INNOVATION FEDERAL CREDIT UNION

2026

From Values to Proof:

What Members and Canadians Expect from Their Financial Institutions on ESG



Q4.2026

innovation
FEDERAL CREDIT UNION

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Foreword

Since our last Environmental, Social & Governance (ESG) report in 2024, much has changed: Canada's economic and political priorities have shifted, artificial intelligence has quickly become part of everyday life and business, and we have expanded into Alberta, with plans to grow into Ontario. The sustainability and ESG practices of business leaders are also evolving in response to today's realities. We wanted to understand how the views of our members and the broader public on sustainability have changed in this new context, and what both groups now expect from their financial institution, and how the public's perspective compares with evolving ESG practices among business leaders.

This year, we asked again, and we widened the circle. Alongside 1,026 of our members, we surveyed 2,424 residents of Saskatchewan, Alberta and Ontario. We wanted to understand what individuals, not just businesses, expect from the institutions that hold their savings and their personal information. What environmental, social, and governance issues do they care most about and how do they expect financial institutions to respond?

The findings speak to every financial institution, not only credit unions.

"Perhaps the most important insight is the gap between how organizations and consumers are talking about sustainability. Business leaders see sustainability becoming more integrated into strategy and long-term value creation, while consumers are focused on what they can actually see and experience: trust, responsible governance and tangible value. Bridging that gap is the opportunity. For Innovation, responsible business needs to be something our members experience, not simply something we say.

Our job now is to turn what people expect into how we run the business. That means investing where trust and value are built, and making that work visible so members experience it, not just hear about it."
- Vishnu Singh, Vice President of Growth & Member Experience, Innovation Federal Credit Union

Executive Summary

Since Innovation Federal Credit Union published our first *Member Perceptions on Environmental, Social & Governance (ESG) Performance* in 2024, the economic and geopolitical landscape in Canada has changed considerably. Affordability and economic stability have become the top public concerns, trust in business and institutions is fragile, and the public discourse on ESG has become increasingly polarized. Policy momentum has slowed, some high-profile climate coalitions have weakened, and many companies have gone quiet. Yet the headlines do not tell the full story. In *Beyond the Headlines: Canadian Sustainability Leadership in a Complex World,* Canadian sustainability leaders describe business sustainability undergoing a "reset," characterized by a shift from "rhetoric" to "results" and stronger emphasis on business value creation over moral persuasion and cause-driven action (Delphi, 2026). Global sustainability leaders also agree that business sustainability is undergoing a transformation and has become overly polarized (GlobeScan, 2026). Meanwhile, 97% of Canadian institutional investors remain committed to integrating ESG, yet governance has become their most acute concern (Millani, 2026).



What has been missing from this conversation is the public's view. Our 2026 Member ESG Perspectives report provides that critical missing perspective: the view of the consumer. In the summer of 2026, Innovation Federal Credit Union (Innovation) surveyed 3,450 people across Saskatchewan, Alberta and Ontario: 1,026 of our members and 2,424 residents of the general public. We wanted to understand how public perceptions of ESG have changed, and whether the public view differs from or supports the sustainability reset taking place among Canada's business leaders.

Overall, our findings show that the public still supports ESG, and that support is broadly unchanged since 2024 and consistent across geographies and demographics. ESG rarely decides where people bank: consumers choose for practical reasons such as fees, convenience and

service. But for about a quarter of residents and a third of members, ESG strongly influences their choice of financial institution and their decision to stay, shaping trust, loyalty and how institutions are perceived over time. Importantly, we found that consumers are not looking for financial institutions to solve the world's environmental and social challenges, but they do expect financial institutions to play a moderate, practical role. Our findings show clear priorities across the three ESG pillars:

- **Governance: trust comes first.** Governance is the most important ESG pillar for every group surveyed. Being trustworthy and acting in customers' best interests (both 92%), strong cybersecurity (91%) and managing risk to protect customer assets (90%) are the highest governance priorities, signalling consumer expectations on business fundamentals. Yet only 21–27% of residents are very satisfied with their own institution's governance, pointing to a clear trust gap.

- **Social: people and place.** Social factors remain the second most important pillar (65% of residents and 67% of members). The most important issues are personal and local: fair treatment of employees (86%), investment in employee wellbeing (77%), support for local community causes (71%) and service in rural or underserved communities (64%). Consultation with Indigenous communities ranks lowest overall (46%), but it shows one of the clearest generational divides: 61% of members aged 18–34 rate it as important, compared with 45–47% of older members.

- **Environment: valued, but at a distance.** Environmental practices still matter to most consumers (56% of members and 57% of residents), down only slightly since 2024. Tangible actions, such as reducing waste (63%) and supporting local environmental initiatives (61%), rank well ahead of how institutions lend and invest (44–55%). Younger members, however, are an exception: 61% of those aged 18–34 value investment in environmentally friendly companies, compared with only 45–47% of older members, signalling an opportunity to build relationships with younger members through ESG-related investment and lending.

Overall, our results show no evidence of an ESG backlash from the public, nor of the polarization that often characterizes the ESG debate. Consumers expect a moderate approach to ESG that is built on trust and that, first and foremost, fulfills an institution's obligations as a financial steward. For financial institutions, our results point to four clear lessons:

- **Lead with trust:** close the gap between how much governance matters and how few people are highly satisfied with it.
- **Do the fundamentals well:** credibility comes from consistently delivering the basics, not from taking on every ESG cause.
- **Make ESG tangible and close to home:** connect ESG, including environmental action, to the everyday lives of members and communities.
- **Build for the next generation:** younger members expect more on sustainability-related investment and Indigenous reconciliation, but values and cost cannot be a trade-off.

For financial institutions, there is an opportunity to reposition ESG around customer trust and loyalty, and to close the gap between what they do and what people see in their everyday lives, their communities and their everyday banking. Credit unions are well placed to lead; they are built on close relationships, deep local roots and co-operative values. For Innovation, a practical, measured approach to ESG that builds on these strengths is the path to stronger local relationships, deeper member loyalty and better-served communities.

1

The Public Perspective on ESG in a Changing Canada

In 2024, Innovation published our first *Member Perceptions on Environmental, Social & Governance (ESG) Performance*. We wanted to understand what Innovation's members, and the public where we operate, expected of financial institutions when it comes to environmental, social, and governance issues. Since publishing that report, much in Canada has changed, and so has the agenda and public discussion on business sustainability and ESG.

A quieter, more practical reset. Policy momentum has slowed: Canadian securities regulators paused progress on mandatory sustainability disclosures, and new greenwashing provisions introduced under the Competition Act in 2024 raised the bar for public environmental claims before being partly relaxed earlier in 2026. Some high-profile climate coalitions weakened, and many companies have gone quiet. Yet leaders interviewed for *Beyond the Headlines: Canadian Sustainability Leadership in a Complex World* describe a shift from "grand statements" to "authentic communication" and from "rhetoric" to "results," with sustainability becoming more disciplined and more embedded in core business decisions (Delphi, 2026). Global sustainability leaders also agree that business sustainability is undergoing a transformation and has become overly polarized (GlobeScan, 2026). Among Canadian institutional investors representing $10.3 trillion in AUM, 97% report a continued high level of commitment to integrating ESG. What has changed is the emphasis: their focus has narrowed to what is material and measurable, with governance now their most acute concern (Millani, 2026), a sign that investor attention has moved from ambition to execution.

Affordability comes first, but concern about climate change remains intact. In a survey of 4,232 Canadians by Re.Climate in partnership with Abacus Data, about three in four Canadians remain concerned about climate change, but it has slipped to a "third-tier" issue, well behind the cost of living, the economy and relations with the United States (Re.Climate, 2026). Fifty-seven per cent of those surveyed said that economic growth and jobs should take priority even if the environment suffers to some extent, up 13 points since 2024 (Re.Climate, 2026).

In a separate survey of 1,910 Canadians, 80% said they were at least moderately concerned about climate change, up from 62% in 2024. Yet only 13% ranked it among their top three national issues, compared with 29% in 2023 and 66% for the cost of living (Abacus Data, 2026). Price is also shaping everyday choices: 62% of Canadians say price influenced their shopping more in 2025 (Ipsos, 2026). Taken together, concern about climate change has held up, but people now want sustainability that is practical, affordable and clearly linked to their everyday lives.

Trust is fragile, and increasingly local. Edelman's 2026 Trust Barometer, which surveyed 1,501 Canadians, places trust in business (53%) and financial services (58%) in its "neutral" zone, while 74% trust their own employer. Nearly three in four (73%) Canadians are hesitant or unwilling to trust people who differ from them, and fewer than one in five believe the next generation will be better off (Edelman, 2026). Seven in ten sustainability experts worldwide report significant backlash against sustainability and ESG in their country, rising to 84% in North America (GlobeScan, 2026). Experts also see confidence in sustainability itself as stronger than trust in the institutions meant to deliver it (GlobeScan, 2026). At the same time, artificial intelligence is moving quickly into everyday business and banking, adding a new dimension to questions about trust: only 34% of Canadians are willing to trust information from AI (KPMG and University of Melbourne, 2025), and investors increasingly treat AI as a governance issue (Millani, 2026).

What has been missing from this conversation is the public's view: the people whose savings, data, and communities are directly impacted – positively and negatively – by the actions and decisions of businesses. This report adds that public perspective. In summer 2026, Innovation surveyed 3,450 people across Saskatchewan, Alberta and Ontario: 1,026 of our own members and 2,424 residents of the general public.

We wanted to understand how the general public's perceptions of ESG performance have changed and whether the public view differs from or supports the sustainability reset taking place among Canada's business leaders. This perspective gives us a better understanding of how to serve our members and communities.

In this report we describe the findings of our research situated in the changing business landscape of ESG. The report begins with the importance of ESG to everyday banking decisions. We then turn to the individual findings for each pillar: Governance, Social, and Environmental, before summarizing what our findings mean for financial institutions going forward.

Overall, our findings show that the ESG performance of financial institutions matters to our members and the general public. Yet, like the reset under way in business, the public view has shifted. People want practical, real-world evidence of how environmental, social, or governance actions directly support their everyday lives. Consistent with our 2024 findings, governance, led by trust, is the most important ESG pillar, followed by social and then environmental. Our members and the public evaluate success on how well ESG actions build trust with a financial institution. The challenge ahead for financial institutions is how to deliver concrete, meaningful value to the public through our environmental, social, and governance actions and directly connect these efforts to the people they serve.

WHAT WE MEAN BY ESG

ESG refers to the environmental, social, and governance factors used to assess how an organization operates. In this report, each pillar is defined through the specific practices the survey asked about:

Environmental: how an institution manages its own footprint, such as waste and energy use, supports local environmental initiatives, and directs capital through its lending and investment, including investing in environmentally friendly companies and limiting financing for high-emission industries.

Social: how it treats its employees, supports local communities, serves rural and underserved areas and customers of all backgrounds and consults with Indigenous communities.

Governance: whether it is trustworthy and acts in customers' best interests, protects their data and assets, makes ethical decisions, reports transparently, has effective board oversight and reasonable management-pay, and uses artificial intelligence responsibly.



2

The Importance of ESG to Everyday Banking Decisions

We first asked people what influences their choice of financial institution. Our results confirm a long-held belief that people choose where to bank for practical reasons: fees and costs (23%), convenience and access (22%), interest rates and products (18%) and customer service (14%) (Figure 1). “ESG” or any direct environmental, social, or governance issue itself, does not appear as a theme on its own, except trust (17%) a governance issue.

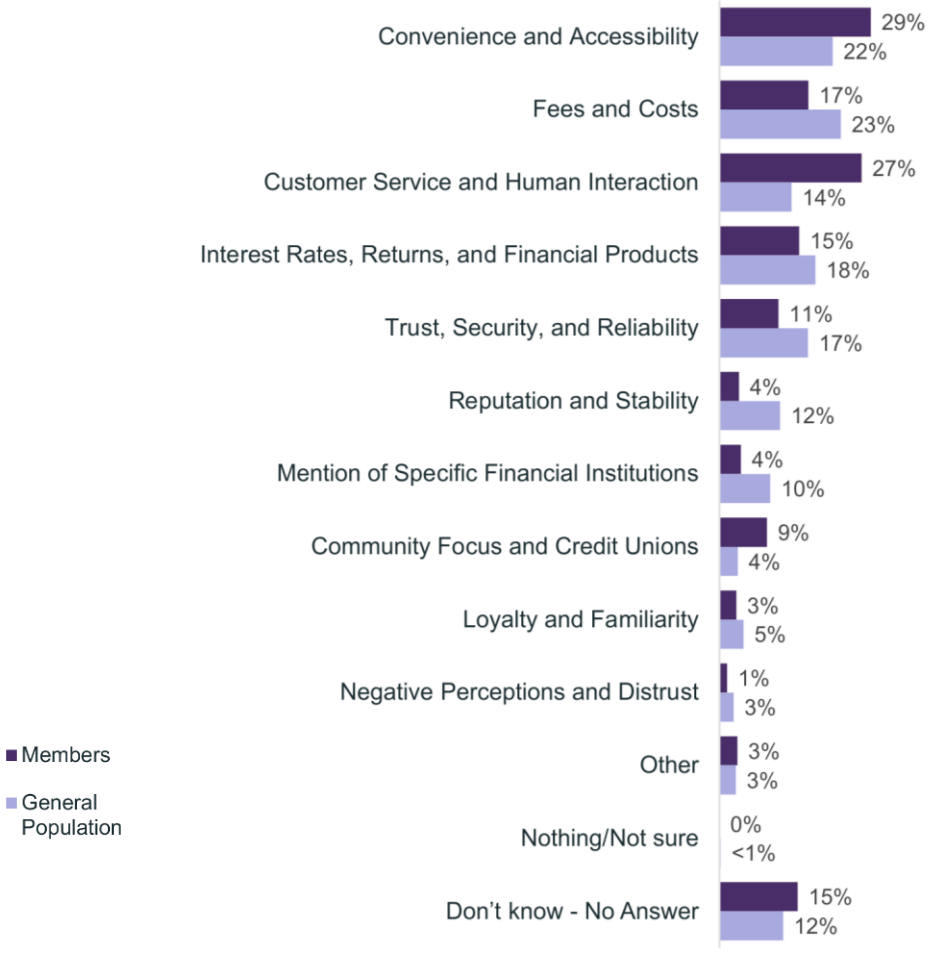
ESG continues to influence financial decisions for a meaningful segment of consumers. Approximately one-quarter of residents and one-third of Innovation members say ESG factors strongly influence their choice of financial institution and decision to stay (Figure 2). These findings mirror broader consumer trends, where approximately 20–25% consistently demonstrate strong environmental preferences. The takeaway is that ESG's value extends beyond attracting members; it can also shape trust, loyalty, and how financial institutions are perceived over time.

Consumers are not necessarily looking for financial institutions to solve the world's environmental and social challenges, but they do expect them to play a meaningful role. Approximately half of respondents call for a moderate or significant contribution (Figure 3), suggesting an appetite for practical action that aligns with an institution's responsibilities and capabilities. This perspective offers an important counterpoint to the often-polarized debate surrounding ESG, which has frequently positioned sustainability as a matter of activism rather than business strategy. In many ways, consumer expectations may already reflect the direction Canadian businesses are heading.

Canadian sustainability leaders describe a shift from “world saving” to “business driving,” with ESG initiatives increasingly expected to address “real risks, costs, and customer demands” (Delphi, 2026).



Figure 1. Top-of-mind considerations for choosing a financial institution

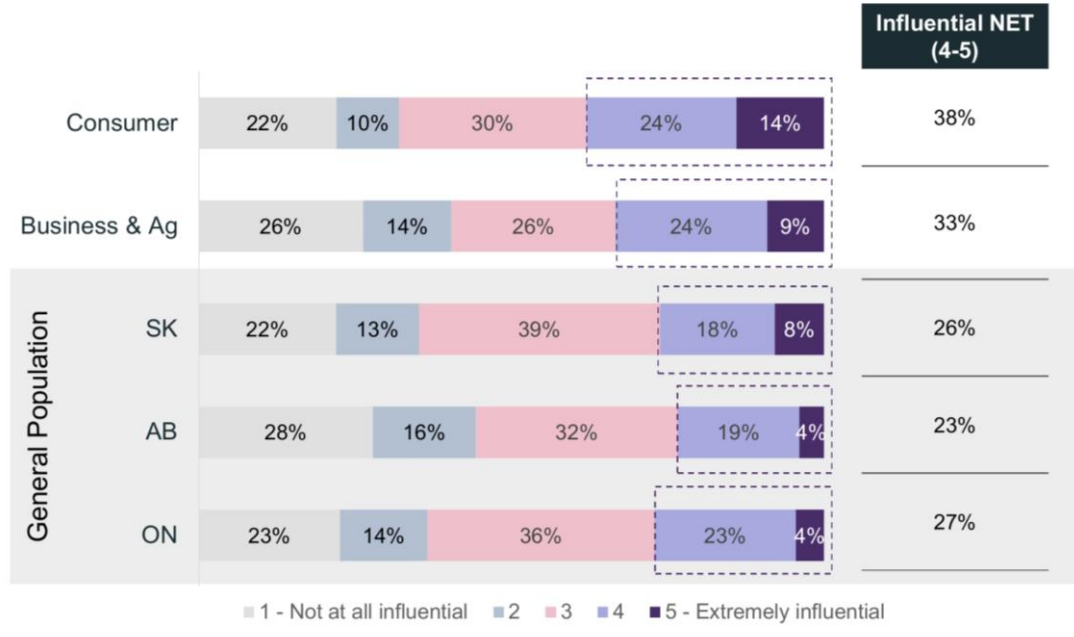


All Members

	Age		
	18-34	35-54	55+
Fees and Costs	22%▲	22%▲	13%▼
Customer Service and Human Interaction	19%▼	24%	31%▲

▲▼ = statistically significant difference between segments. Unprompted (open-ended) responses, coded into themes.
Source: Insightrix, Innovation ESG Survey 2026, What first comes to mind when you think about choosing a financial institution to do business with?
Base (n): Members=1,026, General population=2,424.

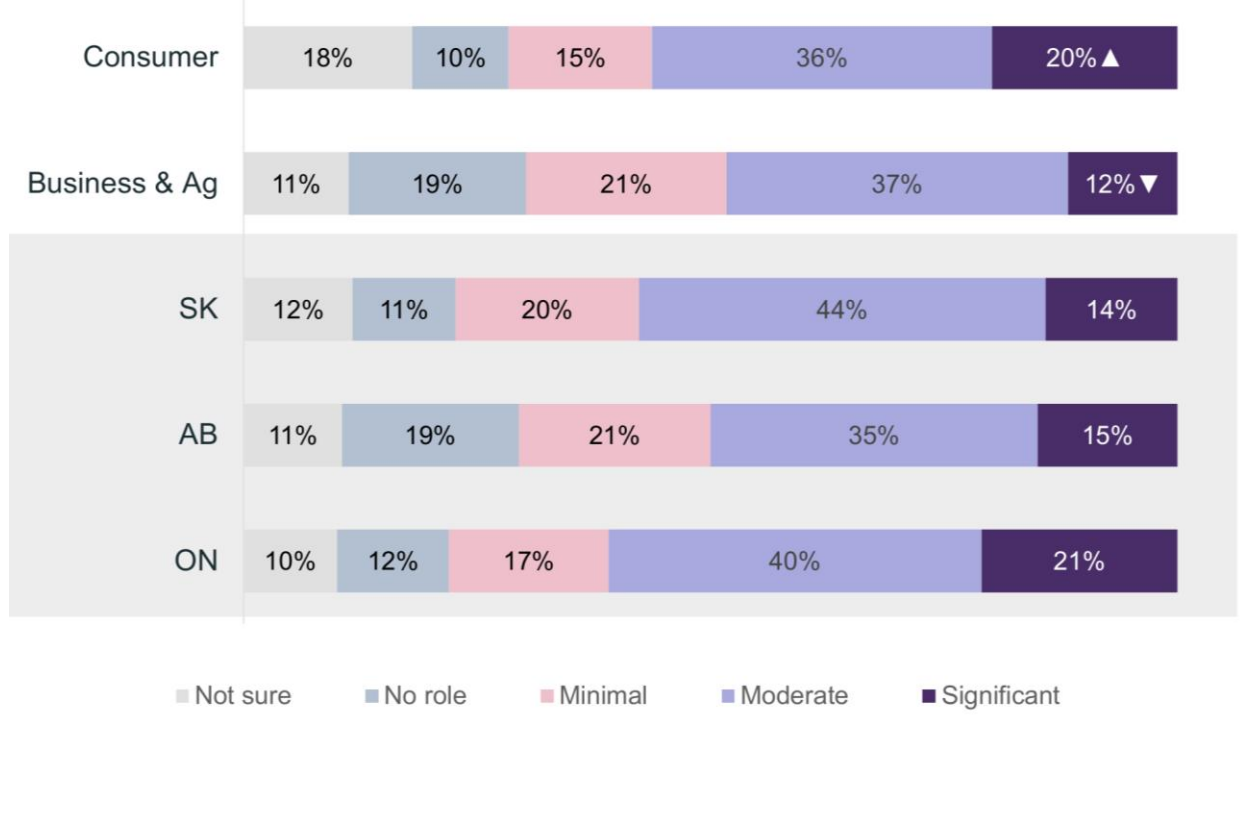
Figure 2. Influence of ESG factors on banking decisions



	% Influential NET (4-5) by Location	
All Members	Urban	41%▲
	Rural	33%▼

▲▼ = *statistically significant difference between segments. Source: Insightrix, Innovation ESG Survey 2026. To what extent do environmental, social, and governance (ESG) factors influence your decision to choose and stay with a financial institution?*
Base (n): Consumer members=821; Business & Ag members=205; SK=815; AB=808; ON=801.

Figure 3 . Role of financial institutions in addressing environmental and social challenges



▲▼ = *statistically significant difference between segments. Source: Insightrix, Innovation ESG Survey 2026.*
q21_2: Overall, how active a role should financial institutions in Canada take in addressing environmental and social challenges?
Base (n): Consumer members=821; Business & Ag members=205; SK=815; AB=808; ON=801.

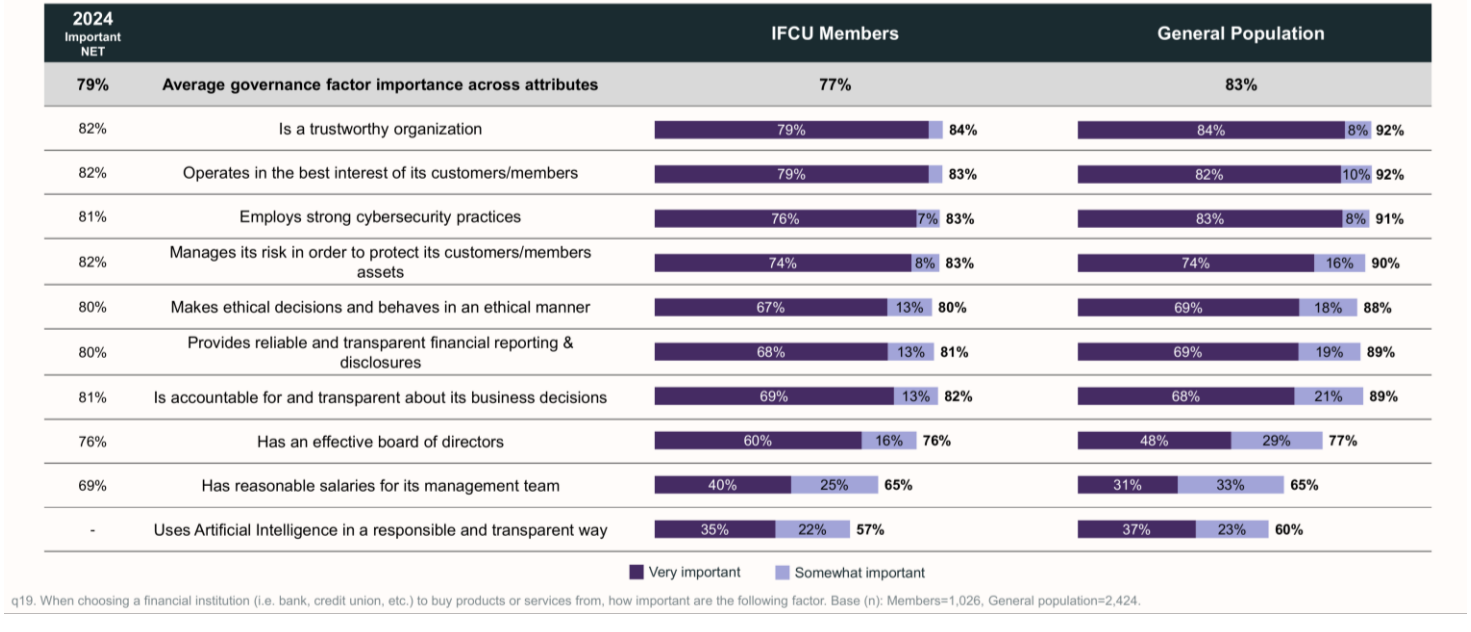
3 Governance: Trust Comes First

Amid shifting economic conditions and evolving expectations around ESG, one priority remains clear: governance comes first. For consumers, the fundamentals of trust and financial stewardship continue to outweigh other ESG considerations. Being trustworthy (92%), acting in customers' best interests (92%), maintaining strong cybersecurity (91%), and managing risk to protect customer assets (90%) rank as the most important governance practices (Figure 4). These expectations have remained remarkably consistent since 2024, with members placing slightly greater importance on trustworthiness (82% to 84%) and cybersecurity (81% to 83%). While internal governance practices, including executive compensation and board effectiveness, remain relevant, consumers place the greatest emphasis on the protections and behaviors that directly affect them.

Importantly, the public and the boardroom agree: governance comes first. Business leaders increasingly point to credibility and accountability as the hallmarks of effective leadership (Delphi, 2026), while Canadian institutional investors describe governance as the most acute ESG concern (Millani, 2026).

Figure 4. Governance factor importance when choosing a financial institution

The importance of governance factors remains strong when choosing a financial institution. The general population values governance factors more highly than members, especially trustworthiness and operating in customers' best interest.



Important NET = very + somewhat important. 2024 figures are for members. Source: Insightrix, Innovation ESG Survey 2026. When choosing a financial institution (i.e. bank, credit union, etc.) to buy products or services from, how important are the following factors? Base (n): Members=1,026, General population=2,424.

Figure 5. Important governance factors by segment

Important Governance Factors by Segment

% Important NET	IFCU Members		General Population		
	Consumer	Business & Ag	SK	AB	ON
Average governance factor importance across attributes	**77%**	**77%**	**83%**	**84%**	**83%**
Is a trustworthy organization	83%	84%	92%	93%	91%
Operates in the best interest of its customers/members	83%	84%	92%	93%	91%
Employs strong cybersecurity practices	82%	83%	91%	92%	91%
Manages its risk in order to protect its customers/members assets	83%	82%	90%	92%	89%
Makes ethical decisions and behaves in an ethical manner	81%	79%	87%	88%	87%
Provides reliable and transparent financial reporting & disclosures	81%	80%	89%	89%	88%
Is accountable for and transparent about its business decisions	82%	81%	89%	90%	89%
Has an effective board of directors that provides oversight of management	75%	79%	77%	77%	76%
Has reasonable salaries for its management team	65%	65%	65%	65%	64%
Uses Artificial Intelligence in a responsible and transparent way	57%	57%	59%	58%	63%

q19. When choosing a financial institution (i.e. bank, credit union, etc.) to buy products or services from, how important are the following factor. Base (n): Consumer members=821; Business & Ag members=205; SK=815; AB=808; ON=801.

Source: Insightrix, Innovation ESG Survey 2026, p. 26. q19 (as above). Base (n): Consumer members=821; Business & Ag members=205; SK=815; AB=808; ON=801.

Figure 6. Satisfaction with Innovation and with primary financial institutions on governance

Strong governance matters to consumers, but financial institutions are not yet receiving equally strong recognition for delivering it. Across Saskatchewan, Alberta, and Ontario, approximately nine in ten residents consider core governance practices, such as trustworthiness, cybersecurity, and acting in customers' best interests, important (Figure 4). Yet only 21–27% are very satisfied with their primary financial institution's governance performance. Overall satisfaction scores range from 7.1 to 7.5 out of 10, with Saskatchewan recording a slight decline since 2024 (7.8 to 7.5). Credit union members, however, report higher satisfaction with their own institutions, with results improving over the same period.

This gap between expectations and satisfaction points to a broader challenge for the financial sector: earning and maintaining trust. Edelman's 2026 Trust Barometer places financial services in the "neutral" trust category among Canadians, with a score of 58% (Edelman, 2026). While this doesn't suggest widespread distrust, it does show that confidence in financial institutions cannot be taken for granted. Strong governance matters, but so does how customers experience it.

For financial institutions, the opportunity lies in making governance more tangible. Consumers may not see the policies, oversight structures, or risk management frameworks operating behind the scenes, but they experience their outcomes every day. Protecting personal information, safeguarding assets, communicating transparently, and consistently acting in customers' best interests are all ways institutions can demonstrate the value of good governance. Ultimately, it is these everyday experiences that help build the trust and confidence needed for lasting customer relationships.

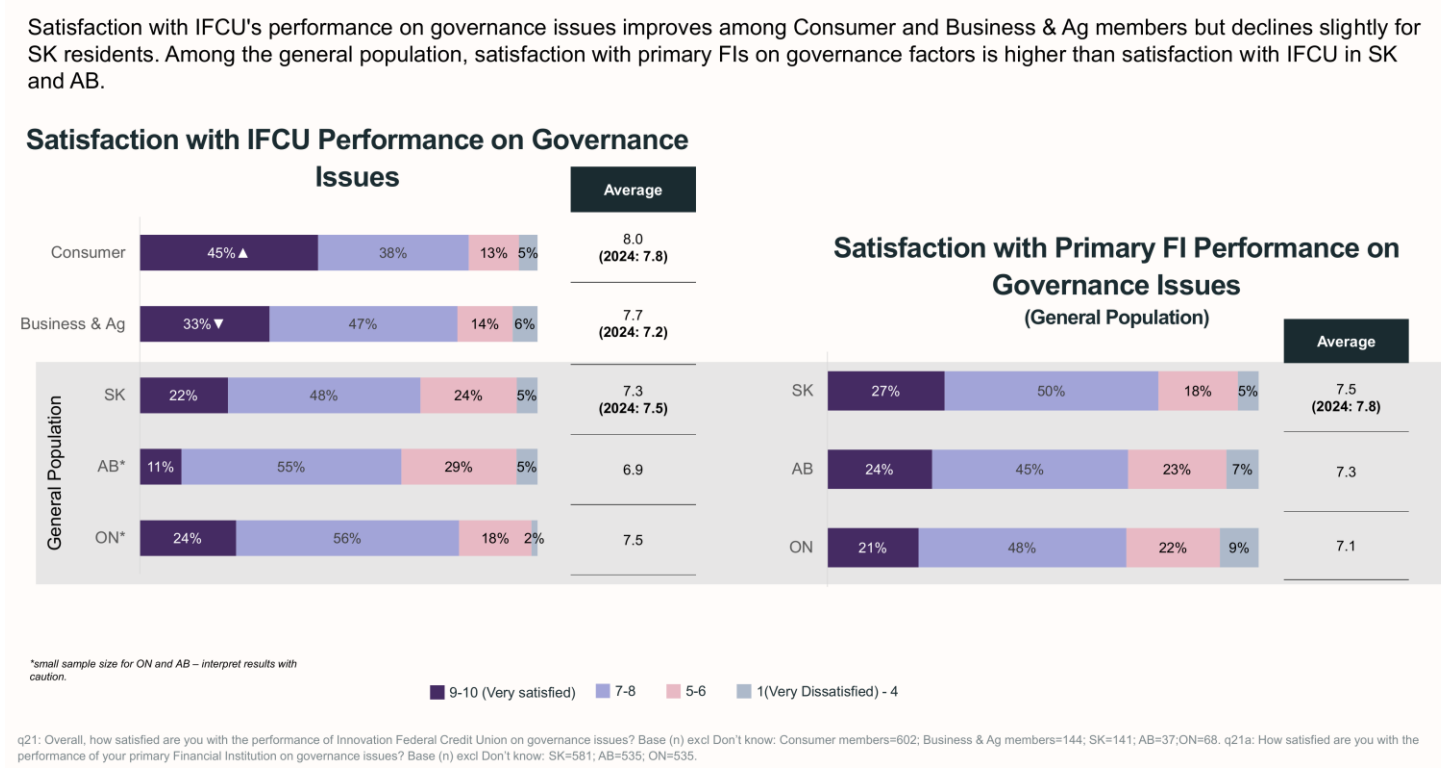
IN PRACTICE:
Building and Demonstrating Trust

Compared with the 2024 survey results, a higher percentage of Innovation Federal Credit Union members surveyed in 2026 indicated that the credit union acts in their best interests. Several initiatives introduced over this period help illustrate how the credit union is putting this commitment into practice:

- **Strengthening oversight.** In 2025, our directors were trained on cybersecurity, AI and privacy. Apart from the CEO, our Board is fully independent, and it meets without management at every meeting.
- **Growing to secure our future.** Our interprovincial merger with ABCU Credit Union in Alberta means we can serve members in more than one province. It also builds the scale a cooperative needs to keep investing in service, security, and its communities.
- **Showing up where others haven't**
  Banks don't open branches in underserved communities like La Loche and Île-à-la-Crosse. We do. Rural and northern communities deserve access to in-person financial services.
- **Sharing our success.** We give back at least 2% of pre-tax profits to communities every year. Our Member Rewards program also returns value directly to the people who own the credit union.



Figure 6. Satisfaction with Innovation and with primary financial institutions on governance



q21: Overall, how satisfied are you with the performance of Innovation Federal Credit Union on governance issues? Base (n) excl Don't know: Consumer members=602; Business & Ag members=144; SK=141; AB=37;ON=68. q21a: How satisfied are you with the performance of your primary Financial Institution on governance issues? Base (n) excl Don't know: SK=581; AB=535; ON=535.

▲▼ *= statistically significant difference between segments. *Small sample sizes for AB and ON; interpret with caution (directional only).*
Source: Insightrix, Innovation ESG Survey 2026, p. 29. q21: Overall, how satisfied are you with the performance of Innovation Federal Credit Union on governance issues? Base (n) excl. don't know: Consumer members=602; Business & Ag members=144; SK=141; AB=37; ON=68. q21a: How satisfied are you with the performance of your primary financial institution on governance issues? Base (n) excl. don't know: SK=581; AB=535; ON=535.

4

Social: People and Place

When it comes to social responsibility, consumers are focused on the fundamentals. Social factors remain the second most important ESG pillar, with 65% of residents and 67% of Innovation members rating social practices as important, largely unchanged since 2024. The most important individual social issues are those that are personal and local: fair treatment of employees (86%), investment in employee wellbeing, health and safety (77%), support for local community causes and events (71%) and service in rural or underserved communities (64%) (Figure 7). These priorities are consistent with 2024.

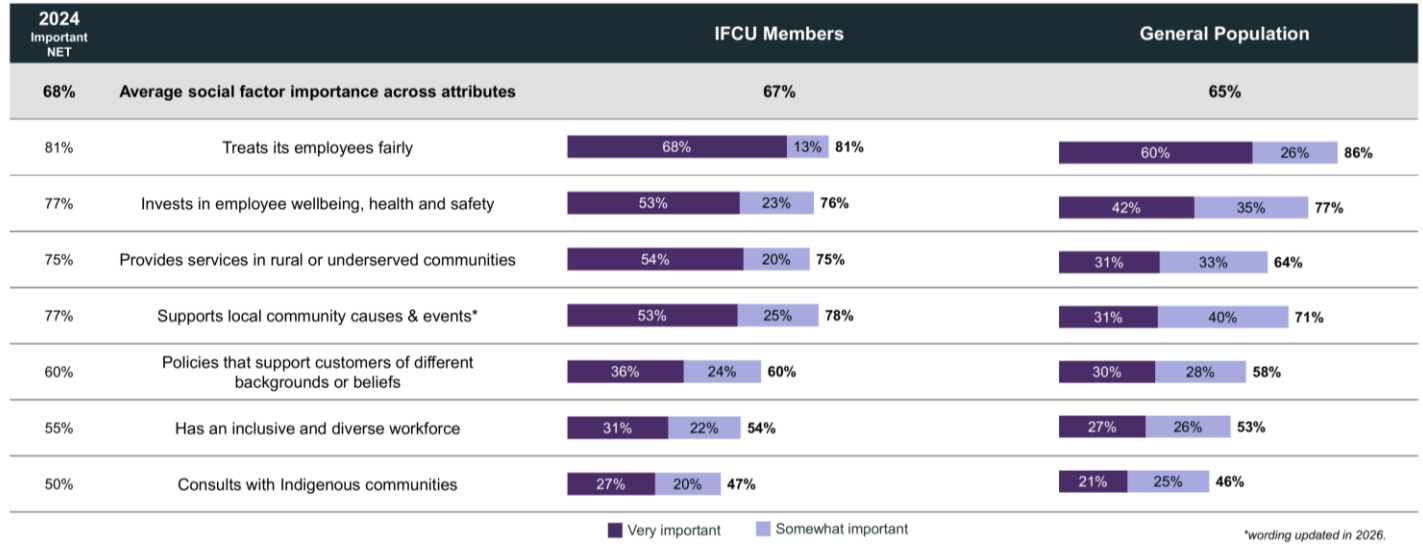
These results lead to a straightforward expectation: how an institution treats its people and supports its community matters. Fair treatment of employees is particularly important and may also shape how consumers judge an institution's broader commitment to doing business responsibly. This connection is worth considering alongside Edelman's 2026 Trust Barometer, which found that working Canadians place considerably more trust in their own employer (74%) than in business generally (53%) (Edelman, 2026).

There is also a broader lesson for financial institutions. As Canadian businesses shift toward a more practical, back-to-basics approach to sustainability (Delphi, 2026), the social priorities identified by consumers are already firmly grounded in everyday business practices. Fair treatment, employee wellbeing, and meaningful community support are not new expectations, but they remain central to how institutions build credibility and maintain strong relationships with the people and communities they serve.



Figure 7. Social Factor Importance When Choosing Financial Institution

Treating employees fairly, investment in employee wellbeing, providing services in rural or underserved communities and supporting local causes / events are the topmost important social practices when considering a financial institution. Top priorities remain consistent from 2024.



q7. When choosing a financial institution (i.e. bank, credit union, etc.) to buy products or services from, how important are the following factors. Base (n): Members=1,026, General population=2,424.

Data from the chart

*Important NET = very + somewhat important. 2024 figures are for members. *Wording updated in 2026.*
Source: Insightrix, Innovation ESG Survey 2026, p. 13. q7. When choosing a financial institution (i.e. bank, credit union, etc.) to buy products or services from, how important are the following factors? Base (n): Members=1,026, General population=2,424.

Figure 8. Social factor importance by group

While the overall social factor results point to a clear priority on fair treatment, divergences appear in different population segments on the second-tier issues. Local presence, for instance, matters most to those who depend on it – those in rural and less populated areas (83%), compared with urban residents (70%). For people who rely on a local branch or advisor for service, local presence is not a nice-to-have, but what makes an institution relevant.

Support for inclusion is broad but less intense and has decreased slightly in importance since 2024. Policies that support customers of different backgrounds or beliefs (58%) and an inclusive, diverse workforce (53%) are important, but only 27–30% rate them as very important. National polling shows a similar pattern: more than nine in ten Canadians support or are neutral toward workplace and community diversity initiatives (Gore Mutual and RKI, 2024), yet 57% oppose using equity as a factor in hiring (Leger and Association for Canadian Studies, 2024).

Consultation with Indigenous communities ranks lowest among social practices (46%), yet it shows one of the clearest generational differences in the survey (Figure 8). As younger people become a larger share of customers, expectations on reconciliation are likely to rise. National polling points the same way: 59% of Canadians aged 18–34 are frustrated by the slow pace of reconciliation, compared with 38% of those aged 55 and over (Leger, 2025). Similar trends are appearing in the business community. Business leaders see reconciliation as a uniquely Canadian sustainability opportunity, and activities are beginning to move from engagement to partnership and Indigenous economic ownership (Delphi, 2026). Investors are also increasingly interested in Indigenous economic participation (Millani, 2026). That suggests business leaders are anticipating where expectations are heading rather than responding to where they are today. For financial institutions, this may offer the clearest signal of a future trend to seriously consider for evolving ESG practices.

IN PRACTICE: Showing Up For People and Place

Members who know Innovation rate us well above the wider public on how we treat employees (77% vs 63%), support local communities (74% vs 55%) and serve rural areas (70% vs 56%). Here is some of what sits behind those ratings:

- **Treating our people fairly.** Our 2025 Pay Equity Report found no pay gaps. Most of our staff (87%) took part in professional development last year, and 77% say they're engaged at work.
- **Taking banking to people.** Door-Step Banking Days and our Mobile Advice Centre bring advice and account opening to remote northern communities. Membership in our 16 Northern and Indigenous partnership communities has grown from 35% to 41% since 2023.
- **Investing in reconciliation.** We've committed $1 million over 10 years to our Indigenous Community Development Fund, which supported 21 community initiatives in 2025. Indigenous Peoples now make up 6.7% of our staff and a quarter of our new hires.
- **Helping with everyday pressures.** As food costs kept rising, our food security campaign provided more than 15,000 meals in 2025.



Figure 8. Social Factor Importance by Group

Among IFCU members, Consumer members place greater importance on diversity-related factors. SK and ON residents are more likely to consider providing rural service, supporting local communities, and having inclusive customer policies as more important social factors than AB residents.

Social Factor Importance by Segment

% Important NET	IFCU Members		General Population		
	Consumer	Business & Ag	SK	AB	ON
Average social factor importance across attributes	**68%**	**64%**	**68%**	**62%**	**65%**
Treats its employees fairly	81%	81%	87%	85%	86%
Invests in employee wellbeing, health and safety	76%	77%	79%	76%	76%
Provides services in rural or underserved communities	74%	80%	70%▲	58%▼	64%▲
Supports local community causes & events*	77%	81%	77%▲	68%▼	67%▼
Program & policies that support customers with different backgrounds and beliefs	62%▲	50%▼	62%▲	53%▼	59%▲
Has an inclusive and diverse workforce	55%▲	47%▼	55%	50%	55%
Consults with Indigenous communities	52%▲	31%▼	49%▲	43%▼	47%

All Members

% Important NET	Age		
	18-34	35-54	55+
Supports local community causes & events*	79%	82%▲	75%▼
Consults with Indigenous communities	61%▲	47%▼	45%▼

% Important NET	Location	
	Urban	Rural
Provides services in rural or underserved communities	70%▼	83%▲
Consults with Indigenous communities	53%▲	42%▼

**wording updated in 2026.*

q7. When choosing a financial institution (i.e. bank, credit union, etc.) to buy products or services from, how important are the following factors. Base (n): Consumer members=821; Business & Ag members=205; SK=815; AB=808; ON=801.

▲ ▼ = *statistically significant difference between segments. – = not shown in the source (no significant difference).*
**Wording updated in 2026. Source: Insightrix, Innovation ESG Survey 2026, p. 14. q7 (as above). Base (n): Consumer members=821; Business & Ag members=205; SK=815; AB=808; ON=801.*

5

Environment: Valued, But at a Distance

Consumers are slightly less focused on environmental practices today than in 2024. This finding is expected: in today's economic climate where consumers are focused on fundamental issues that have a direct and tangible connection to their everyday lives and banking relationship. While environmental importance has decreased, these results do not, however, signify a significant retreat in environmental priority from consumers. Environmental practices are still important to most consumers, with 56% of Innovation members and 57% of the general public valuing environmental practices, a minor decline of three percentage points on average since 2024.

These results align with recent public opinion, particularly regarding climate change. Re.Climate, at Carleton University, recently found that climate concern remains widespread in the Canadian public, but it competes with affordability and other immediate pressures, lessening its public priority and visibility as a top concern (Re.Climate, 2026). In business, a similar trend exists. Climate change remains central to businesses' ESG practices, but climate actions must be directly linked to supporting economic sustainability rather than taken purely for climate impact or public communications (Delphi, 2026).

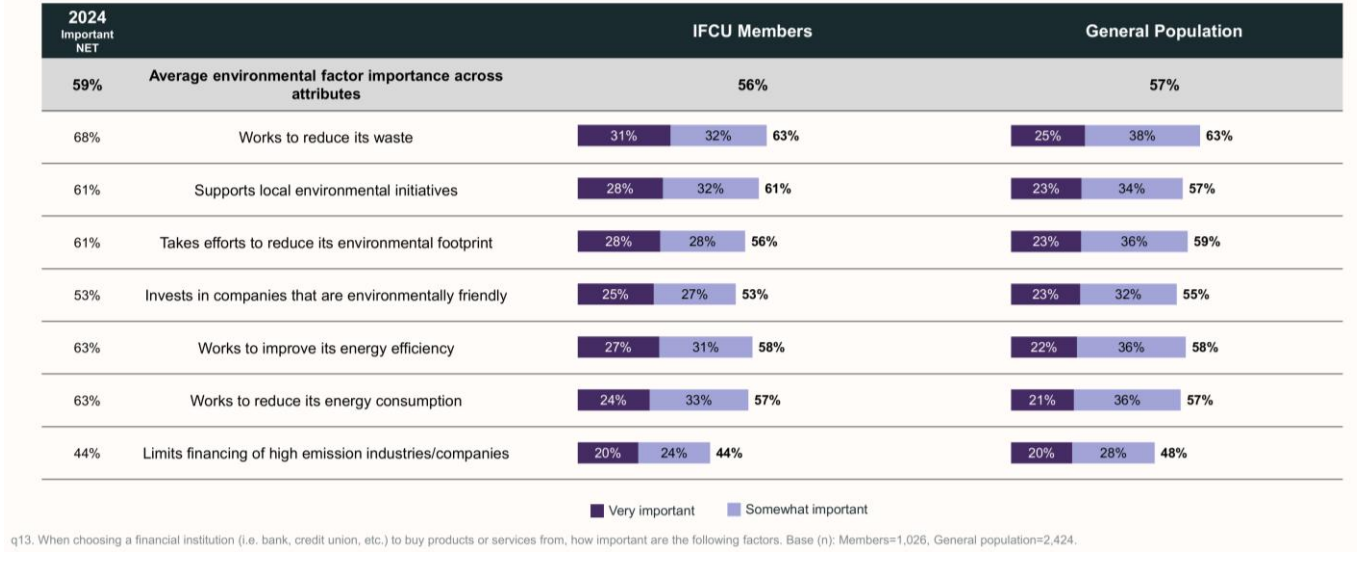
Where environmental practices do matter, consumers consistently rank the most tangible issues highest: reducing waste (63%) and supporting local environmental initiatives (61%) are the most important issues, while investing in environmentally friendly companies (53%) and limiting financing of high-emission industries (44%) remain at the bottom. This result mirrors the pattern seen on social and governance issues and follows practicality and visibility: members value what they can see and relate to in their own community more than actions that happen inside a company.

The results from the public and businesses all reinforce the same message: environmental performance still matters but less than the foundational governance issues of trust, the interest of members, and fair treatment of people and communities. Environmental performance must also be linked to clear business value and outcomes. Consumers do not connect environmental performance to the foundational issues that matter most to them. The lesson for financial institutions is to focus their environmental actions in areas that provide tangible business value and, when communicating with consumers, directly tie their environmental efforts to actions that build credibility and maintain strong relationships with the people and communities they serve.



Figure 9. Environmental Factor Importance When Choosing Financial Institution

Compared to 2024, importance of environmental factors softens across most attributes among IFCU members, most notably for reducing waste. Investing in environmentally friendly companies and limiting financing of high emission industries/companies remain the least important factors for both members and general population segments.



q13. When choosing a financial institution (i.e. bank, credit union, etc.) to buy products or services from, how important are the following factors. Base (n): Members=1,026, General population=2,424.

Important NET = very + somewhat important. 2024 figures are for members. Source: Insightrix, IFCU ESG Survey 2026, p. 19. q13. When choosing a financial institution (i.e. bank, credit union, etc.) to buy products or services from, how important are the following factors? Base (n): Members=1,026, General population=2,424.

Figure 10. Environmental factor importance by segment
Views on the environment vary by population segment more than on the social and governance pillars. Alberta residents, for instance, place less weight on environmental practices (52%) than those in Saskatchewan (59%) and Ontario (60%) (Figure 10).

The most important difference is among younger people, who place notably more importance on green investing and on limiting high-emission financing than other age groups: 61% of members aged 18–34 value investment in environmentally friendly companies, compared with 45–47% of older members, and 53% value limits on high-emission financing, compared with 41–44%.

These findings matter because most financial institutions have a much greater environmental impact through lending and investment than through their own operations. Their material environmental risks and business opportunities therefore lie in areas less visible to the public. Institutions addressing financially relevant issues beyond their operations, such as portfolio investments or climate risk, must explain this work in practical, relatable terms rather than assume the public will recognize its value implicitly. For example, public support for climate action is stronger when it is framed around affordability, reliability, extreme weather and the local economy rather than corporate efforts to reduce emissions or purely to support low-carbon investments (Saskatchewan Environmental Society, 2026). To make these connections, financial institutions need to better demonstrate how their work helps members and communities deal with increased flooding, forest fires or heat waves, and show how investments contribute to local economic growth. There may also be an opportunity for financial institutions to take more tangible environmental actions that benefit the communities they serve to better build trust with consumers.

IN PRACTICE:
Getting the Foundations Right

Environmental factors matter a little less to members than in 2024, yet their satisfaction with how we perform has risen, most sharply among business and agriculture members (6.8 to 7.6). We've focused on practical groundwork:

- **Measuring our own footprint.** In 2025 we measured our operational emissions for the first time. Most come from electricity in our advice centres, which shows us where efficiency gains will count.
- **Understanding our members' risks**. We took part in OSFI's climate scenario exercise and mapped climate risk across our loans. Agriculture, which matters to many of our members, is the most exposed sector.
- **Being open about where we are**. Our first Climate Report, published in 2025, sets out what we've done and what we haven't yet, including that we haven't set climate targets.
- **Accessible banking** also means being there for members when the weather is unpredictable. Our continuity planning covers severe weather, wildfires and flooding, so members can keep banking when it matters most.



Figure 10. Environmental Factor Importance by Segment

Generally, environmental factors are more important to Consumer members than for Business & Ag members. Residents in SK and ON also place greater importance on environmental factors compared with those in AB.

% Important NET	IFCU Members		General Population		
	Consumer	Business & Ag	SK	AB	ON
Average environmental factor importance across attributes	**58%**	**50%**	**59%**	**52%**	**60%**
Works to reduce its waste	65%▲	55%▼	65%▲	59%▼	66%▲
Supports local environmental initiatives	62%	56%	62%▲	51%▼	59%▲
Takes efforts to reduce its environmental footprint	57%	52%	61%▲	54%▼	62%▲
Invests in companies that are environmentally friendly	55%▲	43%▼	58%▲	49%▼	59%▲
Works to improve its energy efficiency	60%▲	52%▼	62%▲	54%▼	60%▲
Works to reduce its energy consumption	58%	53%	60%▲	52%▼	58%▲
Limits financing of high emission industries/companies	46%▲	37%▼	48%	42%▼	53%▲

All Members

% Important NET	Age		
	18-34	35-54	55+
Works to reduce its waste	65%	57%▼	66%▲
Invests in companies that are environmentally friendly	61%▲	47%▼	45%
Limits financing of high emission industries/companies	53%▲	41%▼	44%

q13. When choosing a financial institution (i.e. bank, credit union, etc.) to buy products or services from, how important are the following factors. Base (n): Consumer members=821; Business & Ag members=205; SK=815; AB=808; ON=801.

▲▼ = statistically significant difference between segments. Source: Insightrix, IFCU ESG Survey 2026, p. 20. q13 (as above). Base (n): Consumer members=821; Business & Ag members=205; SK=815; AB=808; ON=801.

6 What This Means for Financial Institutions

The economic and geopolitical landscape in Canada has changed considerably since 2024, when Innovation Federal Credit Union published our first *Member Perceptions on Environmental, Social & Governance (ESG) Performance*. Alongside these broad macro changes, there has been a notable backlash against business ESG practices. In response, the environmental, social, and governance practices of companies are evolving, leading to a reset in the way many leading Canadian businesses are approaching ESG practices.

For our *2026 Member ESG Perspectives report*, we wanted to bring the public's view – the consumer perspective – to the evolving conversation on ESG. We wanted to understand how the general public's perceptions of ESG performance have changed in light of changing economic conditions, whether the public view differs from or supports the sustainability reset taking place among Canada's business leaders, and what this means for financial institutions.

Through our survey of 3,450 people across Saskatchewan, Alberta and Ontario, we found that the public still has meaningful support for ESG, which is broadly unchanged since 2024 and consistent across geographies and demographics. ESG continues to influence financial decisions for a meaningful segment of consumers, and beyond new member attraction, we found that ESG can help shape consumer trust, loyalty, and how financial institutions are perceived over time.

Our results do not show evidence of an ESG backlash from the public, nor do they show evidence of the hyper-polarization between different demographics that often characterizes ESG discourse. The results show that the public expects financial institutions to take a moderate approach to ESG that is built on trust and that, first and foremost, fulfills their primary obligations as financial stewards and puts consumer interests first.

Consumers are not looking for financial institutions to solve the world's environmental and social challenges, but they do expect them to play a meaningful role and take practical actions that fit an institution's own responsibilities and capabilities.

Our results point to four clear lessons for financial institutions:

1. Lead with trust

Consumers rank governance as the most important ESG pillar, with trust and financial stewardship far outweighing other considerations. They prioritize protections that affect them directly: trustworthiness and acting in customers' best interests are the highest-rated ESG factors, both at 92%.

While nine in ten residents in our survey rate core governance practices as important, only 21–27% are very satisfied with their own institution's performance, indicating a significant consumer trust gap. Closing the trust gap is a significant opportunity for financial institutions, and ESG practices that help build trust can support customer loyalty and attract new customers.

Protecting personal information, safeguarding assets, communicating transparently, and consistently acting in customers' best interests are all ways institutions can demonstrate the value of good governance. Ultimately, it is these everyday experiences that help build the trust and confidence needed for lasting customer relationships.

2. Do the fundamentals well

Consumers want their financial institution to get the fundamentals right. From protecting customer information and acting in customers' best interests to treating employees fairly and supporting their communities, the highest-rated social and governance issues in our survey represent fundamental business practices that customers expect.

These results lead to a straightforward conclusion: how an institution treats its customers and its people, and how it supports its community, matters. Beyond governance, fair treatment of employees is particularly important and can shape how consumers judge an institution's broader commitment to doing business responsibly.

The lesson is simple: credibility comes from consistently delivering the basics, not from taking on every ESG cause. The challenge for financial institutions is meeting these expectations in ways consumers can directly see and experience.

3. Make ESG tangible and close to home

Consumers value what they can see and relate to. Across all three ESG pillars, the closer an issue is to directly impacting a consumer, the more it matters. The highest-rated governance issues all affect customers directly: trustworthiness (92%), acting in customers' best interests (92%), cybersecurity (91%) and protection of assets (90%). Consumers can also readily relate to fair treatment of employees (86%) and support for local community causes (71%). On environmental issues, reducing waste (63%) and supporting local environmental initiatives (61%) rank well ahead of how institutions lend and invest (48–55%), which are less tangible to consumers.

For financial institutions, the opportunity lies in connecting ESG to the everyday lives of members and communities. This includes environmental performance. Consumers do not automatically link environmental performance to the issues that matter most to them, so financial institutions need to make that connection for them, such as by framing environmental action around what consumers feel: affordability, reliability, extreme weather and the local economy.



4. Build for the next generation: values and value

The results from our younger members offer a clear signal of where future ESG expectations are heading. Younger members place notably more importance than older members on several important issues that rank lowest overall: investing in environmentally friendly companies (61% vs 45–47%), limiting financing of high-emission industries (53% vs 41–44%) and consultation with Indigenous communities.

Importantly, these areas are closely related to a financial institution's lending and investing practices, which are where financial institutions may have increasing ESG related risks and opportunities. The next generation's expectations identify an area of long-term ESG-related risk, opportunity and value creation. At the same time, younger members are also the most cost-conscious, and affordability is a top concern: fees are a top consideration for 22% of members under 55, compared with 13% of those 55 and older. In serving younger customers, values and value cannot be a trade-off.

For financial institutions, maintaining the trust and loyalty of these younger consumers will be critical to future success. Building ESG practices to meet the expectations of these consumers must be done carefully and deliberately. This could include offering sustainable savings, investment and lending options that are competitively priced, so values do not come at a premium, and building reconciliation into business practice through partnerships, procurement and access to capital for Indigenous communities and businesses. These actions may help build trust and an ongoing relationship with these consumers, while simultaneously contributing to local economic growth and greater community impact.

Call to action

Affordability and economic stability have become the top public concerns, the public is losing trust in businesses and institutions, and the public discourse on ESG has become polarized. The environmental, social and governance practices within businesses are undergoing a reset amid these changing conditions.

Consumers offer an important perspective for financial institutions in how to navigate this reset. The public expects financial institutions to take a moderate approach to ESG that is built on trust, puts fundamentals first, and provides consumers with tangible value from ESG efforts.

For financial institutions, there is an opportunity to reposition ESG around customer loyalty and to close the gap between what financial institutions do and what people see in their everyday lives, in their communities, and in their everyday banking.

Credit unions have a unique strength and opportunity to do this: they are built on close relationships with consumers, have deep local roots and are driven by co-operative principles and values. At Innovation Federal Credit Union, taking a practical, measured approach to ESG that builds on our strong foundation and co-operative principles is a path forward to strengthening our local relationships, deepening member loyalty, and better serving our communities.

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About This Research

Innovation Federal Credit Union commissioned Insightrix Research to conduct an online survey between June 24 and August 10, 2026.

It reached 1,026 Innovation members (821 consumer, 105 business and 100 agriculture members, with a phone option for agriculture members) and 2,424 residents of Saskatchewan (815), Alberta (808) and Ontario (801), recruited through the SaskWatch Research panel and a partner panel. Member results are compared with Innovation's 2024 member survey where question wording allows.

The member sample skews older (8% response rate), and results by age were reported for members only.

Unless stated otherwise, "important" combines "very" and "somewhat important."

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