

Annual Report

March 2023

At VersaBank, we are committed to the Code of Conduct for the Delivery of Banking Services to Seniors. Since its implementation in 2019 we continue to enhance our corporate policy and procedures, training, resources, and accessibility of information to seniors.

As a financial institution in Canada, we recognize our responsibility to mitigate the potential for financial harm and to help protect seniors from fraud, financial abuse, and scams.

We are pleased to disclose our 3rd annual report outlining our ongoing commitment to the Code of Conduct for the Delivery of Banking Services to Seniors.

This annual report is published on our dedicated [Information for Seniors](#) web page and is provided to Financial Consumer Agency of Canada (FCAC) for their review and publication.

Background

On July 25, 2019, the Canadian Bankers Association (CBA) released its voluntary Code of Conduct for the Delivery of Banking Services to Seniors (the Code). The Code is centered around seven principles that apply to banks to guide them when they deliver banking products and services to Canada's seniors:

1. Banks will establish and implement appropriate policies, procedures, and processes to support the Code.
2. Banks will communicate effectively with seniors.
3. Banks will provide appropriate training to their employees and representatives who serve seniors.
4. Banks will make appropriate resources available to client-facing employees and representatives to help them understand matters relevant to seniors' banking needs.
5. Banks will endeavor to mitigate potential financial harm to seniors.
6. Banks will take into account market demographics and the needs of seniors when proceeding with branch closures.
7. Banks will publicly disclose the steps they have taken to support the principles set out in the Code.

Designated Officer and Seniors Champion

VersaBank has assigned an experienced team with knowledge in customer care and senior related matters to be dedicated to the management of the Code, promote seniors' interests, and raise awareness within the organization.

The Vice President, Deposit Services has been designated as the officer responsible for the Code and for ensuring that the Bank remains in compliance. VersaBank has selected Lisa Southam, Manager, Deposit Services, as the Seniors Champion. With over 30 years in the retail banking industry, Lisa has both the knowledge and experience engaging with seniors. She is committed to building greater awareness and understanding of senior related matters, providing enhanced education and tools through targeted training, and accessible resources.

Corporate Policies and Procedures

VersaBank has established comprehensive Board approved Code of Conduct for the Delivery of Banking Services Policy and Procedures.

They include the seven principles of the code and focus on:

- Providing targeted mandatory training to employees and representatives on issues affecting seniors
- Enhancing our ability to identify circumstances where seniors may require additional assistance with their banking activities
- Improving our ability to identify and escalate incidents of suspected financial fraud against seniors

These policies and procedures are reviewed on a regular basis to ensure they continue to reflect changes that may impact the ability of seniors to bank.

The Code is incorporated into the Bank's Regulatory Compliance Management Framework

Training

In November 2020, VersaBank implemented its Seniors Code training program. Since then, VersaBank has continued to evolve and enhance its content to ensure it is a comprehensive and valuable resource for its employees.

The VersaBank training program is:

- Mandatory for all employees who serve seniors
- Consists of training materials, testing and an attestation upon completion
- Completed by employees at least annually and periodically as amended, and for new hires upon joining the Bank

The VersaBank training program is designed with the following learning objectives to educate the VersaBank team on:

- ✓ The Seniors Code, its Background and Principles
- ✓ VersaBank's Policy, Procedures and Regulatory Compliance Management
- ✓ Senior financial abuse, fraud, and scams
- ✓ How to better communicate with clients to detect and prevent abuse
- ✓ Detecting senior financial abuse and assessing financial exploitation
- ✓ Our commitment to the Canadian Bankers Association (CBA) [Powers of Attorney and Joint Deposit Accounts](#)
- ✓ Resources on matters relevant to seniors' banking needs
- ✓ Streamlined escalation processes
- ✓ Employee's roles and responsibilities

Resources and Communication

VersaBank understands seniors have diverse needs. We endeavor to ensure information is easily accessible and adhere to clear language principals to make sure it is provided in a clear and simple format that is not misleading.

As a branchless institution, while not impacted by branch closures, VersaBank is committed to ensuring its electronic channels are easy to navigate; to aid in communicating valuable information to educate and support seniors, their families, and their communities.

VersaBank's dedicated webpage [Information for Seniors](#) contains consolidated resources including:

- ✓ VersaBank's commitment to the Code
- ✓ VersaBank's Senior Code Annual Report
- ✓ VersaBank's Seniors Champion Contact Information
- ✓ Powers of Attorney and Joint Deposit Accounts
- ✓ Fraud Protections for Seniors
 - Identity Fraud
 - Telemarketing Scams
 - Romance Scams
 - What to do if you are a Victim of Fraud
- ✓ Financial Abuse
- ✓ Links to additional resources

Mitigating Potential Harm to Seniors

VersaBank is committed to safeguarding seniors from financial harm.

As fraud continues to escalate in Canada, we recognize this requires executive attention and the importance of heightened awareness on crimes that impact seniors.

In 2022, Garry Clement joined VersaBank's senior management team, taking over the responsibility as the Bank's Chief Anti-Money Laundering Officer. As a Financial Crime Prevention expert and advocate with 34 years of policing experience, having worked as the National Director for the RCMP's Proceeds of Crime Program, he has significantly contributed to the evolution of the Bank's strategy.

Comprehensive Anti-Money Laundering (AML) and fraud detection training, processes and procedures are regularly reviewed and enhanced to identify, protect and be vigilant against potential harm to seniors.

Key components include:

- Robust 'Know Your Client' (KYC), customer due diligence and ongoing monitoring measures
- Comprehensive training focused on awareness and education of the Code and on senior financial abuse, fraud and scams, Powers of Attorney and Joint Deposit Accounts
- Streamlined escalation process specific to senior related matters
- Regular AML 'Did you Know' internal bulletins and periodic updates on fraud trends and topics to provide ongoing tips and information.

Our Commitment to the Future

VersaBank recognizes that the financial industry and the banking needs of seniors are constantly changing.

VersaBank is committed to the ongoing evaluation and updating of our policies and procedures, training program, services, and information for seniors to support and meet our obligations set out in the principles of the Code and to ensure that our senior clients can depend on us for their financial well-being today and in the future.

Contact Us

Seniors Champion	Lisa Southam Manager, Deposit Services
Toll free	800-213-4282
Email	lisas@versabank.com
Corporate Website	www.versabank.com
VB Information for Seniors	www.versabank.com/information-for-seniors
Postal Address	410 – 121 Research Drive Saskatoon, SK S7N 1K2