

APRIL 2026

# Summary of Consultation Feedback

Corporate Governance Guideline and Risk Management and  
Resilience Guideline for B.C. Credit Unions

**BCFSA** 

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# 1. Introduction

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On November 24, 2025, BC Financial Services Authority (BCFSA) undertook a public consultation on a draft Corporate Governance Guideline and Risk Management and Resilience Guideline (Guidelines) for B.C. Credit Unions. BCFSA guidelines establish principles that regulated entities are expected to implement and follow.

The consultation was intended to gather feedback from affected interest holders on the draft Guidelines. Interested parties were welcome to submit their feedback using an online consultation feedback form, although email submissions were also accepted.

Corporate governance and risk management are foundational in supporting a modern and effective regulatory regime. Both are essential to the safety, integrity, and public confidence of B.C.'s credit union segment.

Corporate governance is how Boards of credit unions safeguard members' interests, guide strategy, oversee risk, and uphold the values of a cooperative financial institution. It's also key to successful risk management. Risk management, meanwhile, is necessary for credit unions to ensure that they are able to understand and mitigate their risks. Inadequate, incomplete, or lack of risk management can result in serious consequences for both industry and consumers and adversely affect the operation and solvency of credit unions.

This report provides a summary of the feedback received during the public consultation and outlines next steps.

For further information on the consultation on the Draft Corporate Governance Guideline and Risk Management and Resilience Guideline for B.C. credit unions, please see [BCFSA's website](#).

## 2. Background

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### CORPORATE GOVERNANCE GUIDELINE

The Corporate Governance Guideline sets out BCFSA's expectations for corporate governance in B.C. credit unions. The Guideline complements statutory requirements under the *Credit Union Incorporation Act* (CUIA), the *Financial Institutions Act* (FIA), and other applicable legislation. The Guideline does not supersede, and is not exhaustive of, all requirements under the applicable laws. "Credit union" in this Guideline means a credit union incorporated as a credit union under the CUIA.

Sound corporate governance is essential to the safety, integrity, and public confidence of B.C.'s credit union segment. It is the foundation on which Boards of Directors (Boards) of credit unions safeguard members' interests, guide strategy, oversee risk, and uphold the values of a cooperative financial institution.

Effective governance depends on how well a Board fulfils this stewardship role. It requires clear purpose and accountability, informed and grounded judgment, independence, constructive challenge, a strong ethical culture, transparency to members, and a commitment to learning and renewal. These elements together create the conditions for good governance and long-term resilience.

BCFSA's expectations are principles-based and applied proportionately to each credit union's size, complexity, and risk profile. BCFSA recognises the diversity of the B.C. credit union segment and applies these principles in a fair, scalable, and context-sensitive way.

Collectively, sound governance across credit unions contributes to the stability and credibility of provincially regulated financial institutions and strengthens public trust in cooperative finance.

## RISK MANAGEMENT AND RESILIENCE GUIDELINE

The Risk Management and Resilience Guideline sets out BCFSA's expectations for risk management and resilience in B.C. credit unions. The Guideline complements statutory requirements under the CUIA, the FIA, and other applicable legislation. The Guideline does not supersede, and is not exhaustive of, all requirements under the applicable laws.

Effective risk management is fundamental to the safety and soundness of financial institutions. It provides balance sheet stability, protects against disruptions, and ultimately supports strategic goals and profitability. A robust Risk Management Framework is crucial for navigating complex financial environments, preventing losses, and maintaining the integrity and soundness of the institution.

A robust Risk Management Framework also protects against loss and ensures that a credit union is resilient, enabling recovery, adaptation, and learning. Even with effective risk management, business interruptions can occur. Credit unions should develop plans to ensure that the credit union is able to continue operations, or resume operations quickly, during a business disruption.

# 3. Consultation Process Overview

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The consultation was open for public comment from November 24, 2025 to February 24, 2026. Participants were invited to share their opinions on the draft Guidelines.

Feedback for the public consultation came from BCFSA's online consultation feedback form and email submissions.

To support informed participation and raise awareness of the public consultation, BCFSA shared information and resources with interested parties in advance and throughout the consultation period. Some of the engagement activities BCFSA undertook included:

- Notifying B.C. credit unions of the opening of the consultation period via an email advisory;
- Hosting an information session for B.C. credit union CEOs, credit union board of directors and other interested parties to provide additional information about the Guidelines and answer questions during a moderated Q&A period;
- Publishing a news release on BCFSA's homepage inviting interested parties to participate in the consultation;
- Publishing a consultation page with a variety of resources explaining the changes;

- Discussing the Guidelines with the Canadian Credit Union Association (CCUA); and
- Sending regular participation reminders to B.C. credit unions via email and social media.

## 4. Summary of Feedback

BCFSA received 14 consultation feedback forms and emails from interest holders, including the CCUA – B.C. Division.

Overall, there was a high level of support for the draft Guidelines with some clarifying questions, comments, and concerns. The feedback table below summarizes six key themes from the feedback received during the consultation.

### FEEDBACK TABLE

Theme	What We Heard	BCFSA Response
Integration with Other Guidance	Feedback indicated that credit unions would appreciate a clear hierarchy and integration with other guidelines.	BCFSA's Corporate Governance Guideline and Risk Management and Resilience Guideline are intended to establish more foundational baseline expectations than other guidelines. All BCFSA guidelines set expectations; however, the governance and risk management guidelines are core pillars that set expectations for how other risks are managed holistically. (e.g. Information Security, Commercial Lending, Residential Mortgage Underwriting, Delegated Lending Authority, Outsourcing, Liquidity Management, Internal Capital Target) . BCFSA's Recovery Plan Guideline informs credit unions' Crisis Preparedness Planning strategy. In effect, this guideline serves a unique purpose and stands apart from other guidelines. Other reporting guidelines (Non-Compliant Filings Administrative Penalty, Differential Premium System "DPS" Calculations) are more administrative in nature.
Clarity around Assessment	<p>Feedback expressed a desire for BCFSA to share the supervisory framework, assessment methodology, and supervisory tools that will be used to evaluate adherence to principles and outcomes.</p> <p>There was also a request to add proportionality as a principle.</p>	<p>BCFSA does not intend to publish its assessment methodology; however, it has added an "Outcomes" section to each guideline.</p> <p>In a principles-based approach, BCFSA will assess credit unions based on their ability to achieve the stated outcomes. Instead of providing prescriptive guidance, principles and expectations provide credit unions with sufficient flexibility to decide how to best achieve the stated outcomes.</p> <p>By providing credit unions with such latitude, BCFSA is tacitly endorsing the principle of proportionality.</p>

<p>Overall Organization</p>	<p>Feedback indicated credit unions would like BCFSA to separate the handbooks from the Guidelines and to make their purpose clearer.</p>	<p>BCFSA is considering adding a separate category (Sound Practices) to its Regulatory Instrument taxonomy. Sound Practices are examples of good or best practices that can help regulated entities or professionals achieve an optimal result.</p> <p>The Practice Handbooks for the Corporate Governance Guideline and Risk Management and Resilience Guideline would be published separately from the Guidelines for easier accessibility and clarity of purpose.</p>
<p>Level of Detail</p>	<p>Feedback included a request for additional examples in the Risk Management and Resilience Sound Practices, such as a sample Risk Appetite Framework (RAF), typical Recovery Time Objective (RTO) and Recovery Point Objective (RPO) ranges, incident triggers, and a lessons-learned register.</p> <p>There was also a request to include the role of members and member engagement.</p> <p>Another request was for a common questions template for documenting decisions processes in minutes.</p>	<p>Each credit union is unique and as such, the Risk Appetite Framework and other related documents will vary from credit union to credit union. We encourage credit unions to consider their own unique characteristics and objectives in developing their approach to risk management and governance.</p> <p>Members’ interests must be taken into account in developing a credit union’s approach to risk management and corporate governance, but it is up to each credit union’s Board and Management to determine how best to engage with its membership.</p>
<p>Board Expectations</p>	<p>Feedback indicated a desire for guidance around exactly which skills BCFSA prefers Boards to have (potentially through a high-level skills matrix).</p> <p>There was also a request to include a section like Section II in the OSFI Corporate Governance Guideline regarding basic Board responsibilities.</p> <p>Additionally, there was desire for a revision of language in Principle 3 of the Corporate Governance Guideline (Board Composition, Capability, and Renewal) to reduce the risk of misinterpretation of expectations around specific technical expertise and to more clearly recognize scalable approaches.</p>	<p>In the guideline, BCFSA has provided examples of key skills it expects to see in Boards.</p> <p>Based on the feedback, BCFSA has also added the following outcome to its Corporate Governance Guideline:</p> <p>“The Board has the necessary skills, expertise, experience, and understanding to enable sound and grounded judgment, provide a challenge function, and ensure that member values are understood and reflected.”</p> <p>BCFSA recognizes that not every credit union will have access to the same pool of talent. As outlined in the guideline, BCFSA encourages credit unions to provide continuous Board education sessions and recruit external (i.e., consulting) resources when necessary to ensure effective governance of the organization.</p>

<p>Implementation Timelines</p>	<p>Feedback indicated a desire for an appropriate timeframe for implementation, and potentially a phased approach for larger credit unions to implement higher standards.</p> <p>There was also a request for an updated regulatory roadmap with a clear implementation approach.</p>	<p>BCFSA is looking at a staggered implementation for both guidelines. The Risk Management and Resilience Guideline will have an implementation date of June 1, 2027, and the Corporate Governance Guideline implementation date will be June 1, 2028. BCFSA expects that credit unions will be working towards the adoption of the practices outlined in both guidelines before that date and encourages credit unions to contact their relationship managers, particularly where they see any challenges with implementation.</p> <p>BCFSA’s supervision team will engage with credit unions as credit unions move towards implementation of the guidelines.</p>
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## 5. Consultation Outcomes and Next Steps

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BCFSA extends its gratitude to all participants in the consultation process. The feedback received demonstrated a high level of engagement from interest holders and a high level of support for the Guidelines.

BCFSA considered all the responses it received during this consultation. This review will result in some adjustments to the Guidelines.

BCFSA has finalized and distributed the Guidelines to B.C. credit unions and other interested parties through an Advisory. The Risk Management and Resilience Guideline will come into effect on June 1, 2027. The Corporate Governance Guideline will come into effect on June 1, 2028.



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