

PEOPLE HELPING PEOPLE

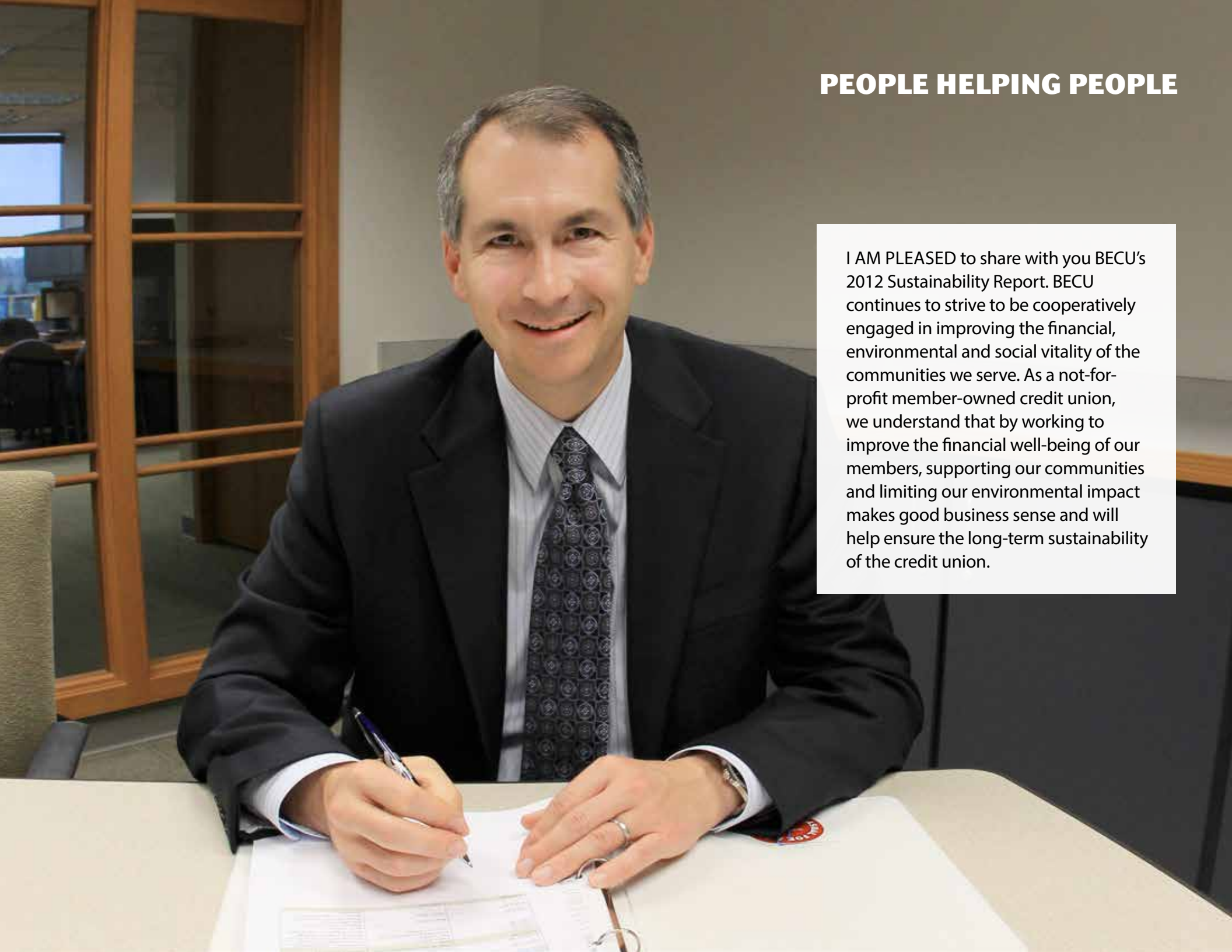


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PEOPLE HELPING PEOPLE

I AM PLEASED to share with you BECU's 2012 Sustainability Report. BECU continues to strive to be cooperatively engaged in improving the financial, environmental and social vitality of the communities we serve. As a not-for-profit member-owned credit union, we understand that by working to improve the financial well-being of our members, supporting our communities and limiting our environmental impact makes good business sense and will help ensure the long-term sustainability of the credit union.



FROM THE CEO

BECU MEMBERS SAVED OVER \$115 MILLION IN THE FORM OF BETTER RATES AND FEWER FEES IN 2012

We continue to help improve the financial well-being of our members by offering a variety of financial seminars and tools, serving as their financial advocate, and providing access to affordably priced products and services. As a credit union we seek to return as much of our earnings back to our members as possible, while still maintaining our reserves at a level that is deemed “well capitalized” by regulators.

WE ARE “PEOPLE HELPING PEOPLE”

BECU extends the credit union philosophy of “people helping people” into the communities we serve. Over this past year, BECU provided direct funding, in-kind donations and volunteers to organizations that support affordable housing, financial literacy, education and the credit union movement. We believe by focusing our efforts in areas that align with and support BECU’s overall mission, we can make a greater difference in the community.

REDUCING OUR ENVIRONMENTAL IMPACT

Our efforts to be good stewards of the planet include selecting green products for use in our locations, reducing the amount of paper used in the organization, and offering loans on electric vehicles. Since 2007, when we started measuring our carbon footprint, we have reduced our greenhouse gas emission by 11%, even though our membership has grown by over 51% in that same period of time.

OPPORTUNITIES GOING FORWARD

We recognize many opportunities to enhance our efforts in the future, and will continue to implement ideas that improve the financial, environmental and social vitality of the communities we serve.

—Benson Porter



ABOUT THIS REPORT

BECU views sustainability as an extension of our fundamental responsibility of serving our members. We undertook this report to analyze the impact of our actions.

This report was written in accordance with Global Reporting Initiative's (GRI) G3 Sustainability Reporting Framework. This is the world's most used sustainability reporting framework, and provides a standardized approach to ensure we are meeting the highest degree of technical quality, credibility and relevance in our report.

We self-declare this 2012 report as meeting the criteria for an A+ Application Level. The report has been evaluated by a professional external firm, Sustainable Business Consulting, who assured the report content, quality, boundaries and indicators. You can view their assurance letter in Appendix B of this report.

This is our third GRI-based sustainability report. The 2009, 2010 and 2011 reports can be found at www.becu.org/annualstatement.

YOUR INPUT IS VALUABLE

As you read the following pages, you will have exposure to the effort BECU is making to support sustainability through our cooperative spirit of "people helping people." And in the true cooperative spirit, we welcome your ideas that may help us continue on the road to a sustainable tomorrow.

For questions and comments about this report, please email us at sustainability@becu.org.



ABOUT BECU

BECU is a not-for-profit credit union owned by members and governed by a Board of Directors. Profits are returned to the members in the form of better rates, fewer fees and more affordable services. With more than 800,000 members and more than \$10.8 billion in assets, BECU is the largest credit union in Washington State and one of the five largest financial cooperatives (based on assets) in the country.

In the midst of the Great Depression, in 1935, eighteen Boeing employees each made a 50¢ deposit, totaling \$9 in assets, to form what is now BECU. Their money was used to provide loans to purchase the tools they needed to do their work. This was during a time when many banks were not making loans. By forming a credit union, the 18 Boeing workers relied on the cooperative spirit to provide each other with access to loans.

BECU TODAY . . . AT A GLANCE

BECU is headquartered in Tukwila, WA.

	12/31/2012	12/31/2011
Members	800,736	744,354
Assets	11.093 Billion	\$9.955 Billion
Member Equity	\$948.013 Million	\$811 Million
Return to Membership	\$115.3 Million \$148 / Member	\$104 Million \$147 / Member
Number of Retail Locations	43	43
Philanthropic Donations	\$2.87 Million	\$3.2 Million
Greenhouse Gas Emissions	6,220 Metric Tons	5,444 Metric Tons
Employees	1,165	1,027



ABOUT BECU

BECU VISION:

BECU members always experience the best value and service with complete trust.

Our vision inspires our business strategy and is supported by three-year strategic measures and annual operating plans. This member-centric vision also drives our decision making along with the needs and expectations of our members.

BECU has a Strategic Guidance document developed jointly by the BECU Board of Directors and the Executive Management Team which contains Guidance Statements. These statements serve as high level directional guidance from the BECU Board to the employees of the credit union.



BECU GUIDANCE STATEMENTS

MEMBERS

We are a member-owned cooperative.

We are advocates for our members and in turn our members are inspired to promote BECU.

Our commitment to the Member Experience creates and attracts engaged members.

Our members are vital to our brand and our culture.

THE MEMBER EXPERIENCE

Our competitive advantage is the Member Experience, a unique mix of value (return to member), service and trust that is unmatched in the marketplace.

Current and future members do not have to make a tradeoff between service and price.

EMPLOYEES AND CULTURE

Our employees are the source of our competitive advantage and are vital to our brand and our culture.

We attract, develop and empower our team to succeed in delivering the Member Experience in a dynamic environment while maintaining work/life balance.

We promote a culture that values, expects and rewards:

- >> Engagement
- >> Member advocacy
- >> Innovation
- >> A great attitude and excellence in skills and knowledge
- >> Accountability
- >> Leadership attributes

Our brand / culture is caring, authentic, ethical, positive, innovative and approachable.

ABOUT BECU

BECU GUIDANCE STATEMENTS

MARKETS AND GROWTH

We will pursue organic growth through the Member Experience using our operational model in Western Washington, particularly in the Puget Sound region.

In evaluating growth opportunities, our considerations are in order (on balance):

1. Safety and soundness
2. The Member Experience
3. Vitality of the organization
4. Appropriately balanced demographics
(age, borrowers vs. depositors, looking like the community)
5. Community need
6. Emerging / growing markets
7. Credit Union Philosophy



SOLUTIONS & DELIVERY

We empower our members to control and simplify their financial lives through innovative solutions.

We are among the leaders in Return to Member and continuously seek to improve our position relative to the competition.

We provide an outstanding, consistent and simplified Member Experience across all delivery channels.

COMMUNITY / CREDIT UNION PHILOSOPHY

We are cooperatively engaged in improving the social, economic and environmental vitality of our communities.

We are well respected for our outstanding commitment to the communities we serve.

We are leaders in the credit union movement through collaborative relationships and active engagement in the regulatory and legislative environment.

ABOUT BECU

THE CREDIT UNION DIFFERENCE

Credit unions are member-owned, not-for-profit financial cooperatives. As a result, decisions are based on meeting the financial needs of the membership.

Here are some facts about how credit unions operate:

- >> Credit unions operate under a “one member = one vote” system, regardless of the amount of money the member has at the Credit Union
- >> Credit unions do not issue stock or pay earnings dividends to outside stockholders—instead, earnings are returned to members in the form of better rates and lower fees
- >> Most credit unions have a Board of Directors that is elected by the members of the Credit Union
- >> Under federal and state laws, credit unions may only offer membership to individuals who belong to a select group or defined by specific geographic boundaries

Here are some facts about how banks operate:

- >> Banks are for-profit financial corporations controlled by a board and stockholders who hold influence in the bank based on the total value of their shares—customers of a bank (who are not necessarily stockholders) do not own a financial interest in the bank
- >> Boards are elected from shareholders and highly compensated for their service
- >> Profits of banks are divided among the stockholders
- >> Banks face limited or no restrictions on whom they serve



ABOUT BECU

BECU AND SUBSIDIARIES CONSOLIDATED SUMMARY STATEMENTS OF OPERATIONS

For the years ending 12/31 (in thousands)	2012	2011
Net Interest Income after Provision for Loan Losses	\$214,473	\$232,452
Service Fees & Non-Interest Income	194,971	140,803
Employee Compensation	98,614	89,652
Total Non-Interest Expense	268,302	259,252
Net Income (Loss)	141,142	113,963
Members' Equity	\$918,336	\$790,580
In-kind Donations, rate discounts / premiums and donations to an array of organizations, charities, community events and member programs	\$2.87mm	\$3,200
BECU Net Worth Ratio	8.55%	8.11%

In 2012, BECU continued to focus support in the areas of affordable housing, education & financial literacy, employee philanthropy and the Credit Union system. A total of \$2.87 million was invested by BECU in 2012 to support these efforts. The allocation of these dollars was made in the following areas of focus:

- >> Housing / Asset Building Efforts \$1,747,000
- >> Financial Well-being / Financial Literacy Efforts \$323,000
- >> Supporting Schools / Education \$309,452
- >> Supporting our Employees / Grass Roots Philanthropy \$299,295
- >> Supporting the Credit Union System \$193,610

Financials and net worth ratio are audited by the public accounting firm of Moss Adams.

[Click here](#) to see BECU's 2012 Community & Member Annual Report.



BECU GOVERNANCE

In the Credit Union tradition, BECU has developed fair and ethical guiding principles designed to serve our membership. This includes open communication about our financial standing. BECU is dedicated to ensuring that our members experience the best value and service with complete trust.

BUSINESS WITH INTEGRITY

The BECU Governance Committee has created corporate governance principles and pledges that BECU and our Board of Directors will conduct business with the highest legal and ethical values.

Click here to read an overview of BECU's Corporate Governance Policy which includes information about the election of board members.

BOARD OF DIRECTORS

The BECU Board of Directors and Supervisory Committee members have varied backgrounds providing well-rounded experience relevant to providing directional guidance to BECU. **Click here** to read the bios for our current Board of Directors and Supervisory Committee Members.

CONFIDENTIALITY OF MEMBER INFORMATION

Since information protection and privacy are top priorities for all consumers, BECU has strict policies and processes for protecting your personal information. It is the Credit Union's policy to maintain confidentiality of our members' information. At all times, Credit Union employees must maintain the trust and respect of members by keeping members' personal, business, and financial affairs strictly confidential. Employees of the Credit Union shall conduct business in a manner that protects the privacy of both current and former members' information. Unauthorized access or use of such information is strictly prohibited.

AFFORDABLE HOUSING / ASSET BUILDING



AFFORDABLE HOUSING

We recognize that for most people in our community, homeownership is more than a dream; it provides the foundation for financial security. Affordability is the biggest issue many face when it comes to buying or sustaining a home. In support of affordable housing, BECU provides innovative loan programs that have helped many members finance and keep their homes.

BECU'S HLP (HOME LOAN PAYMENT RELIEF) LOANS

HLP loans are provided to home buyers with a household income of 100% or less than the median income in the county where the home is purchased.

FHA LOANS

BECU is an approved Federal Housing Administration (FHA) lender. FHA loans are government insured loans that allow a member more flexibility when purchasing or refinancing a primary residence. Primary residences include 1-4 unit properties, approved condominiums and manufactured homes. These loans require a low minimum down payment of 3.5%.

In 2012, BECU opted to offer more FHA loans and fewer HLP loans because the down payment and insurance requirements are lower for FHA loans, allowing more members to qualify.

Loan Type	2012	2010
Home Loans	7,788 \$1.4 Billion	6,959 \$1,222,622,000
Home Loan Portfolio as of Year End	35,971 \$6.2 Billion	34,076 \$6,183,132,000
HLP Loans	47 \$8,188,700	82 \$14,190,600
HLP Loan Portfolio as of Year End	1,764 \$348,578,738	2,444 \$528,081,133
FHA Loans	83 \$16,754,915	213 \$41,774,870
FHA Loan Portfolio as of Year End	303 59,166,063	239 47,506,658

BECU MEMBER ASSISTANCE / LOAN MODIFICATIONS

The BECU Member Assistance Team helps members modify their loans. In addition to home loans, this team helps members with other loans such as vehicle, layoff and credit cards. Loan modifications are arranged for members who are experiencing difficult financial times due to loss of income or other personal hardship situations. It is great to see the need for these modifications decreasing as our members economic picture improves.

	2012	2011
Portfolio of Modified Loans as of 12/31	3,046 83.8m	6,220 \$172,533,086



AFFORDABLE HOUSING



COMMUNITY PARTNERS

BECU partners with local non-profit housing organizations committed to help people discover the reality of homeownership through their promise to housing and community development.

BECU Housing Grant Program – BECU annually awards four \$20,000 grants to local non-profits who are making a difference in the access and/ or availability of affordable housing in Western Washington.

2012 BECU Housing Grant Recipients:

- >> International District Housing Alliance, King County International District
- >> Mercy Housing, Several Counties
- >> Vine Maple Place, Located in South King County and serving several counties
- >> Homestead Community Land Trust, King County

Habitat for Humanity

Seattle/South King County: BECU was a presenting sponsor at the annual fundraising event plus provided a \$50,000 grant for continued support of Rainier Vista housing project and other efforts to find unique partnering opportunities and innovative projects. BECU also buys Habitat mortgages, which frees up their capital that allows Habitat to fund additional housing projects.

Rebuilding Together South Sound

Annual \$20,000 contribution and employee volunteer support to this program which keeps low income or disadvantaged citizens in their homes.

Impact Capital

Multi-year grant for programs supporting affordable housing projects and support programs around the Western Washington area. The 2012 donation was \$50,000.

Housing Hope

We have committed a multi-year grant to Housing Hope because this organization has created a network of services and programs that assist Snohomish County citizens out of homelessness and into sustainable housing including eventual home ownership if appropriate. We are proud to support their innovative and full circle efforts. The 2012 donation was \$35,000.

Other Housing Organizations

BECU sponsors various fundraising events for other organizations that have affordable housing as at least a part of their focus and efforts, such as Plymouth Housing, Inc., El Centro De La Raza, Interim CDA; Washington Asset Building Coalition; and the Lifelong AIDS Low Income Housing multi-year project.

ASSET BUILDING

MEMBER ADVANTAGE AND EARLY SAVER ACCOUNT BENEFITS

Member Advantage is a bundle of products and services that establishes membership with BECU and provides greater value to the member. To encourage saving, Member Advantage members earn a higher dividend rate on the first \$500 in balances in their Member Advantage Savings and Member Advantage Checking.

The Early Saver savings account has been designed for the sole purpose of helping the younger generation save. The Early Saver savings account is the equivalent Member Share Savings account for persons under the age of 18 as the primary account that establishes membership with BECU. The benefit of the Early Saver account is that the member will automatically earn a higher dividend rate on the first \$500 in balances and then earn the standard Member Share Savings rate on balances \$500.01 and above in their Early Saver account.

(As of 12/31/2012)	Member Advantage Accounts	Early Saver Accounts
Number of accounts	329,404	76,514
Additional amount paid to members as a result of having these accounts versus a regular account.	\$5.7 million – Savings Accounts \$7.6 million – Checking Accounts	\$1.3 million

VISA RE-PRICE PROGRAM

We believe our members that demonstrate sound financial standing and responsibility should be rewarded for their efforts. BECU reviews Visa and Line of Credit accounts that have been open more than one year. We will reduce the rate on open accounts with a balance below the limit, no delinquency in the last twelve months and the member has a FICO score that places them at a lower risk level based on the recent scores.

In 2012, BECU reduced the rates on 19,193 accounts and most of these were reduced by 2%.

RETURN TO MEMBER (RTM)

A key, and unique, component of the cooperative model is centered on returning profits back to the member-owners. Many co-ops do this by offering an annual patronage dividend. BECU's approach is to return our profits (over and above what is needed for reserves) throughout the year in the form of better rates and fewer fees. One way we measure our return is through our Return to Member calculation. The calculation compares BECU's rates and fees to the average rates and fees for banks. These are dollars that "stay" in our members' pockets and in our local economy.

2012 RTM: \$115.3 Million; \$148 / Member

EDUCATION AND FINANCIAL LITERACY



EDUCATION

BECU supports ongoing educational needs through the following programs:

BECU School Grants

Annually BECU awards small grants to local schools, teachers, and PTAs, giving priority to schools with the highest need for educational materials and programs that directly enhance students' learning experiences in areas that align with the mission and values of BECU. These include financial education, environmental sustainability learning and technology tools for learning in the core topics of reading, writing, math or science. In 2012, these grants totaled \$100,000.



EDUCATION



**BECU FOUNDATION
COLLEGE SCHOLARSHIPS**

BECU’s private charitable Foundation provides \$2,500 scholarships to BECU student members. Scholarships recognize and award outstanding community service and academic achievement by graduating high school seniors and undergraduate college students.

Since 1995, BECU has awarded over \$1.4 million in scholarships to over 665 student members. In 2012, 45 scholarships were awarded with a total value of \$112,500.

BECU SCHOLARSHIPS TO PARTNER COLLEGES

BECU donates named need-based scholarships to partner colleges:

- University of Washington’s Foster School of Business*
- Seattle University*
- Antioch University Seattle*
- Seattle Central Community College*
- Everett Community College*
- Highline Community College*
- Bellevue College, Seattle Pacific University*
- Central Washington University*

In 2012, \$49,800 was donated to these partner colleges.

FINANCIAL LITERACY

BECU embraces financial literacy through both internal programs and by supporting key partners.

SEMINARS

Providing free financial seminars is one of the most appropriate ways that BECU can fulfill our mission to help better the lives of members and communities. BECU employs full-time financial educators who offer free financial education seminars throughout our community. Annually, around 450 financial education-based seminars are provided on a variety of topics. The seminars are conducted for schools, community groups and members and reach over 7,000 participants. Sessions focus on helping individuals learn about and make wiser choices in all areas of personal financial management, with a special emphasis on saving, credit management, homeownership and retirement planning. A complete list of financial articles, seminars, webcasts, and other financial tools can be found at www.becu.org/resources. Investment Seminars are offered by licensed Financial Advisors for members and community groups.

SUPPORTING KEY PARTNERS

BECU supports key partners that bring results in the areas of money management, entrepreneurial skills and pathways to homeownership.

BIZKID\$ FINANCIAL EDUCATION

BECU continues to be a lead supporter of BizKid\$, the PBS television show that is underwritten by America’s Credit Unions. This Emmy Award-winning show teaches kids about managing their money and entrepreneurship, and now airs in every major U.S. market. Each show includes curriculum that can be used in the classroom. Our contribution for 2012 totaled \$172,000.

JUNIOR ACHIEVEMENT OF WASHINGTON

BECU supports Junior Achievement’s Finance Park located in Auburn, Washington. Each year thousands of eighth graders spend a day at Finance Park which is a hands-on personal finance simulation that lets students walk in an adult’s shoes for a day. At the start of the day, each student is given a life “situation” in terms of their career, salary and family. Based on that information, students have to figure out how to buy a home, a car, save for retirement and deal with other financial surprises. The program is highly engaging and helps students understand the importance of making intelligent financial decisions throughout their lives. BECU currently sponsors a storefront in Finance Park and in Biz Town, which is a program for fifth graders.

*Junior Achievement’s Finance Park
Student Self-Reflection*



FINANCIAL LITERACY

Things I learned during Finance Park are:

- >> That it is hard to make a budget. You have to pay for more than you think.
- >> How to pay bills and control my spending.
- >> It is really hard to be an adult.
- >> That it is smart to not get the most expensive thing and that you should put any leftover money in a savings account.
- >> That being an adult is serious business.
- >> What are stocks and bonds, how to keep records in a checkbook and how to calculate net monthly income?
- >> That it is good that I am still young because when I get older I have to pay lots of money.
- >> That doing budgeting is really important. Budgets help you stay within your money and not get in debt. I also learned that picking and spending money should be after you pay bills and primary stuff first.
- >> How to make a budget and keep track of money. I also learned that life has a lot of surprises.
- >> What to do in the stock market and to look at the stock ticker to find out the prices. It is the most risky investment.
- >> That bills can be frustrating at times and I don't want to grow up.

SUPPORTING KEY PARTNERS

WASHINGTON DECA

In 2012, BECU awarded scholarships to two students who produced a video explaining how and why financial education is important to them. BECU also sponsored the Washington DECA Leadership Conference. Our total support in 2012 was \$12,000.

WASHINGTON BUSINESS WEEK

BECU's support of WBW allows our student members to receive discounts to attend week-long summer educational programs on college campuses. Three BECU employees worked as Company Advisors, supported by BECU with paid time away from the office and related expenses for more than one week.

Washington Business Week is an exciting and unique experience for high school students who spend an intensive week in a simulated "corporate" environment learning business, teambuilding, leadership and life skills. It's a crash course in the challenges and opportunities for life after high school such as managing money, networking skills, business ethics, and preparing for a career. Students are part of a small team ("company"), joined by a mentor "Company Advisor" from the business community. The "company" develops a marketing strategy for a new product and is challenged with real-life business scenarios through a computer simulation. At the end of the week, the teams compete in a Trade Show and make a Stockholder's Presentation.

WASHINGTON CA\$H (COMMUNITIES ALLIANCE FOR SELF-HELP)

BECU is an annual high-level sponsor of this organization who helps to provide microloans and in-depth training and mentoring for low income individuals to help them start and succeed at their own businesses. BECU donated \$8,500 to Washington CA\$H in 2012.

HOMESIGHT

BECU provided a \$240,000 grant to ensure expansion of HomeSight's home ownership counseling services and financial education programs.

FINANCIAL LITERACY

BALANCE

BALANCE Financial Counseling is a comprehensive free financial education and counseling service developed to meet the needs of credit union members.

Members can learn how to:

- >> Set and achieve financial goals
- >> Create a personalized budget plan
- >> Read and understand credit reports
- >> Manage monthly income and expenses
- >> Look at new ways to save
- >> Provide education and tools for working with creditors
- >> Pay off debt faster through the Debt Management Plan
- >> Improve their credit rating

BECU members may contact and receive more information about BALANCE at www.balancepro.net.

3,600 BECU members used the following services offered by BALANCE in 2012:

Debt Management	48.1%
Credit Report	27%
Budget	12.2%
Housing	3%
Bankruptcy / Collections	1.7%
Other such as Student Loans and Legal	8%

CALCULATORS

Financial calculators are free online tools that help members understand their finances more accurately to make better financial decisions for their budgets. BECU offers investing and loan calculators that help members calculate anything from how much their auto payments will be to which loan is right for them. These calculators can be found at <http://www.becu.org/learn-and-plan/web-resources.aspx?topic=-1&articles=0&webcasts=0&calcs=1&sort=newest>

ARTICLES

Financial articles that BECU publishes online have a wide array of financial information to benefit members on a wide range of topics including Budgeting, Debt and Credit, Eco-conscious Choices, Homeownership, Investing, Loans, Retirement Planning, Saving for College, Security and Fraud, Small Businesses, Taxes, Trusts, Wills and Probates, and Youth and Money. Financial Finesse articles are updated regularly on www.becu.org providing comprehensive information on relevant topics. You can view financial articles at <http://www.becu.org/learn-and-plan/articles.aspx?topic=-1&articles=1&webcasts=0&calcs=0&sort=newest>

BRASS MAGAZINE

BECU provides Brass Magazine and DVD packages to teachers in high school classrooms across the state. These free materials energize student's critical thinking about how money impacts their lives.

From teachers using BRASS materials:

Please accept this e-mail as my request to continue to receive the BRASS materials. They are wonderful and I just love the magazines and everything else. Thank you for your generosity.

*Patci Serrano, M.Ed., NBCT;
National Board Certified Teacher; CTE Business and AVID;
Federal Way High School*

The package Brass has put together - magazine, cheat sheet, dvd and web site is incredible! I have been telling colleagues in other districts about it and am very excited to use it with my students this year again. Thanks!

*Nancy Sedlacek,
Yelm Extension School*

Brass has been a great resource to my students. Thank you.

*Christina Malm,
CLIP Teacher*

See BECU's Social and Economic goals in the BECU Goals section of this report – Page 45

EMPLOYEE ENGAGEMENT



EMPLOYEE ENGAGEMENT

BECU employees are the key to BECU's success and the source of our competitive advantage. We attract, develop and empower our team to succeed in serving our members by delivering a remarkable member experience. To meet and exceed this strategic directive, employees are expected to conduct themselves in a professional manner at all times in accordance with our Code of Ethics and their performance is evaluated against Performance Competencies.

“Engaging Employees to deliver a remarkable member experience”



CODE OF ETHICS

Our employees are to conduct themselves at all times in an ethical and professional manner. How they perform has an important effect on their success with the Credit Union as well as the success of the Credit Union itself. Personal integrity is expected at all times. The Credit Union also expects employees to put forth their best effort and to work in cooperation with fellow workers.

BECU is committed to the highest standards of integrity, honesty, responsibility, and conduct. Therefore, the Credit Union subscribes to a written Code of Ethics, which covers responsibilities to the members, to the Credit Union movement, to society, and to the established standards of leadership for the directors, officers, and staff.

PERFORMANCE COMPETENCIES

In 2012, BECU redesigned the process we use to evaluate employees performance around competencies.

Principle Competency: Ethics, Values, Integrity and Trust

- >> Demonstrates an unwavering commitment to BECU's core values
- >> Demonstrates ethical behavior in all actions and is seen as a widely trusted and truthful individual
- >> Acts with integrity
- >> Protects confidential information and confidences of others
- >> Doesn't misrepresent themselves for personal gain

Competencies by roles at BECU

- >> All Staff: Composure, decision quality, functional and technical skills, interpersonal savvy, and service focus
- >> Professionals, Management and Executive Management: Unique competencies are identified for these roles

EMPLOYEE ENGAGEMENT



EMPLOYEE SURVEY

Our “Reflections” employee survey is conducted annually and managed by an independent firm. All employees are invited to take the survey. In 2012, 45% of our employees completed the survey. Individual results remain anonymous. The survey asks for ratings on behaviors related to key organizational traits identified by our executives as critical to organizational success: productivity, member satisfaction, teamwork, communication, employee satisfaction, employee retention and leadership. In addition, there is an Internal Customer Service section that allows staff to give feedback on the customer service received from other departments.

The survey provides an opportunity for staff to give feedback on what they think is going well and what they would like to see improved.

The survey reports allow managers and work teams to identify gaps in desired workplace and actual experience. The resulting action plans are change efforts to close those gaps. The action plans transform executive vision into action and create organizational alignment along key dimensions. In practice, the action plans increase employee satisfaction and retention in ways that drive financial performance and growth. Senior managers review and approval of the action plans assures that these change efforts provide value for the organization and are consistent with the direction and goals of the organization.

EMPLOYEE ENGAGEMENT

CONTROL ENVIRONMENT ASSESSMENT

Annually, our Internal Audit department administers a control environment survey in which employees are asked questions in these categories: management philosophy and operating style, assignment of authority and responsibility, organizational structure, integrity and values, commitment to competence, and human resources practices. The overall average score for 2012 was 4.03 on a scale of 0 to 5 (five being best). Our Internal Audit team concluded, based on the results of their assessment, that the residual risks related to BECU's Control Environment are low. The Control Environment survey provides another opportunity for staff to provide feedback and suggestions for improvement.

WORKFORCE BREAKDOWN AT 12/31/2012

Total Employees	1,185	100%
Full Time	1,096	94%
Part Time	53	5%
Remote Workforce	36	3%

EMPLOYEE BENEFIT PROGRAMS

BECU has a competitive compensation package which includes these benefits:

Holidays	Employees enjoy ten paid holidays throughout the year
Paid time off (PTO)	The Credit Union provides paid time off for all eligible full time and regular part time employees. PTO hours accrue on a "per pay period" basis based on hours worked.
Educational Reimbursement Program	All regular full-time Performance Level 1 and 2 employees may be eligible for tuition reimbursement, after one year of continuous employment, for approved courses/degrees.
Transit Subsidy	Regular full-time and regular part-time employees are eligible for a transit pass subsidy for train, bus or vanpool use. This is paid fully by the credit union.
Guaranteed Ride Home	Eligible employees who carpool, vanpool, take the bus, bicycle or walk to work are eligible for a guaranteed ride home in unexpected situations.
Medical, Dental and Vision	Insured medical, dental, and vision benefits are offered to all eligible regular full-time and regular part-time employees. The Credit Union pays up to a pre-determined amount toward the monthly premium for these benefits. Medical, dental and vision insurance benefits are also available for eligible dependents and eligible domestic partners, at the employee's own expense.
Flex Plan	The Flex Plan is a benefit program under which the components are sometimes referred to as medical or daycare reimbursement accounts. Participation in the Flex Plan is an option available to each eligible employee at BECU.
Life Insurance Coverage	The Credit Union provides life insurance for all regular full-time and regular part-time eligible employees. The amount of life insurance coverage currently provided is twice annual salary up to the plan maximum.
Defined Benefit Retirement Plan	The Credit Union's defined benefit retirement plan is completely paid for by the Credit Union. Regular full-time, regular part-time, temporary full-time/part-time employees, and all other employees completing at least 1000 hours of service during the plan year may become eligible to participate in the plan.
401(k) Defined Contribution Retirement Plan	The Credit Union's 401(k) Plan is a Defined Contribution Plan, which allows employees to make contributions on a pre-tax basis up to the maximum limit determined by IRS regulations. Regular full-time or part-time employees who have reached their 18th birthday and completed three months of service are eligible to participate in the plan. BECU currently provides a limited matching contribution, which vests over a period of time.

EMPLOYEE ENGAGEMENT

EMPLOYEE BENEFIT PROGRAMS CONTINUED:

Long-term Disability Insurance	Long term disability insurance provides each eligible employee with income protection if he or she becomes disabled (as defined by the plan) from a covered, non-occupational sickness, non-occupational accidental bodily injury or pregnancy. Each eligible active full-time and part-time employee who is normally assigned to work 20 hours or more a week is covered at no cost to the employee. Eligibility begins following one year of continuous employment.
Short-term Disability Insurance	Short-term Disability insurance provides each eligible employee of BECU with income protection if he or she becomes disabled (as defined by the plan) from a covered, non-occupational sickness, non-occupational accidental bodily injury or pregnancy. Each eligible active full-time and part-time employee who is normally assigned to work 20 or more hours a week is covered at no cost to the employee. Eligibility begins following one year of continuous employment.
Employee Assistance Program	The Employee Assistance Program (EAP) is a counseling and referral service benefit available to all regular full-time and regular part-time employees and all members of their household. The EAP allows employees to place a confidential phone call and receive up to six free assessment visits with a counselor. The EAP is intended to assist employees in addressing personal and emotional concerns, such as alcohol/drug problems, family and/or relationship concerns, eating disorders, stress, elder care, grief, and parenting issues. The plan also includes legal information with the option to talk to an attorney about general legal questions.
Fitness Facility	Employees of BECU may use on-site fitness facilities at specific locations. Gym membership reimbursement is available to employees who do not have access to an on-site facility.
New Mom's Room	Some facilities offer a new mom's room, which provides privacy and comfort for lactation
Employee Referral Program	BECU offers employees the ability to earn a bonus when referring a friend or relative for positions at the Credit Union. As stated in the Employment of Relatives policy, one relative cannot supervise another or audit another's work.
Wellness Program	BECU has an annual wellness fair where employees can obtain information on health benefits and healthy living.

EMPLOYEE TURNOVER

Total employee turnover for 2012 was 14.75% compared to 13.44% in 2011. These numbers include both voluntary and involuntary terminations. Based on employee feedback, the increase for voluntary terminations is attributed to concerns with workload, lack of development opportunities and an improving job market. The 2010 Banking and Finance Industry average turnover was 15.9% for the Puget Sound Region.

In 2012, the HR division conducted an examination of HR systems, policies, processes and procedures. The findings of this examination resulted in the new Talent Management framework implemented in 2012. The internal concerns attributed to turnover will be addressed in the new Talent Management system.

EMPLOYEE ENGAGEMENT

EMPLOYEE VOLUNTEERISM AND FUNDRAISING

BECU promotes volunteerism and fundraising through the following programs:

BECU GIFT MATCH PROGRAM

The Credit Union Gift Match Program reflects the commitment and desire to meet the interest of our employees and board members and to have a positive impact on the needs of our community. BECU believes in the Credit Union philosophy of “People Helping People” and supports its employees by matching contributions made to organizations as outlined in the Gift Match Program Guidelines. Each active full-time and part-time employee is eligible to participate in the Gift Match Program up to an annual maximum amount of \$5,000.

In 2012, BECU matched over \$140,000 of giving by our employees and board members to charitable non-profits both locally and internationally.

EMPLOYEE TEAM-LEADER VOLUNTEER PROGRAM

BECU provides financial support up to \$100 for fundraising efforts by self-selected teams of ten or more employees who band together to support local charities. These funds can be used for decorations, door prizes or other enticements. In addition, we provide BECU Volunteer T-Shirts for the event.

We continue support of our employee-led volunteer effort to clean up the banks of the Duwamish River behind our main office in Tukwila, WA. We also have regularly scheduled Blood Drives.

EMPLOYEE INVOLVEMENT COMMITTEE

BECU supports a selected team of employee volunteers who plan and execute fundraising efforts and employee focused volunteer efforts, such as the annual Rebuilding Together Day and raising money for the BECU Foundation. This committee rose over \$45,000 for the BECU Foundation Scholarship program and for our annual Holiday Giving Tree Drive in 2012.



EMPLOYEE ENGAGEMENT

EMPLOYEE VOLUNTEER RECOGNITION PROGRAM

Employees are given special recognition for volunteer efforts they contribute on their own time outside BECU hours via a \$100 donation made on their behalf for a minimum of 30 hours of volunteer time per year. In 2012, BECU donated \$6,100 under this program. BECU employees volunteered over 7,295 hours to hundreds of local non-profits in 2012.

	2012	2011	% Change
Total hours volunteered	7,295	5,857	8%
Volunteer hours / employee	6.3	5.7	3%
Employee Philanthropic Donations	\$156,548	\$143,269	44%
BECU Gift Match	\$156,548	\$143,269	44%

Currently we have a manual process for tracking volunteer hours. We are working to improve this process to enable a more comprehensive capture of our employees' volunteer efforts.

Employee engagement goals can be viewed in the BECU Goals section of this report – Page 44



CREDIT UNION SYSTEM



CREDIT UNION SYSTEM

There is a spirit of cooperation among credit unions not found in many other industries. The Credit Union System was founded on a commitment to the cooperative nature of not-for-profit member-ownership, and a partnership with all credit unions. In this spirit, BECU operates by the International Credit Union Principles.

BECU is a strong partner in the credit union cooperative system and believes in the founding principle of cooperation among cooperatives. By working together and supporting other cooperative initiatives and programs, we help strengthen the credit union movement and efforts to reach our underserved communities.

EXPRESS OPPORTUNITIES

This program encompasses Express Credit Union and the non-profit partner organization Express Advantage. BECU provides strong ongoing support of this innovative approach to working with key partner non-profits to serve low income and underserved residents with relevant products and services designed to help individuals and families achieve financial success. This approach combines much needed services, with financial education and programs, along with affordable and appropriate services needed to meet their needs. BECU provides support in various capacities including financial, technical, marketing, board participation and relationship building.

TULIP (THURSTON UNION OF LOW INCOME PEOPLE) CREDIT UNION

Over the years, BECU has supported the long-term viability of this low-income credit union in Thurston County through financial, technical and marketing contributions. This has included providing secondary capital, an ATM and funding marketing campaigns.



CREDIT UNION SYSTEM

CU ORGANIZATIONS

BECU supports credit union organizations doing great work in our communities or that work at connecting credit unions together:

- >> National Credit Union Foundation (NCUF) which includes The Community Investment Fund Investments, Biz Kid\$, and the Credit Union Development Education Program
- >> Northwest Credit Union Association (NWCUA) Foundation
- >> National Federation of Community Development Credit Unions
- >> World Council of Credit Unions
- >> King County and Pierce County Chapters of Credit Unions
- >> Participation in Credit Union Service Organizations: PSCU (provider of financial services to credit unions), Co-op Network, Credit Union Student Choice, Member Loyalty Group, Prime Alliance and Trust for Credit Unions.



INTERNATIONAL CREDIT UNION PRINCIPLES

The International Credit Union Operating Principles are founded in the philosophy of cooperation and its central values of equality, equity and mutual self-help. Recognizing the varied practices in the implementation of credit union philosophy around the world, at the heart of these principles is the concept of human development and the brotherhood of man expressed through people working together to achieve a better life for themselves and their community.

Democratic Structure

>> Open and Voluntary Membership

Membership in a credit union is voluntary and open to all within the accepted common bond of association that can make use of its services and are willing to accept the corresponding responsibilities.

>> Democratic Control

Credit union members enjoy equal rights to vote (one member, one vote) and participate in decisions affecting the credit union, without regard to the

amount of savings or deposits or the volume of business. Voting in credit union support organizations or associations may be proportional or representational, in keeping with democratic principles. The credit union is autonomous, within the framework of law and regulation, recognizing the credit union as a cooperative enterprise serving and controlled by its members.

>> Non-Discrimination

Credit unions are non-discriminatory on all grounds, including but not limited to race, orientation, nationality, sex, religion and politics.

>>

CREDIT UNION SYSTEM

Service to Members

>> Distribution to Members

To encourage thrift through savings and thus to provide loans and other services, a fair rate of interest is paid on savings and deposits, within the capability of the credit union.

The surplus arising out of the operations of the credit union after covering the cost of finance, operating costs, provisions for loan losses and ensuring appropriate capital reserve levels, belongs to and benefits all members with no member or group of members benefiting to the detriment of others. This surplus may be distributed among members in proportion to their transactions with the credit union, as dividends on shares or directed to improved or additional services required by the members.

>> Building Financial Stability

A prime concern of the credit union is to build the financial strength, including adequate reserves and internal controls that will ensure continued service to membership.

>> Service to Members

Credit union services are directed to improve the economic and social well-being of all members.

Social Goals

>> On-Going Education

Credit unions actively promote the education of their members, officers and employees, along with the public in general, in the economic, social, democratic and mutual self-help principles of credit unions. The promotion of thrift and the wise use of credit, as well as education on the rights and responsibilities of members, are essential to the dual social and economic character of credit unions in serving member needs.

Cooperation Among Cooperatives

In keeping with their philosophy and the pooling practices of cooperatives, credit unions within their capability actively cooperate with other credit unions, cooperatives and their associations at local, national and international levels in order to best serve the interests of their members and their communities.

Social Responsibility

Continuing the ideals and beliefs of cooperative pioneers, credit unions seek to bring about human and social development. Their vision of social justice extends both to the individual members and to the larger community in which they work and reside. The credit union ideal is to extend service to all who need and can use it. Every person is either a member or a potential member and appropriately part of the credit union sphere of interest and concern. Decisions should be taken with full regard for the interest of the broader community within which the credit union and its members reside.

LISTENING TO OUR MEMBERS



LISTENING TO OUR MEMBERS

**NET PROMOTER SCORE[®]
AND MEMBER COMMENTS**

BECU evaluates member loyalty and satisfaction by conducting Net Promoter surveys. We feel so strongly about doing the right thing for our members, that we have a three year metric for improving our Net Promoter Score. Net Promoter Score is provided to BECU by Satmetrix, Inc., through a Credit Union Service Organization – The Member Loyalty Group.

The Net Promoter survey asks, “How likely are you to recommend BECU to a friend or colleague?” using a scale of 0 to 10. Members who answer with a 9 or a 10 are Promoters; those who answer with a 7 or an 8 are Passives; and those who answer in the 0 – 6 range are Detractors. There is an additional question that we ask our members, such as “What is the primary reason for your score?”

The Net Promoter Score is calculated by subtracting the number of Detractors from the number of Promoters, divided by the total number of responses.

NET PROMOTER SCORE

	2011	2012	2014
12/31 Target	75%	71%	71.0 – 73.0%
12/31 Actual	77.4%	71.85%	N/A
Credit Union Average	60.79%	59.50%	N/A
Financial Institution Average	18%	18%	N/A

Our score for year end 2012 was 71.85% compared to the financial institution average of 18% and the credit union average of 59.50%.

BECU collects data on several relationship attributes to better understand which aspects of the member experience have the most impact on Net Promoter Scores. Members are asked to rate how important several statements are to their relationship with the credit union. These ratings are paired with likelihood to recommend scores, in order to determine underlying drivers of loyalty. This chart outlines the key drivers of credit union likelihood to recommend scores for overall Relationship surveys.

ENVIRONMENTAL STEWARDS / SUSTAINABLE OPERATIONS



ENVIRONMENTAL STEWARDS / SUSTAINABLE OPERATIONS

Environmental sustainability starts with how we operate our business. We continually look for ways to be more efficient, effective and sustainable.

CARBON FOOTPRINT

We calculate an annual inventory of our carbon emissions. Since 2007, we have reduced our overall carbon emissions by 196 metric tons of CO₂E (carbon dioxide equivalent emissions) which is an overall reduction of 3%. In this same time period, our membership has grown by 51%, the number of employees increased 13% 138 were added.

2007 – 2012 Carbon Emissions (Metric Tons)				
Component	2012 Emissions	2007 Emissions	Change 2007 - 2012	% Change 2007 - 2012
Company Fleet	42	198	-156	-79%
Business Travel: ATM maintenance & servicing, employee inter-location travel, and business travel	483	605	-122	-20%
Employee Commute	2,947	2,225	722	32%
Energy	2,258	1,933	325	17%
Paper	273	361	-88	-24%
Waste	215	280	-65	-28%
Freight, Courier and ATM Replenishment	2	2	0	0%
Total	6,220	5,604	616	11%

	2012	2007	% Change 2007 - 2012
Number of Members	800,736	530,978	40.2%
Number of Employees	1,165	970	5.9%
Number of BECU Locations	43	39	10%

Component	Actions Taken
Waste Reduction	>> Decrease overall waste >> Increase recycling
Paper Reduction	>> eStatements >> Electronic mortgage processing >> Online news center >> Increase use of recycled paper
BECU Operations	>> Reduction in Business Travel >> Reduction in company fleet
Employee Commute	>> Expanded Remote workforce program >> Flexible work schedules >> Free transit passes >> Rideshare programs
Energy Consumption	>> Energy Audits >> Addition of 4 Neighborhood Financial Centers

Changes in Greenhouse Gas (GHG) methodology: BECU has calculated its GHG emissions since 2007. As methodologies have evolved and standardized, BECU has done its best to stay current using the best available frameworks from the World Resources Institute (WRI), the Climate Registry, and the World Business Council on Sustainable Development (WBCSD). We have made updates to our previously reported emissions due to changes in methodology. Therefore, we have recalculated our GHG emissions from 2007-2010 using these updated methodologies. The specific updates included using the new emission factors for the EPA e-grid, switching from EPA Lifecycle emission factors on paper emissions to the more accurate emission factors from the Environmental Defense Fund, and calculating our shipping emissions with metric ton miles.

ENVIRONMENTAL STEWARDS / SUSTAINABLE OPERATIONS

**OTHER ACCOMPLISHMENTS
IN 2012 INCLUDE:**

- >> We began to offer loans for electric vehicles. To mitigate risk, we offer these loans for specified makes and models. At year end we had 51 loans in our portfolio for Nissan Leafs and Chevrolet Volts. These loans are also available for Mitsubishi MiEVs. There are no special incentives for electric vehicles. However, the 1% cash back for members with Member Advantage does apply.
- >> Our retail locations were converted to thin client workstation technology, replacing over 250 Personal Computers. The annual power savings from this is estimated to be \$18,000 and 73.4 pounds (.03 MT of emissions). Other areas in the organization will be converted in 2012.

- >> Outdated technology equipment is donated to various charitable organizations.
- >> The Duwamish River clean-up, started in 2010, continued throughout 2012. This is a BECU sponsored event, so employees are paid for their time to work on this project. Overall, about 150,000 square feet has been cleared once of invasive species, mulched and planted with 20 native plants and trees.
- >> We promote environmental learning through our School Grant program.



Employee commute and energy consumption are the two areas with the most impact on our carbon footprint. Since 2007, our staff has increased 6%; however, currently 5% of our staff works remotely. Our current number of retail locations is 43 versus 39 in 2007. These additional locations impact our employee commute, energy consumption, inter-location travel, courier services, and ATM servicing.

To address the impact our commuting habits on carbon emissions, BECU offers a remote workforce program, flex work schedules, free transit passes and encourages rideshare programs. In 2012, we increased the number of shared work spaces at three of our primary locations to support our expanding remote workforce and telework programs.

ENVIRONMENTAL STEWARDS / SUSTAINABLE OPERATIONS

>> Green elements are used in new construction and remodels.

HERE IS WHAT A FEW OF OUR MEMBERS HAD TO SAY:

“My representative was great. Explained everything very well and made me feel like my business was appreciated.”

Courtney M

“Knowing my money is earning interest both in savings and checking accts. Feeling valued and more in control of my financial future, not just another acct at another bank.”

Ellen B

“I’m completely happy with BECU. I’ve already had two friends join BECU.”

Gary J

“I enjoy the fact that BECU is a local credit union, yet large enough in scale, and tapped into the credit union network, to make it as convenient as a large bank. Having an interest-bearing checking and savings account at the level BECU provides is a major bonus.”

Mark W

“I’m a big advocate of the “Move your Money” campaign to move money away from the big banks into small local banks and especially to credit unions. BECU, being a credit union, has fair fees and doesn’t rip people off.”

Dorene R

MEMBER ENGAGEMENT

During 2012 BECU hosted two public shred and recycling events at six BECU locations, in different areas in the Puget Sound Region.

>> BECU partnered with Iron Mountain and DBSecureShred for document shredding

>> We partnered with E-Waste for electronic recycling, collecting nearly 60,000 pounds



ENVIRONMENTAL STEWARDS / SUSTAINABLE OPERATIONS

TRACKING OUR ENVIRONMENTAL PERFORMANCE

At BECU, we use environmental metrics to track performance over time. We use these ratios to compare our environmental performance from our operations to the number of members and employees.

Environmental Metrics	2012	2007	Unit Change	% Change
GHG Emissions (MT CO ₂ E)	6,220	5,604	(160) metric tons	-3%
Tons CO ₂ E / Employee	5	5.78	(.48) metric ton	-8%
Tons CO ₂ E / Member	.0077	.0106	(.0033) metric ton	-69%



OPPORTUNITIES FOR IMPROVEMENT

While we had a number of successes in 2012, we realize we still have many opportunities for improvement. In 2013, we are expanding a variety of efforts aimed at being better stewards of our environment with our internal operations and in the community. These include:

- >> Employee commuting: expand our initiatives such as remote workforce to help reduce GHG emissions in the future
- >> Business Travel: improve accounting for a more accurate reflection of business travel expense
- >> Member Engagement: Increase engagement with our members by providing loans that encourage energy efficiency
- >> Employee Engagement: Strengthen engagement with our employees by asking for their feedback on our sustainable initiatives and communicating reminders about waste reduction and recycling

ENVIRONMENTAL STEWARDS / SUSTAINABLE OPERATIONS

CARBON REDUCTION

In 2012, a small team was established to recommend carbon reduction targets for BECU. We were charged with creating a proposal on how to reach the first target, including actions required, investments, estimated costs, estimated carbon reductions and other benefits and savings. Our recommendation was approved and related costs were included in our 2012 annual budget.

Vision: We at BECU take a stewardship approach in conducting our business and our impact on the communities where we live, work and serve our members.

CARBON REDUCTION LONG-TERM TARGETS

- >> Reduce BECU’s carbon emissions 15% by 2015 compared with our 2007 baseline
- >> Reduce BECU’s carbon emissions 25% by 2025 compared with our 2007 baseline

View our environmental sustainability goals in the BECU Goals section of this report – page 46

MEASURING THE GREENHOUSE GAS IMPACT OF OUR LOANS

In addition to improving our own internal operations, we take the unique step of calculating the greenhouse gas (GHG) emissions generated from our auto and home loans so we can better understand our impact through our products and services. These are currently not included in our carbon emission calculations or goals.

Loan Type	Quantity	Annual GHG Emissions (Metric Tons)
Home Loans @ 11.55 MT each		
2012 Home Loans	6,959	80,376
Home Loan Portfolio at year end 2012	34,076	393,578
Auto Loans @ 5.1 MT each		
2012 Auto Loans	28,406	144,871
Auto Loan Portfolio at year end 2012	97,971	499,653



Emissions are represented in “CO₂e” or carbon dioxide equivalents. According to the U.S. EPA, this is “a metric measure used to compare the emissions from various greenhouse gases based upon their global warming potential.” The scope of this analysis is limited to the annual GHG emissions of existing homes and passenger vehicles for which BECU has made a loan during the identified time frame. BECU is not conducting a full life cycle analysis of home construction or car manufacturing.

Source: <http://www.epa.gov/cleanenergy/energyresources/calculator.html> Metrics

BECU GOALS



BECU GOALS

ORGANIZATIONAL GOALS		
Goal	Expected Outcome	By the End of
Operating Expense / Average Assets	2.29% - 2.26%	2014
Number of engaged members	> 148,000	2014
Relational Net Promoter score	71%-73%	2014
Members to 8 county population	18.9%-19.4%	2014
SOCIAL AND ECONOMIC GOALS		
Goal	Expected Outcome	By the End of
Evolve our community engagement strategy and develop metrics	Increased effectiveness and the ability to measure our impact.	2013
STAKEHOLDER ENGAGEMENT GOALS		
Goal	Expected Outcome	By the End of
Seek feedback / recommendations on our 2012 Sustainability Report	Obtain suggestions for improving our reporting.	2013
Explore improvements to the BECU Loyalty & Rewards Program	Identify changes to the existing program that would make it more beneficial and meaningful to the membership.	2013
Utilize an Innovation & Idea system to gather member suggestions and complaints	Deploy a member idea / suggestion platform to collect member feedback to prioritize improvements and initiatives.	2013



BECU GOALS

EMPLOYEE ENGAGEMENT GOALS		
Goal	Expected Outcome	By the End of
Seek feedback from employees on this 2012 Sustainability Report and request recommendations for future reports.	This information will be reported in our 2012 Sustainability Report.	2013
Evaluate compensation and benefits to meet employee and market needs.	Make adjustments as needed to remain competitive in the market.	2012
Continue to encourage employees to volunteer their time and skills.	More total hours volunteered in 2012 than the 5,857 hours volunteered in 2011.	2013
Improve the process to more accurately capture employee volunteer efforts.	A more complete list of employee volunteer efforts.	2013
ENVIRONMENTAL SUSTAINABILITY GOALS		
Goal	Expected Outcome	By the End of
Company Fleet: Replace up to two vehicles in our company fleet with more efficient vehicles	Purchase one or more biodiesel vehicles as replacements	2012
Purchase Renewable Energy Credits to invest in green power production.	Procure RECs that have the greatest impact on a cleaner environment and / or support renewable power in the Pacific Northwest which result in a cleaner earth and partially offset our carbon emissions.	2012
Carbon Reduction Targets	Reduce BECU's carbon emissions 15% by 2015 compared with our 2007 baseline Reduce BECU's carbon emissions 25% by 2025 compared with our 2007 baseline	2015 2025



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