

From Our Board Chair:

To our members,

This past year has been a time of exciting transition for BECU and another representation of the strength and resilience of our financial cooperative. As we ended the year, we said goodbye (and a heartfelt thank you) to Benson Porter after ten years of dedicated service as our president and CEO. We welcomed our new leader, Beverly Anderson, and introduced a new chapter for BECU. The expertise, energy and focus she brings will help drive the credit union forward and create even more compelling and meaningful opportunities for our members and communities. Through the transition, we continued to navigate a challenging and turbulent economic environment from a strong financial position.

As many of you know, BECU's origin story is steeped in perseverance and community. In 1935 during the Great Depression, a small group of Boeing employees pooled their funds to provide loans for co-workers to buy

when they were unable to get loans elsewhere. BECU's start epitomizes how credit unions help people achieve their goals by working together despite challenging economic and uncertain times. The past three years of the COVID-19 pandemic have brought this "people helping people" philosophy to life in new and familiar ways as we've supported the varied financial needs of our members and business members.

Today, BECU is proud of our financial strength and pays it forward to our members and communities. Membership increased by 3.6% in 2022, and we now serve nearly 1.4 million members across the Pacific Northwest and the country. We ended 2022 at \$28.8 billion in assets, down 4.6% compared to the prior year. Member deposits remained relatively flat year-over-year at \$25.9 billion, after two years of record-setting growth. Our member loan portfolio grew by 23.1% from 2021 to \$16.3 billion in 2022.

With a net worth ratio of 10.66% (up from 9.82% in 2021), BECU is well-buffered against unusual or unexpected economic

losses thanks to our strong capital and liquidity positions. This means we have healthy cash balances as well as ample assets available to support cash needs. Our teams work hard each day to ensure we are here for you today, tomorrow and well into the future.

Our 2022 annual report highlights some of our key efforts from the past year, including new initiatives and programs, and steps we've taken to drive our commitments to our members, to our employees and to our communities forward. Whatever tomorrow brings, BECU is here to help members pay down debt, improve credit scores, create budgets, find lower rates, pay bills on time and build rainy-day funds.

On behalf of the board, I am confident of the strength of our financial position and, importantly, our aligned focus on empowering you — our members — to reach your financial goals. We look forward to continuing to partner with you in the coming year.

Debra Somberg, Chair, BECU Board of Directors

From Our President and CEO:

To our members,

It is my honor to write this to you in service as your new president and CEO. The organization's history and legacy of impact in the Pacific Northwest are not lost on me. There are several reasons why I am enthusiastic about BECU's future. The first is our deep commitment and devotion to our purpose: As a cooperative, we bring people together to improve the financial well-being of our members and their communities.

As I have visited many of our Neighborhood Financial Centers around the Puget Sound, I can feel and see the impact we are having on our members' lives. Our member Net Promoter Scores (or NPS), which measure customer experience and loyalty, are some

of the strongest in the industry. It warms my heart when a member tells me how much they love being a BECU member!

The second reason is the passion and engagement of our team members for serving you, our members. In meetings, town halls and hallway conversations, I witness the excitement our employees have as we chart the next phase of our journey. Our employee surveys and average tenure are a testament to their commitment to serving our members and communities.

Additionally, I am energized by the possibilities and opportunities before us to deliver even more impact. We are the largest credit union in Washington state and the fourth largest credit union in the country. These are incredible accomplishments. However, we recognize that we can deliver more substantial impact to an even broader set of members and communities through reimagined and innovative products, services and experiences that meet their needs.

My commitment is to maintain BECU's proud roots in our founding story and

values while evolving the cooperative to meet the changing needs of a more diverse, more complex, more digitally driven society.

One area where we will intensify our efforts is in improving access to financial services for even more individuals and communities. In the past year, we've initiated Spanishlanguage financial services, offered accounts to those rebuilding their credit history and provided grants to first-time homebuyers. I am committed to us doing even more.

Our teams have also taken meaningful steps on our journey to becoming a more inclusive and equitable organization. Our commitment is not only the right thing to do, but it is also smart business. Embedding equity and inclusion into everything BECU encompasses, from people to programs, will build deeper and more meaningful relationships with our members and deliver better business results.

As you can see, I'm extremely excited about the path ahead for BECU. Thank you to you, our members, for your commitment to your cooperative. We look forward to a bright future ahead — together.

Beverly Anderson, *President & Chief Executive Officer*

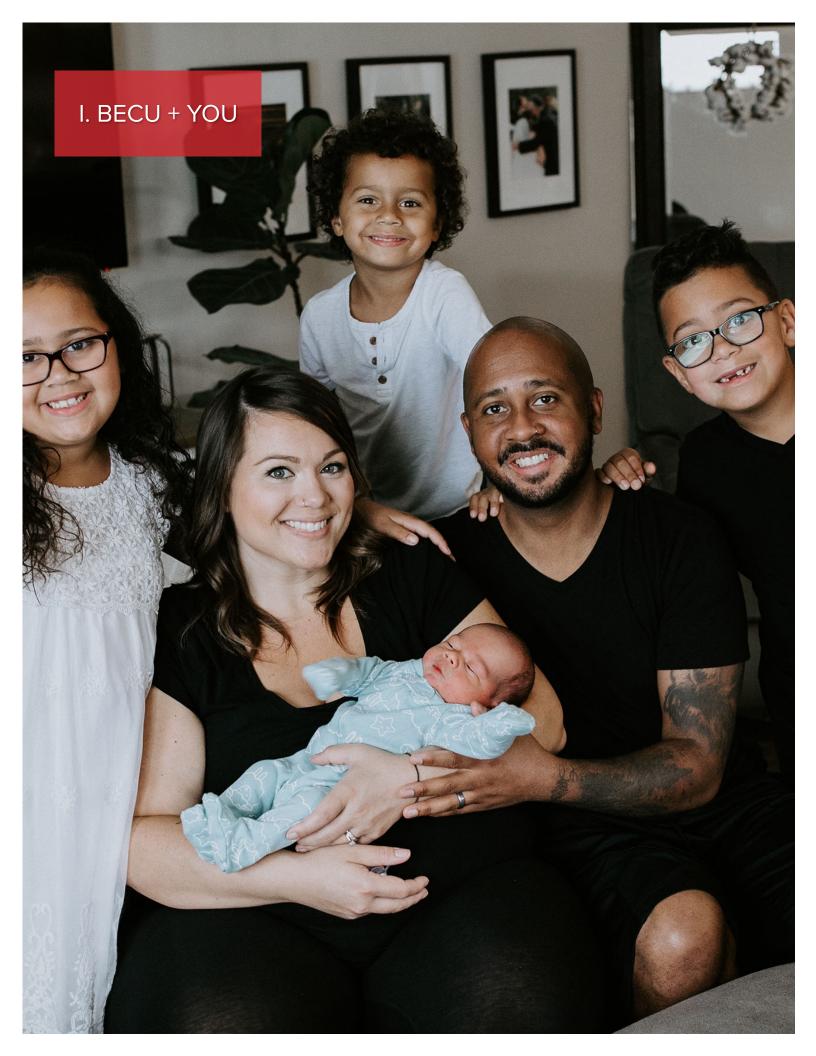
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II. BECU + COMMUNITY

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As a not-for-profit credit union owned by our members, we make decisions based on what members want and need. We put people over profit and are always thoughtful about the investments we make to sustain the cooperative without compromising our culture.

In 2022, BECU reinforced its commitment to members as the pandemic's economic impact waned and inflation took hold. Using our strong financial position, we sprung at the chance to return profits to our members and build a more equitable future for our communities. Here's how that adds up to our formula for success.

Grew Membership and More

Over the course of 2022, we welcomed new members, grew our loans and offered industry-exceeding service to you. We're growing our membership, reach and services responsibly so you can rely on BECU today and in the future. It's a continuous balancing act as we manage our capital, profitability, return to members and investments to better serve you. So, we're thoughtful about how we spend members' money to sustain the cooperative. Thanks to an appropriate level of return on our assets, we have the capital to continue to grow, invest and be safe and sound, even when larger economic forces lead to uncertainty and volatility.

Membership

Welcome, new members and, hello again, longtime members. We celebrate you both! Overall last year, **our membership grew** to nearly 1.4 million (a 3.6% increase over 2021), including more than 73,500 business members. That includes over 108,200 new BECU members, more than 16,000 that joined through our digital channels, and over 10,700 new business members.



Sustainable Growth

Fun fact: The National Credit Union
Administration (NCUA) considers a credit
union as "well-capitalized" if it has a net
worth ratio of 7%. This ratio reflects a credit
union's financial strength and ability to
protect against unforeseen or unusual
losses.

At the end of 2022, BECU's net worth ratio was 10.66% (up from 9.82% in 2021), well above the NCUA's well-capitalized level. Thanks to careful stewardship of your resources, we're in a robust and strong financial position.



decreased by 4.6% over last year



Thanks to our friendly rates, fees and terms, our lending ramped up in 2022.

- BECU Loans: \$16.3 billion (23.1% increase from 2021)
- Loans originating online: \$1.4 billion (34.8% increase from 2021)



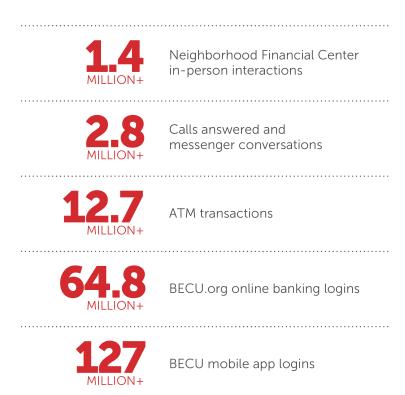
Delivered Member-First Services

Whether you used our apps, called us or walked into a Neighborhood Financial Center (NFC), we were there for you.

Digital tools coupled with human support helped empower you to achieve your financial goals and dreams.

BECU services help you deposit checks digitally, refinance your home, manage your budget, replace debit cards and so much more. Throughout 2022, you got in touch with us in the following ways:

Ways You Counted on Us in 2022:



To discover whether BECU members are satisfied with our service offerings, we use **Net Promoter Scores (NPS)**, which measure customer experience and loyalty. Members are asked: "How likely is it that you would recommend our company/product/service to a friend or colleague?" A score of 50 or more is considered excellent. In 2022, we earned an average NPS of 64.90, well above averages in the financial industry.

Speedier Services

In 2022, we hired additional Contact Center employees to meet member needs and transactions and reduce waits. With our new dedicated loan application phone number, more members heard a "yes" in less time. Our 45 upgraded ATMs provided faster, more convenient service.

Our recent Video Banking rollout allows you to work with a Member Consultant from the comfort of your own home or any location. Try it sometime — you can open new accounts for yourself or your children, apply for loans, or make account or mortgage inquiries.



Victor in Bothell was a fantastic representative of BECU. The service he provided to someone I was selling a car to was the direct reason I opened an account. He helped her navigate a few things and

knew what he was talking about. Because of him, I am going to switch my banking to BECU." — James B., BECU Member



Generated Return to Members

As a financial cooperative, BECU returned value to our members to enhance their financial health in several ways. We're not seeking short-term profits, but long-term advancements in your quality of life.

Other institutions, like banks, measure their success by the amount they return to shareholders. As a member-owned not-for-profit, BECU assesses our success based on "Return to Member." Return to Member is how much we returned to members in the past year through **great rates and low or no fees**, compared to bank averages.

In 2022, we returned over \$362.3 million to our members for an average of \$265 per member, up 8% year-over-year. Members use this money to save more, invest toward their goals or spend on something fun.



Here are examples of how we returned money to members:

Lowered Rates with Reprice Programs

We saved over 42,500 eligible members an estimated \$2.7 million last year by lowering interest rates if their credit scores improved and if they were already not paying the lowest rates. Eligible members may experience an average rate improvement of 3% on their BECU Visa credit card following the 2022 loan program.



Eliminated and Reduced Fees

For BECU checking accounts, we eliminated and/or lowered our Non-Sufficient Funds (NSF) and overdraft fees, saving our consumer and business members millions of dollars in the long run.

Increased Savings

To keep up with a rising-rate environment, BECU **increased rates** for deposit accounts, with competitive rates in savings and CD accounts. Member Advantage checking and savings, Money Market and CD accounts enjoy an even higher interest rate.

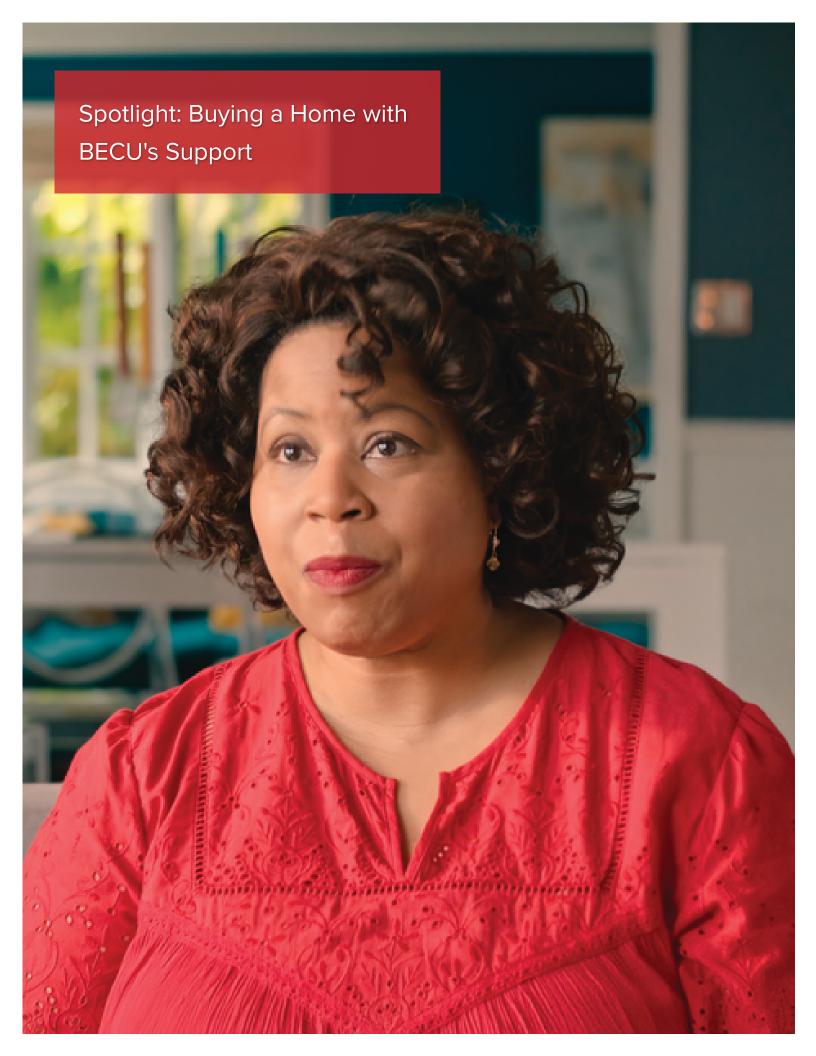
Helped with Homes

Last year, our <u>First-Time Homebuyer Grants</u> totaled almost \$1.26 million, assisting members with down payments on more than 170 mortgages to help purchase their first home (or condo, or townhouse). Eligible members pay as little as 1% toward their down payment or closing costs on their primary residence after grants provide up to \$10,000 (up to 3%) of a first home down payment or closing. BECU has continued to expand our support for first-time homebuyers by adding Oregon as an eligible state in 2023.



FIRST-TIME HOMEBUYER GRANT: Granted \$1.26 MILLION+ to support the down payment or closing costs for more than







https://youtu.be/DFyxsFrTxXU

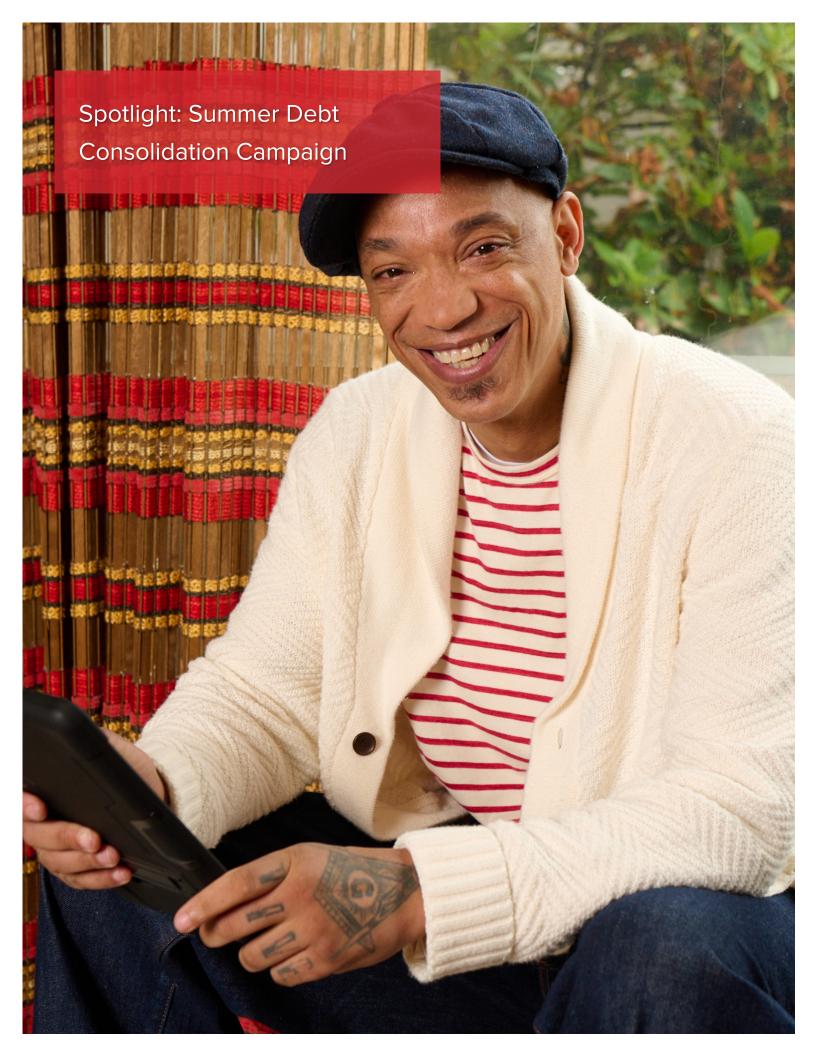
While searching for her dream home, BECU member Kindle S. observed a magnolia tree growing in the yard of one house for sale. The magnolia was her mother's favorite tree. "It was almost as though my mother was speaking to me saying, 'Yeah, this is the house,'" Kindle says. She put in an offer. She also shared that historically, her ancestors couldn't always buy homes, which can be a wealth-building tool. Her new home not only nurtures the magnolia's blooms, but gives Kindle wealth to pass along to generations of her family. "BECU made all of this possible."

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Invested in Member Financial Fitness

BECU's overall success depends on the financial health of our members. Our campaigns and programs improved your financial fitness and resilience so you can handle whatever comes your way next.

While 2022's higher rates led to increased CD and savings account returns, rates also rose on credit cards and loans. So, employees helped members understand how refinancing debt at fixed, low interest rates benefits their long-term financial health. Variable interest rates can lead to monthly payments that make it hard to budget while rising rates add up to higher monthly payments.



Due to the rising interest rate environment, we encouraged members to consolidate debt at a low rate to build financial health and resiliency. Our employees worked with members to identify existing debt with high or variable interest rates and provide them with fixed, lower rate solutions.

In total, nearly 13,000 total debt consolidation interactions helped borrowers save in the following ways:

- Personal loans: Consolidated high interest-rate debt into a low monthly loan payment, in combination with a 0.50% reduction off regular loan interest rates.
- New HELOCs: Locked in low rates for debt consolidation, withdrawing money as necessary.
- Fixed-rate advance: Converted existing BECU variable-rate HELOC to a fixedrate amortized Home Equity Loan.
- Low-rate BECU Visa: No-fee balance transfer from a high-interest credit card into our low-rate card featuring 0% interest for a year.

Financial Health Programs

We evolved resources and programs to serve over 13,100 members and community members. More than 700 members took part in our free Financial Health Check program for coaching on budgeting, saving, and goal-setting. We also partnered with GreenPath Financial Wellness to provide free one-on-one financial counseling. More than 4,200 members used GreenPath's in-depth counseling services, with some members using their debt management program to tackle \$6.8 million in debt.



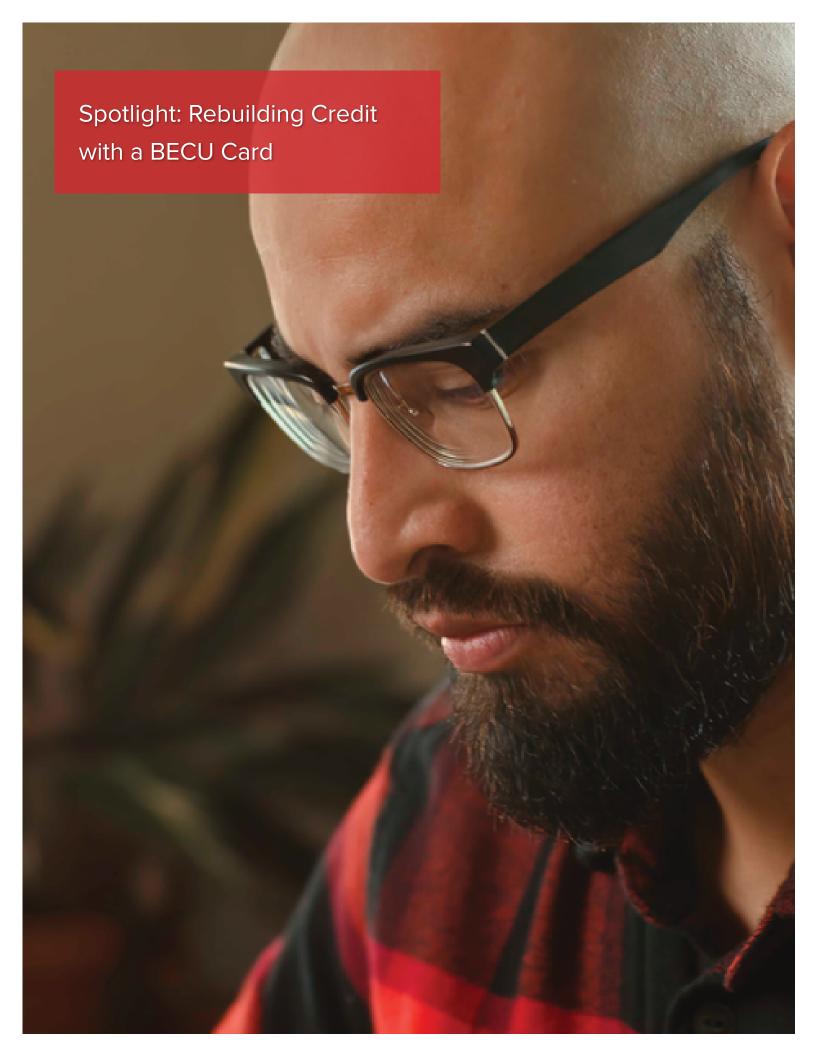
13,100+ FINANCIAL HEALTH PARTICIPANTS

Member Financial Health Survey

Our hard work seems to be paying off. More than 14,300 BECU respondents to our annual financial health survey (an increase from 2021) reported that they're **generally**

financially healthier than national survey respondents. Members also said that they:

- Spend less money than they're making.
- Feel highly confident they can save for an emergency and retirement.
- Are aware of BECU resources, including <u>Money Manager</u> and the Financial Health Check program.





https://youtu.be/Gnn2oSCdfUQ

At age 18, Rolando A. wanted to attend college, but as an undocumented student at the time, he was ineligible for federal aid and could only apply for private loans. He soon faced overwhelming debt and credit issues. He found his way to BECU and was able to begin rebuilding his credit starting with a BECU credit card. "BECU helped me get back on my feet," he says.



Delivered on Equity and Inclusion

Member Equity Commitment: For our members, we provide greater access to banking services in Black, Indigenous and People of Color (BIPOC) communities to support healthy financial futures for all.

In 2022, BECU took strides to become a more inclusive and equitable organization for our members. Here are a few examples.

Spanish Language Pilot

At least 11 Neighborhood Financial Centers (NFCs) are in areas where 10% or more of the population speaks Spanish as their first language. Our Spanish-language membership has grown tremendously. Since 2018, our use of an over-the-phone interpreter service increased by 172%. Our inability to serve members in Spanish at times left members feeling frustrated and confused. To address this need, we developed an innovative Spanish language pilot project.

In March 2022, **16 BECU Spanish**speaking-certified employees began

assisting members with everyday banking

transactions in eight NFCs. These NFCs —

including Tukwila, Everett, and Auburn,

Washington — met the 10% Spanish-

speaking population criteria. Through the pilot, employees assisted members in Spanish with 2,000 financial transactions. "Mil veces mejor", one member said in response, which translates to "A thousand times better."



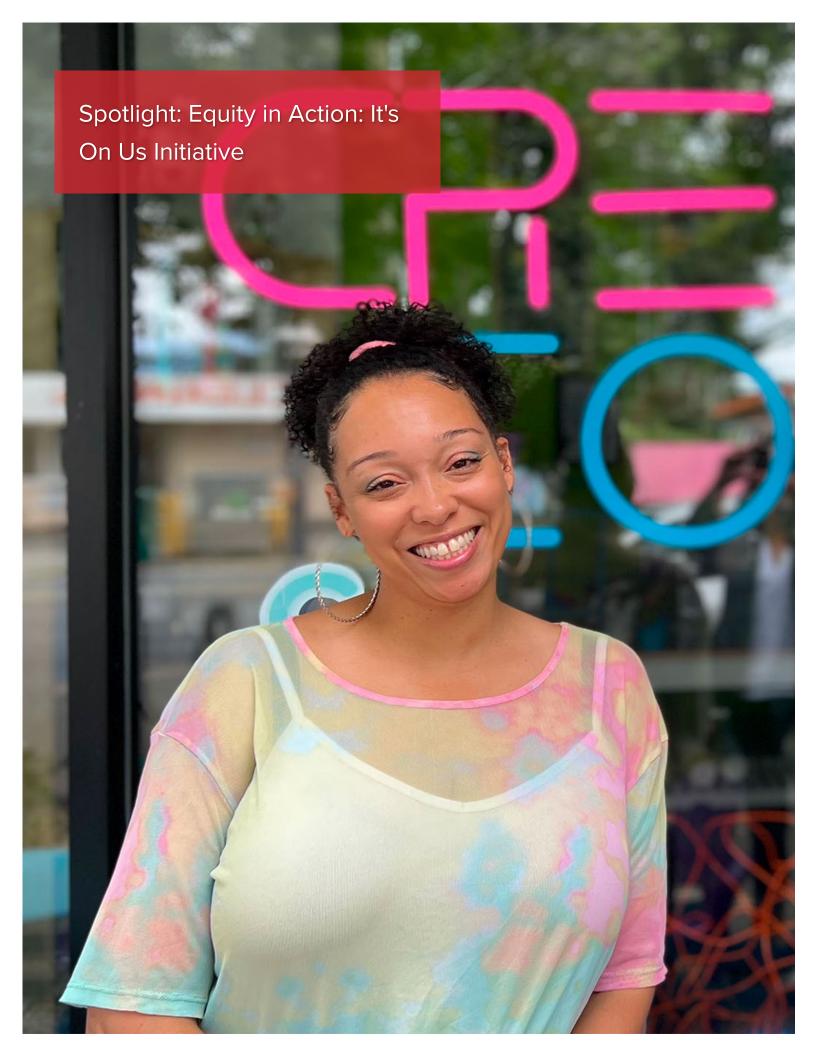
L L feels great to help members in their own language and to see members leave feeling valued. The gratitude members express for assisting them in Spanish is both encouraging and rewarding!" — Irving C., BECU Employee, Everett Financial Center

History Heritage Months

Throughout 2022, we celebrated our diverse communities with BECU employees and members through events and programs, BECU blog content, social media

channels and our email newsletter. We acknowledged:

- Black History Month
- Women's History Month
- Latinx History Month
- Pride Month
- And more!



Our ongoing Equity in Action: It's On Us
Initiative in partnership with the
Intentionalist encourages members to
"spend like it matters," and try a free treat
on our tab. Treats were available at 60 local,
participating small BIPOC-and womanowned businesses throughout the year.

Through Intentionalist.com, we encourage exploration of diverse businesses in our communities. The Intentionalist platform includes Latino, Black, Asian, Woman, Minority and LGBTQ+-owned businesses, such as restaurants, spas, art galleries, fitness gyms, bookstores and boutiques.

For example, for Women's History Month in March, BECU members could visit the website intentionalist.com/becu-equity-inaction for a list of woman-owned businesses. Clicking on a business name reveals the business' backstory, photos, owners and a code for a free item while supplies last, such as an appetizer or dessert.



Expanded Services and Products

In 2022, we made investments in new banking products to improve member financial access, rewards, credit scores and more.

Created Credit

We now report <u>authorized card users'</u> activity to credit bureaus, including teen users. It's a great new way to **build credit history** if you've never had a card before—or if your previous credit wasn't great.

Accessed Accounts and Payment Services

In 2022, we found a few new ways to make your financial life a little easier. BECU debit cardholders can now use the **convenient**, **contactless palm payment** of <u>Amazon One</u> at participating stores like Whole Foods and The Walk-Off Markets at T-Mobile Park.

Our new SMS One-Time Password process allows you to **smoothly verify BECU debit card enrollment in a digital wallet** without Contact Center assistance, cutting 1,000+ calls to our Contact Center per month.

And we've made getting your **next debit** card in the mail easier than ever — just

request a debit card through BECU.org.

Spotlight: Savings Success with Digital Envelopes

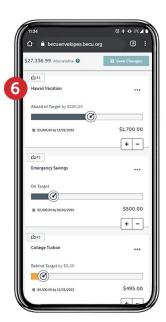
Over the past two years, we remained focused on helping our members navigate the economic impacts of the pandemic with the right tools for the job. To further strengthen this commitment, in 2020 BECU established a cross-functional team called the FinHealth POD to specifically focus on the development of new solutions that would improve member financial health. Driven by extensive member research, we came up with BECU Envelopes, which allows members to direct money toward specific savings goals through various digital envelopes within their BECU savings or Money Market accounts.

The product was designed based on member needs with a goal of assisting them with not only regular, planned savings, but also with a critical need of preparing for the unexpected by building emergency savings. Now members can easily move money into digital envelopes to help organize and track their savings goals, all in one account. They can create up to 12 envelopes, each dedicated to their personal financial goals.

BECU Envelopes was initially offered through a pilot program in 2021 and rolled

out to all members in 2022. Around 25,000 BECU members have accessed the tool and have collectively put aside \$45 million within digital envelopes. Amazing job, members!





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Powered Up with Partners

We partnered with other brands to offer deals and discount opportunities for members and find innovative ways to give back to our communities.

Expanding in Oregon

We launched a new partnership with **pro**women's soccer team Portland Thorns —
watch for our field-level LEDs and signage
next time you're in the Rose City. Thanks to
our participation in the Tix for Kids
Community program, more children were at
those games too. Portland, Oregon-area
nonprofits sent disadvantaged youth to
enjoy Providence Park professional soccer
matches, free of charge.



BECU also kicked off official partnerships with the University of Oregon and Oregon State University. Don't worry Husky and Cougar fans, we still have our partnerships with our Washington universities (#housedivided). Because we serve 11 counties in Oregon (and soon to be more!), we also support Oregon universities passionate about their students, the community, and loyal fan bases cheering on the Ducks and Beavers.





BECU signage was added to the two Oregon universities' stadiums and arenas, as we engage in the schools' community and equity efforts. One example: the 50th anniversary celebration of Title IX, which offered new opportunities for women to excel in college athletics. For Beaver student athletes, we provide financial education through Oregon State University's Champions of Play Program.



I have the opportunity to bring BECU's brand values to life through strategic partnerships and create an impact with our partners and communities we serve." — Kristin L., Senior

Manager of Affinity Partnerships

Singing KEXP's Praises

We're drumming up big numbers for Seattle public radio station KEXP's eclectic music catalog. Whenever BECU members use their debit card with KEXP's cassette-tape art, one cent per transaction goes to the nonprofit radio station. Here are our Top 4 KEXP-BECU hits in no particular order (remember mix tapes?):

- \$400,000+ in total 2022 donations for KEXP
- \$748,600 in total contributions since
 2020
- 14,500 new members with KEXPbranded cards
- 1 BECU-KEXP album released





BECU partnered with KEXP to launch "Live at KEXP Volume 10" Anniversary Album this <u>year</u>. The 19-track album showcases established and emerging artists, and proceeds from the dually released \$10 digital-vinyl collection go toward the performing artists and independent record stores.



We recognize the essential power of public radio to transform lives and connect people through music. Over the last 50 years, KEXP has grown into a cultural force for listeners worldwide, bringing communities together. We are proud to partner in celebrating local artists and providing necessary support to keep music alive in our communities, all in line with the credit union philosophy of 'people

helping people." — Tom Berquist, BECU's Chief Marketing Officer

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Start-up Savvy

BECU works with the University of
Washington's CoMotion lab, enabling
financial start-ups to create new, effortless
ways to access, share and build wealth.
This year's <u>UW CoMotion and 2022 winning</u>
start-ups included:

- Asa Financial: Accelerating fintech and credit union collaboration, connections and marketplaces.
- Honeycomb Credit: Crowdfunding lending for small business.
- NetGiver: No-fee charitable giving platform powered by credit unions.

• **Pocketnest:** Financial wellness platform for millennials and Gen X.











Served Member Deals and Discounts

We hope to see even more in your rainy-day savings — so we dug up deals and discounts to help you spend less, save more (and have fun!). In 2022, members saved over \$2.6 million dollars using BECU deals and discounts.

Passport Discounts

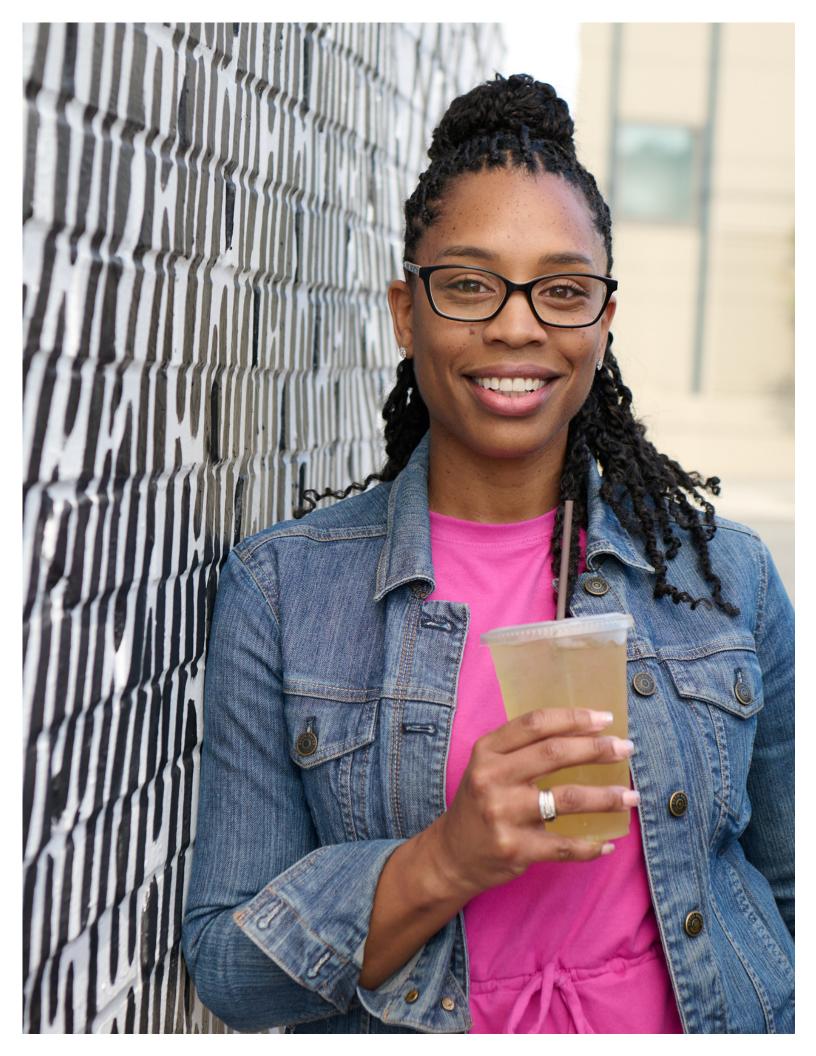
BECU members receive a complimentary membership to our member discount program powered by Passport Unlimited, which includes thousands of free discounts on local dining, entertainment, hotels and resorts, professional services and more. Sign up and download the app today to discover significant percentages off as you plan your upcoming night out or summer week away.

Year-Round Savings

Check out our BECU.org <u>deals and</u>
<u>discounts page</u> for local community events,
sports games, concerts and more:

- Winter: Attend a minor league hockey game, visit the Museum of Flight or Pacific Science Center.
- Spring: Catch our newest football team

 Seattle Sea Dragons at 50% off,
 save on Turbo Tax or attend a free paper shredding and electronics
 recycling event.
- Summer: Watch NASCAR races for \$5
 at <u>Evergreen Speedway</u> or cool off
 without overheating your wallet at Wild
 Waves Theme & Water Park.
- Fall: Snag discounted UW and WSU
 Football tickets, take the kids to "Do the Puyallup" with <u>Washington State Fair discounts</u> or find your dream car at the Seattle Auto Show.



Served as Your Advocate

BECU advocated for credit union policies with state and federal legislators and regulators.

Our team worked to advance conditions fair to credit unions and addressed issues potentially impacting our members.

Important topics included:

- Preserving the credit union tax credit:
 Not-for-profit financial cooperatives like
 BECU are exempt from Washington
 state business and occupation taxes,
 allowing us to return more money to
 members, keeping fees and interest
 rates low.
- Protecting your data: We supported legislation that protects members' information from fraudsters while ensuring compliance with state and regulatory requirements.
- Creating access to housing: BECU and other credit unions play an essential

role in creating pathways to homeownership with affordable rates and competitive pricing. We supported legislation and regulation that quaranteed credit union access to the secondary mortgage market.

• Financial literacy: To help students better prepare for a financially healthy and vibrant future, BECU supported policies that promoted financial education opportunities within our education systems.



I love BECU! Best banking decision to move from a traditional bank to BECU."

— Evlin H., BECU Member



Enhanced Business Success

We supported local BECU member businesses in our communities, because your bottom line is our priority. A few of this year's business accomplishments include:

Eased money transfers domestically by offering Business Online Wire Transfers.

Business members who use Business
Online Banking can access the system 24/7 and manage payees, set up and automate recurring wire payments, and enjoy security features such as monitoring activity, wire limits and two-factor authentication.

Provided free advertising on our <u>BECU</u>

Passport Discount Program to boost
customer interactions. When using the app,
shoppers can see "Business MBR" to find
hundreds of BECU-banked businesses,
including the following services:

- Dining
- Home building, inspection and interior design
- Skin and hair care
- Healthcare, fitness and wellness
- Professional business services

BECU members are highlighted in the BECU Passport app, with history heritage month-featured businesses, too. Each member listing offers contact information, a description of services and any exclusions or disclaimers.

Reduced or eliminated business member Non-Sufficient Funds (NSF) and overdraft fees to save your business money.

Expanded our Affordable Housing Loan program by funding \$20.7 million in new Commercial Real Estate Loans. This money supports 190+ new affordable housing units in our communities.

We also established a new relationship with Mt. Baker Housing Association with the closing of a cash-out refinance on a 35-unit

South Seattle Affordable Property. The additional funds will be used for capital improvements and new affordable housing projects for the organization. Mt. Baker Housing Association is a local nonprofit affordable housing developer with over 850 units under development through 2025, which will house another 2,000 residents.



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Federally insured by NCUA



Our members trust us with their money. In turn, we increase community financial capability, confidence and caring where our members live, work and play. BECU's philanthropic efforts are on track to pay dividends for generations.

Teaching Money Smarts

Whether you're saving for a rainy day, a new home or retirement, BECU assists you on your financial journey through financial education and programs.

We empower our members — and the wider communities we serve — to build money-savvy habits and strategies through a variety of engaged, interactive learning strategies.

Teens

When it comes to learning about finances, it's never too early to start. Adopting good

habits at an early age can have a positive impact on the way a young person handles money down the road. In 2022, over 4,800 high school students learned practical money-management tools and tricks through BECU seminars and webinars and Financial Reality Fairs.



The way BECU presented the lesson was fun and engaging. I was able to follow along with the lesson easily and even contribute to the discussion. I learned a lot in a short amount of time." Anonymous High School Student

Adults

Another 3.300 adults received free financial education access, including webinars, seminars, in-person sessions and online modules from our partners at EVERFI. BECU financial educators, employees and BECU

Investment Services offered presentations, as did advisors such as Russell Investments, BlackRock and Hartford Funds. Topics included information for:

- First-Time Homebuyer
- Building Credit
- How To Read Your Credit Report
- Tips for Teaching Kids Financial Responsibility



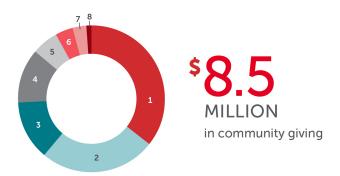
I loved it! The presenters were wonderful and great fountains of information. I cannot believe it took me so long to sign up for one of these. Thank you BECU for offering these!" — **Anonymous BECU** Member



Giving to Community

We wisely invest and collaborate in strategic programs that create financial skills, access and stability for individuals and families in our communities.

Our <u>commitment to financial well-being</u> and equity was boosted last year through \$8.5 million in funding to community partners. Here's how we gave back to our communities:



1 36% FINANCIAL HEALTH PROGRAMS

2 26% BECU FOUNDATION (Scholarships, Housing Stability & Green Equity Initiative Grants)

3 13% EMPLOYEE-INSPIRED GIVING (BECU Cares)

4 12% BLACK COMMUNITY DEVELOPMENT PROJECT

5 6% MEMBER-INSPIRED GIVING (People Helping People Awards)

6 4% CREDIT UNION SUPPORT & CO-OPS

7 3% HOUSING AND HOMEOWNERSHIP

8 1% GOOD NEIGHBOR



Building Next- Gen Leaders

BECU funds nonprofit organizations
building future wealth through providing job
training, nurturing entrepreneurs,
encouraging college pursuit and teaching
financial resilience.

Our financial health philanthropic funding is specifically focused on the following key areas:



1 36% POSTSECONDARY COLLEGE COMPLETION

19% financial education & literacy

3 18% safe & affordable access to financial services

4 12% WORKFORCE DEVELOPMENT

5 8% entrepreneur development

7% ASSET BUILDING

Here are a few examples of the meaningful programs we supported, all focused on improving access to **postsecondary** education, workforce development and/or financial literacy:

Big Brothers Big Sisters of the

Lowcountry, South Carolina: This nonprofit
organization's <u>BIG Beyond Scholar Program</u>
uses a one-on-one, curriculum-guided ementoring approach to prepare highpotential African-American scholars for life

after graduation. After completing high

school, scholars move into a postsecondary program or work development opportunity.



Your Money Matters Mentoring: The

Auburn, Washington-based financial education and literacy program connects money mentors and young people, while filling gaps in existing financial programs. Within economically vulnerable, low-income communities and local schools, the Money Mindsets program helps mentees explore money-related attitudes, culture, choices, values and emotions.



Evergreen State College: Transformational liberal arts college that uses a holistic model of education that gives students the option to co-design their education model.

BECU provides funding to help ensure students can complete their college education by providing quick-cash emergency personal expense relief funding.



Asia Pacific Cultural Center (APCC):

Tacoma, Washington's APCC provides a wide range of services, programs and activities for Asia Pacific people from 47 different countries. BECU provides funding to support entrepreneur development focused on Asian cuisines and K-12 education completion for high at-risk Samoan youth. Many programs are free or very low cost. APCC brings people together in the spirit of acceptance and

understanding, helping to build a stronger, healthier, more vibrant community for present and future generations.



YearUp: The organization works to close the Opportunity Divide with equitable access to the skills and education necessary for a career launch into banking, business, financial operations, IT or software development. With over 30 campuses across the U.S. and more than 40,000 young people served, YearUp's grads take home an average starting salary of \$52,000/year.





Giving to the Black Community

Community Equity Commitment: We prioritize community investments with a racial equity focus to address financial and racial inequities in our communities.

We're in year three of a five-year, \$5 million commitment supporting nonprofit organizations through the **Black Community Development Project** to improve the Black community's emotional, physical, and financial health and wellbeing. Each Black-led nonprofit employs a multicultural staff representative of the communities being served. Here's how we're giving back.

Nonprofit Capacity-Building Donations

Six grassroots nonprofits were given grants of nearly \$21,500 each, all of whom were nominated during BECU's annual People Helping People Awards program. The 2022 nonprofit recipients include:

SWS Fund | Blessings From My Heart To
Your Table | Free Flo Fit | Young Black &
Brilliant | Tiplus Washington | Doing It, Does
It

Community Impact Grants (Invitation Only)

Our second year of funding (at \$72,500 per year) went to nonprofits focused on financial stability, resilience and education for the Black community's financial health.

Approaches include education and workforce development, wealth-building, credit repair and homeownership, encouraging entrepreneurship, and supporting unbanked or underbanked communities.













Corporate Social and Credit Union-Inspired Projects

In 2022, our <u>Black Future Co-op</u>

<u>Fund</u> partnered with the Seattle Foundation for a \$200,000 statewide effort aimed at eradicating poverty, supporting criminal justice reform, building generational wealth, preserving Black culture and celebrating the Washington Black community's incredible resilience.

For a third year, we also granted \$100,000 to the <u>African-American Credit Union</u>

<u>Coalition (AACUC)</u>, a nonprofit organization comprised of African-American professionals, volunteers and members

working to increase diversity within the credit union community.



Thanks to BECU, we can provide educators across the country with quality antiracism training led by some of the brightest minds across the country, free-of-charge. This would not have been possible this year without the generous support of BECU." — Educators for Antiracism, BCDP nonprofit recipient



Giving Inspired by You



Since the People Helping People Awards program launched in 2013, BECU donations have totaled more than \$3.5 million to over 160 local nonprofits.

In 2022, more than 1,000 nominations poured in from BECU members for nonprofits in the Puget Sound region and Spokane, Washington, as well as Idaho, Oregon and South Carolina. BECU members then voted to help us grant \$525,000 to more than 60 nonprofits at our

10th annual awards extravaganza. Thank you for your nominations and votes — and don't forget to participate again this year.

\$50,000
MEMBER VOLUNTEER OF THE YEAR



Shaun Glaze was selected as Member Volunteer of the Year for their service with The Silent Task Force, which works to heal systemic domestic violence's impact in Black families and communities through culturally specific education and trainings.

\$40,000 PEOPLE'S CHOICE

Whidbey Environmental Action Network Community popular vote selected <u>Whidbey</u> Environmental Action Network.

\$30,000
EMPLOYEES' CHOICE WINNER



BECU employees chose <u>Empowering Youth</u> & <u>Families Outreach</u> by popular vote.

\$30,000

PAST RECIPIENTS' CHOICE WINNER



Past PHPA recipients voted to award Washington CASA this honor.

\$15,000

COMMUNITY BENEFIT WINNERS



SHERWOOD Believing in Abilities















READINESS TO LEARN







\$20,000 COLLABORATION GRANTS



















For previous award recipients that work together on a shared project:

- <u>Seattle Rep</u> and <u>Young Women</u>
 <u>Empowered</u> partner for **Y-WE Speak**,
 allowing youth to tell their stories and create community through regular classes, group dinners, field trips and Seattle Rep performances.
- Inside Health Institute and Friendship
 Adventures partner to provide health
 and wellness programs for adults with

- **disabilities** to improve quality of life, independence and health outcomes.
- Young Women Empowered and Bike
 Works partner to facilitate fun,
 adventurous and reflective learning
 experiences for Seattle-area BIPOC
 and LGBTQIA+ youth.

\$5,000 COLLABORATION GRANTS







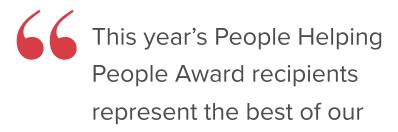












community, working
diligently and tirelessly to
address issues that our
members care about,
including education,
equity, child welfare and
the environment." — Tom
Berquist, BECU's Chief
Marketing Officer



Generating Housing, EcoSolutions and Education

The BECU Foundation is expanding beyond our previous scholarship focus and introducing new-in-2022 grant programs to drive innovative, compassionate solutions.

Supporting Housing and the Environment

Whether in a single-family home or on our shared Earth, housing and habitat are critical for human health and wealth. An invitation-only proposal submission process powered our two inaugural grant programs in BECU's service areas: Housing Stability Grants and Green Equity Initiative Grants.

Housing Stability Grants

We <u>awarded</u> \$870,000 in grants to help keep people in their homes. The funding will go toward many services, including:

- Mortgage or rent payment assistance due to loss of income and/or owing back mortgage.
- Foreclosure or eviction prevention and diversion counseling.
- Landlord-tenant mediation.
- Case management (as part of housing stability).
- Legal services or attorney fees related to foreclosure or eviction proceedings and maintaining housing.
- Specialized services for individuals with disabilities or seniors.
- Fair housing counseling.

Homeowner Foreclosure Prevention (\$100,000 each)

Northwest Justice Project: Provides
 free legal assistance to address
 fundamental human needs such as
 housing, family safety, income security,

healthcare and education in Washington state.

- <u>Rebuilding Together South</u>
 <u>Sound:</u> Repairs homes and nonprofit facilities in Seattle's South Sound.
- SNAP Financial Access: Delivers
 financial education, training,
 consultation and access to loans to
 help entrepreneurs and first-time
 borrowers succeed in Spokane,
 Washington.

Renter Eviction Prevention (\$100,000 each)

- Byrd Barr Place: Offers essential services such as food, shelter, warmth and financial tools for neighbors in Seattle's Central District to build stability and self-sufficiency.
- El Centro de la Raza: Builds community in Washington state through unifying all racial and economic sectors, organizing and defending the basic human rights of vulnerable and marginalized populations, and bringing critical consciousness, justice, dignity and equity to all the peoples of the world.

- Housing Justice Project (King County)
 Bar Association): Provides free legal help to renters in King County,
 Washington who are at risk of eviction.
- Multi-Service Center: Addresses the causes and barriers of poverty and homelessness in Federal Way, Washington with comprehensive and holistic services that help lift people from crisis and vulnerability.
- Solid Ground: Works to end poverty
 and undo racism and other oppressions
 that are the root causes of poverty in
 Seattle.

In addition, the following seven nonprofits each received \$10,000 to support the general operation of their organization:





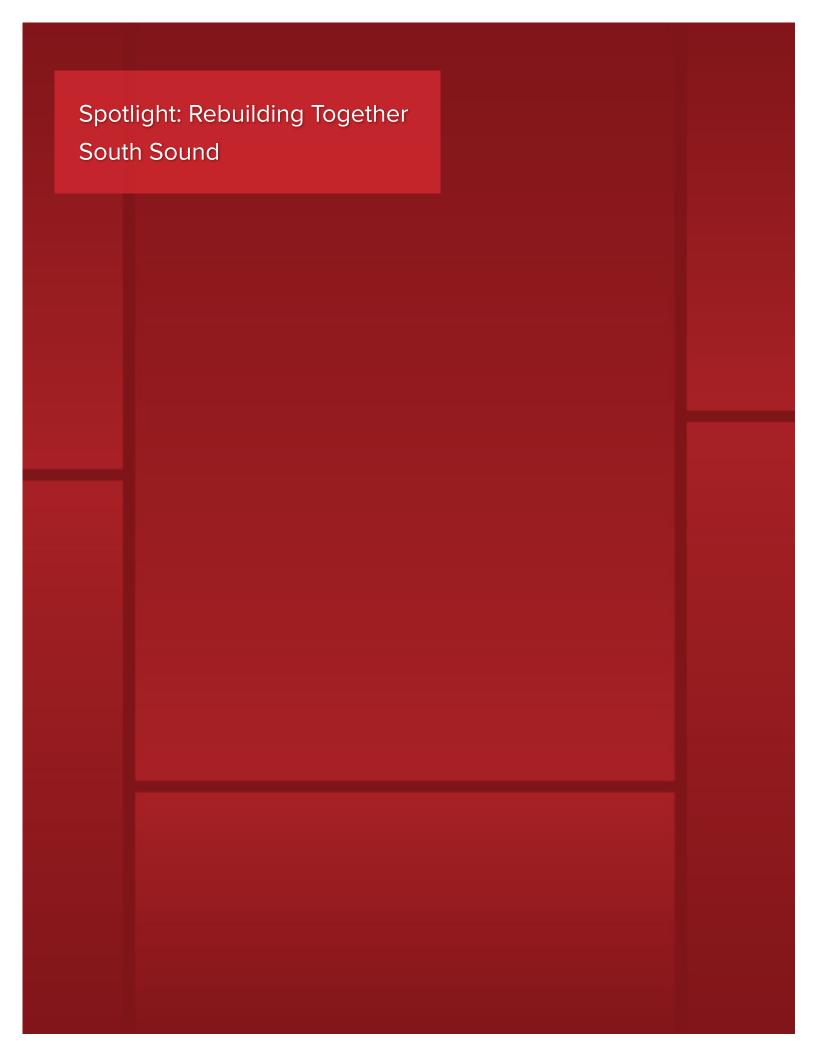












Thousands of miles away in Midland, Texas, the nonprofit Rebuilding Together began as neighbors helped their neighbors repair homes. In 2001, a local affiliate launched home first aid for low-income seniors, people with disabilities and families with children who live in Pierce County, Federal Way, Washington, and Auburn, Washington.

Rebuilding South Sound has rehabilitated more than 1,200 homes and nonprofit facilities, involving more than 10,900 volunteers giving 108,000 hours. Volunteers install wheelchair ramps, perform critical home repairs and repair training for women in need, and tackle emergency repairs and home modifications, such as heating, plumbing, window or roof repairs.

Provide or get hands-on help:

https://rebuildingtogetherss.org/

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Green Equity Inititative Grants

Nine local nonprofit organizations <u>received</u> grants between \$50,000 and \$150,000 to increase sustainability, boost environmental and climate justice, develop clean, renewable energy, and nurture innovative solutions via small business development. In total, we gave up to \$865,000 in total to nine organizations for these creative programs:

Addressing Climate Change

- Washington Wild: Produces 15 threeto-five minute video interviews with tribal elders and leaders in collaboration with This Is Indian Country.
- **EarthGen:** Expands climate science education and action for Washington state K-12 students through technology.
- Our Climate: Prepares young people across Washington state to become

powerful climate advocates through a structured curriculum.

Elevating Circular Innovation

- <u>Refugee Artisan Initiative:</u> Diverts coffee bags from landfills through artistic upcycling.
- **Bike Works:** Processes up to 8,000 bike donations annually for youth and adult programs, free bike giveaways and a social enterprise bike shop.

Supporting Workforce Development Focused on Renewable Energy

- Black Farmers Collective: Stewards a new generation of Black farmers, bridging gaps in current food systems, striving toward food sovereignty and Black liberation.
- Center for Inclusive Entrepreneurship:
 Social enterprise accelerator pilots for emerging social entrepreneurs in marginalized and BIPOC rural communities.

• Emerald Cities Collaborate:

Comprehensive training, support services and business opportunities for small minority construction businesses, enabling rapid and profitable growth, particularly within the clean and renewable energy sector.

 Harbor WildWatch: Supports the implementation of a new internship program reducing BIPOC and marginalized student access barriers and providing the necessary experience for first jobs in environmental sustainability.



This nonprofit offers micro-business, upcycling-focused training and services to refugee and immigrant women from around the world, including Ethiopia, Myanmar and Afghanistan. Despite facing high U.S. unemployment rates due to language barriers and cultural differences, the women bring tremendous capabilities and talents.

After recruiting skilled artisan women seeking fair-wage, at-home sewing, embroidery and jewelry-making work, RAI provides training, business connections and a business license.

RAI used Green Equity Funds to upcycle sturdy plastic coffee bags into numerous household products — and keep them out of landfills. RAI upcycles 5,000 pounds annually.

Shop RAI productions, including pillowcases, jewelry, towels and tablemats at https://refugeesarts.org/collections/our-artisan-products



Through our Green Equity Initiative, we are aligning the BECU Foundation's giving efforts with nonprofits dedicated to positive long-term environmental impacts." — Gloria D., BECU's Director of Philanthropy and Executive Director of the **BECU Foundation**

BECU Member Scholarship Program

Each year, we award <u>financial scholarships</u> to BECU student members who devote their time to helping others while pursuing postsecondary education. We select more than 60 students to receive two-year awards worth \$2,500 per year (\$5,000 total). Since 1995, BECU has awarded more than \$3.5 million in scholarships to over 1,300 BECU student members.

Scholarship applicants describe volunteer service, other activities in the previous four years, and any community contributions outside school or formal volunteering roles. Recipients are selected based on need, commitment to community service, leadership potential and a minimum 2.5 GPA — while prioritizing applicant dedication to social responsibility.



I am truly appreciative of BECU's support. Because of the opportunity you have provided for me, I am one step closer to achieving my dream (and my family's) of earning a

bachelor's degree." —
Adriana W., BECU's
Women's Leadership
Group Washington Women
in Need Star Scholar



This year, we extended our partnership with the national nonprofit organization
Bellevue, Washington-headquartered
College Success Foundation (CSF). CSF
now administers and manages the BECU's
Foundation Scholarship along with the
organization's portfolio of notable gives,
such as Washington's scholarships for foster
youth.

Underserved, low-income students achieve high school graduation and college education dreams through CSF's advisor support, financial aid navigation, resources, tools and scholarships. CSF also supports job training through pre-apprenticeship or apprenticeship programs.

In all, 97% of Washington's CSF Scholars graduate from high school and over 12,000 CSF Scholars earned college degrees.

Get involved:

https://www.collegesuccessfoundation.org/getinvolved/

Growing Environmental Sustainability

We work with external partners to co-create a more environmentally sustainable BECU and positively impact our community. We don't just help you save money, but also help you save the planet. Here's a few ways we worked with members, BECU employees and others to make a difference.

Smaller Carbon Footprints. BECU

Employees continue to travel lighter on the earth, reducing carbon emissions through telecommuting and public transportation.

We have 70% of employees working from home or remotely. For those who need to

come into an office or Neighborhood Financial Center, BECU assists through Orca cards and its last-mile Lyft program. In 2022, 18 employees collectively traveled over 3,700 miles through 1,390+ rides using the last-mile Lyft program.

EMISSION CATEGORY	2022 (tCO2e)	2021 (tCO2e)	% DIFF
Grid Electricity	3,247.67	3,036.07	6.97%
On-Site Generation	22.89	8.95	155.72%
Refrigerants	166.41	171.95	-3.22%
Company Vehicles	25.32	10.09	150.92%
Business Travel - air	461.89	15.16	2,946.77%
Business Travel - ground	224.23	43.09	420.38%
Worker Commute	1,976.21	2,352.33	-15.99%
TOTAL (tCO2e)	6,124.61	5,637.64	8.64%

Evergreen Carbon Capture

(ECC) addresses climate change through native tree planting. To sequester carbon, the local organization Forterra plants and maintains ECC trees in Western Washington cities and on rural lands. Efforts in partnership with BECU in 2022 resulted in planting nearly 400 trees at over 16

locations in the Hood Canal and Puget Sound region.

BECU has been a participant of Forterra's Evergreen Carbon Capture program since 2013, celebrating a decade of carbon mitigation in 2022. In the past 10 years, BECU has planted over 4,850 trees at more than 20 sites in four counties around the Puget Sound. These trees not only mitigated over 24,200 tons of carbon from BECU, but they also helped support the valuable, ongoing restoration efforts of eight city, county and non-profit Field Partners all working to improve the health of Puget Sound forests, waterways and communities.

In 2022, BECU's Materiality Assessment identified priority environmental issues by gathering 40 stakeholders' perspectives, including survey participants from BECU's Accounting, Facilities and Social Impact teams and organizations such as Climate Pledge Arena, EarthGen, Bike Works and REI. Together, we uncovered four vital

ecological priorities:

- Carbon Reduction: Reducing greenhouse gases through greener operations and financial products.
- Renewable Energy: Supporting the transition to clean energy.
- Environmental Justice: Empowering communities experiencing disproportionate climate impacts to recover and thrive.
- Waste and Pollution: Committing to the 3Rs of "reduce, reuse and recycle."

BECU Community Events included the twice-annual BECU shred and e-cycle events in Bellingham, Everett, Federal Way and Tukwila, Washington. At the events, BECU employees are on hand to shred and recycle up to three bags of sensitive materials and safely dispose of old electronics. Event attendees donate cash and nonperishable donations to support neighborhood nonprofits and bikes to be refurbished for adults and children in need.

We're also not afraid to get our hands dirty.
Our volunteer events included a June 2022 restoration of salmon habitat in Woodinville, Washington. Humans have modified or taken over up to 90% of land along

waterways needed for salmon survival.

More than 18,000 barriers, such as dams and roads, are blocking salmon and steelhead from reaching Washington's spawning grounds.

We gathered at the King County Parksowned West Sammamish River Trail to remove invasive plants from a 1200-foot riverbank stretch and mulched the site to prevent re-growth.

Continue to the next section:

III. BECU + CREW

Read other sections of our 2022 Annual Report:

<u>I: BECU + YOU</u>

IV: BY THE NUMBERS



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B|E|C|U





Visit us



Our unique values-based culture commits to employees' financial health and well-being through workforce development, comprehensive benefits, learning opportunities and a vibrant, professional culture. Here's what we accomplished together in 2022.

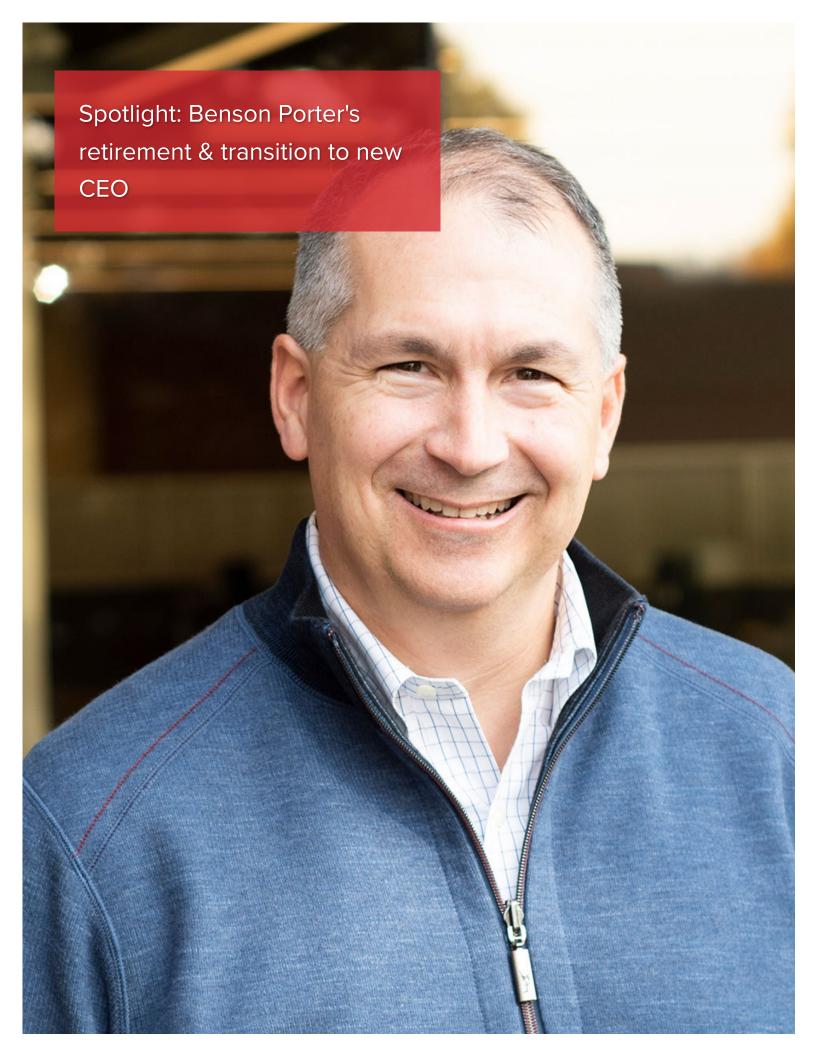
Embraced Change

We not only welcomed new members — we also hired more employees committed to serving you.

In 2022, we onboarded 665 new employees, bringing our total BECU family to over 2,800. In fact, despite attrition in a tough hiring market, we achieved an 8.5% net employee growth.

One of our newest 2022 hires is also our new leader. In December, Beverly Anderson joined the credit union as our <u>CEO and</u> <u>president</u> as we said goodbye to CEO and

president Benson Porter, who retired after 10 years of service to BECU.



In June, **Benson Porter** announced his retirement and a search for a replacement commenced. During Porter's time at the credit union, BECU's assets tripled from \$10 billion to more than \$30 billion, while membership grew from over 800,000 members to over 1.28 million.

After a nationwide search considering internal and external applicants, the BECU Board of Directors' CEO Succession Committee selected **Beverly Anderson**.



Beverly Anderson, President and CEO

Anderson joined BECU in December. She brings more than three decades of experience in the financial services, payments and technology industries, and a

Master of Business Administration with distinction from Harvard Business School.

Anderson previously held leadership roles at Equifax, Wells Fargo and American Express, and serves on the board of directors of Expedia Group, Accion and Sword Health.

"I am honored and humbled to lead the BECU team. BECU is unapologetic in its devotion to its members and the communities it serves. Its purpose aligns with my core passion of financial wellbeing," said Anderson.

Porter transitioned to CEO emeritus, supporting Anderson's onboarding through the end of the year. With Anderson's leadership, BECU continues innovations to improve the member experience and its path forward in bringing membership to new communities.



Developed Next-Gen Talent

We offered opportunities to engage in the real-world learning of behind-the-scenes credit union services.

In 2022, we marked the 15th year of our summer internship program. Our virtual internship experience engaged 14 students from local and out-of-state universities to learn more about credit union leadership, the organization and our service to members. A typical day might involve morning job shadowing and a virtual lunchand-learn with an executive, followed by an afternoon community service project.

Positions ranged from commercial and business services roles, digital analytics and environmental sustainability to risk administration and indirect lending. We select interns in April — watch for our next group of future talent soon.



My experience at BECU has been amazing. My team always encouraged me to be a meaningful contributor and even had me leading meetings a couple weeks after starting." — Katie R., BECU Summer Intern, Indirect Lending



Celebrated Employees

BECU recognized our incredibly dedicated employees for their commitments to members and our credit union values.

In August, our seventh annual **Being BECU Awards** recognized outstanding individuals going above and beyond to demonstrate BECU's core values:











In 2022, 14 peer-nominated employees were chosen from more than 180 nominations. Each employee offers a unique contribution and commitment to our members-first approach, whether working

as a member consultant, financial advisor or in community engagement, business solutions, or user experience design (UX).

Since its inception in 2016, the Being BECU Awards have recognized nearly 100 employees through peer nominations. We thank our coworkers for demonstrating a commitment to BECU, our members and the communities we serve.





Committed to Equity and Inclusion

Employee and Culture Equity Commitment: We embrace organizational and cultural changes for our employees and culture, working together toward becoming a more inclusive and equitable organization.

We advocated and furthered equity and inclusion to improve BECU. A more diverse and equitable workplace makes for better member service, positive community impacts and a sense of belonging for all our employees. Here's more about our efforts.

Expanded Employee Resource Groups (ERGs)

In the past two years, we've doubled our ERG groups to make more employees feel at home. Our ERGs are employee groups with common interests and issues.

Employees support each other, build community, share concerns and identify solutions to further the mission, vision and values of BECU. ERGs include:



Nearly half of all employees (more than 1,300) participated in our ERGs through regular meetings and over 70 community events throughout the year. A few examples of 2022 events (both virtual and in-person) include:

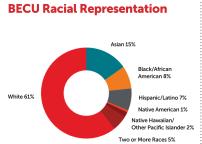
- Cooking with chef Tina Fahnbulleh from Gold Coast Kitchen during Black History Month in February.
- Meeting with retired NFL quarterback
 Jack Thompson during Asian, Native
 Hawaiian and Pacific Islander Month in May.
- Marching in the Seattle Pride Parade during Pride Month in June.
- Meeting with Seahawks General
 Manager John Schneider and his wife
 Traci to learn about their creation of
 Ben's Fund in partnership with the
 Seattle Foundation during National
 Disability Employment Awareness
 Month in October.
- Building Drum Sticks during
 Indigenous Heritage Month in November.

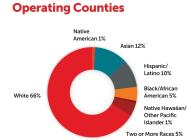
ERGs also offer educational discussions, career development opportunities and more.

Dialed in Our Dashboard

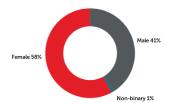
We want our recruitment and retention to reflect the diversity of our communities and provide equitable employee access. Our internal dashboard updates employees on representation and employee demographics — making visible and transparent our progress toward aligning with community demographics.

Quarterly demographic tracking reports for senior leadership included current employees at all leadership levels, job candidates and employee mobility/attrition. Our progress is real, but we recognize opportunities to boost racial and gender representation among the director and vice president roles.

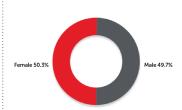




BECU Gender Representation



Operating Counties



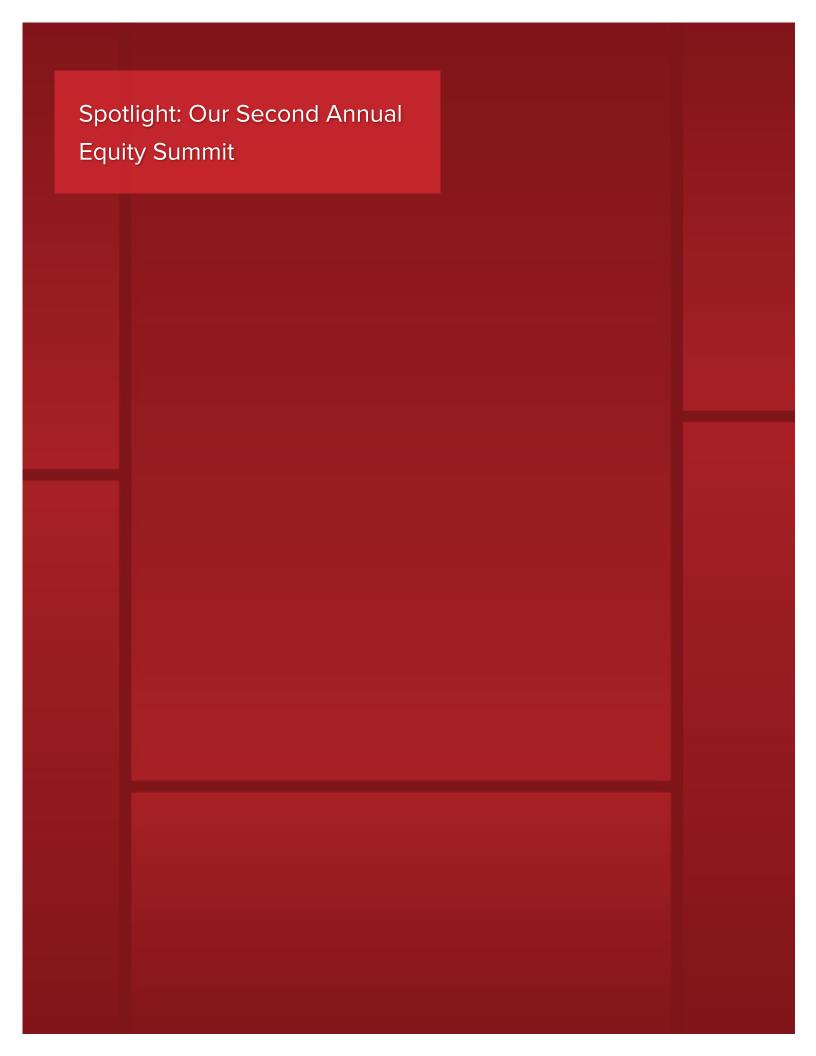
Sought Out Next-Gen Leaders

In 2022, our Multicultural Emerging Leaders Program (MEL) pilot program began developing the next generation of diverse business leaders. Representation at all organizational levels relies on closing BECU's director-level BIPOC (Black, Indigenous and People of Color) underrepresentation gap. MEL provided knowledge and resources supporting BIPOC employee success.

The cohort's 11 pilot participants:

- Discussed various cultural topics.
- Attended workshops hosted by internal and external facilitators.

- Worked with senior leaders on a cohort project.
- Utilized cultural assessment results to learn different communication styles, motivators, energizers, life priorities and more.





More than 1,000 BECU employees — three times as many as last year — attended our second annual **Equity Summit**. Bestselling author **Ijeoma Oluo** provided the keynote speech on "The Need for Racial Equity."

BECU's Office of Equity and Inclusion hosted the summit, providing learning opportunities for crucial Diversity, Equity and Inclusion (DEI) concepts while developing individual leadership and collective unity in moving our work forward.

Special guests included:

- Cliff Avril, 2016 Seahawks Walter Payton
 Man of the Year
- DarNesha Weary, CEO of Black Coffee
 Northwest Grounded
- Laura Clise, Founder and CEO of Intentionalist
- Paul Lwali, President and CEO of Friends of Youth
- Roxana Pardo Garcia, Alimentando al Pueblo Executive Director
- Sue Bird, former Seattle Storm basketball player

The summit opened with a small-business discussion panel on building authentic partnerships. In two 90-minute blocks, other workshops educated employees on key topics through the following sessions:

- DEI Foundation
- Gender Inclusivity
- Unpacking Ableism and Allyship
- Cultivating an Inclusive Workplace
 Culture

- Transformation Through Inclusive **Product Design**
- Advancing DEI to Better Serve Multicultural Communities







BECU must reflect the diversity of the communities we serve. A more diverse, equitable and inclusive organization builds deeper and more meaningful relationships with its members and delivers better business results." — Beverly Anderson, BECU's President & CEO



Cared for Our Communities

BECU leveraged our funds to give back to our communities while supporting causes employees are passionate about.

In 2022, employees contributed to nonprofit organizations by donating and volunteering time with nonprofits across the country. The result was over \$1.3 million directed to more than 1,420 causes. And the work didn't stop there.

BECU Cares Programs

commitment to causes our compassionate employees care about by offering matching funds for charitable contributions and rewards for volunteer service. In fact, we saw a 30% increase in tracked employee volunteer hours last year, thanks to the April launch of Volunteer Rewards. This new program awards \$15 for each hour of

volunteer service recorded by employees, which they can use to distribute to the nonprofit of their choice.



In addition, employees get up to 24 hours of paid time off annually to volunteer. Those who serve on nonprofit boards receive reward funds to donate in recognition of their service, and teams of five or more employees who volunteer together can elect to receive a reward to donate to the nonprofit they served. We appreciate the 350 employees who made a measurable and transformative impact on their communities last year by volunteering 16,400 hours.

Some of the nonprofits supported by employees through gift match and volunteering include:

- Alimentando al Pueblo: An
 organization supported by our
 Conexión Latinx ERG that is focused on
 providing food and healing to Latinx
 communities in South King County,
 Washington.
- Asian Counseling and Referral Service
 (ACRS): A nonprofit promoting social
 justice and the well-being of Asian
 Americans and Pacific Islanders in King
 County, Washington, and a partner of
 our Asian, Native Hawaiian and Pacific
 Islander ERG.
- Education-focused, <u>Seattle Colleges</u>
 <u>Foundation:</u> Provides opportunities for students in King County, Washington in support of Seattle Colleges' three comprehensive college campuses and five specialty training centers.
- Hunger-relief organization, <u>Second</u>
 <u>Harvest:</u> Serves communities in
 Spokane, Washington by bringing resources together to feed people in need through empowerment, education and partnerships.

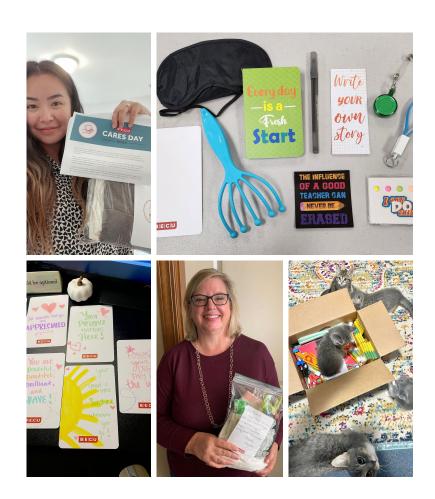
 You Grow Girl!: An organization committed to empowering femaleidentifying youth and is a partner of the Black Alliance Cooperative ERG.

BECU Cares Day

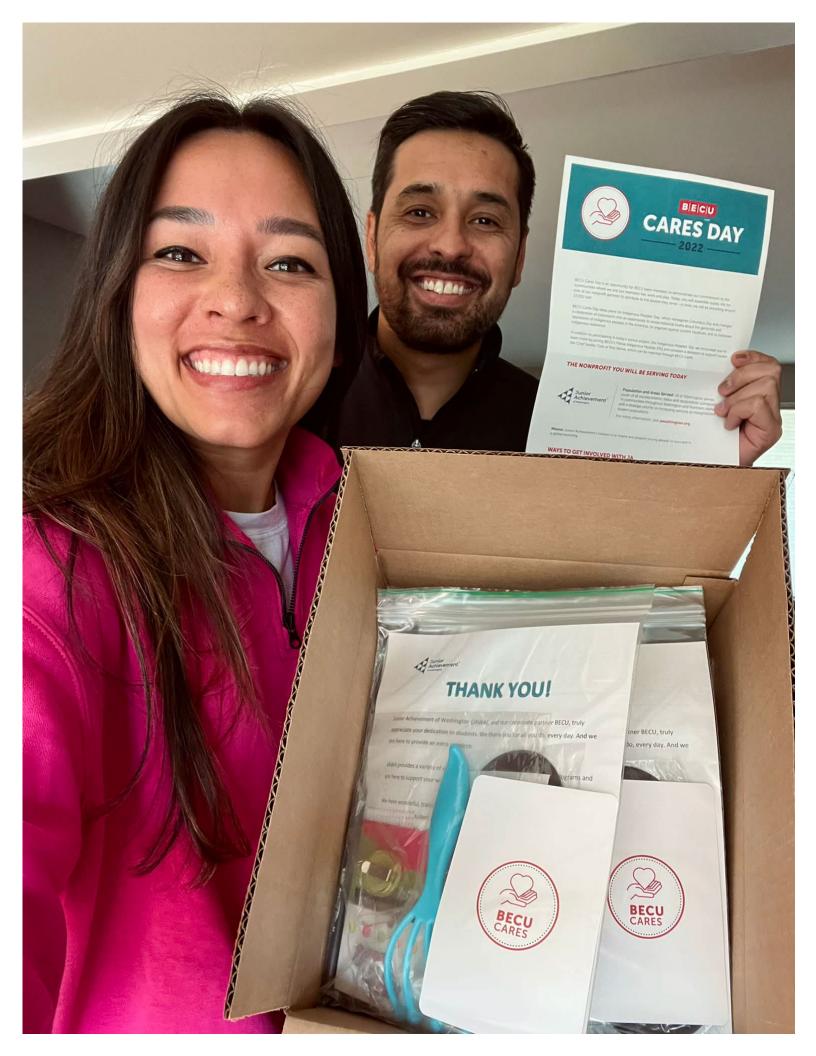
Our branches close in observance of Indigenous Peoples' Day, but employees work behind the scenes to serve the community. In 2022, almost 2,700 BECU employees created 27,000 personal care, cleaning supply and school supply kits for 10 nonprofit partners:

- Alimentando al Pueblo
- Asian Counseling and Referral Service (ACRS)
- Big Brothers Big Sisters of the Lowcountry, South Carolina
- Chief Seattle Club
- College Success Foundation
- Housing Hope
- Junior Achievement of Washington
- Raising Girls
- Rise Above

 Spokane Neighborhood Action Partners (SNAP)



This was my first BECU
Cares Day and I love that
BECU does this! No other
company I've ever worked
for does anything nearly
this amazing." — Andrea HM., BECU Employee



Built Sustainability

Every day, BECU is becoming a more sustainable organization in partnership with employee goals and actions.

Our sustainability program works with employees to discover what they care about most. Then, we provide tools, resources and actions to support those environmental priorities. Here's how.

ERG Energy

Our new Environmental Sustainability ERG brings together employees passionate about environmental sustainability. Across BECU's departments, these employees drive change from the ground up through advancing efforts in our three pillars: people, profit and planet.

Everyday Change

In 2022, we invited employees to sign up for the new pilot EarthUP program and app, which reduced 53 tons of CO2 — the primary driver of climate change. Employees discovered ways to cut carbon, reduce impact and improve the health of working and living spaces. Using the app, employees could:

- Read articles about the environment.
- Take quizzes to test knowledge and find their eco-personality.
- Find cool, new sustainable products.
- Learn about local environmental tours or volunteer events.



L L started my career at BECU 25 years ago. Though I have seen a lot of changes, BECU has always shown strong support and care for its employees, members and our communities." — Rebecca B., BECU Employee

Continue to the next section:

IV. BY THE NUMBERS

Read other sections of our 2022 Annual Report:

I. BECU + YOU

II. BECU + COMMUNITY



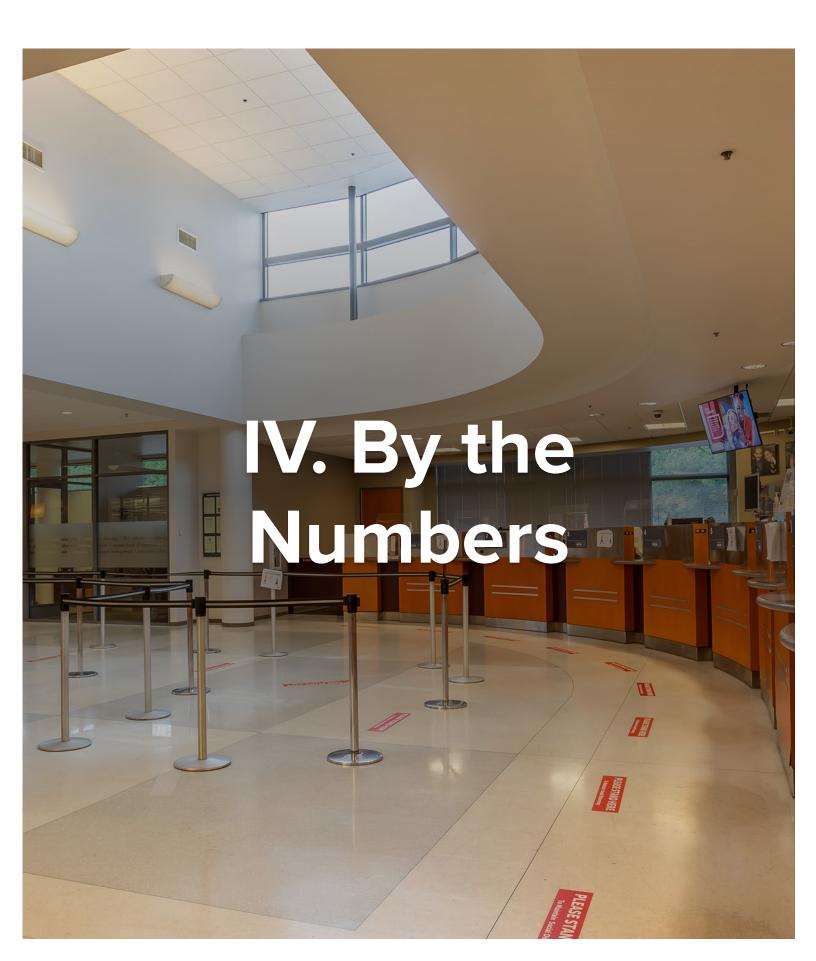
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2022 Financials

The Audit Committee held six meetings during 2022. The Audit Committee retained the independent public accounting firm of Crowe LLP to perform the audit of BECU's 2022 financial statements. The Audit Committee has reviewed and discussed BECU's 2022 audited financial statements with Crowe LLP, the credit union's Chief Audit Executive and management. In carrying out its responsibilities, the Audit Committee believes that appropriate internal controls are in place at BECU and that the 2022 financial statements accurately reflect the strong financial position of the credit union.

Drew Wolff, Chairperson, BECU Audit
 Committee

Financial Highlights

BECU AT A GLANCE	2022	2021	% CHANGE
Members (Total)	1,388,742	1,341,092	3.6%
Assets	\$28.8B	\$30.2B	-4.6%
Cooperative Equity	\$1.9B	\$2.8B	-32.1%
Return to Membership Total	\$362.3M	\$322.7M	12.3%
Return per Member	\$265	\$245	8.2%
Number of Retail Locations	60	60	0.0%
Philanthropic Donations	\$8.5M	\$5.8M	46.6%
Employees	2,828	2,605	8.6%

MEMBER LENDING	2022	2021	% CHANGE
Loans Originated	141,434	135,876*	4.1%
Dollars of Loans Originated	\$7.6B	\$7.7B	-1.3%
Home Loans Originated	4,638	9,861	-53.0%
Dollars of Home Loans Originated	\$1.8B	\$3.1B	-41.9%
Home Loans in Servicing Portfolio	39,275	39,167	0.3%
Dollars of Home Loans in Servicing Portfolio	\$9.3B	\$8.8B	5.7%

^{*}The 2021 Loans Originated figure has been updated since the launch of our 2021 Annual Report.

NET PROMOTER SCORE	2022	2021	
Annual Target	70	70	
Annual Actual	64.90	68.85	

Net Promoter Score is a measure of customer loyally and is based on the following question:
"How likely is it that you would recommend our companylyroduct/service to a friend or colleague?"
Scores can range from -100 to +100; a score of +50 is considered excellent.

INCOME FOR THE YEARS ENDED DECEMBER 31 (in thousands)	2022	2021
Interest Income	\$830,635	\$621,650
Dividend & Interest Expense	81,361	59,489
Net Interest Income	749,274	562,161
Provision For (Recovery of) Loan Losses	49,553	(18,122)
Net Interest Income After Provision For Loan Losses	699,721	580,283
Non-Interest Income	156,294	314,750
Non-Interest Expense		
Compensation & Benefits	383,791	333,973
Product Servicing	126,948	114,215
Other Operating Expense	62,536	49,522
Occupancy & Equipment	110,867	100,112
General & Administrative	65,938	39,696
Total Non-Interest Expense	\$750,080	\$637,518
Net Income	\$105,935	\$257,515

FINANCIAL POSITION FOR THE YEARS ENDED DECEMBER 31 (in thousands)	2022	2021	
ASSETS			
Cash & Cash Equivalents	\$2,261,266	\$5,840,449	
Loans, Net	16,298,351	13,242,656	
Investments	9,390,710	10,300,496	
Interest-Bearing Deposits & FHLB Stock	38,064	54,274	
Interest Receivable	75,734	59,119	
Premises & Equipment, Net	122,955	131,795	
Real Estate Held for Sale	_	16,226	
NCUSIF Deposit	240,407	226,337	
NCUA Central Liquidity Facility Stock	_	57,042	
Other Assets	353,157	228,305	
TOTAL ASSETS	\$28,780,644	\$30,156,699	
LIABILITIES & COOPERATIVE EQUITY			
Liabilities			
Member Share Accounts	\$25,855,674	\$26,057,531	
Dividends & Interest Payable	8,821	1,100	
Federal Home Loan Bank Advances & Other Debt	663,882	1,075,185	
Other Liabilities	304,575	225,134	
TOTAL LIABILITIES	\$26,832,952	\$27,358,950	
Cooperative Equity			
Undivided Earnings	\$3,068,114	\$2,962,179	
Accumulated Other Comprehensive Loss	(1,120,422)	(164,430)	
Total Cooperative Equity	\$1,947,692	\$2,797,749	
TOTAL LIABILITIES & COOPERATIVE EQUITY	\$28,780,644	\$30,156,699	

COOPERATIVE EQUITY (in thousands)

Balance at January 1, 2021	\$2,706,697	
Net Income	257,515	
Change In Net Unrealized Loss On AFS Debt Securities	(197,826)	
Change In Unrecognized Pension Amounts	31,363	
Balance at December 31, 2021	\$2,797,749	
Net Income	105,935	
Change In Net Unrealized Loss On AFS Debt Securities	(978,127)	
Change In Unrecognized Pension Amounts	22,135	
Balance at December 31, 2022	\$1,947,692	



1	52%	\$4,825,428	AGENCY COLLATERALIZED MORTGAGE OBLIGATION
2	20%	\$1,846,448	AGENCY MORTGAGE BACKED SECURITIES
3	9%	\$858,989	supranational bonds
4	7%	\$700,981	MUTUAL FUNDS
5	5%	\$482,782	CORPORATE BONDS
6	4%	\$359,648	AGENCY DEBENTURES
7	2%	\$181,144	MUNICIPAL BONDS
8	1%	\$135,290	GOVERNMENT GUARANTEED BONDS
		\$9,390,710	

EMPLOYEE BENEFIT FUNDING TRUSTS \$518,059

CHARITABLE DONATION ACCOUNT \$120,724

Agency investments include securities issued or guaranteed by U.S. federal government agencies; and securities issued by government-sponsored enterprises (GSEs). BECU's investments primarily comprise fixed income securities issued or guaranteed by U.S. Government or its agencies with an exception that the credit union can, within certain limitations, invest in equity securities (index funds) through its Employee Benefit Funding Trust and Charitable Donation Account.



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1 33% $5,423,018 SINGLE-FAMILY RESIDENTAL MORTGAGE
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2 19% \$3,038,719 AUTOMOBILE

3 18% \$2,894,851 BUSINESS LOANS

4 17% \$2,776,504 HOME EQUITY

5 8% \$1,378,507 CREDIT CARD

3% \$487,375 OTHER UNSECURED
 2% \$337,490 OTHER SECURED

\$16,336,464

Net costs deferred under generally accepted accounting principles \$79,254 Allowance for loan losses \$(117,367)

Home equity loans include those secured by first liens. Business loans include credit card loans to business members. Single-family residential mortgages of \$255,457 are reported at fair value.

2022 Board of Directors

As a member-owned cooperative, BECU is governed by a Board of Directors that is responsible for guiding the general direction of the credit union in the best interests of the membership and in accordance with BECU Bylaws. We are proud to have this group of qualified professionals dedicate their time to serve BECU.



2022 Audit Committee

BILL LONGBRAKE

The Audit Committee provides oversight of the audit function of the credit union, as well as the safety and soundness of the credit union, through monitoring risks and controls associated with its business objectives, strategies and plans.



DREW WOLFF Audit Committee Chairperson



JOHN McMURRA



VANESSA PEGUEROS



DENIS FARME

Read other sections of our 2022 Annual Report:

I. BECU + YOU

II. BECU + COMMUNITY

III. BECU + CREW



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