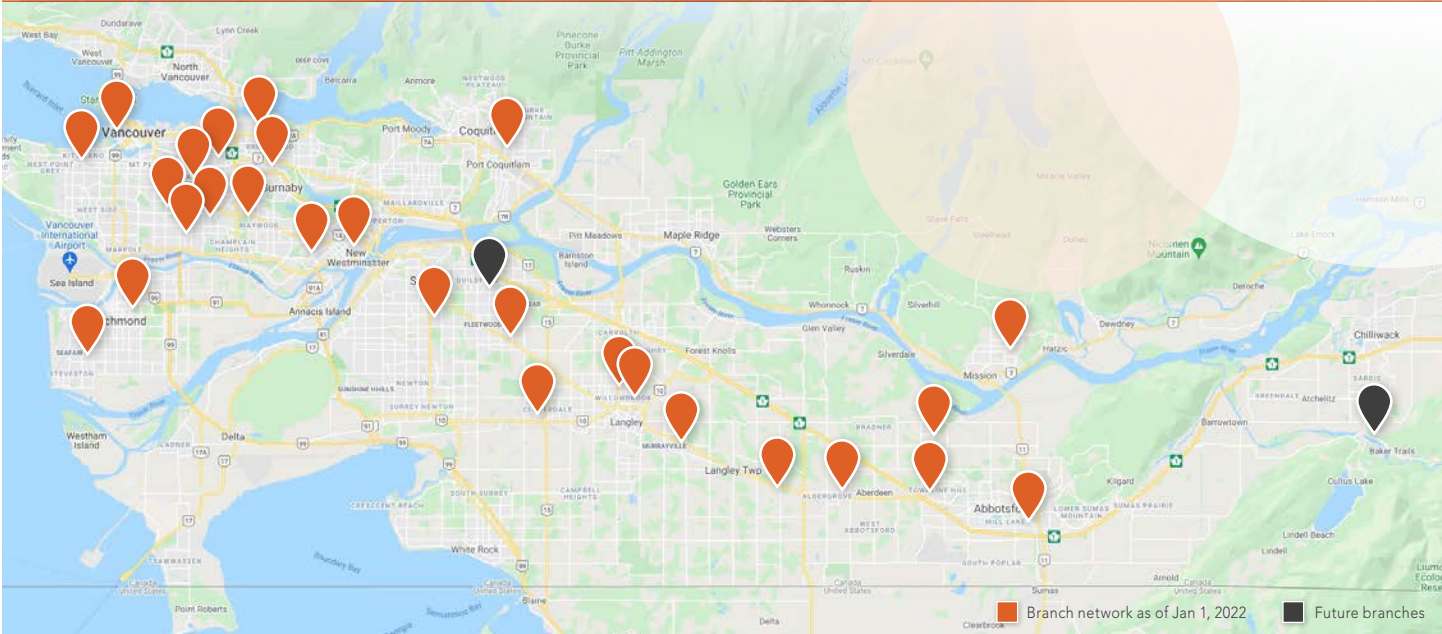


Better Together

2021
ANNUAL REPORT



Together we enrich lives by
creating and nurturing financially
empowered communities.



G&F Financial Group, Aldergrove Financial, Mount Lehman Financial, and VP Financial are trade names of Gulf and Fraser Fishermen's Credit Union



(pictured left to right)
 William Kiss, Co-Chief Executive Officer;
 Lewis Bubl , Chair, Board of Directors;
 Jeff Shewfelt, Co-Chief Executive Officer

Better together

G&F Financial Group is a community focused credit union providing a full range of personal and business banking, investment and insurance solutions. We strive to build meaningful relationships with our members; we help those around us succeed in life beyond banking.

2021 was a challenging year for everyone in British Columbia and we are proud to have stood strong for our members as they continued to face challenges throughout the ongoing COVID-19 pandemic and unexpected natural disasters. We again proved our resilience in challenging times and demonstrated our adaptability and readiness to provide thoughtful financial solutions to our members. It was also a year of incredible collaboration and expansion as we joined together with our long-time peer, Aldergrove Credit Union, on August 1. After just five months and with more to do on integrating systems and meeting our new members, our employees, members and communities are already seeing the results of a great partnership.

The merger of two like-minded credit unions has resulted in an evolution of G&F Financial Group: from 35,579 to 56,683 members, from 200 to 318 employees, from 16 to 24 branches, a larger call centre, and more specialists meeting with our members. Ultimately, we are evolving into a credit union that is wiser from our collective knowledge and experience. We are stronger—both in expertise and on the balance sheet, and we’re working alongside members to design new products and services (coming in 2022!). By combining resources with Aldergrove Credit Union (now named Aldergrove Financial), their openness to collaboration, and financial strength - our contribution to community and the good we can do together has doubled our annual community investment to \$1,111,570. Coming together meant we were able to provide \$250,000 in financial support to those affected by the floods in November in addition to \$200,000 to communities from Vancouver to Mission during our annual holiday giveaway. We credit our

wider network in the Fraser Valley for helping us surpass our fundraising goals for The Centre for Child Development and the United Way of the Lower Mainland. We are grateful to our collective Board for approving a \$1 million contribution to the G&F Financial Group Foundation to support future community needs.

With work continuing on our integration of systems and meeting our new members, we are already seeing the results of a great partnership with Aldergrove Financial. Looking at our year end results and the impact we have had on our communities, we are truly better together. We anticipate that our members will benefit even more from the partnership with Aldergrove Financial through an expanded branch network, product selection and more experts to call on, in the coming months of 2022.

Midway through the year, we were approached by V.P. Credit Union (Vancouver Police) and Mount Lehman Credit Union, two modest-sized credit unions. Each had been proudly serving members in the Lower Mainland for decades and each was seeking a partner to help them meet evolving member expectations into the future. Each credit union completed an independent analysis of G&F and concluded that we were a good fit, noting our personalized service and our inclusive culture. When their respective memberships voted on merging with G&F late in the year, the results were clear: we would become an even stronger credit union on January 1, 2022.

This annual report provides us the opportunity to reflect on how we supported our employees, members and communities through 2021. We look forward to continuing our co-operative work and collaborating with our credit union peers as we enter our 82nd year in operation and we are excited to welcome the employees and members of V.P. Financial and Mount Lehman Financial to our credit union family.

It is only together that we can build a strong future for our members, so we thank our members for trusting us to be a part of their *life beyond banking*TM.

Staying strong for our growing membership

G&F stood strong financially throughout the year and the ongoing pandemic, natural disasters (fires, floods) and resulting stress on our economic environment. We focused on supporting members, including the 18,355 members who joined us following the merger with Aldergrove Financial. This included offering financial support to members, and ensuring this assistance bore no adverse impacts on our credit union:

- We assisted over 200 members in obtaining the Canadian Emergency Business Account (CEBA), an interest-free loan up to \$60,000.
- Due to the impacts of the November floods, personal and commercial members were granted deferrals on mortgage payments. All have since resumed their normal payments.

Economy

COVID-19 vaccinations, introduced to Canadians late 2020, helped to curb the pandemic, reduce restrictions and send the economy on a path to recovery. Inflation rose steadily ending the year at 4.8%, the highest it has been in 30 years. The Bank of Canada at the end of the year signaled the economy will operate at full capacity in 2022 Q2-Q3—a heartening forecast, but one that we read with caution. Truly, it is the path the pandemic takes, and our collective response to it that will ultimately determine the speed, duration and path of recovery for our economy in 2022—and this we cannot predict.

In the housing marketplace, sales of Metro Vancouver homes reached an all-time high in 2021 as housing needs remained a top priority during the pandemic. We saw the lowest level of supply of homes in more than 30 years and prices increased on average by 17% in 2021 versus the year before.

Despite the uncertainty in the economy, G&F had excellent results. We exceeded our budgeted lending, deposit, and wealth management growth targets for the year. Another benefit of the merger is the increase to our commercial cap and single member cap which will allow for greater future growth of our commercial portfolio and the ability to support our business member's borrowing needs. We had over 20 projects underway, including opening our Fraser Street Branch, completing a business case for a branch in Chilliwack, launching Mobile Wallets, launching online account opening, and, our biggest project of the year, merging with Aldergrove Credit Union.

In 2021, we joined fellow credit unions in partnering with Emmertech—a new venture capital fund managed by Conexus Venture Capital Inc. (Saskatchewan). Emmertech focuses on

harnessing the momentum in Canadian agtech, food-tech and agri-business innovation. We believe this is an important way for us to back our entrepreneurs and local agricultural community as they work to improve agriculture and farming at a local and global scale.

Knowing that we are stronger through collaboration, we completed the due diligence and business cases with V.P. Credit Union and Mount Lehman Credit Union, working towards having them join our credit union family in 2022. By combining resources, we will be able to provide their memberships with new payment technologies and enhanced products and services, ensuring we meet member demands well into the future.

G&F has fared well throughout the ups and downs of 2021; we are practiced at navigating an unknown road with our members' financial wellbeing top of mind. We are willing to open our doors to new partnerships even when unsure what may be around the corner because we believe that cooperation can lead to strength. We can continue to conduct our business while being flexible and adaptable, and ensuring we are diligent in forecasting economic scenarios to keep our credit union financially sound for our members, no matter what challenges we face together.

Continued collaboration with industry partners

As financial services technology continues to advance, we recognize that by collaborating with our peers, we can take on the complex work of building our digital banking services and make banking easier and more convenient for our members.

In 2021, we continued to work closely with Central 1 on improving the member online banking experience while we planned for the future of digital banking and the part we will play when Consumer Directed Finance (open banking) becomes the norm for Canadians. Setting ourselves up for future success, we have invested in a local financial technology company, Mobetize, which delivers digital banking applications that leverage artificial intelligence, data analytics and automation for payments, digital account opening, digital lending, among other solutions. This is the culmination of five years of working with Mobetize and establishing a trusted relationship. By leveraging our collective strengths, the partnership with Mobetize will take us further, faster as we continue our digital transformation journey. We encourage our credit union peers to explore opportunities to work with Mobetize to enhance their own members' digital experience.

Also in 2021, we continued our work advocating for credit unions in a market saturated with big banks and online competitors through our participation on the Canadian Credit Union Association's (CCUA) Open Banking Strategy Committee and the National Community Impact Committee as well as Aviso's Wealth Management Advisory Council for Canadian Credit Unions. Co-CEO, Bill Kiss, completed his final of three one-year terms as Board Chair at Central 1, transitioning to Board member in May. Co-CEO, Jeff Shewfelt, continued in his leadership role with our credit card provider, Collabria, while Chief Financial Officer, Ron Lee participated on the CUDIC Fund Size Working Group, also organized by CCUA.

Another benefit of the merger meant we had more people involved in industry advocacy at various levels of government. The Co-CEOs advocated for our credit union system at various opportunities throughout the year, backed by President, Gus K. Hartl, former CEO of Aldergrove Credit Union, who drew on his 40 years of financial service and extensive network to influence change in government process.

Products and services

We added four Co-operators insurance locations to our network, a benefit from our partnership with Aldergrove Financial. The Co-operators provide financial solutions and security through property and casualty (P&C) insurance, life insurance, investment management, institutional asset management and brokerage operations.

In our branches, and over video calls, we encouraged members to take the Smart Money Score—a building block to their financial success. With this program, our wealth experts guide members through a discovery of their needs and goals. Smart Money Score is a helpful tool for those new to financial planning or money management and for seasoned investors looking for next steps to ensure their overall financial wellbeing. As our members were benefiting from this tool, we worked behind the scenes to build a self-serve version of Smart Money Score, to be launched to the public in 2022.

Also, behind the scenes, our employees collaborated on the design of updated spending and saving accounts, holding focus groups with members to deepen our understanding of their needs. The new account lineup will be launched in spring 2022.

Fulfilling an important goal, we launched an online platform where members can open an account online. This has seen great success, with 915 accounts opened over the year. We also provided members with more options for how they do their banking by launching Mobile Wallets, enabling members to use Google Pay, Apple Pay or Samsung Pay on their smart phones to make purchases.

We worked closely with Central 1 to incorporate feedback from members on the pilot digital banking experience we launched in February and prepared a refreshed online banking and mobile app experience, to be launched in January 2022.

We expanded our Member Hub call centre in 2021. By adding eight more advisors and extended hours for members to reach us we can better serve our growing membership, a benefit of the merger with Aldergrove Financial.

The merger also resulted in seven branches being added to our network on August 1st, in addition to four Co-operators insurance locations. We opened our Fraser Street Branch and completed renovations at Main Street and Richmond Centre. We will continue to renovate our branches into 2022 to ensure we provide a consistent experience to members no matter what branch they choose to do their banking.

We developed plans for our Guildford Branch, opening in 2022. Hearing from our members that they'd like G&F to expand eastward, we completed a business case for a Chilliwack Branch, which we anticipate opening in 2023.

Financial literacy

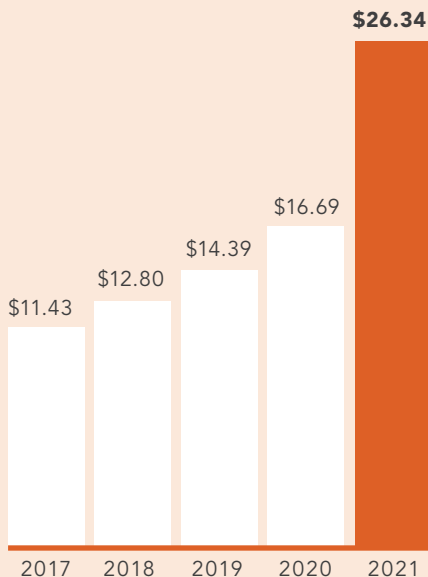
We believe financial literacy is the key to achieving financial wellbeing. As the pandemic continued for a second year, we once again held our popular financial literacy sessions online. We delivered 30 webinars to a wide range of people on topics such as budgeting, loans, buying a home, banking in Canada, working at a financial institution, estate planning, investing, credit, financial planning, fraud, and more. We shared recordings of these webinars through YouTube to the benefit of an additional 1,900 people.

We were excited to hold our first youth camp—a three-part workshop at our Edmonds Branch—to financially empower youth on spending, borrowing and investing. And we were featured on two CityNews1130 Facebook Live events where we provided financial advice and guidance.

Partnering with Junior Achievement British Columbia is another way we help strengthen the financial knowledge of our members and the community. The Personal Finance program provides students with personal financial acumen, which in turn helps them develop good financial habits. Whether it is budgeting, managing credit or saving a little each month, these are skills that will lead our youth to financial success. In 2021, we delivered 54 sessions of the Personal Finance Program in the Lower Mainland and Fraser Valley.

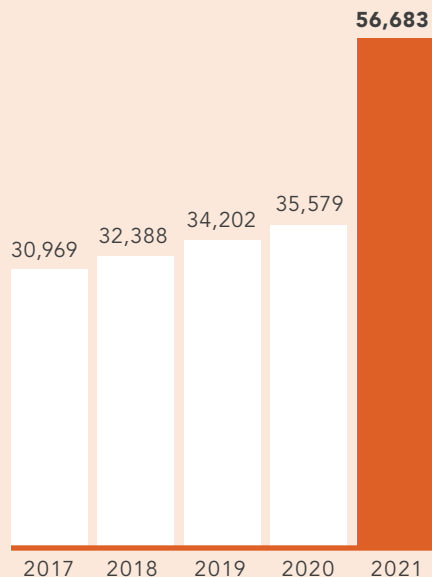
Earnings from Operations (\$M)

57.8% growth in 2021



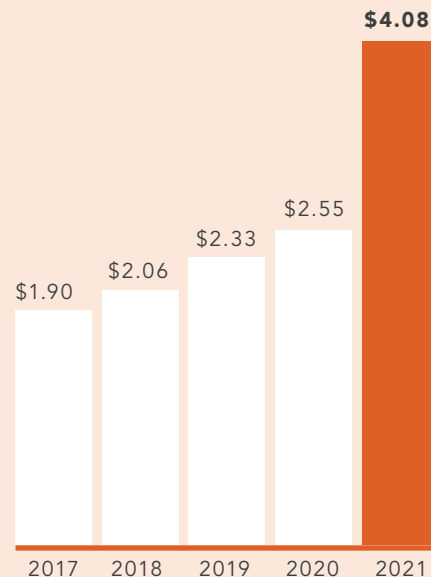
Membership Growth

59.3% growth in 2021



Consolidated Assets (\$B)

60.1% growth in 2021



We produced three podcasts about our partnership with Aldergrove Credit union in 2021, for a total of 20 podcasts since inception. We translated our Financial Literacy for New Canadians podcast into Punjabi and Mandarin.

We had 2,590 plays of our Smart Money Podcasts last year and accrued 15,325 plays since we started podcasting in 2016. Podcasts are distributed on Apple Podcasts, Spotify, and other popular channels.

Connecting with our members in branches and at virtual meetings, we helped our members complete a Smart Money Check to understand where they were with saving, borrowing or protecting their money. In just two short months, we completed 500 Smart Money Checks with members. Further, we held a total of 7,000 virtual and in-person meetings with members.

Financial highlights

As noted earlier, despite continued uncertainty in the economy, G&F had excellent results in 2021. We exceeded our budgeted lending, deposit, and wealth management growth targets for the year.

Notably, G&F had record earnings from operations for the year, of \$26.3 million, this despite the costs incurred by the merger. Our operating efficiency was 68%, well below the 78% average seen in the BC credit union system. By merging two strong credit unions we were able to quickly create efficiencies in how we operate; and while the work of integrating our systems will continue well into 2022, we are proud of what we achieved in five months.

In 2021, our members were less affected by the difficult economic year than we had expected. This meant we could lower the allowance for credit losses as a percentage of the loan portfolio. This resiliency in our membership is a testament to good financial planning and we salute our members for their prudence.

Our assets grew by 60.1% and surpassed \$4 billion on the balance sheet. Our lending portfolio grew by 60.2% and deposits grew by 61.9% which included organic growth of 20.9% and 17.7% respectively. In addition, wealth management assets under administration grew by \$292.0 million, or 99.8% (including organic growth of \$101.9 million, or 34.8%) to \$584.5 million.

Our capital adequacy ended the year at 15.42%, well in excess of the regulatory requirement of 8.0% and the supervisory target of 10.0%. We had a net growth of 21,104 members, or 59.3% to 56,683.

By combining resources with Aldergrove Financial we were able to contribute \$1 million to the G&F Financial Group Foundation. In addition, members received dividends of 3% for member equity shares and 4.5% for investment equity shares.

Employee success

It has been an exceptional year of change for our 318 employees, and we want to celebrate their resiliency and willingness to collaborate to deliver service excellence to our members. The merger brought 110 employees into our fold and with them came new ideas, new ways of doing things, and an incredible team spirit. This has bolstered our workplace engagement and culture, through involving employees in building our future navigating and adapting to process, system and leadership change.

To support employees of G&F and Aldergrove Financial as our credit union evolved following the merger, we formed a change advocacy group to connect with employees in every aspect of the business. We encouraged two-way dialogue between employees and leaders as we continued our journey to integrate the two credit unions all while providing our expanded membership with consistent and personalized services. This is no small feat and we celebrate the hard work and accomplishments of our employees!

G&F is proud to be an organization that encourages a supportive and inclusive culture. We promote diversity with a goal to be an organization that invites many perspectives to solve problems and find the best solutions. In 2021, the G&F Board approved a Diversity, Equity and Inclusion (DEI) Policy and Program. The DEI program will formalize our current DEI practices and build further in delivering organizational strength in employee engagement, member engagement, and community involvement. This program will help to

empower G&F as an organization where all who engage with us experience belonging. As part of this program, employees and management is forming a Diversity, Equity and Inclusion Committee, which will work to progress our goals for DEI through 2022.

Our inclusive culture was demonstrated when nearly 100% of our employees attended a full-day workshop in September. During the workshop, employees shared their ideas for a new brand framework, new values, vision, attributes, core essence and promise. We took their feedback, overlaid with feedback from our member focus groups and a public survey and then worked with an agency to further develop the brand framework. We look forward to sharing our new brand with you in late 2022.

Our young leader's network expanded and was renamed "Inspire" following the merger of G&F and Aldergrove Financial. Having a desire to start fresh, 96 young leaders came together over video calls to establish a new name and vision:

Empowering young leaders of today by providing opportunities for growth and inspiring leadership from any position.

Inspire held eight webinars and meetings and sent 17 young people to conferences, including FOCUS 2021 Building Resilience Credit Union Leadership Summit; BC Young Leaders (BCYL) Conference; and the monthly Leadership Lunchbox hosted by BCYL, strengthening their connections with other young leaders in the credit union system.



85% Engagement of employees excited about working at G&F.
2021 employee engagement survey conducted by Sentis Research.



We continued to invest in employee training and development for a total of 3,809 hours and an average of \$1,465 for each of our 318 employees.



At G&F 116 of our 318 employees speak a second language - 24 languages in all.



17 employees attended young leader's conferences and 96 young leaders are active in our under 40 Inspire Network.

Brand awareness, member engagement, social media

We heard from over 1,300 members in our 2021 Member Survey, conducted independently by Sentis Research. Members surveyed continue to consider G&F to be strong in these areas:

- Supporting the community
- Providing overall banking expertise and competence
- Being flexible and accommodating
- Proactively offering new products or solutions to make banking better for members
- Enabling members to bank where and when they want to

Our members told us that our Member Hub is getting things done right: 73% of members surveyed rated the service they received from the Member Hub as excellent or very good.

“Our branch manager went above and beyond to set us up and take us from crisis to a very solid foundation. I cannot say enough good things about them and the branch and the work they and our wealth advisor have done for our family and our wellbeing. Beyond excellent, immeasurable service!”

–2021 Member Survey

Members rated the service they received from financial planners and investment specialists in our wealth management team as excellent or very good by 76%, confirming that members are happy with the personalized financial solutions and advice they’re receiving.

G&F’s social media channels continued to grow in popularity over the year. Instagram followers increased by 12% since 2020 and we welcomed 315 more followers to our LinkedIn page. Instagram was more active in 2021 as compared to 2020 with a 31% increase in visitor engagement.

2022 Highlights to look forward to

As we look to 2022, we will continue to enhance our services to members and welcome our new members from V.P. Credit Union and Mount Lehman Credit Union (now named V.P. Financial, and Mount Lehman Financial). Our members will benefit from a new harmonized line of products and services, while our employees will find new opportunities to progress in their career in our expanded credit union.

With more members conducting their banking online, we will continue to enhance our digital banking services. In 2022 we will bring the members who joined us through mergers onto G&F’s refreshed digital banking experience which legacy G&F members will be using as of January. Aldergrove members will be moved onto the experience in March followed by VP Financial and Mount Lehman Financial members in the fall. The refreshed experience includes the ability to view G&F Collabria credit card transactions and to access partner accounts like Credential within online banking. Also in the works is small business invoicing and payroll—we are working with Central 1 to deliver these features and more in 2022.



In 2021 we were proud to serve over 56,683 members as we welcomed 18,355 through merger, and another 2,749 through organic growth



G&F now manages \$4.8 Billion in assets under administration

Member story: A&D Coastal Plumbing and Heating Inc.

In 2010, Allen and Diana Vidovic started their business, A&D Coastal Plumbing and Heating Inc., in Maple Ridge. Their company provides full mechanical installations for plumbing, gas, HVAC, refrigeration and fire protection in the Greater Vancouver Area. Working alongside Diana, Allen manages a roster of employees, and welcomes staff of all skill levels and backgrounds.

A G&F member since 2005, Allen opened his business account in 2010 and was touched by the personal service and guidance he received. The company started off with a line of credit, and soon got group benefits for its staff. Now, Allen and Diana have staff open a G&F account for seamless payment transfers.

A&D is a mid-sized company but is working towards a long-term goal: to build its team from 30 to 100 plumbers. As Allen and Diana's business continues to grow, G&F Financial Group is committed to standing beside them and helping them rise up.

"To be successful you need to find someone that wants to be your partner. The staff at G&F are guiding us in the right direction, the information we have gotten from G&F has been super valuable and has helped us go to the next level."

— Allen Vidovic, G&F member;
owner, A&D Coastal Plumbing and
Heating Inc.



Use of online banking grew in 2021 by 21.5%, with 1,164,912 total logins, compared to 958,237 in 2020



Over \$187,833 invested in our local communities in 2021

While many members are choosing to bank digitally on-the-go, our members will always need a human touch to listen and advise on some of life's most important financial decisions. We will continue expanding our branch network, opening a branch in Guildford in 2022, and designing a branch in Chilliwack with an anticipated opening in 2023. To ensure our members experience a consistent atmosphere no matter what branch they choose, we will be renovating our Mount Lehman Centre Branch.

With greater resources to draw on following three successful mergers, we will focus on supporting our communities from Vancouver to Mission. Our branches will serve as our touch points in each community and will guide us as to where financial support is needed most.

Finally, one of the most anticipated highlights of 2022 is our new brand. After three mergers we knew it was time to refresh our brand and potentially our name, to reflect our shared culture and our members. The brand will be launched in the later part of the year.

We want to thank our members and our communities for being part of, and trusting in, G&F. We remain committed to your financial wellbeing and to helping you achieve your *life beyond banking*[™].

We look forward to an exciting year together in 2022.

Lewis Bublé
Chair,
Board of Directors

William Kiss
Co-Chief Executive
Officer

Jeff Shewfelt
Co-Chief Executive
Officer

Community Investment Report



Building bridges to give more

This year we grew in membership and gave more than ever before. In this light, 2021 marked a period of momentous expansion for G&F Financial Group. This was predicated on the growing need of our community. It was also because we continued to invest in the future and wellbeing of our members, employees and partners, and the organizations they support.

Our merger with Aldergrove Credit Union in August 2021 sparked the beginning of a year of more. Thanks to our combined impact and investment dollars, we have grown in the ways we can make a difference here at home.

At the local level, we contributed \$250,000 in financial support for those affected by the floods in the fall months and \$200,000 as part of our community holiday giveaway initiative. We raised for our three reprised and longstanding internal fundraisers. What's more, G&F donated to special events and promotions, local organizations, education campaigns and partnerships, and financial literacy programs.

We also invested significant funds into the G&F Financial Group Foundation fund. This means we can play an active role in building stronger, more resilient communities for generations to come.

All together, we supported our communities and their changemakers with a \$1,111,570 total investment. Truly, this year of more will be one to remember.

"This is an important day in our history. We are thrilled to merge with Aldergrove Credit Union, a fellow credit union that shares similar values and goals to put members and community at the centre of everything we do."

—Lewis Bubl , President and Board Chair, G&F Financial Group

When we grow, we all grow

By focusing on enriching the lives of our members and partners, beyond banking, we build brighter futures for all. As such, we empower, enrich, engage, educate and support initiatives that positively impact our communities in these three main areas of focus: community health, financial literacy and environmental impact.

We give more than just banking advice. We support others to plan, prepare and dream bigger!

It is our belief that as we grow, we must help others do the same. In 2021, we gave our time, dollars and enthusiasm to countless causes in our community through these giving channels:

- G&F Financial Group Foundation (the Foundation)
- Educational scholarships and awards
- In-kind support
- Employee volunteerism
- Internal fundraising

Member impact story: Zajac Ranch for Children

Located in Mission, the Zajac Ranch for Children is a fully inclusive and accessible summer camp for children with medical conditions and disabilities.

In 2021, G&F Financial Group donated \$10,000 to the Ranch. These funds went towards its treehouse project. This non-traditional lodging will expose the kids to more recreational opportunities, and teach them about cooperation, teamwork and problem-solving.

G&F is happy to contribute to such a great and life-changing organization.

*“When we are successful
in business, our
communities benefit.
We are pleased to direct
\$1 million dollars to the
Foundation so that we
can continue doing our
part in growing healthy,
strong communities for
years to come.”*

*—Bill Kiss and Jeff Shewfelt,
Co-CEOs, G&F Financial Group*

A Foundation of giving, for years to come

The G&F Financial Group Foundation is a charitable arm of our credit union that provides financial assistance to non-profits and charities that mirror the values of G&F and are making lasting change in the communities we serve.

Since its founding in 2003, the Foundation has granted \$1,584,043 to various groups across the Lower Mainland.

In 2021, G&F went the extra mile and contributed \$1 million dollars into the Foundation. This is a remarkable achievement in that it ensures we can continue to give to deserving and needing causes over the long-term.

Not to mention, this year alone the Foundation donated a total of \$100,100 dollars to these recipients:

- 411 Seniors Centre Society
- BC & Alberta Guide Dogs
- BeaYOUtiful Foundation
- British Columbia Mobility Opportunities Society
- Environmental Youth Alliance
- Fraser River Discovery Centre Society
- Gordon Presbyterian Church (Don't Go Hungry: A Food Support Program)
- Jewish Home for the Aged of British Columbia
- North Delta Rotary Charitable Foundation
- Pacific Assistance Dogs Society
- PLEA Community Services Society of BC
- Social Diversity for Children Foundation
- The Arts Club of Vancouver Theatre Society
- The Bloom Group Community Services Society
- The KidSafe Project Society
- Walnut Road Elementary School
- Zajac Ranch for Children

“The Mission Hospice Society offers programs to assist those who have experienced a loss and are grieving and provides care and comfort for people who are in the end-of-life stage. The Society is well known and regarded in our community.”

— Sean Malia, Branch Manager,
Mission Community Branch

- Sikh Sewa International Society of Youth
- Society to End Homelessness in Burnaby
- St. Alban Anglican Church (Outreach & Advocacy)
- West End Seniors' Network

As part of this year's holiday giving spirit, we also wanted our employees to provide their insights on which charities they thought we should support. Feedback was shared through an internal poll and public survey. A total of \$50,000 was allocated across these four groups:

- Cyrus Centre in Abbotsford (\$15,000)
- Dixon Transition Society of Burnaby (\$10,000)
- Foundry Abbotsford (\$5,000)
- SHARE Family & Community Services in the Tri-Cities (\$20,000)

To wrap up our community holiday giveaway, G&F also donated, along with Aldergrove Credit Union, a joint contribution of \$30,000 to the Credit Union Foundation of British Columbia, a non-profit that supports students with financial bursaries to attend post-secondary education.

Furthermore, our credit union gave \$91,208 to local community groups, as well as \$18,967 for special events and \$85,976 for promotions and gifts.

All in all, a big year of growth for G&F meant a big year of giving to those doing good in our communities.

Local is where our values are at

With our year of more, came a year of more local support. In 2021 alone, G&F donated a total of \$646,151 across communities, causes and campaigns. This included \$250,000 in support to British Columbia's south coastal and interior regions most impacted by the floods and landslides in November. These recipients were:

- Abbotsford Disaster Relief Fund via the Abbotsford Community Foundation (\$50,000)
- Abbotsford Food Bank (\$25,000)
- Abbotsford Salvation Army (\$25,000)
- Canadian Red Cross Relief initiative (\$50,000)
- Central Fraser Valley Search and Rescue Society (\$50,000)
- Guru Nanak Modi Khana Food Bank Society (\$50,000)

G&F Financial Group's total donation also included our Tis the Season \$200,000 community holiday giveaway in December. Thirty-five local organizations received a combined contribution of \$120,000 to continue their work in community health and wellness. Among those organizations were:

- Cloverdale Community Kitchen
- Mission Hospice Society
- Nicomekl Elementary School (Breakfast Program)

Fundraising more for our big three

Every year, G&F supports three internal fundraisers through the engagement and enthusiasm of our employees, credit union branches and event sponsors. In 2021, we raised a total of \$187,833 for the BC Children's Hospital Foundation, The Centre for Child Development and United Way of the Lower Mainland. We thank you!

BC CHILDREN'S HOSPITAL FOUNDATION | \$32,500

In June 2021, Aldergrove Credit Union and G&F Financial Group donated a joint gift of \$32,500 to the BC Children's Hospital Foundation (BCCHF). Funds were raised thanks to our employee superheroes who organized fundraising activities in March and April at branches across the Lower Mainland and Fraser Valley. Events included: raffles, 50-50 draws, jeans days, bingo games, Purdy's chocolate sales, virtual yoga classes, donut and ice cream days, and draws.

This year's contribution will go towards the purchase of life-saving equipment and will support research on the treatment and prevention of childhood diseases. Over the last 30 years, both credit unions have donated an accumulated \$600,000 to the BCCHF.

"I'm truly amazed at the support that our branch staff give to this campaign. BC Children's is near and dear to my heart as it is for many of our staff." — Anita Jensen, Manager, Community Engagement

THE CENTRE FOR CHILD DEVELOPMENT | \$70,000

September marked our annual golf tournament fundraiser on behalf of The Centre for Child Development. The event brought 130 golfers to the Morgan Creek Golf Course in Surrey and included a silent auction. Over 60 sponsors supported the fundraiser, among them:

- Presenting sponsors: Fiserv and Cohen Buchan Edwards LLP
- Eagle sponsors: CUMIS, The Co-operators, Brinks and Softlanding Solutions
- Birdie sponsors: Majid Khoury Holdings Inc., Community Savings Credit Union, Kensington Union Bay Properties, Nobleland Developments, CT Green Financial and Edwards, Kenny & Bray LLP
- Media sponsors: Glacier Media and Rogers Sports & Media

Since 1953, The Centre has helped over 3,000 children with special needs in the Lower Mainland each year through childcare, countless therapies and psychology and family services. In 2021, G&F raised \$70,000 for The Centre, putting our three year contribution at \$326,680. This money will support The Centre's efforts to provide online therapeutic treatments through its Telehealth Virtual Therapy Program.

"This year's tournament is making a tremendous impact on over 3,000 children so they can receive life-saving therapies, therapies that make a superior difference throughout their long-term care. I want to thank G&F for really honouring the notion of community investment, making a profound difference for our children and families." — Gerard Bremault, CEO, The Centre for Child Development

UNITED WAY OF THE LOWER MAINLAND | \$85,333

Since 2001, each fall G&F Financial Group has supported fundraising efforts for the United Way. In November, we exceeded our giving goal. We raised \$45,333, and with the Board's approval, we added another \$40,000 to our contribution, giving a total of \$85,333 towards the welfare of children and breaking the cycle of poverty. Over the last couple of years, donations have allowed the United Way to provide equitable access to food, food systems and mental health supports.

"G&F's support, year over year, allows us to continue strengthening vital connections, ensuring that our communities are fair, just and great for everyone." — Andrew Procknow, Campaign Manager, United Way of the Lower Mainland

Building up our futures together

Education is one of G&F's main areas of giving. This year, we worked alongside our partners and employees to highlight opportunities for our youth and those looking for brighter futures.

The Credit Union Foundation of BC (CUFBC) is a province-wide charitable organization that is founded and funded by credit unions across the province and distributes bursaries to students who are in financial need. This year, the CUFBC supported 178 students with over \$177,000 in bursary funding. G&F and Aldergrove Credit Union supported nine of those students through bursaries amounting to \$10,829. G&F also gave an additional \$30,000 to CUFBC in December as part of our holiday giveaway, for a grand total of \$40,829.

G&F Financial Group is also proud of our ongoing partnership with Junior Achievement British Columbia (JABC) as an exclusive sponsor of its personal financial program. Since 2019, G&F and JABC teach basic financial acumen, like budgeting, managing credit and saving money, to high school students in the Lower Mainland and Fraser Valley. In 2021, G&F delivered 54 sessions of the program, thanks to the commitment of four of our staff volunteers.

"As a teacher I was so impressed by the quality of presenters and the amount of information. For a young person, these workshops show the incredible opportunities available. I also like the constant message of passion for what you love to do, dedication, hard work and going out of your comfort zone."

— Participating teacher, JABC personal finance program

To this end, G&F is proud to donate \$20,000 to JABC, and to work alongside teachers in their classrooms through virtual streamed sessions presented by G&F financial experts.

In August, we also hosted 31 financial education seminars reaching over 1,000 participants, and a three-session youth camp at our Edmonds Branch. Twenty-five kids attended and learned about spending, borrowing, investing and managing debt through fun, interactive activities.

Just a few of the ways we gave more in 2021!

Giving more to you

We are thrilled to have grown this year. We welcomed more members, partners and investments. And in doing so, brought more opportunities to you. Today, G&F Financial Group is over 56,600 strong across 24 locations and with \$4.8 billion dollars in assets under administration.

The belief that collaboration and personal connection are at the heart of meaningful advice has always been one of our guiding values. To give back and to uplift whenever possible. We are grateful to be in the fortunate position to give, and congratulate you all on your continued tenacity, growth and trust in our guidance, partnership and services. Here's to another 80 years together! ●



Summarized
Consolidated
Financial
Statements

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

These summarized consolidated financial statements have been prepared by the management of Gulf and Fraser Fishermen's Credit Union who are responsible for their reliability, completeness and integrity. The summarized consolidated financial statements were prepared in accordance with requirements of the Financial Institutions Act of British Columbia. The financial information presented in the annual report is consistent with the consolidated financial statements.

Systems of internal control and reporting procedures are designed to provide reasonable assurance that financial records are complete and accurate so as to safeguard the assets of the Credit Union. These systems provide assurance that all transactions are authorized and proper records are maintained. Internal audit procedures provide management with the ability to assess the adequacy of these controls.

The Board of Directors has approved the consolidated financial statements. The Audit Committee of the Board has reviewed the statements with the external auditors, in detail, and received regular reports on internal control findings. KPMG LLP, Chartered Professional Accountants, the independent external auditors appointed by the membership, examined the consolidated financial statements of the Credit Union in accordance with Canadian generally accepted auditing standards. They have had full and free access to the management and staff of the Credit Union and the Audit Committee of the Board.



William Kiss
Co-Chief Executive
Officer

Jeff Shewfelt
Co-Chief Executive
Officer

Ron Lee
Chief Financial
Officer

REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

To the Members of Gulf and Fraser Fishermen's Credit Union:

OPINION

The summarized consolidated financial statements of Gulf and Fraser Fishermen's Credit Union (the Credit Union) which comprise:

- the summarized consolidated statement of financial position as at December 31, 2021
- the summarized consolidated statement of comprehensive income for the year then ended
- the summarized consolidated statement of changes in members' equity for the year then ended

are derived from the complete audited consolidated financial statements of the Credit Union as at and for the year ended December 31, 2021.

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

SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

The summarized consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summarized consolidated financial statements and the auditors' report thereon, therefore, is not a substitute for reading the Credit Union's audited consolidated financial statements and the auditor's report thereon.

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

MANAGEMENT'S RESPONSIBILITY FOR THE SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

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



Chartered Professional Accountants
Vancouver, Canada

March 4, 2022

Gulf and Fraser Fishermen's Credit Union

SUMMARIZED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in thousands of dollars)

December 31, 2021, with comparative information for 2020

	2021	2020
Assets		
Cash	\$ 45,995	\$ 16,549
Financial instruments	535,362	345,938
Derivative assets	1,820	3,356
Loans	3,419,054	2,133,861
Asset held-for-sale	2,297	2,297
Premises and equipment	66,302	38,540
Intangible assets	2,723	496
Deferred income tax asset	10	1,385
Other assets	5,556	5,083
	\$ 4,079,119	\$ 2,547,505
Liabilities and Members' Equity		
Deposits	\$ 3,735,085	\$ 2,306,930
Members' shares	13,378	9,455
Secured borrowings	77,305	72,407
Other liabilities	27,771	21,080
	3,853,539	2,409,872
Members' equity:		
Accumulated other comprehensive income (loss)	(792)	2,577
Contributed surplus	70,331	-
Retained earnings	156,041	135,056
	225,580	137,633
	\$ 4,079,119	\$ 2,547,505

See accompanying note to the summarized consolidated financial statements.

APPROVED ON BEHALF OF THE DIRECTORS:



Lewis Bublé,
Chair, Board of Directors



Jennifer Phipps,
Chair of the Audit Committee

Gulf and Fraser Fishermen's Credit Union

SUMMARIZED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Interest income	\$ 97,321	\$ 83,206
Interest expense	33,103	40,355
Net interest income	64,218	42,851
Other income	18,843	15,056
Hedge ineffectiveness on cash flow hedges	13	1
Provision for credit losses	(601)	(3,446)
Operating margin	82,473	54,462
Operating expenses	56,135	37,774
Earnings from operations	26,338	16,688
Distributions to members	(562)	(296)
Income before income taxes	25,776	16,392
Provision for income taxes	4,791	2,797
Net income	20,985	13,595
Net unrealized gain (loss) from cash flow hedges, net of tax	(2,157)	1,977
Net unrealized gain (loss) from financial instruments held at FVOCI, net of tax	(1,212)	-
Total comprehensive income	\$ 17,616	\$ 15,572

See accompanying note to the summarized consolidated financial statements.

Gulf and Fraser Fishermen's Credit Union

SUMMARIZED CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' EQUITY

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

	Accumulated other comprehensive income (loss)	Contributed Surplus	Retained earnings	Members' equity
Balance, January 1, 2020	\$ 600	\$ -	\$ 121,461	\$ 122,061
Cash flow hedges	1,977	-	-	1,977
Net income	-	-	13,595	13,595
Balance, December 31, 2020	2,577	-	135,056	137,633
Cash flow hedges	(2,157)	-	-	(2,157)
Financial instruments held at FVOCI	(1,212)	-	-	(1,212)
Impact of business combination	-	70,331	-	70,331
Net income	-	-	20,985	20,985
Balance, December 31, 2021	\$ (792)	\$ 70,331	\$ 156,041	\$ 225,580

See accompanying note to the summarized consolidated financial statements.

Gulf and Fraser Fishermen's Credit Union

NOTE TO SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in thousands of dollars)

Year ended December 31, 2021, with comparative information for 2020

1. Basis of presentation:

The accompanying summarized consolidated financial statements have been prepared in accordance with Section 128 (4) of the Financial Institutions Act and are derived from the complete audited consolidated financial statements of Gulf and Fraser Fishermen's Credit Union, prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB), as at and for the year ended December 31, 2021. Readers are cautioned that these summarized consolidated financial statements do not include all the disclosures necessary for complete and fair presentation. Complete audited consolidated financial statements for the year ended December 31, 2021, together with the auditors' report thereon, were authorized for issue by the Credit Union's Board of Directors on February 15, 2022 and is available online at gffg.com and at any of our branches.



Board of Directors

(front row) Howard Normann, Director; Linda Archer, Director; Lewis Bubl , Chair; Bev Dornan, Director; Nate Hampson, Director.

(back row) Christine Dacre, Director; Sonia Virk, Director; Bill Nohr, Director; Doug Sweeting, Vice Chair; Lee Varseveld, Director; David Sawatzky, Director; Tracey Scott, Director; Floyd Yamamoto, Director; Jennifer Phipps, Director.



Senior management team

(front row)

Scott Betts, Chief Risk Officer; Christine Mok, Controller;
Val Mackey, Senior Vice President People and Culture;

(middle row)

Diane Sullivan, Chief People and Culture Officer; Lesley Lamb,
Vice President, Digital Solutions; Bill Kiss, Co-Chief Executive
Officer; Gus Hartl, President; Jeff Shewfelt, Co-Chief Executive
Officer; Joe Tan, Associate Vice President, Retail Banking;
Johnny Yeap, Associate Vice President, Retail Banking;

(back row)

Peter Kobayashi, Vice President, Service Design; Ben Doan,
Associate Vice President, Credit; Don Liang, Associate Vice
President, Treasury; Ron Lee, Chief Financial Officer;
Nelson Sandhu, Chief Experience and Innovation Officer;

Bobby Dhaliwal, Associate Vice President, Mobile Services;
Mary Lynn Baker, Chief Information Officer; Lisa Boyle,
Corporate Secretary; Robert Deeg, Associate Vice President,
Wealth Management; Peter Unadkat, Vice President,
Commercial; Derek Dewald, Associate Vice President, Data
Strategy and Management; Nadine Plett, Associate Vice
President, Organizational Development.

(absent)

Michael Atkinson, Senior Vice President, Member Experience
and Advice; Bobby Dhillon, Chief Marketing Officer;
Kelly Campbell, Associate Vice President, Retail Banking;
Cheryl Christensen, Associate Vice President, Retail Banking;
Bob Eilers, Vice President, Credit; and Ashleigh Horvath,
Associate Vice President, Retail Banking.

A woman with her hair in a bun, wearing a patterned top, sits at a desk with a baby on her back. She is looking at a computer monitor displaying a website. The room is bright with large windows in the background. A large, semi-transparent orange circle is overlaid on the right side of the image, containing the text.

OUR MISSION

We financially empower our members by connecting them to personalized advice and solutions. With passion and innovation, together we go beyond banking to create a thriving credit union and build brighter futures.

