



Core Competencies

Competency	Experience/Education	Competency Descriptor	Minimum Competency Level
<p>Strategic Planning</p>	<p>Experience participating in or leading an organization in planning for its future</p> <p>Completion of related CUDA, CUES or ICD courses.</p>	<p>Directors are expected to contribute to strategic planning by understanding the strategic planning process and strategy formulation. This includes having a good knowledge of the credit union’s business and operating environment and being prepared for planning deliberations.</p> <p>To achieve this competency, directors should demonstrate an appropriate level of knowledge and understanding of the strategic planning process and contribute to the development of the strategic direction, core values and the strategic goals and objectives for the credit union.</p>	<ul style="list-style-type: none"> • Demonstrates good knowledge of the competitive environment in which the company operates. • Understands the vision, mission and core values of the credit union. • Can articulate the credit union’s strategies and plans. • Familiar with key components of strategy development and execution. • Applies knowledge of corporate goals, strategies and objectives to evaluate reports and recommendations presented by management. • Provides sound input into the credit union’s strategic direction and plans. • Assesses goals, objectives, risks and opportunities relative to strategic direction.
<p>Financial Literacy</p>	<p>Prior experience as a member of an Audit and Finance Committee</p> <p>Experience reviewing financial reports, financial statements and operational plans & budgets</p> <p>Completion of related CUDA, CUES or ICD courses.</p>	<p>Directors are required to understand how financial reports and statements are developed and the types of analysis required to effectively monitor results and variances. Additionally, they should have a basic knowledge of accounting standards and assumptions and legislative requirements in order to effectively oversee the financial performance of the credit union.</p> <p>To achieve this competency, directors should demonstrate an appropriate level of financial knowledge and understanding, ability to interpret financial reports and statements, and monitor corrective action to ensure financial goals and regulatory requirements are met.</p>	<ul style="list-style-type: none"> • Can interpret core financial statements, e.g. balance sheet and income statement • Demonstrates knowledge of statutory and regulatory requirements, e.g. IFRS. • Understands foundational financial analysis concepts and tools. • Can explain the nature and purpose of all financial reports prepared by management, and the purpose and uses of key financial ratios, financial trends, performance benchmarks and system/group comparison reports. • Identifies variances between actual financial performance and established financial budget and targets and understands the nature and extent of recommendations to address material variances. • Understands the concept of materiality with respect to financial statement information and variances.



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<p>Risk Oversight 2022 Area of Focus</p>	<p>Prior experience as a member of a credit or risk committee</p> <p>Knowledge/experience of risk frameworks</p> <p>Completion of related CUDA, CUES or ICD courses.</p>	<p>The Board is responsible for the oversight of the credit union’s risk management practices, including Enterprise Risk Management. Risk management involves identifying, measuring and managing significant risks and events that may impact an organization’s objectives. It encompasses policies, procedures and controls and how risks are managed.</p> <p>To achieve this competency, directors should demonstrate an appropriate level of knowledge and understanding of the risk management framework for identifying, measuring and managing the significant risks and events that may impact the credit union’s objectives.</p>	<ul style="list-style-type: none"> • Familiar with the nature and types of risks, which are faced broadly by financial institutions. • Demonstrates a solid understanding of the fundamental business risks inherent to connectFirst –e.g. credit, technology, liquidity and interestrate etc • Good knowledge of connectFirst enterprise risk management framework and policies, procedures and controls used to manage significant risks • Understands the Board’s risk assessment tools, criteria for measuring risk and risk management reports • Can identify and understands the nature and extent of any material risks to the credit union, the degree of exposure, how they are being monitored/mitigated • Able to question and engage in discussions around risks at the enterprise level • Contributes effectively to discussions/ decisions to manage and address identified risks.
<p>Governance & Ethics</p>	<p>Knowledge and experience in governance acquired by participating on other Boards either as a Board member or as an employee reporting to the Board</p> <p>Prior experience as a member of a governance committee</p> <p>Completion of related CUDA, CUES or ICD courses.</p>	<p>Directors are expected to provide prudent, independent and objective oversight to the plans, goals, policies and processes which govern and guide the way the credit union is directed and managed.</p> <p>Directors are expected to perform their responsibilities without any bias of self-interest and with due regard to the best interests of the credit union.</p> <p>To achieve this competency, directors should demonstrate an appropriate level of knowledge and understanding of the critical elements of good governance and ethics</p>	<ul style="list-style-type: none"> • Demonstrates knowledge of key governance principles, liabilities, policies, issues and trends. • Is aware of the roles and responsibilities of the board of directors and the Board within the larger governance framework (legal, regulatory, industry and business context). • Demonstrates, through their participation, independence of thought, accountability and transparency. • Understands and can articulate their fiduciary obligations • Demonstrates ethics (code of conduct) and personal integrity in acting in the best interests of the credit union. • Knows the roles of and interrelationships between the Board; Board and regulators; Board and senior management. • Contributes fully to the board and governance by: <ul style="list-style-type: none"> ○ asking appropriate questions, ○ identifying material variances or deficiencies, ○ being prepared for meetings, ○ supporting board decisions.



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<p>Audit and Compliance Oversight</p>	<p>Experience or knowledge of auditing practices, organizational controls and compliance measures</p> <p>Prior experience as a member of an Audit or Risk committee</p> <p>Completion of related CUDA, CUES or ICD courses.</p>	<p>Directors need to understand the risks facing the credit union, the ways in which management addresses and mitigates those risks and ensure that the financial statements accurately reflect the activities of the credit union. These functions are assessed through the activities which are carried out by a combination of internal and external auditors which involves systematically reviewing key risks and ensuring that any identified weaknesses or deviations from policy and legislative requirements are rectified by management.</p> <p>To achieve this competency, directors should demonstrate an appropriate level of knowledge and understanding of monitoring and auditing processes required to ensure compliance with the credit union’s policies, standards of sound business practices and regulatory requirements</p>	<ul style="list-style-type: none"> • Good knowledge of internal controls and procedures for financial reporting. • Basic knowledge of auditing techniques, generally accepted accounting standards and principles • Familiar with external audit cycle and legislative requirements. • Interprets and draws conclusions from the reports of the external auditor, internal auditor and regulators. • Asks appropriate questions about credit union policies, practices and reports. • Able to understand and interpret financial information, to ask appropriate questions and to challenge management. • Analyzes results and reports and contributes to discussion on material variances or weakness relating to audit and compliance.
<p>Legal/Regulatory</p>	<p>Prior experience as a member of a Governance committee</p> <p>Completion of related CUDA, CUES or ICD courses.</p>	<p>The credit union operates in a regulated environment, is governed by the Credit Union Act, Credit Union Bylaws and regulated by CUDGC and other legislation. The Act sets out the special nature of the credit union governance structure, business powers and lending and investment restrictions and limitations.</p> <p>To achieve this competency, directors should demonstrate an appropriate level of knowledge and understanding of the regulatory environment, policy development and the policies required to meet legal, regulatory and governance requirements.</p>	<ul style="list-style-type: none"> • Demonstrates appropriate knowledge of the Credit Union Act, CU Regulations and other relevant legislation. • Understands the legislative and regulatory environment in which the credit union operates • Knows how to gain reasonable assurance from management with respect to connectFirst controls and compliance with legal, regulatory and liability requirements • Familiar with the Standards of Sound Business Practice (Governance Standards) • Maintains good knowledge of the credit union’s by-laws and related policies. • Initiates/contributes to discussions on policy enhancements to deal with gaps in compliance and/or emerging regulation • Good understanding of the special nature of the credit union governance structure, business powers and lending and investment restrictions and limitations. • Understands the overall Board policy framework i.e., the areas in which policies are required and why.



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<p>CEO Performance Oversight</p>	<p>Prior experience as a member of an HR Committee</p> <p>Prior experience setting and evaluating performance goals for others</p> <p>Prior experience coaching and developing others</p> <p>Completion of related CUDA, CUES or ICD courses.</p>	<p>The Board supervises the affairs of the credit union through its oversight responsibilities and appoints a CEO to manage the day to day operations. The Board is required to conduct an assessment of the performance of the CEO. An objective evaluation and assessment of the CEO is important to ensure that responsibilities are effectively undertaken and that any deficiencies are appropriately and quickly identified and addressed.</p> <p>To achieve this competency, directors should demonstrate an appropriate level of knowledge and understanding of the tools and methodologies for monitoring and assessing the performance and development of the CEO to determine strengths, deficiencies and areas for improvement.</p>	<ul style="list-style-type: none"> • Contributes to the development of the relationship between the Board and the CEO. • Understands broadly concepts/models relating to performance assessment and evaluation techniques • Applies the performance and measurement system to the year-end assessment of the CEO, utilizing objective data and independent perspective • Contributes to the ongoing assessment of the CEO's performance. • Identifies opportunities for skills/performance improvement in the CEO. • Contributes to the setting of CEO performance goals to ensure they are aligned with the strategic direction and key business objectives



Specialty Skills/Experience

Competency	Professional Experience	Relevance to the Board	Value derived/expected contribution
<p>Technology/Data Governance</p>	<p>Background in the enterprise use of technology acquired through a senior leadership role, e.g. CTO or similar.</p> <p>Experience in one or more of the following:</p> <ul style="list-style-type: none"> • Oversight of enterprise technology platforms; • Senior leadership of business continuity, disaster recovery, cyber security initiatives or responses <p>Or</p> <p>Experience with data warehousing, business intelligence systems, knowledge management tools and how to get meaningful information out of the volumes of data that are available.</p>	<p>As information and its supporting technology become increasingly important to the success of an organization, governance of the organization’s use and management of its information and information resources, systems and technology is becoming an increasingly critical and necessary component of board activities</p> <p>Good IT governance is an effective means to reduce risk, mitigate the impact of IT-related disasters, lower the cost of capital and create enduring member value.</p>	<ul style="list-style-type: none"> • Demonstrates knowledge of how to measure and monitor IT effectiveness and the value IT is delivering for the business. • Contributes deeply to discussions regarding the effectiveness of IT Risk governance, i.e. the security of data and information, the integrity of hardware and systems and the implementation of key IT projects. • Demonstrates understanding of cybersecurity risk, the compliance issues. Is able to challenge the effectiveness of cybersecurity mitigation strategies and response plans. • Drills into IT partner risk to understand the effectiveness of oversight of material third-party suppliers or outsource partners. • Ability to contribute deeply to discussions regarding the robustness of the credit union’s business continuity/disaster recovery plans. • Brings an appropriately critical mindset regarding IT investments and clarifies their alignment to connectFirst strategic goals. • Familiar with the emergence of sophisticated business-intelligence and knowledge-management tools and how they can create competitive opportunities for those organizations able to leverage the resulting business insights.



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<p>Financial Expertise</p>	<p>A background in overseeing the financial operations of a complex organization, knowledge of audit practices or an accounting background, e.g. experience as CFO, senior finance leader or equivalent relevant role.</p> <p>A relevant university degree or higher or professional designation relating to Accounting or Finance, e.g. CPA/CMA.</p>	<p>The board has ultimate responsibility for overseeing the financial affairs of the credit union. In performing its oversight role the board must be able to see the big picture while at the same time recognize when a small financial discrepancy can become a major liability.</p> <p>Professional expertise in this area will support the depth and breadth of oversight required to ensure the credit union's financial health, long term financial stability and effective stewardship of the organization's assets.</p>	<ul style="list-style-type: none"> • Understands how to develop an overall financial strategy for an organization and metrics tied to that strategy. • Can offer expert insights into the credit union's financial planning and risk management strategies by analyzing and probing into liabilities and investments. • Provide insights related to proposed investment strategies, considering cash and liquidity risks, evaluating the credit unions capital structure • Provide insight into the effectiveness of the internal control systems, impairment testing, feasibility of financial forecasting • Ability to assess and ask meaningful questions regarding the overall financial health of the credit union and recognize signs of financial distress • Can provide additional perspective on the interrelationship of financial ratios and strategies to address any material variances in financial reporting/performance
<p>Enterprise Risk</p>	<p>Experience as Chief Risk Officer, senior Risk leader or equivalent relevant role.</p> <p>Experience/knowledge relating to key organizational risks in a wide range of areas including legal, regulatory compliance, financial and competitive risk.</p> <p>Exposure to and understanding of risk management frameworks and systems.</p> <p>Experience in regulated industries is an asset</p>	<p>Directors are responsible for risk oversight, including overseeing management's systems and processes for identifying, evaluating, prioritizing, mitigating, and monitoring risks.</p> <p>Every organization is exposed to multiple risks. Developing a full understanding of all the risks facing the organization and breadth of capability on the board is critical to ensuring business sustainability</p>	<ul style="list-style-type: none"> • Provide expert insight into the robustness of the credit union's ERM process and effectiveness of its risk management approaches, including risk tolerance and risk appetite. • Provide additional perspective on the interrelatedness of the various enterprise risks and any pre-existing conditions or vulnerabilities that could have a compounding impact (both in the short and long term) on the credit union • Digs deeper beyond quantitative risk assessments to constructively challenge the facts and assumptions management has used in identifying and evaluating risk. • Familiar with insurance and liability as well as compliance standards for the industry, including financial, property, operational, or personnel reporting, regulations, and standards. • Provides expert perspective into the effectiveness of the management of risks that threaten long term competitive success and survival, e.g. risks to connectFirst market position, critical resources and ability to innovate and grow • Can provide expert input into emerging risks and recognizes potential threats and opportunities



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<p>HR</p>	<p>Senior leadership experience (e.g. Chief People Officer) or expertise providing professional consulting services with respect to human resources including:</p> <ul style="list-style-type: none"> • Succession planning, executive compensation and compensation plan design • creating talent management strategies • Fostering organizational culture and employee engagement 	<p>The board has a responsibility to the employee stakeholder group to ensure an appropriate environment exists for employees and sound HR policies and practices are set and implemented.</p> <p>Oversight extends to ensuring there is a long term people strategy that creates a differentiated and sustained people advantage, is focused on the workforce of tomorrow and delivers leadership bench strength.</p>	<p>Ability to interpret Human Resources policy and programs and ask probing questions regarding their effect on business results, organizational culture and alignment with values, strategy, etc.</p> <p>Demonstrates strong knowledge of executive compensation practices and recruitment; trends and risks.</p> <p>Provides insight into the effectiveness of the credit union’s talent management, succession planning and leadership development approaches.</p> <p>Provides expertise relating to the selection and evaluation of the performance of the CEO.</p> <p>Understands the importance of culture and provides thought leadership to the board regarding their role in oversight, stewardship and support of organizational culture</p> <p>Keeps up to date with emerging people practices, e.g. flexible workplace/workforce, future of work, opportunities relating to diversity, equity and inclusion.</p>



Strategy related Specialty Skills

Competency	Professional Experience	Relevance to Board	Value derived/expected contribution
<p>Digital 2022 Area of Focus</p>	<p>Background in the strategic use of digital technologies acquired through a senior leadership role, e.g. CTO or similar.</p> <p>Experience in one or more of the following:</p> <ul style="list-style-type: none"> Leading a major digital technology initiative in a large organization. Building a Technology business. 	<p>New capabilities being brought about by the move to mobility and the cloud, IoT, AI, machine learning, robotics, social media, quantum computing are creating new challenges, opportunities, and risks arising from these emerging digital technologies.</p> <p>The board’s role in ensuring the long term sustainability of the credit union means they need to understand the implications these profound changes will have on the organization.</p>	<ul style="list-style-type: none"> Understands how digital technologies can create incremental value, and potentially entirely new digital revenue streams for an organization. Understanding of the ‘new digital’ world and its deployment in the financial services industry, i.e. digital banking. Ability to discern the digital experiences the credit union’s members and employees expect, with what the organization is doing to deliver those experiences. Ability to “think digitally”, providing oversight from a non- traditional perspective, i.e. shifting from a focus on capital investments in physical structures and products to one in which initiatives that are virtual and experimental. Understands the disruptive forces in the financial services marketplace created through digital innovation, its impact on the delivery of goods and services, changing customer expectations and methods of interaction with members, suppliers and business partners.
<p>Sustainability/ESG</p>	<p>Prior experience/background in leading community engagement initiatives and measuring their business value and social impact</p> <p>Experience with or knowledge of sustainable development goals</p>	<p>Environmental, Social and Governance (ESG) considerations are playing an increasingly important role across Canadian companies at both the board table and at an operational level. The impetus is growing for organizations to address ESG issues and opportunities.</p> <p>Additionally, increasingly stakeholders expect greater visibility of a broad range of non financial metrics to better understand diverse social and environmental risks.</p>	<ul style="list-style-type: none"> Demonstrates a high degree of sustainability literacy, especially on the most material environmental, social and governance (ESG) trends, risks and opportunities for an organization Understands how environmental and social change is impacting businesses, supply chains, members, employees and the communities they operate in Can integrate this understanding and knowledge with business objectives to provide expert insight into alignment with organizational strategy and how to create competitive advantage Knowledge of the growing expectations on boards for ESG disclosure and communications Provides thought leadership on how to integrate ESG into board processes and policies, e.g. board recruitment process, board diversity policy.



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<p>Innovation 2022 Area of Focus</p>	<p>Senior leadership experience (e.g. Chief Innovation Officer) or expertise providing professional consulting services with respect to driving innovation in a large organization.</p> <p>A background in marketing, research and development, product development, or strategy</p> <p>Experience in one or more of the following:</p> <ul style="list-style-type: none"> • Leading a major innovation initiative in a large organization; • Driving business growth through innovation, e.g. new product development/new revenue sources 	<p>With the exponential pace of change and to fulfill the Board’s obligation to ensure the long-term well-being of their companies, Boards need a deeper understanding of emerging potential business disrupters that may impact core operations. This includes knowledge of innovative new business models, new product categories or service offerings and what opportunities and threats they provide to the credit union</p> <p>Expertise in developing a compelling innovation strategy, governing innovation risk and oversight of appropriate investment in future focused innovation that differentiates connectFirst, and anticipates changes in the competitive environment will directly support connectFirst strategy.</p>	<ul style="list-style-type: none"> • Understands the credit unions innovation risk appetite and how to set Innovation goals to positively impact the company’s long-term financial performance. • Experience in methods and processes that support innovation, e.g. prototyping, agile development methods, minimal viable transformation, rapid failure, kill cycles etc. • Provides expert insight into the effectiveness of the organization’s innovation strategy, innovation portfolio and roadmap and its alignment with business direction, goals and priorities. • Provides insight into and appropriately challenges management on how planned innovations differentiate the company in the marketplace and provide unique value to members • Understanding of what is expected from innovation and what might be reasonable time frames and methods for review • Understands the importance of nurturing an innovation culture across the organization and provides thought leadership to the board regarding their role in oversight, stewardship and support of innovation



Competency	Professional Experience	Relevance to the Board	Value derived/expected contribution
<p>Entrepreneurial Leadership</p>	<p>Background in building and growing one or more successful business(es)</p> <p>Experience in new emerging industries and associated technology advancements which impact their business model, e.g. renewable or bio energy, agribusiness.</p>	<p>Entrepreneurship is important as it has the ability to improve standards of living and create wealth, not only for the entrepreneurs but also for related businesses.</p> <p>Entrepreneurs also help drive through new and improved products and enable new markets to be developed.</p> <p>Strengthening the board with this professional experience directly aligns with connectFirst Vision and Member Pledge.</p>	<ul style="list-style-type: none"> • Demonstrates deep business acumen and provides insight into marketing and sales approaches and business growth strategies • Understands how to organize capital, talent and other resources to translate entrepreneurial ideas into commercially viable propositions • Understands the risks and opportunities related to managing a new business venture • Knowledge of how to build and leverage business relationships, how to develop a compelling value proposition and brand strategy
<p>Business Transformation</p>	<p>Senior leadership experience in planning, developing and executing business transformation strategies and initiatives.</p> <p>Or</p> <p>Expertise providing professional consulting services with respect to driving large scale organizational change, e.g. new technology adoption, business process transformation, strategic change and cultural adoption.</p>	<p>Business Transformation is a key component underpinning the successful delivery of connectFirst Member Experience. Focusing on redesigning core business processes can achieve dramatic improvements in productivity, cycle times and quality. It can reduce costs, eliminate unproductive activities, accelerate information flows and eliminate errors and rework caused by multiple hand offs.</p> <p>Strengthening the board with this professional experience aligns with connectFirst Vision and Member Pledge.</p>	<ul style="list-style-type: none"> • Understands what is involved in analyzing complex processes and operating environments, architecting holistic improvements (covering process, technology and organization), quantifying operational and financial benefits. • Expert knowledge of a variety of transformation tools, e.g. Lean, Six Sigma and Agile. • and how to use them to deliver better member experience, quality, efficiency and compliance • Understands how to establish and ensure appropriate governance for business transformation initiatives and critical program/project controls and procedures. • Provides insight into planned Business Transformation strategy, opportunity portfolio, and priorities.