HomeEquity Bank™

CBA SENIORS CODE

HomeEquity Bank Annual Report

2024

Empowering Canadians 55 and Over **to Live Retirement on Their Terms**

A Message from Our President and CEO

At HomeEquity Bank, we are here to help Canadians navigate the challenges of ageing in place.

Coming into the role of President and CEO this year, I've worked to ensure our business is prepared to support the needs of ageing Canadians, motivated by a strong belief that every person deserves to age with independence, dignity and empowerment."

The Seniors Code Explained

In July 2019, the Canadian Bankers Association (CBA) released its Code of Conduct for the Delivery of Banking Services to Seniors, also known as the Seniors Code. As a federally regulated member bank, HomeEquity Bank quickly became a champion for the Seniors Code and its core principles. The Bank has embraced the Code to demonstrate our commitment to our clients and to publicly promote the best practices at the core of our work.

The Seniors Code is based on seven principles designed to direct banks in providing banking services and products to Canadians over 60 and includes the enforcement of relevant accessibility standards. It requires that every CBA member bank appoint a "Seniors Champion" from among its management to advocate for the interests of older Canadians. Yvonne Ziomecki-Fisher, Chief Customer, Brand and Advice Officer, has served in this role since the Seniors Code was introduced nearly six years ago.

Throughout 2024, Yvonne has led conversations with and about the needs and aspirations of older Canadians. She has also driven the Bank's efforts in highlighting the growing importance of community connection, redefining and rediscovering purpose and building a solid financial plan for retirement. Under Yvonne's leadership, the Bank has continued to challenge and debunk outdated assumptions about ageing and has gained deeper insights into what older Canadians value most and how we can better serve their needs.

As a bank, we believe financial stability, security and independence are the foundation for older Canadians to live life on their terms as they age, and we are proud to create and advocate for solutions that support their goals. This report provides us with an opportunity to share some of the initiatives we undertake each year to meet and push beyond the Code's seven principles.

Seven Principles of the Seniors Code

HomeEquity Bank is committed to abiding by the 7 principles set out in the Code. Banks will:

01 Establish and implement appropriate policies, procedures, and processes to support the Code

02 Communicate effectively with seniors

03 Provide appropriate training to our employees and representatives who serve seniors

04 Make appropriate resources available to customer-facing employees and representatives to help them better understand matters relevant to seniors' banking needs

05 Endeavour to mitigate potential financial harm to seniors

06 Take into account market demographics and the needs of older Canadians when proceeding with branch closures

07 Publicly disclose the steps they have taken to support the principles set out in the Code

A Word From Our **Seniors Champion**

> ***In 2024, we continued to enhance our products to better suit the needs of clients, helping put financial security within reach for a growing number of Canadians 55 and better.***

The Seniors Champion plays an important role in ensuring that organizations like ours are best serving the needs of Canadians 55 and better. I've had the honour of serving older Canadians as their Seniors Champion for six of my twelve years at HomeEquity Bank. During that time, it has been a privilege to help lead our industry through transformation and growth, while building strong connections with the people we serve. In 2024, to grow this connection, we embarked on one of our most ambitious initiatives yet — understanding what truly brings our clients happiness.

To achieve this, we undertook an expansive study of Canadian homeowners 45+ with home equity, which explored financial and social experiences. Our analysis revealed three key factors that shape fulfillment for older Canadians: financial control, strong relationships and a sense of purpose. These three important tenets make up the three pillars of the "Triangle of Happiness." This study helped us understand the wants, needs, and aspirations of older Canadians so we can better serve them.

Additionally, in 2024, we also continued to correct misconceptions about retirement and encourage Canadians to explore all of their options. Trusted voices like Peter Mansbridge, our Strategic Communications Consultant, encouraged Canadians to "ask questions" and age on their own terms, while Pattie Lovett-Reid, our Chief Financial Commentator, advocated for every person 55 and over to be actively engaged in their financial well-being. All our engagements allowed us to build trust and share information about the growing options for older Canadians seeking happiness, fulfillment and security.

In 2025, I'm inspired to deepen our relationships with customers and distribution partners, expand our education initiatives, and tailor our services even further to meet the evolving needs of older Canadians. Above all, we'll stay focused on empowering all every Canadian 55+ to live independently and with dignity.

Our Seniors Champion
Yvonne Ziomecki-Fisher

Chief Customer, Brand and Advice Officer

Bringing the Code to life at **HomeEquity Bank**

01 Establish and implement appropriate policies, procedures and processes to support the Code

HomeEquity Bank has always developed products and services specifically designed to help Canadians aged 55 and above feel secure and empowered. We regularly review and update our policies and approach to communications, to better meet their needs and ensure every client feels recognized, valued and understood.

This includes:

- Incorporating the principles of the Seniors Code into the Bank's Regulatory Compliance Management Framework
- Creating **robust fraud policies** to manage and mitigate risks
- Redesigning the complaint management process and Complaints Resource Centre to ensure objective and fair resolutions
- Creating an **Incident Management Process** to report, investigate and remediate complaints
- Implementing **mandatory annual training for all client-facing employees** on sales, first-call resolution, handling complaints, and CHIP Hero training
- Engaging with our client reviews on third-party platforms to ensure transparency, accountability and continual improvement of the client experience

New in 2024

More Canadians are rethinking retirement, influenced by factors like finances, passions or how long they expect to be retired. By recognizing each client's unique vision and ambition, we continue to elevate and personalize our services.

In 2024, we streamlined our Power of Attorney (POA) process in response to client feedback to simplify the process while maintaining the highest standard of risk management.

Bringing the Code to life at **HomeEquity Bank**

02 Communicate effectively with seniors

Every client relationship at HomeEquity Bank is built on trust. Our clients rely on us for clear communication, and we make sure every team member is prepared to meet this expectation. We take the time to answer questions and ensure our clients feel comfortable, while strengthening our accessibility measures based on feedback. Some initiatives include:

- Our Voice of the Client (VOC) program captures feedback and **addresses client experience** issues promptly
- **We train our team extensively** to communicate with clients verbally and over the phone, and we do not tie call time to client service performance
- Our Consumer Facing Materials Review and Approval Standard ensures all Bank communications are client focused: **clear, simple, and honest**. Our Sales Practices Policy also encompasses clear language expectations and ensures all Bank communications are customer-focused, while promoting understanding of the Bank's products and services.
- We provide written communications, such as application documents and annual statements, in **large print** or **braille** upon request
- Our website meets **Web Content Accessibility Guidelines** (WCAG) 2.0 at level AA, with employees ready to assist clients online if needed
- Since January 2022, clients have received redesigned, **easier-to-read annual statements**, ensuring they understand the status of their reverse mortgage

Bringing the Code to life at HomeEquity Bank

03 Provide appropriate training to our employees and representatives who serve seniors

New team members are required to undergo initial and annual training sessions. This training covers our fraud policies, incident management protocols, safeguarding client privacy, and the Seniors Code. A strong understanding of the Seniors Code and its underlying principles creates a sense of purpose for our team members, allowing them to see the full impact of their everyday work.

New team members must also complete the CHIP Hero training within 60 days of joining to ensure they are empowered with the skills necessary to serve our clients effectively:

- ✓ Understanding the Seniors Code principles
- ✓ Our Power of Attorney (POA) process
- ✓ Spotting financial abuse and scams
- ✓ When and how to escalate if financial abuse or scams are suspected
- ✓ Communicating effectively with our 55 and over customer base

In addition to the core compliance training courses – required for all employees – client-facing employees must also complete annual courses:

- ✓ Complaints handling training
- ✓ Sales Practices Training

All training modules conclude with a "Knowledge Check" to evaluate and validate participants' understanding and retention of the content.

New in 2024

We updated employee training and introduced new courses to give our team a clear, complete understanding of our work. We also refreshed our CHIP Hero training and Anti-Money Laundering and Terrorist Financing courses, and introduced two new ones:

Sales Practices Training
Third-Party Risk Management

We mandated that all applicable employees complete our new courses to reinforce HomeEquity Bank's culture of accountability. We believe every team member should understand these best practices, so they feel confident in upholding accountability across the Bank.

Bringing the Code to life at **HomeEquity Bank**

04 Make appropriate resources available to client-facing employees and representatives to help them better understand the banking needs of seniors.

We supplement training with additional resources tailored for client-facing employees, which is also available on our employee intranet site:

- ✓ HomeEquity Bank Power of Attorney (POA) process
- ✓ Independent Legal Advice (ILA) process
- ✓ Clear language aids
- ✓ How employees can facilitate client requests for Braille or large-print documents
- ✓ Online training modules for continual reference
- ✓ Complaints Resource Centre to support our complaint-handling activities
- ✓ The Seniors Code

New in 2024

We launched dedicated training days for client-facing employees to refresh knowledge, sharpen their skills and focus on client service. These sessions gave staff time to step away from day-to-day tasks, absorb key information and fully understand the impact they can have.

This included a two-day, six-hour training course for the Client Relations, Client Care, Loyalty, and Contact Centre teams, designed to elevate service skills and improve the overall experience for our clients.

Bringing the Code to life at **HomeEquity Bank**

05 Endeavour to mitigate potential financial harm to seniors

As the only bank in Canada dedicated to serving Canadians 55 and over, HomeEquity Bank actively works to protect seniors from financial harm—whether they bank with us or not.

With scams targeting this age group on the rise, we continue to take proactive, year-round steps to protect our clients and the broader public. We have put strong measures in place to prevent fraud and reduce financial risks, including developing educational resources on key retirement and financial health topics.

Key measures include:

- **"Know Your Client" and "Know Your Partner" due diligence processes** to help mitigate the potential for financial harm, fraud or elder abuse. When meeting with new clients and partners, employees are trained to identify key information, such as the "Use of Funds" (or why they are interested in CHIP), influencing factors, timing and urgency of the application, personal information verification and other measures intended to prevent fraud and abuse.
- **Annual employee training focused on types of elder abuse**, including the Bank's anti-money laundering policies and POA abuse.

New in 2024

Unscammables Fraud Campaign: We launched an initiative highlighting key insights from Ipsos research to challenge tired stereotypes that Canadians 55+ are more likely to fall for scams. The campaign also educated audiences on how to protect themselves online through a Fraud Resource Centre landing page and a virtual quiz with tips on spotting the latest scams.

Reverse Mortgages with Sybil Verch of The Wealthy Life: Wealth and financial advisors and mortgage brokers play an important role in determining whether a reverse mortgage is the right financial tool for an individual. To give more people access to this resource, we held a webinar with wealth advisor Sybil Verch on tapping into home equity through reverse mortgages, and when this solution may be the right one.

Attaining Freedom: Embracing Growth, Fulfillment, and Financial Health as We Age; Research Insights Report: We embarked on an expansive study of Canadian homeowners 45+ which explored their financial and social experiences. The study revealed that when Canadians have financial stability, a sense of purpose, and strong relationships, they experience greater happiness and a more positive outlook. We published and promoted the research results in a report, which became the foundation of our "Personal Triangle of Happiness" campaign.

Bringing the Code to life at **HomeEquity Bank**

05 Endeavour to mitigate potential financial harm to seniors

Mitigating Financial Harm with Literacy & Self-Empowerment

Pattie Lovett-Reid joined HomeEquity Bank in May 2022 as the Bank's first-ever Chief Financial Commentator. Over the past year, Pattie has continued to share her expertise on trends for Canadians 55+, real estate, financial planning, budgeting, ageing in place, legacy planning and more.

Asking the right questions and being aware of your finances is the first step to your financial wellbeing."

– **Pattie Lovett-Reid**,
HomeEquity Bank's Chief Financial Commentator

Pattie lends her expertise to the Bank in developing brand-new, easy-to-use tools and resources as proactive education opportunities to help mitigate financial harm. From financial planning, budgeting for ageing in place and planning for caregiving needs, Pattie advocates for every person 55 and over to be actively engaged in their financial well-being.

New for Pattie in 2024

The Caregiving Crunch: Pattie moderated a discussion with the Bank and the Canadian Association of Retired Persons (CARP) about the "caregiving crunch" experienced by individuals with multigenerational caretaking responsibilities. The webinar discussed the preference to age in place, barriers to this goal, funding in-home healthcare and the realities of unpaid caregiving work.

Boost Your Financial Well-Being with Credit Canada: To close out Financial Literacy Month in 2024, HomeEquity Bank hosted a webinar with Pattie and finance expert Bruce Sellery to guide Canadians through a clear, five-step plan to boost financial well-being and build confidence today and into retirement.

CARP Fireside Chat: Inspired by the Personal Triangle of Happiness, Pattie moderated a chat with the Bank's President and CEO, Katherine Dudtschak, Director of Geriatrics at Sinai Health System, Dr. Samir Sinha, and CARP's Chief Operating Officer, Anthony Quinn, on the keys to positive ageing.

Bringing the Code to life at **HomeEquity Bank**

06 Take into account market demographics and the needs of seniors when proceeding with branch closures

This is not applicable to HomeEquity Bank, as we do not have branches.

07 Publicly disclose the steps we have taken to support the principles set out in the Code

In keeping with the Code's **seventh principle**, we have documented our progress against our 2024 initiatives and shared them in this report, as well as in the Seniors Code section of our website.

Other initiatives we've undertaken to uphold, embody and advocate **for the spirit of the Seniors Code**

HomeEquity Bank is dedicated to changing the way people think about ageing and to highlighting the unique challenges faced by Canadians who are retiring soon or have already retired. In 2024, we focused on the trends and topics we knew our clients had questions about, conducted research to better understand their needs and addressed issues that could directly impact their ability to age in place.

New in 2024

- **Zoomer Explained – Legacy with Mike Drak:** HomeEquity Bank's Retirement Lifestyle Consultant, Mike Drak, joined Liz West of Zoomer for a conversation about the shifting meaning of "legacy" and how to create a "living legacy" through quality time with family, serving the community and more.
- **Retirement Lifestyle Design with Mike Drak:** HomeEquity Bank also held a free webinar with Mike Drak to help Canadians understand their retirement profile, and the key elements of lifestyle design that contribute to a personalized, fulfilling retirement plan.
- **Celebrating Home Care Heroes for Personal Support Workers Day 2024:** Access to at-home care is a crucial part of ageing in place. That's why, for the third year, HomeEquity Bank celebrated the vital work that thousands of Personal Support Workers (PSWs) and home care workers provide for Canadians who want to remain at home as they age. In 2024, we expanded nominations for the Home Care Heroes award to also include unpaid caregivers—family members and loved ones who provide critical support every day.
- **Personal Triangle of Happiness:** An expansive awareness program exploring what makes retirement fulfilling, focusing on community connections, purpose, and financial stability. Inspired by HomeEquity Bank's first-of-its-kind Research Insights Report, we told this story online through our website and social channels, in the media, and through a live webinar. We reached Canadians in their preferred spaces, raising awareness of key happiness factors in retirement while helping promote independence, dignity, and empowerment among older Canadians.

Other initiatives we've undertaken to uphold, embody and advocate for the spirit of the Seniors Code

In 2025, we will support even more Canadians aged 55 and above in ageing comfortably at home. We will monitor trends in finance, real estate, health, and lifestyle that may affect our clients or alter their needs. Whether it's the rising cost of in-home care, supporting multiple generations, protecting against new fraud tactics, or exploring the evolving concept of "retirement," we will equip our clients with the knowledge to ask the right questions and make informed decisions about their future.

Partnerships

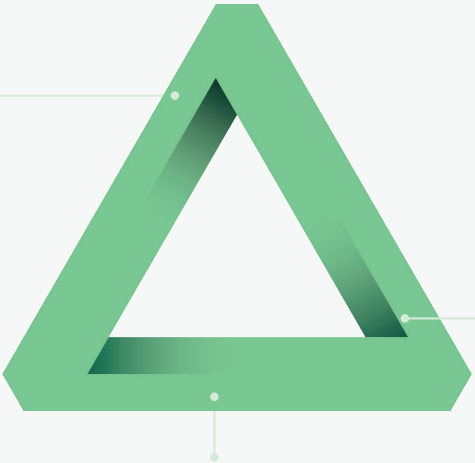
HomeEquity Bank partners with organizations and subject matter experts to take a proactive role in helping to better serve our customers. These include:

- ✓ The Royal Canadian Legion
- ✓ Canadian Association of Retired Persons (CARP)

Golden Triangle of Happiness

Standard of Living (Financial Control)

Managing finances and maintaining a comfortable lifestyle are key to reducing stress and improving quality of life.



Strong Personal Relationships

Building and sustaining meaningful connections with family, friends, and loved ones is essential for emotional support and happiness.

Achieving in Life (Sense of Purpose)

Pursuing goals, finding personal fulfillment, and having a clear sense of purpose lead to a more rewarding and satisfying life.

Final **Observations**

We take extra care so our clients can live retirement on their terms.

For over 35 years, HomeEquity Bank has been dedicated to helping Canadians aged 55 and better achieve security and peace of mind in retirement. In 2024, we deepened that commitment by listening to our clients, elevating our services and expanding our education and advocacy efforts. We invested in research to understand the evolving needs of older Canadians, improved training to ensure our team serves them with care and expertise, and strengthened partnerships to empower and protect our clients.

Canadians trust us to help them retire on their terms, and we are honoured to stand beside them every step of the way, consistently meeting and exceeding the principles of the Seniors Code. As we look to 2025, we are committed to continuing to set the standard for excellence, working with our partners to ensure every Canadian homeowner 55+ enjoys a fulfilling, financially secure retirement on their own terms.

HomeEquity Bank™

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