TOGETHER.
WE ARE BECU

As a not-for-profit credit union, serving members and helping them achieve their financial goals are at the core of who we are and why we exist. Whether it’s offering innovative and affordable products and services, providing financial education and tools, or supporting our communities, we always strive to deliver real value to our members.

We love what we do, and we have much to share about the progress we made in 2015. This report will provide details on our efforts and successes, but let’s begin with a few highlights from the year.

THE BENEFITS OF GROWING TOGETHER.
We ended 2015 with more than 940,600 members—including 7,000 new small business members—and we expect to reach the 1 million-member milestone in the coming year. Over the past year, we have launched a new, user-friendly website and mobile banking app for iOS (with touch ID), Android and Windows devices that lets members manage and set alerts for all of their accounts, whether the accounts are with BECU or not. We also introduced Apple Pay and Samsung Pay, partnered with both the University of Washington and Boeing to introduce co-branded credit cards, and enhanced the security of our credit cards by adding chip-and-pin technology to every card.

BECU is among the only financial providers who will look to lower your interest rate on credit cards and loans when your credit score improves, and in 2015 we reduced interest rates on more than 35,800 accounts, resulting in more than $2.5 million in combined savings for those members.

By being a vibrant, forward-thinking organization, BECU has become one of the largest credit unions in the country, meaning we have greater resources to deliver even more value and benefits to our members and communities. That said, we’re not about growth for growth’s sake, because we don’t measure our success in terms of financial return. Rather, we think Return to Members (RTM) is why we exist. And in 2015 we returned over $169 million in the form of better rates, lower fees and more affordable services, as compared to a typical bank. That means a return of nearly $184 per member on average, and members who do more with BECU save even more.

We realized strong overall financial performance in 2015 and ended the year with a net worth ratio of 10.6 percent, well above the regulatory well-capitalized level of 7 percent. This financial strength allows us to explore ways to make banking with BECU even easier, and to innovate with products you won’t find anywhere else.

INVESTING IN EACH OTHER.
Strengthening the fabric of our communities is another way we support our members. Our heart is in our communities, and in 2015 we continued to deepen our impact. We provided more than $3.5 million in philanthropic donations to worthy organizations. At the same time, we increased the number of scholarships we granted by 7 percent, with more than $2 million in college scholarships awarded to our members since the program began in 1995.

You may have heard last fall that BECU was “Closing for Good”—and we did just that—closing for one day to deliver financial literacy education to more than 3,000 students in 21 schools around the region. In addition, more than 25 percent of all BECU employees volunteered time in their communities during 2015, donating even more hours than the previous year in support of financial literacy and other causes that deliver lasting value.

Looking ahead, in 2016, you will see a steady stream of mobile and online banking enhancements. Already in 2016 we have launched digital tax statements, and that’s just the start. In addition to many digital enhancements, we plan to add new financial centers and ATMs around the Puget Sound region and have announced our expansion in the Spokane, Washington, and Charleston, South Carolina, areas later this year.

You may have also noticed we’re hard at work refreshing the Tukwila Financial Center to improve both the member and employee experience at our headquarters. In 2016, we will continue our work to making banking with BECU even easier and more convenient across all of our delivery channels.

BECU is your credit union, and your membership is vital to support efforts like these that enrich lives and communities. We invite you to engage with us in 2016 by sharing your ideas and comments on becu.org via the Send a Suggestion link.

Together, we’re making a difference in so many ways. Thank you for being part of BECU.

David Yonce
Chairman, BECU Board of Directors

Benson Porter
President & Chief Executive Officer

At BECU, our focus is on making a difference for our members and our communities.
WE’RE ABOUT COOPERATION, NOT COMPETITION.
There’s a spirit of cooperation among credit unions not found in many other industries. The credit union movement was founded on a commitment to the cooperative nature of not-for-profit member-ownership, and a partnership among all credit unions. BECU works to build and strengthen partner credit unions by providing financial support, guidance, innovation and encouragement to help serve members from all walks of life. In 2015, our philanthropic support helped more than a dozen smaller credit unions—including Seattle-based, low-income-serving Express Credit Union—evolve and meet the needs of some of the underserved and unbanked in our area.

FOUNDED TO BENEFIT MEMBERS.
The cooperative model enables BECU to provide members with unique benefits that are unmatched in the marketplace. Overall, compared to an average bank, BECU members received over $169 million in 2015 in the form of better rates and lower fees. Whether it’s paying higher rates of interest on deposit accounts to encourage savings, eliminating fees on our credit card, or automatically reducing your loan rate if your credit score improves, BECU continually looks for ways to increase the value of your membership. In addition to offering affordable financial products, BECU members benefit from a service culture that is focused on being advocates for our members—a culture that puts members first and strives to improve the financial well-being of every member.

HERE FOR YOU, WHEREVER YOU ARE.
BECU now has more than 40 Neighborhood Financial Centers and more than 210 ATMs around the Puget Sound region. In addition, BECU members have access to more than 30,000 surcharge-free ATMs nationwide through the CO-OP network, as well as more than 5,000 partner credit unions worldwide through the Shared Branching network. Throughout Washington, an additional 138 ATMs are available in Rite Aid stores to enhance member access.

In 1935, eighteen Boeing workers made a commitment to support each other. They pooled their money and made affordable loans to co-workers so they could buy the tools they needed to do their jobs. This simple concept is the cooperative spirit upon which BECU was founded, and it remains our commitment to every member today.
 MAKING A DIFFERENCE IN LIVES AND COMMUNITIES.

Since our founding in 1935, BECU has been committed to our credit union philosophy of “people helping people.” This philosophy goes hand-in-hand with our other core operating principle of social responsibility. We focus our community efforts in three areas: Financial Empowerment, Member-Inspired Giving and Employee-Inspired Giving.

FINANCIAL EMPOWERMENT
Belonging to BECU is like having your own financial advocate—who also happens to be your cheerleader. We’re all about financial empowerment—helping our members build financial strength so they can reach their goals, achieve their dreams and create a lifetime of financial security.

MAKING SAVING EVEN SIMPLER.
To make good savings habits a no-brainer, BECU offers members a higher dividend rate on the first $500 in deposits in their Member Advantage Checking and Savings accounts. Member Advantage members also enjoy better earnings on CDs, IRAs and higher balance Money Market accounts. For BECU members under 18, we offer the Early Saver savings account, which features an even higher dividend rate on their first $500 in deposits.

GIVING CREDIT TO SMART CREDIT MANAGEMENT.
We think good credit management is worth a lot. Which is why we annually look to lower the interest rate on BECU VISAs or lines of credit, and, new this year, auto loans. In total, interest rate reductions saved qualified members more than $2.5 million in 2015.

In 2015, BECU reduced the interest rates on over 35,800 VISAs, line of credit accounts, and auto loans as part of an annual rate reduction program for members.

CLOSING FOR GOOD
In October, we closed our doors and sent all of our employees to volunteer. They hosted Financial Reality Fairs, teaching smart money management at 21 local high schools. That’s more than 3,000 students experiencing real-life budgeting decisions people face every day. Teaching financial literacy to teens before they embark on their adult lives helps them make educated saving and spending decisions that will have lasting benefits.

“We want to make sure that the teens in our community understand personal finances and are prepared as they enter the next stage of their lives,” said BECU CEO Benson Porter. “Investing in the financial well-being of students is the right move as a community member and as a business. Starting adulthood on firm financial footing makes for healthier, happier lives and a healthier, happier economy.”
JUNIOR ACHIEVEMENT COMMUNITY DAY.
BECU is proud to have a multi-year partnership with Junior Achievement that helps support many of their programs. At Junior Achievement Community Day, powered by BECU, high schoolers and their parents come together for an exhilarating, educational day of hands-on experience where students see firsthand how the choices they make can affect their financial future.

Students step into the shoes of adults for a day, tasked with real-world financial scenarios like creating a budget based on a given salary—say, that of a single mom with three kids, or a software engineer. They learn what it takes to earn an income and manage expenses, how to make smart financial decisions, and the importance of building a foundation for a lifetime of financial stability and strength.

FREE CLASSES FOR FINANCIAL EMPOWERMENT.
Wherever someone is on the road to financial strength, BECU is here to help them navigate it. And, because we know how busy life can get, BECU offers webinars and self-paced online courses, giving members access to the information they need, whenever and however it works for them. BECU educators offer free seminars to anyone interested in learning more about managing their finances, with topics ranging from First-Time Homebuyer to Roadmap to Retirement.

MEMBER-INSPIRED GIVING
BECU members not only believe in the credit union philosophy of “people helping people,” they live it. We’re inspired by all the ways our members give back—and we’re proud to support the organizations and ideas that are meaningful to them.

BECU FOUNDATION SCHOLARSHIPS.
College can be an important step toward financial empowerment, which is why we’re so pleased to continue building on a member-inspired idea to start a college scholarship fund. In 2015, the BECU Scholarship Foundation awarded a record total of $240,000, which helped pave the way for 80 students to begin or continue their education. Scholarships of $3,000 were awarded to students based on a demonstration of community service, leadership and a strong academic record.

Congratulations to our 2015 scholarship winners! You can find the full listing of winners on becu.org.

PEOPLE HELPING PEOPLE AWARDS.
In 2013, we introduced the People Helping People awards—which gives members a chance to nominate their favorite non-profits to receive a financial award from BECU. This special program gives us the opportunity to celebrate our members’ generosity and is a chance for us to support the causes our members care most about.

In 2015, a total of nine community organizations each received $5,000 Community Benefit awards. The $15,000 People’s Choice Award went to kentHOPE. BECU employees selected Victim Support Services to receive the 2015 Employees’ Choice Award, new in 2015. Big-Brained Superheroes Club was recognized as our Member Volunteer of the Year and received a $25,000 award. A big thanks to our members for their nominations—and congratulations to our 2015 recipients:

Big-Brained Superheroes Club
Meredith Wenger
kentHOPE—Union Gospel Mission
Pat Gray
Victim Support Services
Leslie McPherson
All Aboard Washington
Renee Jones
Alzheimer’s Disease and Related Disorders Association
Wes Faulkner
Arlington Kids’ Closet
Linda Dussault
Children’s Institute for Learning Differences
Richard Watson
Empower Mentoring Program
Julia Hodges
Freedom Project
Anne Barnes
GROW Food/Viva Farms
Avin & Beth Meinirgan
PCOS Awareness Association
Megan Dominici
Puget Sound Restoration Fund
Alice Helker

BIG-BRAINED SUPERHEROES CLUB. 2015 MEMBER VOLUNTEER OF THE YEAR WINNER.
Big-Brained Superheroes Club at Yesler Community Center is on a mission to tap into the hidden strengths that all young people have through the interdisciplinary exploration of science, technology, engineering, art and mathematics (STEAM). Meredith Wenger was selected as the 2015 Member Volunteer of the Year for her volunteer efforts with Big-Brained Superheroes Club. The $25,000 award made in her behalf to the organization will provide essential and much-needed resources to the club.

“Our goal is to help these kids do the things that the traditional power structure has failed to do for them,” said Meredith. “We want to get them into the driver’s seat, and this will help. The whole point is for them to master the world.”
EMPLOYEE-INSPIRED GIVING
It really isn’t surprising that BECU attracts such generous employees. They believe in the credit union philosophy of “people helping people,” even after the workday is over. Once again in 2015, BECU employees did a world of good. And we couldn’t be more inspired to support their efforts.

BECU COMMUNITY TIME OFF.
Encouraging our employees to volunteer in the community is important to us, so we give them paid time off to do so. Each full-time employee receives 12 hours annually to be used during their workday to follow their volunteer passion.

BECU C.A.R.E.S.
Through BECU C.A.R.E.S. (Committed Active Responsible Engaged Staff), we support the causes that are important to our employees. We match eligible contributions dollar for dollar, up to $5,000 per employee per year. And anyone who gives at least 30 hours of time within one year earns $100 for the non-profit with which they volunteer. For employees eager to volunteer but not sure where to start, we connect them with one of our community partners who could benefit from their talents.

 Volunteer Spotlight.
Carol used her Community Time Off to hand out flyers at a supermarket in her community, asking shoppers to donate to the Summer Meal program for children in Eastern Washington and Northern Idaho. “We helped Second Harvest collect more than 1,200 pounds of food that day.”

According to Carol, the Summer Meal program, hosted at schools, libraries, community centers and churches, is just one of the channels Second Harvest uses to help fight hunger for more than 55,000 people each week. The organization provides food assistance through local emergency outlets, food bank distribution and meal centers.

In 2015, BECU employees volunteered more than 12,576 hours at local non-profit organizations. Employee contributions totaled $257,018, and BECU matched those generous gifts for a grand total of more than $514,000 donated to amazing organizations our employees care about most.

How does BECU support your passion?
“I’ve always known that BECU cares about the community. Community Time Off is an authentic demonstration of that commitment. It allows us to give back to our neighborhoods in meaningful ways.”

—Carol Ackley

4 COMMUNITY
SUSTAINABILITY

MAKING A DIFFERENCE IN OUR ENVIRONMENT.

We understand that it makes good business sense not only to improve the financial health of our members but also the environmental health of the communities in which we live. By lightening our footprint, we hope to ensure long-term sustainability for our communities and the human race.

REDUCING OUR CARBON EMISSIONS.
Clearly, what we do has an effect on the planet, so we track and work to limit our carbon emissions. Since 2007, we’ve reduced our per-member carbon emissions by 36 percent and are committed to finding additional ways to continually reduce our impact.

COMMUNITY (RE)-CYCLING EVENTS.
BECU is helping people protect the environment from waste and themselves from identity theft through our free Shred Events, where anyone can safely destroy documents containing sensitive and personal information and safely recycle unwanted electronics for free—including TVs, computers, monitors, laptops, and cell phones. It’s a great way to clear clutter, keep hazardous materials out of landfills, and keep confidential information out of the wrong hands.

SENDING E-STATEMENTS.
SAVING TREES.
Turns out making things easier on the planet also makes it easier for our members. With increasingly robust mobile and online offerings, we’re reducing the amount of paper we generate through services like e-statements, e-newsletters and online bill payment. Currently, 67 percent of members use e-statements to stay on top of their finances while cutting paper clutter. We call that a win-win! Visit online banking to enroll in e-statements.

DIGGING IN TO RESTORE THE DUWAMISH.
When it comes to making the world a better place, there’s a lot we can do right in our own backyard. Our employees have taken that idea to heart. In 2015, we continued support of our employee-led volunteer effort to clean up the banks of the Duwamish River behind our main office in Tukwila, Washington. Our support of the Restore the Duwamish Shoreline Challenge continues—and things are looking more beautiful all the time. This multi-year effort is uniting Forterra, Tukwila businesses and the City of Tukwila to restore the shoreline along the Upper Duwamish, once overgrown with invasive plants. Left unchecked, they could choke out native vegetation that provides vital habitat for endangered Chinook salmon and other native fish and wildlife species. Eventually, the Challenge will restore 1.5 miles of shoreline. And we can thank BECU employee Mike Arizona for helping to get the ball—and the river—rolling. He began organizing groups of co-workers for this effort in 2010.

For more information, visit forterra.org.
STRONG FINANCIALS MAKE A BIG DIFFERENCE.

The Audit Committee held seven meetings during 2015. The Audit Committee retained the independent public accounting firm of Moss Adams LLP to perform the audit of BECU’s 2015 financial statements. The Audit Committee has reviewed and discussed BECU’s 2015 audited financial statements with Moss Adams 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 2015 financial statements accurately reflect the strong financial position of the credit union.

Michelle Eten
Chairperson, BECU Audit Committee

BECU BOARD MEMBERS
David Yonce, Chair
Porsche Eversen
Denis Farmer
Desiree Serr
Bill Longbrake
Susan Ehrlich
Mike Sweeney
Roger Maudlin
Michelle Eten
Debra Somberg

BECU AUDIT COMMITTEE
Michelle Eten, Chair
Jane Repensek
Maurita Sutedja
Mike Sweeney
Susan Ehrlich

INCOME FOR THE YEARS ENDED DECEMBER 31 (in thousands)

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FINANCIALS
BECU is rooted in the basic principle of giving back, in ways big and small, to further financial empowerment and improve the communities where our members live. Here is a snapshot of some of the organizations we were proud to support in 2015.

Advancing Leadership
All Aboard Washington
Alzheimer’s Disease and Related Disorders Association
Antioch University
Seattle BoT Scholarship Fund
Arlington Kids’ Closet
Attain Housing
Auburn Kids Day
Ballard Seafood Fest
Bellevue 6th Street Fair
Bellevue College Foundation
Bellevue College Spring BBQ
Bellevue Strawberry Festival
Belwether Housing
Big-Brained Superheroes Club
Bothell Farmers Market
Boys & Girls Club
Business Impact NW
Celebrate Federal Way 25th Anniversary
Celebrate Woodinville
Central Washington University
Child Strive
Children’s Institute for Learning Differences
Children’s Miracle Network
College Success Foundation
Dawg Daze
Des Moines Farmers Market
Destination Des Moines
Eastside Heritage Benefit Dinner
Edmonds School District 5k
El Centro de la Raza
Empower Mentoring Program
Everett Public Schools Foundation
Express Advantage
Express Credit Union
Federal Way Farmers Market
Financial Beginnings
Financial Education Public Private Partnership--FEPPP
Fisherman’s Village Music Festival
Forterra
Four on 4th
Freedom Project
Global Partnerships
Grow Food/Viva Farms
Habitat for Humanity Seattle-King County
Highline High School–Alumni Foundation
Hilltop Glass
Homesight
HopeWorks
Hopelink
Housing Hope
Impact Capital
Impact Hub
Interim CDA
Junior Achievement
Junior Achievement of Oregon
Junior Achievement of Washington
Kent Cornucopia Days
Kent Station Summer Concert Series
KentHOPE
King County Chapter of Credit Unions
Lacey Spring Fun Fair
Leadership Tomorrow
Maple Valley Community Center--Youth Council
Maple Valley Fishing Derby
MentorWorks
Mill Creek Festival
 Mukilteo Schools FoundationMulti-Ser-
vice Center Crab Feed
Museum of Flight Educational Program
National Cooperative Business Association
National Credit Union Foundation
Newcastle Earth Day
Northwest Credit Union Association
PCOS Awareness Association
Pierce County Chapter of Credit Unions
Pinchot University/ Center for Inclusive Entrepreneurship
Plymouth Housing Group
Puget Sound Restoration Fund
Queen Anne Summer Fest
Queen Anne Uptown Art Walk
Rebuilding Together South Sound & Spokane
Renton River Days
SHAG--Spokes for Seniors
Seattle Foundation Give BIG
Seattle Made
Seattle University
Seattle-King County Resource Day
Shoreline Farmers Market
Skagit Valley College Foundation
Small Business Expo
Snohomish County Chapter of Credit Unions Golf Tournament
Social Venture Partners
Sound Outreach Financial Empower-
ment Program
South Seattle College–13th Year Promise
Southwest King County Chamber Awards Luncheon
St. Mary’s Food Bank–Harvest Dinner
Sunset Supper
Tacoma Metro Parks
Tacoma Pride
Tukwila Food Pantry
U-District Street Fair
University of Washington, Foster School of Business Scholarship Fund
Urban League of Metropolitan Seattle
Victim Support Services
WA DECA
Washington Asset Building Coalition
Washington Business Week
Washington CASH/ Ventures
WellSpring Family Services
West Seattle Summer Fest
West Sound Business Expo
White Center Food Bank
World Council of Credit Unions
YWCA Bellevue, Seattle, Snohomish