

Together, we affect positive change

Today's financial landscape perpetuates inequality, enabling the affluent to amass greater wealth while others grapple with financial hardships. Verity is committed to rectifying this imbalance by prioritizing equity in all facets of our operations, with a focus on fostering positive change through fair access to financial resources. Our efforts are aimed at transforming the system from within, collaborating with our members and communities to co-create solutions that enable everyone to prosper financially.

The annual impact report serves as a bridge between our community and the ongoing initiatives, shedding light on the progress made and the challenges that persist. Our work is ongoing, and each year we endeavor to build upon our achievements. We invite you to explore the impacts and advancements of 2023 as we continue to lay the foundation for a more inclusive credit union.

Thank you for choosing to bank for good at Verity Credit Union.

Your future. Your partner.



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Letter from the CEO

Tonita Webb

2023 was a challenging year, marked by rising inflation, significant layoffs locally, and uncertain economic times. Verity remained steadfast in its commitment to our members. Our growth and increased complexity required a focused approach to internal operations. In 2023, we created an entirely dedicated Operations Department. As our first step, support teams were built to align critical functions with current staff members who have the specific expertise to focus on addressing member needs and questions. Payment Services, Card Services, and Support Services are those support teams. Previously, questions regarding those areas were funneled through our call center, which created long wait times. With the creation of separate teams, Verity employees can now focus on primary and related functions within their areas, improving service, training efforts, knowledge, and development. This translates to enhanced member service and clarity for internal department support.

An additional critical area identified through feedback from you, our members, is the creation of an eCommerce Department under the Operations umbrella. This team focuses on all aspects related to Digital Banking and marks ***Verity's first dedicated eCommerce Department***, a critical team for any financial institution. There is no question that transactions, member interactions, and industry-standard expectations are moving into the digital space, and have been for some time.

Verity filled the gap with the development of this team, which is focused on improving the member journey, ensuring accessibility, and supporting member growth through this channel and its various services.

Last year, ***we doubled our commitment to the Verity Community*** by revamping our Microgrant program, ***resulting in a 500% increase in capital for our community's small businesses.*** Verity supported 58 organizations by distributing more than $152,000. Our mission as a CDFI to drive impact was cemented by being one of a few credit unions to earn a $2.4 Million Economic Recovery Program (ERP) Grant from the U.S. Treasury, earmarked for Black, Indigenous, and People of Color (BIPOC) Small Businesses impacted by the COVID-19 pandemic. Verity also partnered with NDC through the WA State Small Business Flex Fund, resulting in four loans totaling $227,000.

We realigned Strategic Partnerships and Marketing efforts to bring awareness to Verity's mission of authentic partnership in community, financial well-being, generational wealth building, environmental justice, and small business creation/sustainability/growth. Notable partners from the community include:

- Housing Development Consortium
- Black Homeownership Initiative and Civic Commons
- Black Owned Business Excellence (BOBE)
- Peace Peloton
- Friends of Waterfront Seattle
- Acts on Stage

Last year, we announced our partnership with Zest AI, a leader in automating underwriting with ***more accurate and inclusive lending insights to expand credit access*** to underserved communities. We are happy to say this partnership continues to increase instant approval across all products. Given its performance and the positive fair lending results, we continue to use this partnership to serve Verity's membership.

Our team was also honored for our work to expand our reach and focus on serving our members and community, earning the Credit Union Times Luminaries award, and being named one of American Banker's Most Powerful Women in Credit Unions. The Microgrant Program and its recipients were highlighted in numerous print and online magazines, showcasing the tremendous impact of these organizations whose work benefits historically underserved communities within Washington State. Member-centric storytelling was spotlighted with a feature of small business members, like The Scene in South Park and our "Spotlight on You" program.

In 2024, we will continue building the organization for better communications and technology for both employees and members. We'll look at access points to ensure our branches are located conveniently for members and develop new products in response to ongoing member feedback.

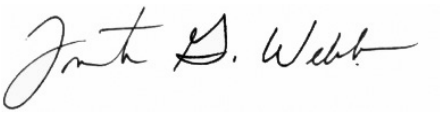
> *I look forward to the year to come and what we can accomplish together.*

I will resume my work with the committee responsible for urging lawmakers to pass the Washington Future Fund, providing babies from families with very little income a headstart to building wealth. These "baby bonds" are an important tool to reduce racial wealth inequities, addressing the fact that a baby's financial future is largely determined by the amount of wealth

they are born into—a reality that disproportionately affects Black and Brown people, Latinx, and Indigenous children. And, as a newly-nominated American Heart Association “Woman of Impact,” I’m committed to shedding light on the health inequities our communities face. As someone who lost her mother at the young age of 50, my hope is to prevent the same for other daughters, sons, and family members.

This year and beyond, we’ll hold ourselves accountable when we get it wrong and ensure you fully experience our commitment to show up in a meaningful way. Our member-centric 3-5 year strategy will emphasize better technology, improvements in call centers and retail spaces, more loans for the BIPOC community, participation in another affordable housing project in Pierce County, and an increase in the number of triple bottom line loans we deliver, putting needed capital into the hands of families, while taking care of the environment and our community. We’ll continue to place our members in the center through our marketing and public relations, supporting their growth and achievements, and establishing an opportutunity to increase awareness and expand reach.

I look forward to the year to come and what we can accomplish together.

Sincerely, 

Tonita Webb, CEO/President



Letter from the Board Chair

Nancy Woodland

I am honored to serve as the Chair of your Board of Directors, firmly committed to a Both/And leadership approach. Our role as a Board involves oversight as well as partnership with our CEO and her stellar executive leadership team propelling Verity forward.

At Verity, ***we are laser focused on delivering value and security for our members***, while actively exploring innovative methods and products to do so. Our commitment extends beyond individual benefits to fostering a community that thrives. When confronted with tough issues and decisions, we approach challenges with curiosity, which leads to better outcomes for our members, our internal team and our community.

Two things can be true at the same time. Verity can be future-forward while also remaining risk-aware. Our internal focus includes updating back-end systems, for example with our new Operations Department, while also making significant impact through our Community Development Financial Institution (CDFI) designation.

The year ahead promises continued shifts in economic, social and political landscapes. It's our responsibility to anticipate these trends and also to remain nimble in the face of the unexpected, or even the unimaginable, as the past few years have demonstrated.

After serving over 3 years as Chair, I'm excited to be passing the baton to Will Collins in April. I am also honored to continue serving on the Board in new capacities, with an ongoing commitment to our shared journey of leading and learning together. I am confident in our Board and internal executive leadership, proud of the work we have done together, and ready to support in different ways. Both/And all the way!

If you're interested in joining us, please check out our Leadership Volunteer opportunities!!

With gratitude, Nancy Woodland

Nancy Woodland, Verity Board Chair



Letter from the Supervisory Committee Chair

Aldo Pineda

The Supervisory Committee is an independent governing entity of Verity Credit Union that is ***responsible for ensuring Verity's financial records*** are in order and that internal controls are in place to protect the assets of Verity and its members. The Committee does this by overseeing an annual audit and confirming that internal controls are tested regularly. The Committee relies on internal and external auditors to verify Verity's financial integrity.

As of December 31, 2023, the Verity Credit Union Supervisory Committee was comprised of three elected volunteers: Aldo Pineda, Chair; Lawrence Lerner, Vice Chair; and Tom Holz, member.

The Supervisory Committee meets monthly with management staff to review and evaluate Verity's operating policies, ensuring internal controls are defined, effective, and followed. The committee also reviews and recommends policy changes to Verity's Board of Directors, reinforcing adherence to sound operating procedures in accordance with established policies.

For the year 2023, the committee retained the independent CPA firm of Moss-Adams LLP to audit and prepare Verity's financial statements. Verity's audit was conducted in accordance with the Engagement Letter. Our independent auditors have issued an unmodified opinion. The financial statements can be found in this report, or on the Verity Credit Union website.

Aldo Pineda

Supervisory Committee Chair, 2023

Revolutionizing Credit Access with Zest AI

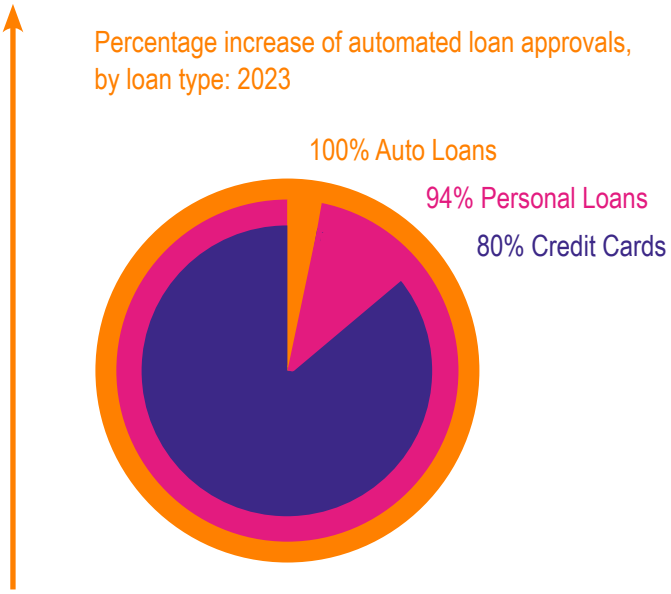
In March 2023, we partnered with Zest AI to co-create solutions aimed at making fair and transparent credit accessible to all. We implemented an innovative process using Zest AI's expertise as the leader in AI lending technology. More accurate and inclusive lending insights are utilized to offer ***a new, innovative process for reviewing applications for credit cards, personal loans, lines of credit, and auto loans.***

The measurable outcomes of this partnership have been tremendous. With the help of Zest AI's technology, we achieved notable increases in loan approvals for protected status applicants who may not be accurately scored using traditional credit scoring methods.

In less than a year, we observed the following shifts in approvals:

- **271% rise** for individuals age 62+
- **177% increase** for African Americans
- **375% rise** for Asian Pacific Islanders
- **194% increase** for women
- **158% rise** for Hispanic borrowers

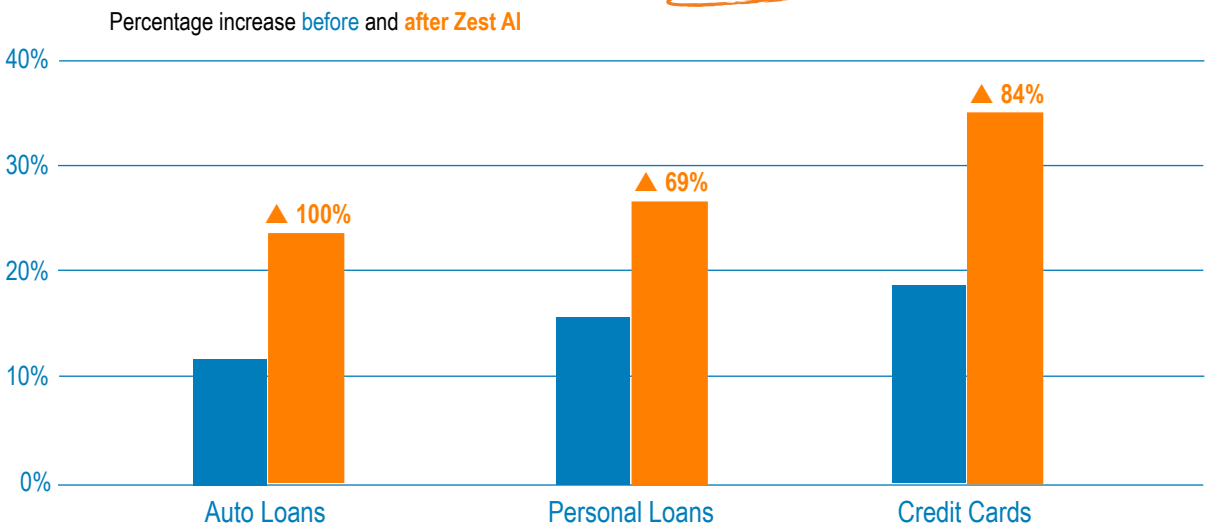
Additionally, Verity experienced a significant rise in automated approvals across multiple loan categories.



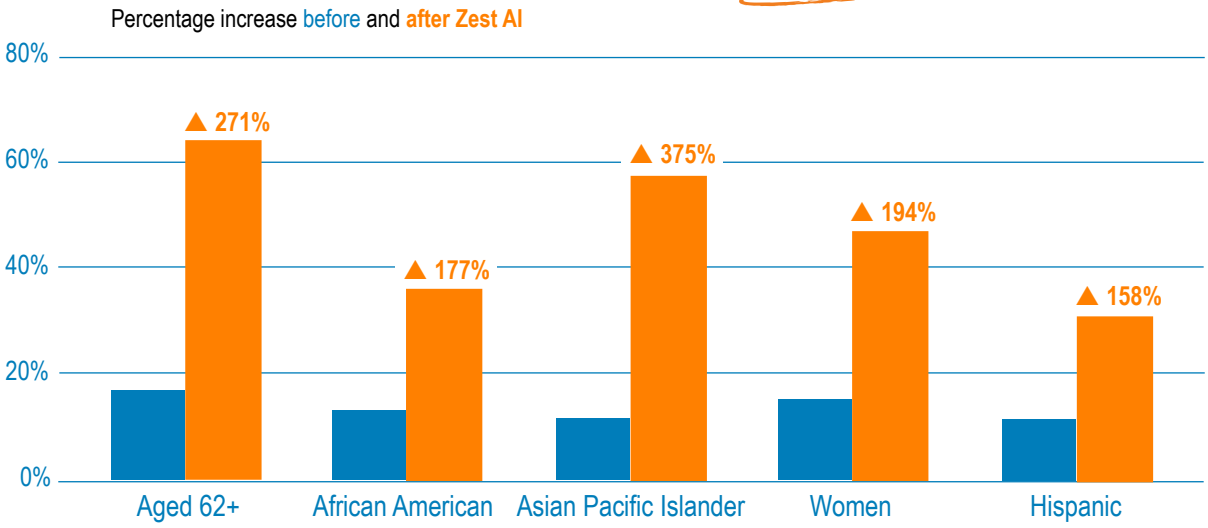
Verity CEO, Tonita Webb, shares
"Our mission is to co-create solutions and advocate for opportunities to grow generational wealth for all. Partnering with Zest AI supports this mission, providing a new way for members to establish credit and improve credit scores while securing financial resources needed to improve their lives, grow businesses, and establish wealth."

Verity remains unwavering in our commitment to providing wealth-building opportunities for all members. Zest AI's proven system uses custom credit scores, incorporating hundreds of data points, to deliver more equitable and accurate underwriting decisions compared to traditional scores. This is just one way we continue to bolster our dedication to offering a range of tailored financial products that meet community and member needs.

Instant approval rates by product portfolio



Approval rate comparison by protected class







Empowering Communities: CDFI Partnerships

The financial impacts of the COVID-19 pandemic were significantly worse for BIPOC-owned businesses. Businesses owned by Black, Indigenous, and People of Color (BIPOC), and historically excluded communities, were more likely to experience sales declines. They were also more likely to be denied funding through the Paycheck Protection Program (PPP) compared to white-owned businesses, according to the Federal Reserve's 2021 Report on Firms Owned by People of Color and other studies.

The Equitable Recovery Program (ERP), initiated by the US Treasury's Community Development Financial Institution (CDFI) Fund, was specifically established to aid these communities which were disproportionately impacted by the COVID-19 pandemic.
In 2023, Verity was honored to accept a $2.4 million grant from the CDFI ERP Fund. Verity has strategically employed these funds to address the needs of our members and member businesses, leading to expansions of our lending, grant-making and investment activities. This response includes our microgrant program, which offers general operating support to nonprofit organizations whose work benefits historically underserved communities within Washington State.

This grant recognizes Verity Credit Union's dedication throughout the pandemic—including the funding of 282 PPP loans in 2020, amounting to more than $13.8 million. It also highlights our steadfast commitment to equitable recovery for those often overlooked by other financial institutions, particularly BIPOC communities.

Triple Bottom Line Small Business Loans

Aligned with our mission to promote economic equity, we focused our efforts on Triple Bottom Line (TBL) initiatives tailored to support underserved small business owners, often overlooked by traditional lenders. By nurturing growth of these businesses, we understand that this creates a ripple effect of financial prosperity, with generated revenue remaining within our local communities and fostering new employment opportunities.

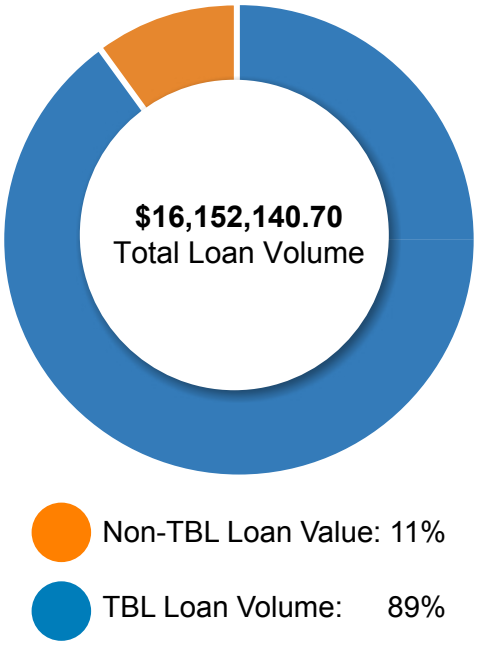
In pursuit of this goal, we aimed to disburse 60% or more of our small business capital to TBL-qualified borrowers, including BIPOC, Women, LGBTQ+, Veterans, Nonprofits, and Affordable Housing initiatives. Here are our results in 2023:

Triple Bottom Line Loans:

- Number of TBL Loans: **23**
- TBL Loan Volume: **$14,432,029.70**
- Total Loan Volume: **$16,152,140.70**
- TBL Loan Percentage: **89%**

These metrics underscore our commitment to inclusive economic empowerment and community prosperity. By directing our resources towards TBL-designated small businesses, we not only offer crucial financial support but also foster an ecosystem of opportunity and resilience within our communities.

Triple Bottom Line (TBL) Loans



Small Business Spotlight: The Scene in South Park

Verity believes investing in diverse local businesses helps our community thrive. In 2023, Verity's small business lending program assisted in launching one of the only Black-owned businesses in Seattle's South Park neighborhood.

The Scene in South Park, a coffee shop and community gathering space, is delighting customers and fostering connections among neighbors. Owner Michelle Lang-Raymond previously founded Acts on Stage, a theater dedicated to amplifying the voices and talent of people of color in Seattle.

The Scene in South Park is more than just a place to savor a good cup of coffee. It serves as a gallery for local artists, a venue for community events, and a place where the next generation of entrepreneurs can gain valuable experience. Lang-Raymond envisions using the business as a platform to mentor and coach young people of color, helping them become successful business owners and strong community leaders.

Lang-Raymond established The Scene in partnership with Verity's small business lending program focused on women, LGBTQIA+ and BIPOC-owned small businesses. Verity is proud to support The Scene and other locally owned community businesses.







Inclusive Banking: Overdraft Fee Protection

In 2023, Verity Credit Union continued its commitment to prioritizing the financial well-being of our members through ongoing enhancements to our Overdraft Protection Program (ODP). Building upon the collaborative efforts of the previous year, our focus remained on ensuring fairness, inclusivity, and accessibility for all members.

Noteworthy was the reduction of our overdraft fee from $28 to $10 effective January 1, 2023. This significant adjustment directly impacted the financial burden on our members, resulting in substantial savings collectively. Over the course of the year, we processed 68,394 transactions that would have previously incurred the higher overdraft fee. By multiplying this transaction count by the $18 difference in fees per transaction, it equates to a remarkable $1,231,092 less charged to our members in overdraft fees compared to previous years.

Furthermore, we eliminated the $28 nonsufficient funds (NSF) fee, previously imposed when accounts lacked sufficient funds for transactions. This type of fee can escalate financial challenges for individuals already struggling to make ends meet. By removing this fee, Verity has taken a decisive step towards dis-mantling these barriers and creating a more inclusive banking environment where all members have equitable access to essential financial services.

> *Overdraft fees were reduced from $28 to $10 – saving members a remarkable $1.23 million in 2023.*

We are proud to report that over 90% of all our members' checking accounts are covered by our overdraft protection program. This high coverage rate reflects our dedication to providing comprehensive financial services that meet the diverse needs of our membership base.

Additionally, our reduction in overdraft and NSF fees are below the industry average, which stands at $26.61 and $19.94, respectively, according to Bankrate's 2023 study, positions us as a leader in prioritizing member affordability and financial wellness.

At Verity, we recognize the disproportionate impact that fee structures can have on historically excluded communities. Our commitment to equity guided every aspect of the revision process

for our overdraft program. We engaged directly with our members to understand their experiences and concerns, ensuring that their voices were heard and valued in shaping the changes.

Building upon the changes implemented in 2023, Verity remains dedicated to member-centric practices, financial accessibility, and co-creating solutions. The adjustments made to our overdraft program are just the beginning of our ongoing efforts to enhance financial inclusivity and empower our members to achieve their financial goals. We are committed to continuing our journey towards providing equitable financial solutions that positively impact the lives of our members and communities.

Fostering DEIB in the Workplace

Verity's commitment to Diversity, Equity, Inclusion, and Belonging (DEIB) deepened throughout this past year, as we continued to partner with Co-Creating Inclusion (CCI), a DEIB firm focused on shifting culture and driving equity through strategic consulting, leadership and team development, workshop facilitation, and business integration.

At the core of CCI's mission is to help people, teams, and organizations foster cultural transformation through inclusion and belonging in order to co-create the conditions where all can thrive and contribute their best, most fulfilling, and impactful work.

Entering our third year of collaboration with CCI, who have taken a "cascading approach" rather than working with the entire organization all at once. CCI first began in 2022 working with key stakeholders including the CEO, Executive Management Team (EMT), Directors and Human Resources (HR), as well as a group of diverse employees from various departments and levels, including frontline staff. This strategic approach was aimed to cultivate a foundation of leaders and advocates who could champion and support DEIB initiatives as we broaden our reach across Verity.

CCI has also worked with our Board and piloted a restorative justice program. In 2023, they began work with the entire organization by conducting a psychological safety survey and interviews, and presenting updates and findings at several quarterly employee breakfasts, and at one dedicated all-staff session. In 2024, we are rolling out an all-staff workshop series.



Diversity, Equity, Inclusion & Belonging

In all of our DEIB work, some of the themes that have emerged include:

- **Power analysis** - to identify and understand power differentials related to systemic racism and other systems of oppression in order to bridge between knowledge and action
- **Anti-racism** - uses a power analysis to take an active (vs. passive) stance against racism as the system of oppression undergirding most other systems of oppression in the US
- **Restorative justice** - a culture and process for using a power analysis and the practice of anti-racism to focus on needs, put right harm and create community accountability
- **Brave-safe space** - a space that acknowledges power differentials so hard conversations can be had
- **Psychological safety** - a sense of comfort in one's ability to fully engage, innovate, experiment without incurring negative consequences
- **Inclusive communication and leadership** - as a community responsibility in order to co-create brave-safe space and psychological safety

To continue building a culture at Verity where everyone has what they need to do their best work in service of our mission and members, we aspire to create a culture of:

- **Agency and self-regulation**
- **Psychological safety, authenticity and repair**
- Focus on **self-identified needs**
- **Valuing staff** regardless of organizational function
- **Direct feedback, transparency and accountability**, including from and with those impacted by decisions, as a way of practicing community care

Bridging Funding Gaps: Microgrants for Historically Excluded Groups

Launched in 2017, Verity's Microgrant Program has been a cornerstone of our commitment to supporting and addressing systemic barriers faced by historically excluded communities. Led by Chief Impact Strategy Officer, Ziquora Banks, the state-renowned initiative underwent a review and re-imagination in 2022 to align deeply with our vision and mission. The objective was clear: to expand the reach of the program and increase its impact for organizations that have historically faced challenges in securing traditional funding due to organizational size, age, or tax-exemption status. By targeting these groups, we aim to close crucial gaps in the funding landscape.

> *To date, the Microgrant Program has supported 58 organizations with over $152,000 – with a focus on those with limited access to traditional funding.*

In collaboration with nonprofit partners, Verity has worked diligently to understand the evolving needs of communities. This feedback was instrumental in shaping the program, resulting in funding allocations to organizations rather than specific projects. This approach grants flexibility to recipients to utilize the funds where they are most needed. Furthermore, we have prioritized funding BIPOC organizations, recognizing their often limited access to corporate funding.

To date, the Microgrant Program has supported 58 organizations with over $152,000 – with a focus on those with limited access to traditional funding. The Fall 2023 cycle saw over 70 applications, a testament to the program's growing impact and relevance.

"We're thrilled to see the growth in applications and pleased to be able to surprise our recipients by doubling the expected grant amount to $5,000," said Ziquora Banks, Chief Impact Strategy Officer at Verity. "We can't wait to see the impact on both the organization's growth and success and the benefits received by the individuals, groups, and businesses they serve."





Verity's Microgrant Program aims to uplift and empower nonprofit organizations that may have limited access to traditional funding due to various factors. Our grant prioritizes organizations whose work explicitly supports BIPOC communities, as well as those founded and led by members of historically marginalized communities. Additionally, we support organizations with a total asset size of less than $250,000, whose work furthers social and environmental justice, equity, and financial wellness for all.

Spring 2023 Microgrant Recipients

Black Arts Love is a community-based organization committed to promoting black artists, black culture and economic empowerment. Their mission is to amplify black creators, culture and entrepreneurship. Their vision is to see black creators have more visibility in the creative art space in Seattle as well as in the community as a whole. They believe that art is a catalyst for community building, healing and social justice.

Since 2016, Black Arts Love has provided free community marketplaces that feature artist performances, networking opportunities, community meals (started in 2021 and 2022), space for black artists to share their work, as well as art activities and classes for kids and adults. They also provide marketing mentorship and promotional opportunities for artists, including media representation.

Building Resilience Awareness & Variations of Excellence (Brave Young People) is an innovative youth development social justice agency focused on working with Black, Indigenous, and People of Color



(BIPOC) scholars. Their mission is to collaborate with BIPOC youth in their learning and development journey–providing experiences and resources for critical thinking, exploring their voice, deepening brilliance, and contributing to the health and renewal of their environments, communities, and reshaping systems. They envision BIPOC youth developing courageous and vibrant lives of purpose, building their leadership abilities, and contributing to the strength and thriving to contribute to their communities and home environments. They work towards equipping their scholars and their families with core competencies that enable them to navigate institutional oppression and identify and engage in equitable opportunities.



Native American Reentry Services is a 501c3 nonprofit founded to provide reentry support. Our mission statement is to address barriers faced by Native people who find themselves struggling to transition from a life of incarceration to one of healthy and productive freedom. Their goal is to support successful reintegration into Native American/Aboriginal reservation and urban communities and reduce recidivism through Native American/Aboriginal traditional means. Their vision is to increase programming that supports de-institutionalization to reduce the recidivism rate (currently 45.3%) Native Americans/Alaska Natives currently experience. Their values center on the use of indigenous traditions, ceremony, and prayer for healing during reentry for our incarcerated/formerly incarcerated relatives, their families, and tribal communities.

Project Feast is a small non-profit located in historic downtown Kent, WA. They provide culinary training to low-income immigrants and refugees that prepares them for careers or entrepreneurships in the food industry. Their programming revolves around a 3-4 month culinary skills apprenticeship which includes commercial kitchen skills, entrepreneurial support, transitional employment, and public events highlighting the stories and cuisine of their apprentices. Their training includes hands-on experience working in their café and supporting their catering services.

During the COVID-19 pandemic, they pivoted their services to take-out as well as preparing free meals for food insecure families, including immigrants and refugees, in South King County. They call this their “Community Meals” program, which they have integrated into their culinary skills training program.



South King County Discipline Coalition (SKCDC) mission is to end disproportionate discipline of students of color and interrupt the school-to-prison pipeline through anti-racist organizing, leadership development and advocacy strategies that center parents and youth directly affected. Their vision is that schools will shift away from exclusionary, punitive approaches to address student behavior, replacing them with restorative approaches that recognize the dignity and humanity of all and foster healthy, accountable relationships between schools, families, and the broader community.

Since 2016, they have offered community gatherings to develop community leadership. They’ve built advocacy capacity through Know Your Rights trainings, which focus on the educational laws in place to support families. They continue to build community power through shared decision-making regarding their programming. They also hold an end-of-the-year celebration called “Surviving the School Year,” to honor students and families in the South King County community. Their events commonly provide support to the Black community.





Fall 2023 Microgrant Recipients

Abundance of Hope Center was established in 2017, Abundance of Hope Center is dedicated to combating poverty and marginalization in King County, including Seattle, Renton, Tukwila, Sea-Tac, White Center, Kent, Des Moines, and Federal Way. Their approach prioritizes individual well-being, offering support such as referrals, rental assistance, eviction prevention, utility aid, food stipends, and Pop-up shops providing essential items - all free of charge.

African Young Dreamers Empowerment Program International (AYDEPI) is a youth-driven, adult-guided program founded in 2019, empowering and supporting BIPOC young people to identify and address daily challenges. Their mission is to build resilience in vulnerable African Immigrants and African/American Youth through investment in education, mental health awareness, and other psychosocial factors.

> *Young adults bring awareness where it matters most: to youth in school. The next phase is to reach larger audiences and deepen our work to support our communities.*
>
> – Beatrice Kiraguri, Executive Director, AYDEPI

Duwamish Valley Sustainability Association (DVSA) was founded in 2017, to provide opportunities for young people from BIPOC families to be trained in STEAM (science, technology, engineering, arts and math) topics, fostering healthier, more sustainable communities and jump-starting professional careers. They work hand-in-hand with youth leaders to develop replicable, sustainable models for the Duwamish Valley community, addressing environmental and social injustices.





Ireta P'urhépecha is a community collective focused on preserving the P'urhépecha culture and identity, strengthening ancestral knowledge and traditions. Interrelated with Pueblos Originarios (Original Communities), they form a collective of members from various Indigenous communities who reside in the Coast Salish Land of Western Washington. Their shared experiences underscore a dignified resiliency across their multifaceted backgrounds. Their programs include culturally appropriate and bilingual community health events, mobile dental clinics, access to public health services, community meals, and storytelling/traditional ceremonial events.

Yoga Behind Bars (YBB) offers trauma-informed yoga and meditation to youth and adults in nine different prison, jails, and detention centers across Washington State, providing practical tools for healing. Last year, they launched community classes to extend support beyond incarceration, fostering reintegration within communities. YBB also provides needed supplies for home practice, creating a path for reentered individuals to become leaders and teachers in our communities and beyond.

Through Verity's Microgrant Program, we strive to create meaningful and lasting impact, addressing systemic barriers and fostering a more equitable society for all. The Microgrant application cycle for Fall 2024 will open soon. Stay tuned as we continue to support the invaluable work of organizations making a difference in our communities.

Building Generational Wealth via Investments

Building generational wealth is the center of our mission at Verity. With advisors from CUSO Financial Services, we assist members in making their best financial moves today to positively impact future generations to come. Verity advises people historically overlooked by traditional banks, including members from BIPOC communities.

Putting this mission into practice, a focus on generational wealth can profoundly improve lives. As an example, one member came to Verity for advice while struggling with debt and trying to obtain benefits for her husband, a disabled military veteran. Over the years, she gradually paid down her debts, grew her savings, and saw her investments flourish. Recently, she retired with well over $800,000 in investments supporting her son as he attends college.

Another member sought advice on what she could do to benefit her young grandchildren. By following Verity's guidance to save incrementally each month in college savings plans, she's successfully established generous accounts for all five grandchildren.

Another common strategy for passing on generational wealth is when parents or grandparents assist younger generations in buying their first homes. Verity collaborates with members to make approaches like this come to fruition.

"I've always taken the approach that everybody should have the opportunity to invest," says Ken Butler, Director of Investment Services.

It's not unusual for Butler to open new accounts for members who first came to him for advice years ago—but lacked the means to invest at the time. "My hope is when they have that opportunity, they will come to me," Butler adds. "And they often do."

Financial advisors associated with big banks are driven by profits, and some will only pick up the phone for the top tier of investors. In contrast, Verity's advisors are here for all of our members. We understand the value of starting small now and witnessing your investments grow over time, spanning from one generation to the next.





Advancing Equity and Access in Affordable Housing

Verity Credit Union believes all people should have access to affordable housing. Lack of affordable housing is a pressing issue that directly impacts economic security. In response, Verity is dedicated to fostering lasting change through strategic partnerships and innovative solutions aimed at addressing housing inequity.

Black Homeownership Initiative, Housing Development Consortium and Civic Commons
Verity proudly collaborates with Housing Development (HDC), Civic Commons and Black Home Initiative (BHI) Network Partners, focused on increasing and sustaining Black homeownership rates in Washington State. Discriminatory housing practices and decades of disinvestment have a long history in our communities, creating a staggering wealth gap that persists today. Powered by Civic Commons, the BHI targets the racial inequities at the core of the housing ecosystem to increase homeownership among Black households.

“Verity Credit Union is proud to partner with BHI, HDC, and Civic Commons to address these inequities,” states Tonita Webb, CEO of Verity Credit Union. “We are dedicated to closing the racial homeownership and wealth gaps and advocating for homeownership across the Puget Sound Region.”

BHI aims to address these systemic injustices by facilitating 1,500 new Black, first-time, low-to-moderate-income homeowners in South Seattle, South King County, and North Pierce County in the next five years. Civic Commons leads the local effort for the Center for Community Investment (CCI) initiative nationally, targeting housing racial inequities in six U.S. cities. This aligns with the implementation of the BHI 7-Point Plan, a comprehensive strategy resulting from the collaboration of more than 90 partners.

Copper Way Project

Verity's support extends to the Evergreen Impact Housing Fund (EIHF) and Inland Group's Copper Way project, an affordable housing development in Spanaway, Washington. Expected to open in late 2024 or early 2025, Copper way will provide 256 garden-style apartments for families earning 60 percent or less of the area median income, approximately $64,500. While many urban apartment complexes are too small to accommodate families, 81 percent of Copper Way's units will have two or more bedrooms.

EIHF uses low-interest, long-term loans to fill financing gaps and make affordable housing projects possible. Verity's involvement in this project further reflects our dedication to uplifting affordable housing initiatives amidst rising living costs.

CEO Tonita Webb shares the direct impact of these projects on our community. "As the cost of living in the Seattle area continues to rise, we observe our members relocating to Pierce County. Our commitment to contribute to increasing affordable housing units remains unwavering during this housing crisis," said Webb.
Our Chief Impact Strategy Officer, Ziquora Banks, joined representatives from EIHF, participating credit unions, and Inland local leaders for the groundbreaking of Copper Way last summer. This multifamily community is centrally located at Mountain Highway East and Pirnie Street, with stores and a Bus Rapid Transit line nearby.

Corvidae Limited Equity Co-op

Verity Credit Union is proud to support Corvidae Co-op, providing a creative, affordable housing solution to the Western WA community. Verity's role as a Preferred Lender allows Corvidae Co-op to issue membership shares to buyers and provide quality housing to those who otherwise wouldn't be able to afford homeownership in their community. This shared-equity Co-op structure is designed to balance individual equity growth. Verity's partnership will support financing for 10 Co-op units located in the heart of South Seattle.

The loans will be secured with shares of the Co-op and sold based on the number of shares required per unit size. This initiative targets households with incomes of less than 80% - 129% of the community's medium income. Verity is honored to act as a preferred lender for this project, which aligns with the credit union's mission of supporting affordable housing initiatives and uplifting its community, especially those who have traditionally been underserved by existing financial institutions and solutions.



Unlocking potential: our commitment to employee development

Verity believes in lifelong learning, including for our associates. Each year the Joe Rush Scholarship offers individual employees the opportunities to engage in professional development activities. In 2023, we were pleased to provide learning opportunities to two employees through our scholarship program.



2023 Recipient: Meggie Garcia

While working at Verity's West Seattle branch, Meggie Garcia began to wonder why Verity, with its commitment to serving the underserved, did not offer bank accounts for cannabis businesses, as other financial institutions do. She knew cannabis entrepreneurs often struggle to find financial institutions willing to partner.

Meggie wanted to explore how she could help Verity be part of that change. After discussing her interest with her manager, she was encouraged to transfer to the Business Services Department.

Last year, Meggie applied for and was awarded the Joe Rush Scholarship to earn her Cannabis Banking Professional Certification through Bankers' Hub. Even though Verity does not yet offer cannabis banking, Meggie's training equipped her to excel in her current role, with knowledge that's applicable when completing due diligence on other business accounts.

Should cannabis become legal at the federal level in the future—clearing the way for organizations like Verity to offer those services—Meggie's certification will have prepared her for a role.

2023 Recipient: Tray Garrett

Working his way from a Member Consultant to a Northgate Community Branch Manager, Tray Garrett discovered he had a natural gift for leadership. Fellow employees sought out his advice and perspective, and Tray found his voice giving honest feedback.






To grow in leadership, Tray applied for and was awarded the Joe Rush Scholarship to attend the GoWest Leadership Institute. Tray learned to better understand himself as a leader, discern habits that work for him, and maintain those habits with consistency.

He also learned skills to give and receive feedback—and, as the only African American in his leadership program, shared insights on ways to improve representation in the course materials.

Today, Tray says he wants to be a leader who brings out the best in others. He hopes a customer entering a branch could look around and think any associate there could be the manager, because each member of the team is confident and capable in their jobs and leadership abilities.

Spotlight on You: Member Photoshoot

Verity serves a community rich in diversity, and we seek to authentically reflect this in the visual expressions of our brand. Stock photography libraries often fail to represent the diversity of Verity's membership. Generic pictures can fall short of creating a feeling of belonging.

To address this unmet need, we launched Spotlight on You, a project to capture authentic imagery of our members. Volunteers were invited to come as they are to a Seattle photo studio to pose for professional portraits for use in future marketing materials.

A picture can say what words cannot. A portrait of a real Verity member who loves where they bank will communicate Verity's positive impact in uniquely powerful ways. We are building stronger connections by relying less on stock pictures and more on authentic happiness.

Sharing Impact through Member Stories

The most powerful way to tell the Verity story is through the voices of our members. In 2023, we launched a project to record members sharing their journeys with Verity. Dozens responded, and their stories captivated us. Captured in high-quality, documentary-style video and audio, members from diverse backgrounds spoke of overcoming obstacles and establishing secure financial futures.

These compelling stories of financial transformation include buying a first home, growing a small business, moving from housing insecurity to an apartment, supporting elderly family members, building credit while immigrating to the United States, and many others. Watch for these stories in various formats including social media, radio, and podcast promotions.

The Member Stories campaign showcases, in authentic and personal terms, how Verity helps improve the lives of its members and makes a positive impact on our community. By amplifying our members' voices, we aim to forge meaningful connections and strengthen brand loyalty.

> *The most powerful way to tell the Verity story is through the voices of our members.*

2023 Financials {unaudited}

Below is a high-level look at Verity's balance sheet, as of the end of 2022. For more details, view our full financial report.

Income & Expense

Total Interest Income: $38,968,691

Total Interest Expenses: $7,603,475

Net Interest Income after Provision for Loan Losses: $27,450,605

Total Non-Interest Income: $12,723,609

Total Non-Interest Expense: $39,058,487

Net Income Attributable to Verity Credit Union: $1,545,723

Balance Sheet

Total Assets: $817,705,269

Total Liabilities: $743,463,362

Total Members' Equity: $70,593,265

Non Controlling Interest: $3,648,642

Total Equity: $74,241,908

Total Liabilities and Equity: $817,705,269

Financials audited by independent CPA firm Moss-Adams LLP. These statements represent Verity Credit Union and Credit Union Home Mortgage Solutions (CUHMS) consolidated. Verity is part-owner of CUHMS.





Impact through Partnership: Join Us

When you partner with Verity and become a member, you join 40,000 others in supporting socially-responsible banking. Join us in co-creating impactful solutions for you, your family, and your community so that everyone has a chance to thrive.

Join Verity

Already a member? If you're looking to deepen your partnership with Verity and spread equitable impacts, consider one of the following options:

- Join Verity's Board Associate Program or Supervisory Committee
- Connect with us on Facebook, Instagram, or LinkedIn
- Find us at a community event
- Refer a friend or family member to join Verity

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