

**Together,
let's do great things.**

It's why we're here

2024 Annual Report



**COASTAL COMMUNITY
CREDIT UNION**

TOGETHER, LET'S DO GREAT THINGS

OUR VISION

We will be the leaders in building relationships that improve financial health, enrich people's lives and build healthier communities.

OUR VALUES

Accountability | Co-operation | Excellence | Innovation | Integrity | Responsiveness | Social Responsibility

OUR PURPOSE

Member and Client Experience

We will be the leaders in building strong relationships by being more helpful and caring, and improving financial health.

Community Experience

We will be the leaders in making a visible and meaningful difference in building healthier communities. Our communities are our home.

Employee Experience

We will be the leaders in creating an environment where we say great things, do great things, and where we want to stay.



COASTAL COMMUNITY
CREDIT UNION



COASTAL COMMUNITY
INSURANCE SERVICES (2007) LTD



COASTAL COMMUNITY
PRIVATE WEALTH GROUP™

Coastal Community Credit Union acknowledges that we are located on the Lands of the Coast Salish, Nuu-chah-nulth and Kwakwaka'wakw ancestors and families, whose historical relationships with the Land continue to this day. We are grateful to have the opportunity to live, learn, work and play in their traditional and unceded territories.

1. References to "Coastal Community" in this Annual Report mean "Coastal Community Credit Union."
2. References to insurance in this Annual Report refer to the property and casualty insurance services provided through Coastal Community Insurance Services (2007) Ltd. (CCIS). CCIS is a subsidiary of 1200089 B.C. Ltd., a company jointly owned by Coastal Community Credit Union and Beem Credit Union, which in turn fully owns Coastal Community Insurance Services (2007) Ltd. and Interior Savings Insurance Services.
3. Mutual funds and other securities are offered through Aviso Wealth. Online brokerage services are offered through Qtrade Direct Investing. Aviso Wealth, Qtrade Direct Investing, and Qtrade Guided Portfolios are divisions of Aviso Financial Inc.
4. Coastal Community Private Wealth Group is a division of Coastal Community Financial Management Inc., which is a subsidiary of Coastal Community Credit Union. Coastal Community Financial Management Inc. is a licensed life insurance agency offering financial planning, life insurance and investments. All insurance products are subject to the limitations, terms and conditions in the applicable policy or insurance contract in force at the time of purchase or enrolment and applicable legislation. The products sold through Coastal Community Financial Management Inc. are not guaranteed or insured by a deposit insurer.
5. Trust and estate services provided through Concentra Trust, an Equitable Bank company.



BOARD CHAIR REPORT

2024 was a tough yet promising year for Canadians as the economy experienced moderate growth, prices stabilized, and we continued to adjust to a higher cost of living. Throughout the year, Coastal Community focused on improving the financial health of Islanders and helping you adjust your financial plans to manage higher costs. Your Board made strategic decisions to maintain service excellence while we prepare for changes coming to the financial services industry, and ultimately to how you do your banking.

As the credit union landscape continues to evolve and we continue to see mergers within the sector, Coastal Community continues to actively explore opportunities that align with our strategic goals and that are in the best interests of our members, clients, employees and communities. Early in the year, we explored an opportunity to merge with BlueShore Financial, based in North Vancouver. We assessed every aspect of the two credit unions and decided not to pursue the merger. We will continue to keep our options open and assess what we need to continue to thrive long term.

When we thrive, we ensure the continued capacity to give to Island communities into the future. We're proud that Coastal Community gave over half a million dollars to communities and charitable organizations in 2024.

Also key to a thriving organization is a strong and knowledgeable Board. Continuity of Board experience and expertise provides the stability needed to effectively govern a credit union. After our Annual General Meeting in September, 6 of 10 directors were in their first term on the Board, bringing with them fresh perspectives and ideas.

With so many new directors it's vitally important that we ensure the Board has the skills and experience to fulfill our role at the helm of your credit union. In late December we proposed a rule change for Director term limits to further strengthen board expertise and continuity. The Special Resolution passed, allowing Directors to serve a total of four terms consecutively or non-consecutively. Lengthening the total time possible on the board allows for greater continuity of experience and mentorship for new Directors and at the same time, the new term limits ensure board renewal. Thank you to those who exercised your right to vote!

I would like to extend my thanks to our Directors. I am proud of our Board's dedication, leadership, and commitment to guiding the organization and navigating change in a particularly eventful year.

My heartfelt thanks to our employees for their hard work, passion, and dedication to improving the financial health of Islanders. Thank you for another strong year!



Dominique Roelants
Chair, Board of
Directors





MESSAGE FROM THE PRESIDENT AND CEO

I'm pleased to share that despite an ever-changing economic landscape, Coastal Community achieved solid financial results in 2024. Our financially sound and stable foundation means we're well-prepared to listen and provide services and advice to meet your financial, investment³ and insurance² needs to help improve your financial health. From all of us, thank you for the continued privilege of serving you.

As our Board Chair reported, we anticipate facing some headwinds in the financial sector, that will impact all credit unions in BC. To prepare, we remain open to the right merger opportunity while we continue to build a strong and thriving stand-alone credit union. Combining expertise with a like-minded credit union and gaining financial scale means we can further invest in people, products and technology, thereby delivering even greater value to our members, clients and communities.

No matter where you are in your financial journey, we're here to help. Last year, we introduced several digital enhancements, such as self-service digital lending, three insurance kiosks offering a personalized digital experience, and self-serve business wire transfers. The convenience doesn't stop there. You can now open new business accounts online and get electronic insurance policy documents.

We also began transforming our 4th Street Courtenay location into a beautiful modern space, designed to help our employees do their best for you. The team now includes a Small Business Advisor to support your business growth, so feel free to drop by and say hello! Other ways we helped included offering a cashback mortgage to support your home ownership journey and providing financial education content—because the more you know, the more you can achieve.

Supporting our local communities is another way we live our co-operative values. You'll read about the many ways we give back every year, from grants to sponsorships to fundraising. I'm incredibly proud of our employees who generously volunteer their time and expertise every year to causes they care about. They bring this same dedication to work every day. The three notable workplace distinctions we earned last year are a real testament to their exceptional service and commitment to our members, clients, communities and fellow team members.

For the past 16 amazing years, it has been an honour to work with the Coastal Community team and boards. Our tremendous success has been due to your caring dedication and hard work for our members, clients, and each other. Through challenges and opportunities alike, I have always been proud to be part of Coastal Community because of you. As I retire, I know the future is in great hands thanks to your leadership, talent, and commitment. I also want to thank our members and clients. I have always appreciated the privilege and your trust to serve your financial needs.


Adrian Legin
President & CEO



**For you
and for your
financial health.**

It's why we're here





OUR MEMBER AND CLIENT EXPERIENCE

At Coastal Community, your financial well-being comes first. Last year we continued to anticipate and meet your evolving needs, delivering solutions tailored to your unique goals and preferences. From launching renovations at our 4th Street Courtenay location to seamlessly integrating digital enhancements, our aim is for you to have a more personalized, efficient, and satisfying financial journey.

IMPROVING SERVICE DELIVERY TO MEET YOUR EVOLVING NEEDS

In 2024, we introduced several improvements to respond to your feedback and help you take control of your finances. Those enhancements included:

- **Self-service online application for personal loans** of up to \$20,000
- **Kiosks** in three locations to provide a personalized digital insurance experience
- Convenient **electronic delivery** of insurance policy documents
- **Online business membership and account opening**
- **Online wire transfers** for businesses
- **Modernizing our 4th Street location in Courtenay**

PROVIDING EXPERTISE, ADVICE & SERVICES TO IMPROVE FINANCIAL HEALTH

Despite inflation and interest rates beginning to ease, we know our members and clients continued to face cost of living pressures last year. We stepped up to help by:

- Continuing to help investors get started with Qtrade Guided Portfolios®, a low-cost high-efficiency robo-advisor platform³
- Offering a **refinancing program** to help with Canada Emergency Business Account loan forgiveness

- Offering our members **cash upfront** if they take out one of our customizable **mortgages**
- Introducing a new **Small Business Advisor** role in the Comox Valley
- Delivering **six educational Coastal Community events** and helping our members and clients access **four webinars** from our partner Aviso Wealth³

HOW WE KEEP YOU INFORMED AND STAY CONNECTED

- Regular **financial education-based emails**
- Timely, relevant and easy-to-find **educational content** on our website, including **fraud alert** articles
- **Educational articles** in community news media from our experts on topics like “Maximize your business’s potential”
- Comprehensive information on **corporate and governance** topics, such as the Annual Report, financial statements, the Corporate Governance Report, the Management Discussion & Analysis Report, the directors election, the results of the special resolution on Board of Director term limits, and the Board decision that the potential merger with BlueShore Financial Credit Union wasn’t the best fit for our members, communities, and employees

- An electronic **Annual General Meeting** to update you on the previous year's financial results and accomplishments of your Credit Union and to share how we met the needs of members, clients, employees and our Island communities

PROTECTING YOUR MONEY AND INFORMATION

At Coastal Community, your security is our priority. We use a multi-layered approach to safeguard your data, including:

- **Multi-factor authentication:** requires two or more forms of ID to access accounts
- **Automated security updates:** keeps our systems protected against known vulnerabilities
- **Employee training:** regular sessions on identifying and preventing threats like phishing and social engineering
- **Security monitoring** of our systems and networks: constantly watching for suspicious activity to act swiftly against potential threats



SURVEY HIGHLIGHTS AT A GLANCE

Below are some of the positive highlights we received from Coastal Community's 2024 Member and Client Experience surveys. We appreciate all of the feedback you give us, and we're committed to making things even better.

COASTAL COMMUNITY MEMBER SURVEY

Overall experiences:

94% of respondents who visited a **branch** rated their overall experience as Excellent, Very Good, or Good

92% of respondents who phoned the **Relationship Centre** rated their overall experience as Excellent, Very Good, or Good

94% of respondents gave Excellent, Very Good, or Good ratings for our **online banking platform**

92% of respondents gave Excellent, Very Good, or Good ratings for our **mobile banking app**

92% of respondents rated us as Excellent, Very Good, or Good in terms of **treating members fairly**

COASTAL COMMUNITY INSURANCE SERVICES CLIENT SURVEY

90% of respondents thought the **value of their policies** for the premiums they paid was Excellent, Very Good, or Good

97% of respondents indicated their **overall experience** when buying insurance was Excellent, Very Good, or Good

COASTAL COMMUNITY PRIVATE WEALTH CLIENT SURVEY

92% of respondents felt they **receive the right amount of support** from their Private Wealth Advisor

98% of respondents indicated their Private Wealth Advisor demonstrates **strong investing expertise and competence**

YOUR INSIGHTS ARE IMPORTANT TO US

We always appreciate your feedback. It helps us understand what matters to you, so we can take action based on your insights. For decades, we've been conducting research surveys to gather measurable and objective feedback from our members and clients. Since 2018, we've partnered with Sentis Market Research to evaluate our member and client experience across our business lines. Our performance is compared to Sentis' 2024 Credit Union Norms and 2024 Benchmarks, where available, and our own past metrics. Here's what our Sentis surveys revealed last year:

2024 Credit Union Retail Year End Report on Member quarterly surveys

- Member loyalty has improved directionally
- CCCU continues to meet members' needs effectively
- Member ratings of our digital channels have improved for the second consecutive year
- Our branches, already a strong channel, saw improved ratings in several areas

We also learned that 78% of our respondents feel we are doing an outstanding or very good job of being a socially and environmentally responsible organization, which well surpasses the industry benchmark of 50%*. However, with one-third of respondents unable to offer a rating, we will look to do a better job of communicating what we're doing on this front.

*Based on an annual market survey conducted with retail customers of all types of financial institutions in BC (2024 sample size=880).

2024 Insurance Year End Report on Client quarterly surveys

- Client loyalty remains stable
- The ratings for client experiences with us continue to strengthen
- Client ratings on business fundamentals, such as looking out for clients' best interests, are stable relative to the previous year's strong results

We also learned that clients would continue to benefit from information about the process for making an insurance claim, so we'll continue our work to provide a thorough explanation, helping clients understand what to expect at each stage.

2024 Wealth Year End Report on Client quarterly surveys

- Ratings on feeling good about investing with us strengthened last year
- We also saw continued excellence in demonstrating strong investing expertise and competence
- Some of the top phrases used to describe our wealth team are "knowledgeable," "competent" and "professional"

We also learned that respondents continue to be most interested in learning more about living in retirement. We will continue to provide more financial education through multiple channels, including our MyFinHealth online platform, webinars, articles, tips and information on our website, through emails and through our advisors.

Helping our people do their best for you.

It's why we're here





EMPLOYEE EXPERIENCE

In a fast-changing world, one thing remains constant: our employees truly make the difference. Their expertise, passion, and leadership improve Islanders' financial lives and create lasting community impacts. We help our team shine through an award-winning culture that deepens skillsets, develops leadership, and supports employee well-being.

LEARNING IN ACTION

- Combined total of **6,958** annual mandatory courses on topics like anti-money laundering, cyber security, and privacy completed by employees.
- **87** managers honed their leadership skills in 4 sessions of our HR Speakers series.
- **83** employees completed Coastal Connections programs, our company's relationship building, advice-based service training.
- **37** employees attended the Coastal Young Leaders Network Conference.
- **21** managers participated in our Management Training Program in collaboration with VIU.
- **19** employees participated in the 14th cohort of Leading Edge, our leadership development program offered to all employees. 223 employees have completed this program to date.
- **10** Account Representatives completed our 15-day Lending Excellence program.

SHARING OUR KNOWLEDGE

Our experts are passionate about growing the financial knowledge of our members and clients, and the general public. Last year we:

- Delivered six educational Coastal Community events and helped our members and clients access four webinars from our partner Aviso Wealth;³
- Wrote 12 guest columns in the Business Examiner to help entrepreneurs grow their business.

COASTAL YOUNG LEADERS NETWORK (CYLN)

2024 was a noteworthy year for our emerging leaders. The CYLN Conference focused on 'Resilience through Change,' offering insights on navigating life's transitions. CYLN also hosted career fairs, shared insights on financial industry trends through a new FinFit series and promoted learning with a Read-to-Lead book club.

ASK, LISTEN AND LEARN

- Last year we were thrilled to be certified as a Great Place to Work® (GPTW) for the sixth consecutive year in the independently conducted GPTW survey. Building on this recognition, we'll use the survey insights to continue to improve our workplace culture. We also earned a spot on GPTW's 2024 list of Best Workplaces in BC, and we were named



as one of Canada's Best Employers by Forbes Canada. These distinctions are a reflection of the hard work and passion our employees bring to our organization every day. We'll continue to work hard to ensure Coastal Community remains a place where everyone can flourish.

- In 2024 we hosted Kenyan credit union leader Winnie Sergon for 10 days as part of the Women's Mentorship Program. This program fosters mutual learning between Canadian credit unions and female managers of overseas financial cooperatives.



Winnie Sergon meets with Kate Orsagova from our Finance Department.

ENGAGE, EMPOWER AND ELEVATE

Other ways we build a culture of trust and excellence include:

- Ensuring our employees and their families have access to the extensive resources of our Employee & Family Assistance Program.
- Championing volunteer employee-led Coastal Community groups like the Truth and Reconciliation Committee and the Culture Committee to continue to grow leadership skills.
- Inviting 85 new employees in 2024 to kick off their journey with us at Coastal Compass Capstone, our lively and informative one-day onboarding event.

SPOTLIGHT

Last year, our Human Resources team worked with the Nanaimo Association for Community Living (NACL) to find an opportunity to hire someone with diversabilities. We soon welcomed Crystal to the Administration Support team at our head office! Every Monday, her co-workers look forward to her infectious smile and dedicated work ethic. She's truly a joy to work with and has had an amazing first year with us.



“ *I think Coastal Community is a supportive organization and I feel supported by my coworkers and Jane. It's a nice place to be independent and to ask for help when I need it. I love my job!* ”

Crystal

Putting our values into action.

It's why we're here



OUR COMMUNITY EXPERIENCE

Giving back to our broader community embodies our cooperative values. Supporting Islanders, not-for-profit organizations and local businesses is central to who we are. Each year, we invest half a million dollars annually through grants, education awards, sponsorships, and fundraising. These efforts help improve Islanders' lives, grow financial know-how, and strengthen the local economy, creating a wave of positive change.

Below are some examples on how we gave back in 2024. Thank you to our members and clients for your support as we work together to strengthen our communities sustainably.

FINANCIAL LITERACY

Last year, we helped build financial skills in the community with two key programs:

- **Each One, Teach One** offered free financial literacy workshops to the community, empowering individuals with essential money skills.
- **Young Entrepreneurs** gave over 1,000 elementary students in seven schools a taste of the business world as they created and sold their own products—and generously donated part of their proceeds to community groups!

LOCAL SUPPORT

In 2024, we supported Island-based organizations through:

- Our **Building Healthier Communities Fund**, supporting organizations like Nuu-chah-nulth Youth Warrior Family and Vancouver Island University's CREATE event
- Our **Community Investment program**, supporting initiatives like FiLoMi Days Society in Port Hardy and the Friends of Bowker Creek Society
- **Sponsorships** to benefit communities across the Islands, such as the Women of Influence Awards and Victoria Hospital Foundation Giving Tuesday campaign
- **Partnerships** with community organizations that strengthen Island economies, like the Vancouver Island Economic Alliance and Chambers of Commerce across the islands

You can also visit [Sharing Our Success](#) on our website for updates on the continuing social impact of the one-time special funding we distributed to Island communities in 2023. Funds were made possible by a very successful year in 2022.



EMPOWERING THE NEXT GENERATION

Helping young people today develops the leaders, innovators, and problem-solvers of tomorrow. Through our programs, we are investing not just in their future, but in the future of our Island communities. Some of the ways we lent a hand last year include scholarships and bursaries, supporting youth empowerment programs, and donations for children's health. We also contributed to toy drives, lunch programs, and a Back to School campaign to assist vulnerable Island students.

SHARING OUR EXPERTISE, TIME AND PASSION

Our Coastal Community team is all about making a heartfelt difference in Island communities. Last year, our employees rolled up their sleeves and volunteered thousands of hours to causes they care about most.



COMMUNITY HIGHLIGHTS

Over **\$500,000**
given to hundreds of community
organizations, including:

\$143,767
awarded in total through our Building
Healthier Communities Fund and
Community Investment program

\$102,250
given in sponsorships

\$73,000+
raised through
employee
and corporate
fundraising events

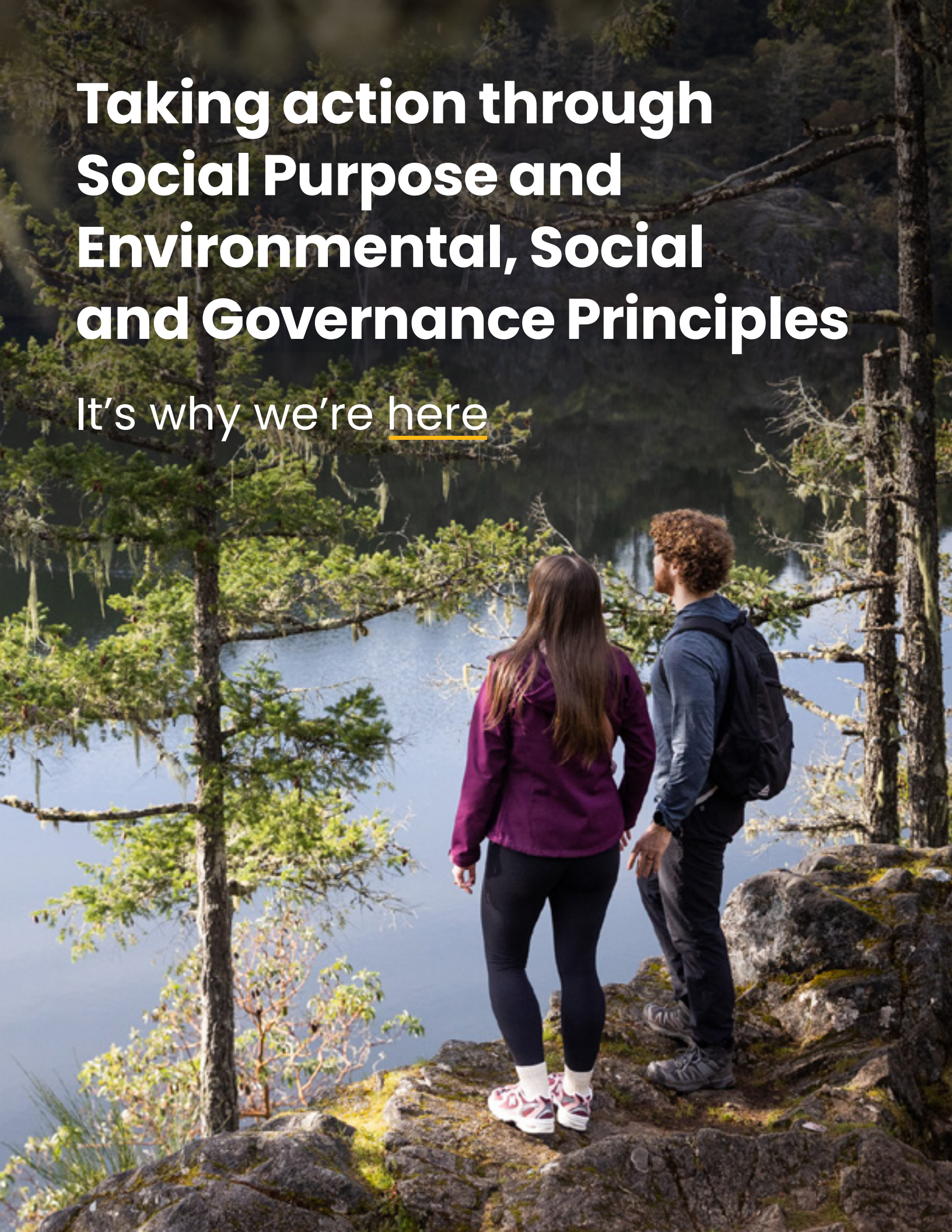
\$45,000
awarded in
educational
scholarships and
bursaries

\$37,775
given to youth
programs

\$7,750+
raised through our
Sunset Cinema
series

Taking action through Social Purpose and Environmental, Social and Governance Principles

It's why we're here





SOCIAL PURPOSE AND ESG (ENVIRONMENTAL SOCIAL AND GOVERNANCE)

SOCIAL PURPOSE

At Coastal Community, we are inspired to build social purpose into everything we do.

While we have always supported our island communities, we see the opportunity to further deepen our impact by embracing a broader social purpose. While community support focuses on initiatives like local sponsorships, donations, and volunteerism, social purpose represents a more strategic, long-term commitment to driving meaningful change.

While our commitment to community support, engagement and impact remained steadfast throughout 2024, important work also took place behind the scenes. In 2024, the Board of Directors conducted a thorough review, engaged in meaningful dialogue, and provided strategic direction on comprehensive work completed by management on a recommended Social Purpose and ESG Strategy.

Based on the insights and direction provided by the Board, advancing Social Purpose has been elevated as one of only two primary strategic goals in Coastal Community's 2025-2028 Corporate Strategy. To advance the organization's Social Purpose Strategy, the plan will clearly articulate three-year objectives, success measures, multi-year priorities, and specific annual projects & initiatives. This work will serve as an important foundation for even more meaningful impact going forward.

Looking forward to 2025, our teams are excited to accelerate our efforts, continuing to embed social purpose into everything we do, in a more deliberate, objective-driven and measurable manner. More

specific deliverables captured in our 2025 plan include finalizing the Social Purpose and ESG Strategy (including objectives and key metrics), launching our Social Purpose to our employees and introducing it to our members, and assessing and providing a recommendation on pursuing B-Corp Certification.

ESG

Our Social Purpose strategy includes and is reinforced by our commitments to ESG principles.

While Coastal Community has always operated based on a commitment to ESG principles, we plan to be more intentional and transparent in our approach. By putting greater focus on ESG, we will be further strengthening our commitment to sustainability, member and community well-being, and ethical governance. This means setting clear goals, measuring our impact, and integrating ESG into our decision-making processes. As we move forward, we will continue to build on our long-standing values while taking a more structured and strategic approach to creating positive change.

Clear ESG goals will drive us towards more meaningful and measurable impact—reducing our environmental footprint, strengthening support for member, community and employee initiatives, and upholding strong governance practices. By embedding ESG into our social purpose strategy, we aim to create lasting value for our members, strengthen local communities, and build a more sustainable future for all.

Last year, as we built the framework for our future ESG commitments, we continued taking action aimed to reduce our CO₂ emissions and address

climate-related risk for our organization. For example, we measured and analyzed the emissions associated with our financing of loans in both our Retail and Commercial lending portfolios, focusing on identifying high-risk organizations by sector (e.g., construction, agriculture, forestry). Coastal Community has now established baselines for CO₂ emissions and for financed emissions, which help us plan for and mitigate potential risk.

Coastal Community also works closely with industry groups to better understand climate change risks in our region, which in turn helps us future proof our organization. Other tactics we employ include regular tracking of CO₂ savings from our EV charging stations, holding virtual meetings to reduce travel, and wherever possible, partnering with companies that share our values.

As we continue to develop and implement our Social Purpose and ESG strategies, we are committed to transparency and will share our progress along the way. We will continue to support our community while embedding social purpose into everything we do, ensuring lasting positive change for our members and beyond. Together, we are building a more sustainable and inclusive future for us all.

Here are some highlights of the ways we made an impact in Environmental, Social, and Governance areas last year.

COURTENAY LOCATION SHINES WITH ECO-FRIENDLY RENOVATIONS

At Coastal Community, we believe in being environmentally responsible and resource efficient. That's why a primary principle we followed during the significant renovations at our Courtenay 4th Street location last year was to use sustainable construction practices. Here are some examples:

- **Built with wood** and **used Low-VOC paint**
- **Implemented LED lighting** with sensors to conserve energy
- **Purchased furniture made** from recycled metal and recovered ocean plastic waste
- **Installed recyclable flooring** (and plan to use **recycled asphalt for paving**)

DATA INSIGHTS: COASTAL COMMUNITY'S STRONG SOCIAL AND ENVIRONMENTAL RATINGS

We greatly value your feedback through all sources to better understand your perspectives. As reported on page 8 of this report, you'll see that last year, **78% of our respondents rated us as outstanding or very good in social and environmental responsibility**, compared to the industry benchmark of 50%, based on independent surveying of our members through quarterly surveying. This result has increased progressively from 71% when we first asked the question in 2022 to the current 78%. Thank you for your strong recognition of our efforts and for your input on this important topic. We will continue to engage with our membership as we advance our social purpose and ESG journey.

ENVIRONMENTAL BENEFITS STATEMENT

As an example of working with a like-minded company, here's the Environmental Benefits Statement for Coastal Community provided by our printing partner, Hemlock.

By using paper made with post-consumer recycled content, the following resources have been saved:



375
fully grown trees



30,090
litres of water



158.2
million BTU's of energy



590.5
kg's of solid waste



74,035.3
kg's of greenhouse gases

Environmental impact estimates were made using the Environmental Paper Network's Paper Calculator™ Version 4.0. For more information visit papercalculator.org

FUTURE-PROOFING YOUR CREDIT UNION

In 2024, Coastal Community's board explored a potential merger with BlueShore Financial Credit Union. After a thorough assessment, the board decided this proposed merger wasn't the best fit for our members, communities, and employees. We will use insights and learnings from this work to assess future potential partners to help ensure they will bring lasting value to our members, communities and employees.

To prepare for the future, the Board also presented to members a vote on a special resolution to amend our Rule on board term limits. While the board renewal that occurred as a result of the previous Rule had been positive, the Board of Directors was concerned with the significant loss in Board continuity, skill sets and experience that these changes also triggered, as well as with the resulting increase in risk to the Credit Union. Members approved the special resolution, and with the amendment in place there is a better balance between ensuring that Board renewal continues, and, at the same time, that the Board has all the necessary skills, experience and continuity to ensure proper governance oversight to fulfill its role.

CELEBRATING UNITY AT THE PRIDE PARADE

We want everyone to feel a genuine sense of belonging at Coastal Community. Last year our Insurance Representative Kyra Anderson organized a mix of employees, friends and family to take part in the Nanaimo Pride Parade. "The idea turned into a full-fledged celebration," said Kyra. "From one community to our Coastal Community, thank you for all the love! Together, we can do great things."



Giving back to our communities.

It's why we're here





SUPPORTING THE LEADERS OF TOMORROW

We believe in giving back. Our scholarship program empowers Island youth to chase their dreams and strengthen community bonds. Grade 12 students apply by submitting community improvement projects, with eight receiving \$2,000 scholarships. The top two winners get an extra \$1,000 and up to \$1,000 to bring their ideas to life. Meet one of last year's overall winners, Rylan Prescesky.

EVERY DROP COUNTS

Rylan believes giving blood is a simple yet profound way to make a lifesaving difference. His project idea was inspired by his Grandpa, who donated blood for many years until stopped by ill health. Although anxious about needles, Rylan decided to donate blood himself, leading by example to help educate and encourage others to join him.

The talented young hockey player spread his story and donation information, designed a t-shirt for donors and organized a draw for local gift certificates! Plus, he rallied friends to support anyone nervous about donating—including himself. Rylan is a wonderful example of how small acts of kindness can create ripples of positive change.

“Knowing how much this act of kindness meant to my Grandpa, I think it's only right to honor him in a way that aligns so closely to something he strongly believes in. And what better way to get over my fear of needles than for this great reason and cause.”

Rylan Prescesky



**To remain a strong,
growing and
socially responsible
organization.**

It's why we're here





OUR CORPORATE PERFORMANCE

In a year marked by mixed economic news and geo-political tensions, we’re pleased to share that Coastal Community had solid financial results in 2024. Our strong capital shows we’re financially sound, stable, and ready to handle any future challenges. With this robust foundation, you can continue to count on us for personalized services and expert advice that truly make a difference in your financial life. Whether you’re feeling the pinch of a tough housing market or want to expand your business, we’ll be there to find the right solutions for your unique situation.

Looking ahead, the financial sector may face some headwinds as external factors continue to shift. We’ll lean into any challenges by relying on our core Vision: helping you improve your financial health and building healthier communities. We may be the largest financial services organization based on Vancouver Island and the Gulf and Discovery Islands, but we always put people and community first. Thank you for the privilege of serving you.

2024 FINANCIAL HIGHLIGHTS

<p>\$3.4 BILLION in On-Book Credit Union Assets</p>	<p>0.29% RETURN on Average On-Book Assets</p>	<p>\$1.2 BILLION in total Wealth Assets Under Management through partners</p>	<p>\$257.1 MILLION in Members’ Equity</p>	<p>17.27% Capital Adequacy Ratio</p>
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Despite pressures in the financial sector last year, Coastal Community Credit Union ended the year with \$3.4 billion in on-book credit union assets. We also hold \$1.1 billion in assets under management through our partner, Aviso Wealth³. Coastal Community Private Wealth Group⁴, in partnership with Manulife Financial, holds a further \$57.4 million in assets under management. Total assets under management through partners are \$1.2 billion.

We’re pleased to report that together with our partners we managed a larger asset portfolio in a

year of upbeat financial markets. This strong financial position demonstrates the deep trust our clients and members have in our advice and expertise.

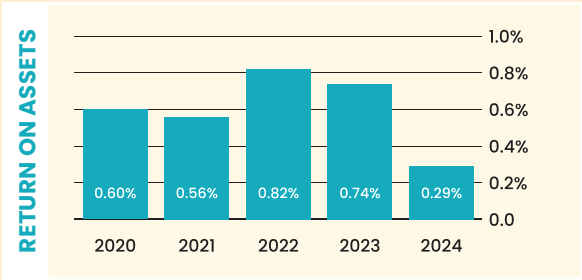
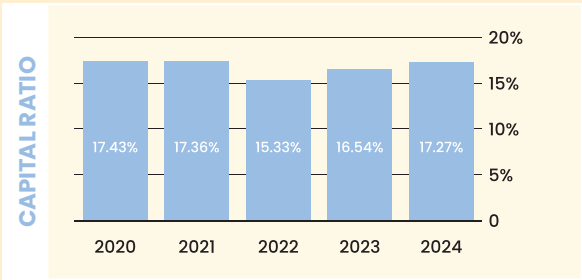
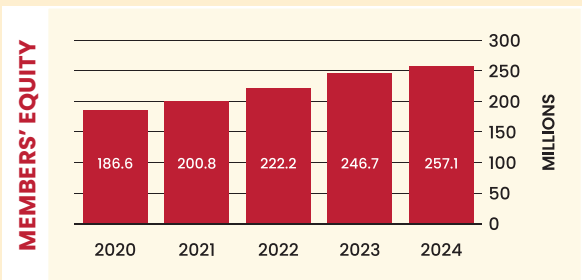
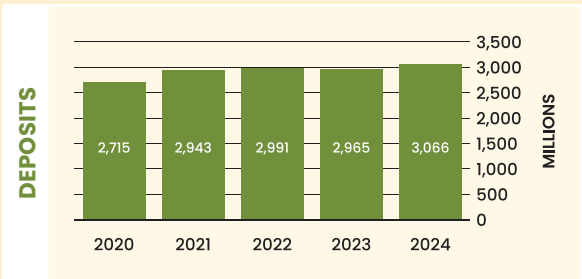
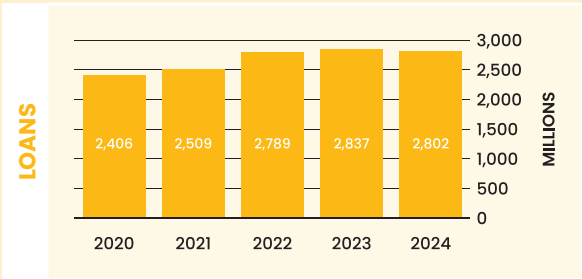
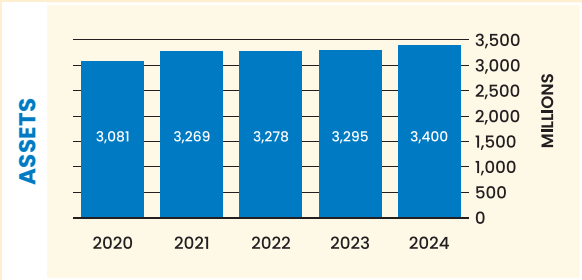
A trusted financial partner to over 6,300 wealth members and clients, we continue to be a leader in Canada, providing a fully integrated holistic approach that includes investment management through our partner Aviso Wealth³, life and health insurance through Coastal Community Private Wealth Group⁴, and personal trust and estate services through Concentra Trust⁵.

For Coastal Community Insurance Services (2007) Ltd. (CCIS), 2024 was once again a year focused on expanding digital resources and more personalized outreach. This enabled us to help people protect their financial health during these times of extreme weather events. Our goal is to deliver services and products that offer more options for how, where and when clients want them, enhancing their experience and financial well-being.

Due to decreasing interest rates and a decline in net loan growth, several of our financial markers are lower than in 2023. Our overall loan portfolio — comprising business, personal, and commercial lending products — decreased by \$35.0 million. However, deposits increased by \$100.8 million as members trusted us with higher balances. Return on Average On-book Assets — a common marker of financial performance in the credit union industry — was 0.29%. Net income ended the year at \$7.0 million, while our financial margin was \$77.3 million. Members’ equity, or what we like to call Coastal Community’s savings account, grew by \$10.4 million to end the year at \$257.1 million. This increase led to a higher capital adequacy ratio of 17.27%.

ENHANCING SERVICES WHILE BUILDING RESERVES

In a complex and mixed economic environment, we retain profits in the business to build strong reserves that protect your Credit Union from economic downturns. Our solid foundation allows us to enhance member services, pursue capital expansion, and explore growth opportunities for the future. This commitment means we can continue to improve your financial well-being and help the places we call home thrive. Thank you to our members, clients, and communities for allowing us to serve you for over 75 years.



MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements and the accompanying notes are the responsibility of the management of Coastal Community Credit Union (the "Credit Union").

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) Accounting Standards and include, where appropriate, estimates based on the best judgment of management.

As part of its responsibilities, the Credit Union maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate, and that the Credit Union's assets are appropriately accounted for and adequately safeguarded.

The Board of the Credit Union carries out its responsibilities with regard to the consolidated financial statements mainly through its Audit and Finance Committee (the "Committee"). The Committee reviews the annual consolidated financial statements and recommends them to the Board for approval. The Committee meets periodically with management, internal auditors and the external auditors. Following these meetings, the Committee meets privately with the auditors to ensure free and open discussion of any subject the Committee or the auditors wish to pursue. The Committee also recommends the engagement or reappointment of the external auditors, reviews the scope of the audit and approves the fees of the external auditors for audit and non-audit services.

These consolidated financial statements, audited by KPMG LLP, have been approved by the Board, on the recommendation of the Audit and Finance Committee.



Adrian Legin, MBA, ICD.D
*President and
Chief Executive Officer*



Barbara Coe, CPA, CGA
Chief Financial Officer

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the Members of Coastal Community Credit Union

Opinion

The summary consolidated financial statements of Coastal Community Credit Union ("the Credit Union"), which comprise:

- the summary consolidated statement of financial position as at December 31, 2024
- the summary consolidated statement of comprehensive income for the year then ended
- the summary consolidated statement of changes in members' equity for the year then ended
- and related note

are derived from the audited consolidated financial statements of Coastal Community Credit Union as at and for the year ended December 31, 2024.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the criteria disclosed in Note 1 in the summary consolidated financial statements.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by IFRS Accounting Standards. Reading the summary consolidated financial statements and the auditors' report thereon, therefore, is not a substitute for reading the Credit Union's audited consolidated financial statements and the auditors' report thereon.

The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with the criteria disclosed in Note 1 in the summary consolidated financial statements.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, based on our procedures, which were conducted in accordance with Canadian Auditing Standard 810, Engagements to Report on Summary Financial Statements.



Chartered Professional Accountants
Vancouver, Canada
March 19, 2025

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION
December 31, 2024, with comparative information for 2023

	2024 (\$'000)	2023 (\$'000)
Assets		
Cash and cash equivalents	\$ 143,794	\$ 131,934
Investments	379,804	255,263
Investment in joint venture	29,093	29,181
Loans to members	2,802,154	2,837,122
Premises and equipment	26,410	24,194
Intangible assets	1,398	1,461
Derivative financial instruments	2,301	3,271
Deferred income tax assets	2,879	3,297
Income taxes receivable	3,493	-
Other assets	8,885	8,898
	\$ 3,400,211	\$ 3,294,621
Liabilities and Members' Equity		
Member deposits	\$ 3,065,951	\$ 2,965,186
Borrowings	39,951	43,358
Other liabilities	34,910	35,281
Income taxes payable	-	1,721
Members' shares	2,321	2,354
	3,143,133	3,047,900
Members' equity		
Retained earnings	252,999	246,029
Accumulated other comprehensive income	4,079	692
	257,078	246,721
	\$ 3,400,211	\$ 3,294,621

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
Year ended December 31, 2024, with comparative information for 2023

	2024 (\$'000)	2023 (\$'000)
Interest income	\$ 143,687	\$ 137,313
Interest expense	66,406	50,312
Net interest income	77,281	87,001
Loan impairment expense	2,049	761
Other income	19,108	19,390
Operating expenses	84,751	81,432
Income before income taxes	9,589	24,198
Provision for income taxes	2,619	5,093
Net income	6,970	19,105
Other comprehensive income, net of tax	3,387	5,442
Comprehensive income	\$ 10,357	\$ 24,547

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' EQUITY

Year ended December 31, 2024, with comparative information for 2023

(\$'000)	Investments held at FVOCI	Cash flow hedges	Accumulated other comprehensive income (loss)	Contributed surplus	Retained earnings	Total
Balance at December 31, 2022	\$ (5,065)	\$ 315	\$ (4,750)	\$ 2,573	\$ 224,351	\$ 222,174
Net income	-	-	-	-	19,105	19,105
Other comprehensive income	3,548	1,894	5,442	-	-	5,442
Balance at December 31, 2023	(1,517)	2,209	692	2,573	243,456	246,721
Net income	-	-	-	-	6,970	6,970
Other comprehensive income (loss)	3,560	(173)	3,387	-	-	3,387
Balance at December 31, 2024	\$ 2,043	\$ 2,036	\$ 4,079	\$ 2,573	\$ 250,426	\$ 257,078

NOTE 1 – BASIS OF PRESENTATION:

These summary consolidated financial statements have been prepared in accordance with Section 128(4) of the *Financial Institutions Act* and are derived from the audited consolidated financial statements, prepared in accordance with IFRS Accounting Standards, as at and for the year ended December 31, 2024. Those audited consolidated financial statements were approved by the Credit Union's Board of Directors on March 19, 2025 and can be obtained at any of our branches.

Approved on behalf of the Board:



Dominique Roelants
Chair, Board of Directors



Debra Oakman
Chair, Audit and Finance Committee

Please note: Due to governing regulations, we are required to send this document to each individual member (including estate and junior memberships). Therefore, each household may receive multiple copies. The full set of consolidated financial statements of the Credit Union can be found on our website at: <http://www.cccu.ca/about/corporate-reports>



**COASTAL COMMUNITY
CREDIT UNION**

HEAD OFFICE

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