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The Office of the Superintendent of Financial Institutions (OSFI), through Guideline B-15, requires federally regulated financial institutions to demonstrate that they understand and appropriately govern, manage, and disclose actual and potential impacts of climate-related risks. While OSFI B-15 only applies to Vancity's Bank, we voluntarily report at a consolidated level because that's how we primarily manage climate risk, and we leverage learnings from aligning to the guidance to enhance our group wide approach to climate risk.

To align with the Canadian Sustainability Standards Board's (CSSB) recent voluntary sustainability standard CSDS 2, OSFI deferred some of these disclosure requirements (e.g., scope 3 category 15 financed emissions) until fiscal year 2027. But as we have already been reporting these since 2022, we continue to do so voluntarily.

The page numbers below refer to the following documents.

CU = 2025 Climate Update

AS = 2025 Accountability Statements

CAP = Climate Action Plan

Methodology handbook = Methodologies for emissions calculations

Disclosure element	Disclosure expectation	Reference
Governance		
a)	Describe the governance body(ies) (e.g., board of directors, committee, other) or individual(s) responsible for oversight of climate-related risks and opportunities, including their identity, responsibilities, skills and competencies, process around staying informed including the frequency of meetings, oversight of strategy, major transactions, risk management processes, target setting and monitoring progress towards those targets, and a description of whether and how climate-related considerations are factored into their remuneration.	Climate-related governance, AS p. 76 Sustainability-related governance, AS p. 12 Implementation and Governance, CAP p. 25 Climate-related remuneration, CU p. 13
b)	Describe management's role in monitoring, managing, and overseeing climate-related risks and opportunities, including the identity of the management-level position or committee as applicable, its governance processes, controls, and procedures, and how oversight is exercised over that position or committee.	Management structure and accountabilities (climate), AS p. 78 Management-level governance (sustainability), AS p. 15

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Strategy		
a)	<p>Describe the climate-related risks and opportunities the Financially Regulated Financial Institution (FRFI) has identified that could reasonably be expected to affect its cash flows, access to finance or cost of capital, including:</p> <ul style="list-style-type: none"> - The classification of each climate-related risk as either physical or transition risk; - The expected timeframe for the occurrence of effects associated with each risk and opportunity (short, medium, or long term); - The FRFI's definitions of 'short term,' 'medium term,' and 'long term' in relation to strategic decision-making planning horizons. 	<p>Climate-related risks, AS p. 80</p> <p>Climate-related opportunities, AS p. 84</p>
b) i	<p>Business model and value chain Describe:</p> <ul style="list-style-type: none"> - the current and anticipated effects of climate-related risks and opportunities on the FRFI's business model and value chain; - where in the FRFI's business model and value chain the climate-related risks and opportunities are concentrated. <p>Strategy and Decision making Disclose information about current and anticipated:</p> <ul style="list-style-type: none"> - changes to the FRFI's business model, including its resource allocation, to address climate-related risks and opportunities; direct mitigation and adaptation efforts; - indirect mitigation and adaptation efforts. <p>Financial position, financial performance, and cash flows Describe:</p> <ul style="list-style-type: none"> - how climate-related risks and opportunities have affected the FRFI's financial position, financial performance, and cash flows for the reporting period; - how the FRFI expects its financial position, financial performance, and cash flows to change over the short, medium, and long term, given its strategy to manage climate-related risks and opportunities. 	<p>Progress update, CU p. 6</p> <p>Carbon price and other financial impacts of climate risks, CU p. 13</p> <p>Climate, AS p. 75</p> <p>Climate strategy, AS p. 79</p> <p>Stress testing, AS p. 23</p> <p>Global context, CAP p.12</p> <p>Big Moves, CAP p. 15</p>
b) ii	Describe the FRFI's climate transition plan	About our plan, CAP p. 4
c)	Describe the resilience of the FRFI's strategy, taking into consideration different climate-related scenarios, including a scenario which limits warming to the level aligned with the latest international agreement on climate change, or lower.	<p>Climate resilience, AS p. 82</p> <p>Forward-looking modelling tool, AS p. 83</p>

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Disclosure element	Disclosure expectation	Reference
Risk management		
a)	Disclose information about the FRFI's processes and related policies for identifying, assessing, prioritizing, and monitoring climate-related risks.	Process for identifying and assessing climate risks, AS p. 80
b)	Disclose information about the FRFI's processes for identifying, assessing, prioritizing, and monitoring climate-related opportunities including information about whether and how the FRFI uses climate-related scenario analysis to inform its identification of climate-related opportunities.	SCSE 2025, AS p. 83
c)	Disclose information about the extent to which, and how the FRFI's processes for identifying, assessing, prioritizing, and monitoring climate-related risks and opportunities are integrated into and inform the FRFI's overall risk management process.	Climate risk integration, AS p. 81
Metrics and targets		
a)	Disclose metrics used by the FRFI to assess climate-related risks and opportunities in line with its strategy and risk management process.	Key metrics, CU p. 11
b) i	<p>Disclose separately the FRFI's Scope 1 and location-based Scope 2 absolute gross GHG emissions for the period.</p> <p>Disclose the measurement approach, inputs, and assumptions the FRFI uses to measure its Scope 1 and Scope 2 GHG emissions, and the underlying reasons for these decisions.</p> <p>Disclose the reporting standard used by the FRFI to calculate and disclose GHG emissions. If the reporting standard used by the FRFI is not the GHG Protocol Corporate Standard, disclose how the reporting standard used by the FRFI is comparable.</p>	<p>Operational greenhouse gas emissions: scopes 1 and 2, CU p. 16</p> <p>Operational emissions: scopes 1 and 2, Methodology handbook p. 3</p>
b) ii	<p>Disclose the FRFI's Scope 3 absolute gross GHG emissions for the period.</p> <p>In preparing its Scope 3 GHG emissions disclosure, the FRFI should consider its entire value chain and all 15 categories of Scope 3 GHG emissions, disclose which of these categories are included in the Scope 3 GHG emissions disclosure, and ensure inclusion of Category 15: Investments emissions.</p> <p>FRFIs should not combine but should present separately financed emissions, insurance-associated emissions, and emissions from AUM.</p> <p>Disclose the measurement approach, inputs, and assumptions the FRFI uses to measure its Scope 3 GHG emissions, and the underlying reasons for these decisions.</p> <p>Disclose the reporting standard used by the FRFI to calculate and disclose GHG emissions.</p>	<p>Emissions profile (all scopes), CU p.14</p> <p>Operational greenhouse gas emissions: scope 3 (categories 1, 6, and 7), CU p. 18 and Methodology handbook p. 8</p> <p>Financed emissions: scope 3 (category 15), CU p. 25 and Methodology handbook, p. 16</p>

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Disclosure element	Disclosure expectation	Reference
b) ii (cont.)	<p>Additional and specific information about FRFIs' Category 15 Investments emissions</p> <p>Disclose the following, as applicable:</p> <p>For all in-scope FRFIs, disclose:</p> <ol style="list-style-type: none"> 1. The FRFI's absolute gross financed emissions, disaggregated by Scope 1, Scope 2 and Scope 3 GHG emissions by asset class and for any corporate investments or loans (i.e., the following asset classes under PCAFA: Listed equity, corporate bonds, business loans, and unlisted equity), by sector. When disaggregating by: <ol style="list-style-type: none"> i. Asset class – the disclosure should include, at a minimum, investments, and loans. ii. Sector – the FRFI should use the OSFI designated sectors for classifying counterparties, reflecting the latest version of the classification system available at the reporting date. 2. The FRFI's gross exposure to each asset class as the carrying amounts (before subtracting the loss allowance, when applicable), expressed in the Canadian dollars. 3. The percentage of the FRFI's gross exposure included in the financed emission calculation. The FRFI should: <ol style="list-style-type: none"> i. If the percentage of the FRFI's gross exposure included in the financed emission calculation is less than 100%, explain the exclusions (e.g., due to lack of methodology or lack of data), including the type of assets excluded. 4. The methodology the FRFI used to calculate its financed emissions, including the method of allocation the FRFI used to attribute its share of emissions in relation to the size of the gross exposure. 	<p>Approach, coverage and data quality, CU, p. 25</p> <p>Emissions profile by asset class, CU p.27</p> <p>Financed emissions by activity or asset class, CU p. 32</p> <p>Financed emissions: scope 3 (category 15) (approach by asset class), Methodology handbook p. 18</p>
b) iii	<p>Additional and specific information about FRFIs' Category 15 Investments emissions</p> <p>Disclose the following, as applicable:</p> <p>For in-scope FRFIs that participate in asset management activities, disclose:</p> <ol style="list-style-type: none"> 1. The FRFI's absolute gross financed emissions pertaining to assets under management, disaggregated by Scope 1, Scope 2, and Scope 3 GHG emissions. 2. For each of the disaggregated items in (1), above, the total amount of AUM that is included in the financed emissions disclosure, expressed in Canadian dollars. 3. The percentage of the FRFI's total AUM included in the financed emissions calculation. <ol style="list-style-type: none"> 1. If the percentage is less than 100%, the FRFI should explain the exclusions (i.e., due to lack of methodology or lack of data), including types of assets and the associated amount of AUM. 4. The methodology used to calculate the financed emissions from AUM, including the method of allocation the FRFI used to attribute its share of emissions in relation to the size of the AUM balance. 	<p>Vancity Investment Management managed client investments, CU p. 42</p> <p>Listed equity (off-balance sheet managed client investments), Methodology handbook p. 32</p>

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c)	<p>Disclose any quantitative and qualitative climate-related targets the FRFI has set to monitor progress towards achieving its strategic goals, including: - The objective of the target;</p> <ul style="list-style-type: none"> - The period over which the target applies; - The base period from which progress is measured; - Any revisions to the target and an explanation of those revisions; <p>Disclose information about the FRFI’s approach to setting and reviewing each target and how it monitors progress against each target;</p> <p>Disclose information about the FRFI’s performance against each climate- related target and an analysis of trends or changes in the FRFI’s performance.</p> <p>For any GHG emissions target disclosed (and the corresponding metrics, if applicable), disclose it both gross of, and net of, carbon offsets, if applicable, and explain the type of offset (for example, carbon credit, nature-based, other.)</p>	<p>Progress update, CU p. 6</p> <p>Operational emissions - Progress made on targets, CU p. 16</p> <p>Financed emissions: progress on net-zero targets, CU p. 20</p> <p>How we’ll assess progress, CAP p. 22</p>
d)	<p>Disclose the following cross-industry metrics:</p> <ol style="list-style-type: none"> 1. climate-related transition risks: the amount and percentage of assets or business activities vulnerable to climate-related transition risks; 2. climate-related physical risks: the amount and percentage of assets or business activities vulnerable to climate-related physical risks; 3. climate-related opportunities: the amount and percentage of assets or business activities aligned with climate-related opportunities; 4. capital deployment: the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities; 5. internal carbon price: <ol style="list-style-type: none"> 1. an explanation of whether and how the FRFI is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis); and 2. the price for each metric tonne of GHG emissions the entity uses to assess the costs of its GHG emissions 6. remuneration: <ol style="list-style-type: none"> 1. the percentage of Senior Management and other material risk-takers’ remuneration recognized in the current period that is linked to climate-related considerations. 	<p>Key metrics, CU p. 11</p>
e)	<p>Disclose industry-based metrics. In determining the industry-based metrics that the FRFI discloses, consider the applicability of the industry-based metrics associated with disclosure topics described in the Industry-based Guidance on Implementing Climate-related Disclosures, (Financials Sector, as applicable to the FRFI’s business model/activities).</p>	<p>Key metrics, CU p. 11</p>