Your Neighbourhood Credit Union (ON):

Last year, YNCU launched YNCUniversity, an online hub featuring accessible, inclusive, and effective financial literacy resources. The new platform is completely free, ensuring that everyone has access to comprehensive resources regardless of their financial background. Whether you're just starting out on your financial journey or looking to enhance your existing knowledge, there's a diverse range of educational materials designed to cater to all levels of understanding.

## connectFirst Credit Union (AB):

The credit union has established a [virtual learning center](#) focused on building bright financial futures, together. With topics ranging from home ownership to wealth and investing and even protection and security, the center has real and actionable insights aimed at help supporting all Canadians, especially vulnerable and low-income ones.

## Conexus Credit Union (SK):

Through the "It's a Money Thing" program, Conexus offers free financial literacy workshops ranging from 60-90 minutes in length for groups and organizations across Saskatchewan. With over 40 topics to choose from, individuals and institutions are able to conveniently pursue the credit union's program page to identify the topic of interest to them and request financial literacy presentation to further educate their community.



## SECTION V

# *Governance*

# CREDIT UNION GOVERNANCE PRACTICES

Cooperatives have a unique governance structure that reflects that they are owned and controlled by their members. This forges transparency, future-thinking, and participatory governance even in ESG matters. Credit unions governance practices in ESG include:



## East Coast Credit Union (NS):

East Coast Credit Union has always been committed to operating in an economically, socially, and environmentally sustainable manner. To formally map these efforts, the credit union's board established a Community Impact Committee to champion its ventures in ESG. The committee includes at least three board directors and meets on a quarterly basis. This community minded group is focused on supporting the work of the board and management by applying co-operative values and the best ESG practices, developing and recommending socially responsible policies to the board for adoption and implementation, remaining up to date on current ESG practices and advising the board appropriately. The Community Impact Committee also works with East Coast Credit Union staff to ensure the appropriate policies and procedures are in place to effectively plan, administer, manage and report on ESG initiatives to their employees and their members.

## Vancity (BC):

Effective governance and oversight by the board of directors can play a key role in ensuring that a credit union fully understands their ESG risks and opportunities. For Vancity, addressing climate risks and responding to climate change is a top strategic priority, and their board is dedicated to providing careful oversight of the credit union's efforts to create a clean and fair world. To enhance the technical knowledge and specialized expertise this requires, the Vancity board has, since 2021, participated in several education sessions on climate governance and climate risks. Individual directors have received additional learning around climate risk and managing climate initiatives. The board also included climate experience, and especially climate justice experience, among its priorities for recruiting candidates in recent board elections. This has helped reinforce the mandate that responding to climate change is a vital responsibility for the credit union.



# CREDIT UNION GOVERNANCE PRACTICES

## Meridian Credit Union (ON):

Meridian is an organization committed to offering their members, employees, and communities a place where diversity is embraced and integrity, honesty, respect, and openness are encouraged. The credit union supports the transition to a sustainable future, building financial confidence, and providing access to products, services, and tools that further their purpose to help their members achieve their best lives. Recognizing their obligations to their stakeholders and the greater community, Meridian integrates ESG considerations into their decision-making processes. To this end, Meridian has established an enterprise-wide ESG Working Group, developed ESG learning modules for all employees, and launched an ESG Ambassador Program to enhance their ESG efforts both within the credit union and at the community level.



## SECTION VI

# *Credit Unions from Coast-to-Coast*



# CANADA'S CREDIT UNIONS: FROM COAST-TO-COAST



## **Newfoundland and Labrador's 6 credit unions**

- Serve 60,052 members.
- Operate from 36 locations.
- Are the only financial institution operating in 13 Newfoundland and Labrador communities.
- Are governed by 50 volunteer directors.
- Provide over 320 full-time jobs.

## **Prince Edward Island's 4 credit unions**

- Serve over 47,895 members.
- Operate from 13 locations.
- Are the only financial institution operating in 2 Prince Edward Island communities.
- Are governed by 37 volunteer directors.
- Provide over 250 full-time jobs.



# CANADA'S CREDIT UNIONS: FROM COAST-TO-COAST



## **Nova Scotia's 21 credit unions**

- Serve 144,200 members.
- Operate from 69 locations.
- Are the only financial institutions operating in 17 Nova Scotia communities.
- Are governed by 198 volunteer directors.
- Provide 767 full-time jobs.

## **New Brunswick's 7 credit unions**

- Serve over 215,000 members.
- Operate from 66 locations.
- Are the only financial institution operating in 51 NB communities.
- Are governed by 67 volunteer directors.
- Provide 1,340 full-time jobs.





# CANADA'S CREDIT UNIONS: FROM COAST-TO-COAST



## **Ontario's 54 credit unions**

- Serve 1,628,000 members.
- Operate from 492 locations.
- Are the only financial institution operating in 37 Ontario communities.
- Are governed by 502 volunteer directors.
- Provide over 8,080 full-time jobs.

## **Manitoba's 17 credit unions**

- Serve over 737,660 members.
- Operate from 184 locations.
- Are the only financial institution operating in 70 Manitoba communities.
- Are governed by 151 volunteer directors.
- Provide over 3,470 full-time jobs.



# CANADA'S CREDIT UNIONS: FROM COAST-TO-COAST

## **Saskatchewan's 33 credit unions**

- Serve over 507,000 members.
- 41.2% of Saskatchewanians bank with a credit union.
- Operate from 220 locations.
- Are the only financial institution operating in 99 Saskatchewan communities.
- Are governed by 301 volunteer directors.
- Provide over 3,540 full-time jobs.

## **British Columbia's 31 credit unions**

- Serve over 2,094,900 million members.
- 37% of British Columbians bank with a credit union.
- Operate from 351 locations.
- Are the only financial institution operating in 35 British Columbia communities.
- Are governed by 279 volunteer directors.
- Provide over 8,870 full-time jobs.

## **Alberta's 12 credit unions**

- Serve over 713,400 members.
- Operate from 199 locations.
- Are the only financial institution operating in 38 Alberta communities.
- Are governed by 107 volunteer directors.
- Provide over 3,300 full-time jobs.





**CCUA**<sup>®</sup>  
Canadian Credit Union Association

**ACCF**<sup>™</sup>  
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