

Annual General Meeting

Member Kit

ANNUAL GENERAL MEETING

Date	Time	Location
Wednesday, March 13, 2024	5:45 pm Virtual Lobby Opens 6:00 pm Call to Order	Virtual Meeting, Cisco WebEx

A G E N D A

1. Call to Order
2. Declaration of Quorum
3. Introductions
4. Approval of Agenda
5. Approval of Rules of Order
6. Approval of Minutes
 - a. AGM March 15, 2023
 - b. SGM September 20, 2023
 - c. SGM November 9, 2023
7. Financial Report (F2023)
8. Board Governance Report
9. CEO Report
10. Adjournment
11. Question & Answer Period

ANNUAL GENERAL MEETING - RULES OF ORDER

1. Apart from procedural motions related to conduct of the business of the meeting, the only motions or resolutions that shall be in order are those that are included in the approved agenda for the meeting. No business other than the business of the meeting set out in the approved agenda shall be considered at the meeting.
2. Each member is responsible for their own audio, internet and all other technological connections. No action shall be invalidated on the grounds that the loss of, or poor quality of, a member's connection prevented participation in the meeting.
3. In order to gain recognition to speak for any of the following purposes please enter one of the following into the chat box:
 - "point of order" (if a member believes a rule is being broken)
 - "objection" (when called for by the chair)
 - "motion" (seek recognition from the Chair to make a motion)The chat function is only visible to the host. The chat box is also the method that will be used if a member needs to submit a motion or amendment to a motion in writing.
4. A member, or designated representative, wishing to bring forward a question or discussion point on any matter, at a meeting, must type their question or comment into the Q&A Channel during the prescribed discussion period for the item on the agenda. Questions will be answered verbally by the Chair, or a designate thereof.
5. A member, or designated representative, must identify by name to engage in motion making, discussion or questions.
6. Discussion and questions must be relevant to the pending motion or agenda item. A Member, or designated representative shall be limited to two (2) questions each on pending business or during the prescribed Q&A period.
7. Voting on all questions during the meeting shall be conducted through the available online meeting platform or by another method as determined by the Chair. Ballots will be launched when the Chair calls for a vote. After a vote is conducted, the meeting scrutineer will ascertain the vote totals and provide the result to the Chair, who will announce the result to the meeting attendees.
8. All persons present at a meeting must be respectful to others and avoid personal attacks, or disorderly or discourteous behaviour. Any person causing a disturbance at the meeting may be removed from the meeting at the direction of the Chair. The Chair's decision to do so, which is subject to an undebatable appeal that can be made by any member, shall be announced during the meeting and recorded in the minutes.

9. Reports are deemed to be received when presented or read before a meeting. Reports do not need to be approved, or accepted, by a carried motion.
10. Ballots used in today's meeting will be destroyed promptly following today's meeting.
11. The Chair may declare the meeting adjourned on conclusion of all business set forth on the adopted agenda.



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MINUTES

Annual General Meeting

Wednesday, March 15, 2023

Hybrid Meeting: TELUS Spark, Calgary | AITL APP (virtual)

IN PERSON:

Board Members:

Andrew Eberl, Chair	Matthew Becker
Michel Cantin, 1 st Vice-Chair	Karim Teja *remote
Carey Taubert, 2 nd Vice-Chair	Robert Petryk
Charlie Van Arnam	Anne Johnson
Cindy Skrukwa	William O'Yeung
Darlene Harris	

Management:

Don Coulter, CEO	Kendra Holland, Chief Risk & Admin Officer
Muhammad Shalwani, Chief Financial Officer	Barry Hensch, EVP IT Amplified
Bob Webb, Chief People, Brand & Culture Officer	Kathleen Hurtubise, EVP Consumer & Wealth
Catherine Boynton, Chief Technology Officer	Jim Shore, SVP Credit Risk

Guests:

Peter Davis, Parliamentarian	
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Recording Secretary: Sara Scott, Board Executive Assistant

CALL TO ORDER

A. Eberl called the meeting to order at 7:00 p.m. and announced that a total of 321 members attended the “Call to Order” virtually and in person, thereby establishing a quorum.

A. Eberl introduced the land acknowledgement by playing a short video

A. Eberl welcomed everyone attending in person and virtually and reviewed the functionality of the platform and features to be used. All motions presented will use online poll for virtual attendees and show of hands for in person attendees.

A. Eberl introduced 1st Vice Chair Michel Cantin who would assume the role of chair if A. Eberl experienced technical difficulties or was unable to continue. He then introduced CEO, Don Coulter and Peter Davis who acted as Parliamentarian. Current Board Members and Executive Leadership Team were also introduced.

RULES OF ORDER

A. Eberl referred to the Rules of Order that were contained in the member information package and asked for a motion to approve the Rules of Order.

MOTION: Katy McCreddie | Dennise Yambao

To approve the Rules of Order as presented. **Carried.**

APPROVAL OF AGENDA

A. Eberl addressed the agenda and asked for a motion to approve as presented.

MOTION: Maureen McLeod | Sara Scott

To approve the agenda as presented. **Carried.**

APPROVAL OF MINUTES

A. Eberl addressed the minutes from the March 9, 2022 AGM. Seeing no corrections or questions arising from the minutes, he asked for a motion to approve the minutes as presented.

MOTION: Dennise Yambao | Abigail Myrie

To approve the March 9, 2022 minutes as presented. **Carried.**

REPORTS (F2022)

A. Eberl informed the membership of reports presented within the published materials:

- Audit & Finance Committee Report
- Risk Committee Report
- Board Governance Report

- F2022 Financial Statements, Management’s Discussion & Analysis and KPMG External Auditor’s Report.

FINANCIAL REPORTS (F2022)

A. Eberl invited Muhammad Shalwani, Chief Financial Officer to present highlights of the fiscal 2022 financial reports. These included total assets, member equity, dividends, and operating position. Mr. Shalwani also spoke to loan and deposit growth, comprehensive income and community support.

The Management Discussion and Analysis Report and Financial Statements are available within the member kit and on the connectFirst website.

BOARD GOVERNANCE REPORT

A. Eberl referred the membership of the Board Governance Report available in published materials and provided an overview of governance activities of connectFirst in 2022. Top items included:

- CEO Search and transition process
- Building on the Board’s Diversity Equity, and Inclusion approach
- Bylaw Review
- Instilling an Environmental Social Governance (ESG) lens to all strategic board discussions
- Enterprise Risk Management Framework
- Discussion with Servus Credit Union and intent to merge announcement

A. Eberl then invited Michel Cantin, Governance Committee Chair to present to the membership

BYLAWS

M. Cantin presented all proposed amendments to the bylaws for the consideration by the Membership. After presentation, Members were asked to bring forward questions for response.

M. McLeod asked that the members consider a change to bylaw 11.1 concerning Board member frequency to simplify the language used. This bylaw was not one of the amended sections and could be brought forward to the next AGM. After consideration, the change was accepted by the Board Chair, , as it did not change the intent or meaning of the bylaw. A motion was asked to approve the proposed amendment, followed by motion to approve all original amendments presented.

MOTION: Maureen McLeod | Cindy Skrukwa

To amend the bylaw 11.1 The Board shall not meet less than four (4) times per year.” to “The Board shall meet at least four (4) times per year.” **Carried.**

MOTION: Michel Cantin | Ryan Andries

That the Membership of Connect First Credit Union Ltd. approve the bylaw amendments as presented by the Board of Directors. **Carried.**

KENDRA HOLLAND

A. Eberl then invited Kendra Holland, former interim CEO to present highlights from fiscal 2022.

- connectFirst was recognized as Credit Union of the Year by Alberta Association of Credit Union.
- Recognized as Deloitte's Best Managed Company for 22nd consecutive year.
- Innovation and automation of many internal and member facing processes to improve efficiency and effectiveness for our employees and members. These include enhanced digital platforms and banking applications, increased data security and easier, faster account opening for our members.
- Launch of flexWork program for our employees
- Established an employee Diversity, Equity and Inclusion Committee
- Exceeded employee scorecard metrics from loan growth, member growth and Net Promotor Score.
- Volunteer and community commitment and supporting the business of our communities.

CEO REPORT

D. Coulter thanked the Board for the opportunity to serve connectFirst as the next CEO and provided a brief introduction to who he is, his leadership style and excited for the opportunities and possibilities with the recent intent to merger announcement. D. Coulter also gave a recap of credit union history and milestones that have been accomplished in the credit union system.

D. Coulter closed by stating how truly welcome he has felt by the connectFirst family and is honoured to be a part of connectFirst.

Q&A

Members attending virtually and in person were invited to ask questions, to be answered by the Board Chair, CEO and other members of the Executive Team.

Questions were received and answers given for the following topics:

- Clarification on financial statements as it relates to professional fees
- Open banking
- GIC and Deposit Rates, credit card options and credit products
- Products for newcomers/immigrants to Canada
- Allocation of marketing and community investment funds
- Intent to merge with Servus Credit Union

BOARD ELECTION RESULTS AND TRIBUTE TO RETIRING DIRECTORS

A. Eberl then invited Anne Johnson, Nominations Committee Chair to present the 2023 Director Elections results.

A. Johnson provided his report on the process and results of the 2023 director elections. She congratulated the successful candidates and thanked the outgoing directors.

The successful candidates announced were:

- Adil Lalani, 3-year term
- Carey Taubert, 3-year term
- Shannon Rennie, 3-year term
- Tim Crowe, 3-year term

A. Johnson then turned the meeting back over to Chair. A. Eberl asked if there were any questions relating to the election process, M. Cantin confirmed there were no questions posted online and none were raised in person.

A. Eberl then acknowledged and thank the retiring directors on behalf of connectFirst:

- Charlie Van Arnam
- Bob Petryk

A. Eberl addressed the destruction of voting ballots from the 2022 and 2023 Board Election.


MOTION: Brenda Mitchell | Charlie Van Arnam

To approve the destruction of ballots from the 2022 and 2023 Board Elections. **Carried**


ADJOURNMENT:

Motion: Bob Petryk | Dan Stephens

To adjourn the AGM at 7:59pm. **Carried.**

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 ANDREW EBERL, Chair

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 SARA SCOTT, Recording Secretary



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MINUTES

Special General Meeting

Date: Wednesday, September 20, 2023

Time: 5:45 p.m. Virtual Lobby Opened | 6:00 p.m. Call to Order

Location: Virtual Platform

Board Members:

Andrew Eberl, Chair	Michel Cantin
Anne Johnson, 1 st Vice-Chair	Karim Teja
Carey Taubert, 2 nd Vice-Chair	Adil Lalani
Cindy Skrukwa	Shannon Rennie
Darlene Harris	William O'Yeung
Matthew Becker	Tim Crowe

Management:

Don Coulter, CEO	Kathleen Hurtubise, Chief Member Experience Officer
Bob Webb, Chief People, Brand & Culture Officer	Kendra Holland, Chief Merger Officer
Catherine Boynton, Chief Technology Officer	Jim Shore, Interim Chief Risk & Administration Officer
Muhammad Shalwani, Chief Financial Officer	Barry Hensch, EVP Amplified Experience

Parliamentarian:

Todd Brand, Todd Brand Consulting

Recording Secretary:

Lynne Burns, Executive Assistant to the CEO

1.0 CALL TO ORDER

Mr. Eberl, Chair of the Board of Directors, called the meeting to order at 6:02 p.m. and noted the meeting was being recorded.

2.0 DECLARATION OF QUORUM

Mr. Eberl confirmed quorum with over 830 members in attendance virtually.

3.0 OPENING CEREMONIES AND INTRODUCTIONS

Mr. Eberl welcomed everyone and introduced CEO Don Coulter, and Kendra Holland, Chief Merger Officer. Also introduced were, Parliamentarian Todd Brand, scrutineers Dina Lad and Kevin Sotvedt.

In the event Mr. Eberl could not continue for any reason, Anne Johnson 1st Vice Chair was on hand to resume the meeting as Chair.

Following this Mr. Eberl introduced the Board members and the executive leadership team.

Mr. Eberl reviewed housekeeping matters inclusive of the virtual meeting platform functionality, chat box, how to raise points of order, and the voting procedures.

At 6:06pm the meeting was paused for 2 minutes to consider a point of order.

At 6:13pm the meeting resumed, and Mr. Eberl provided the following related to the point of order.

Point of Order: A member raised concerns related to technical issues experienced by some members.

Mr. Eberl determined that time would be given for members to log out and re-log in to fix this error. The meeting was paused to facilitate this.

At 6:18pm the meeting resumed, Mr. Eberl explained some members were experiencing issues with the app – he advised members to retrieve the email with their SGM link and rejoin through the web browser. The meeting was paused to give time to members to accomplish this.

At 6:25pm the meeting resumed, Mr. Eberl advised the access issue appeared to be resolved. The meeting continued.

Ms. Holland read the point of order summarized here:

Point of Order: A member commented on SGM notice via email and via Canada Post. The member noted they don't have a registered email address with Connect First and therefore had not received any notification of the SGM through that format. They stated this may also be the case for other members. This member however did confirm receiving notice of the SGM via Canada Post.

Mr. Eberl explained requirements in the Credit Union Act governing the notice process and that all members were sent physical notice of the SGM to their mailing address using Canada Post. SGM notice information was supplemented by email, social media and provided in branches.

Mr. Eberl continued the review of housekeeping matters noting how to bring forward motions and that

they would be moved and seconded by board members. Next the voting procedures were reviewed with explanation that a majority would be needed to pass most main motions while the adoption of meeting rules and the special resolution would require 2/3 votes in favour.

A practice ballot and vote was conducted. The practice ballot and vote was redone to ensure accuracy. At 6:32pm Mr. Eberl confirmed 746 votes in favour and 123 against were recorded on test question. This confirmed the voting platform was working.

Mr. Eberl then explained the Q&A tool and process.

4.0 APPROVAL OF RULES OF ORDER

Mr. Eberl reviewed the Rules of Order contained in the member information package and on the platform including the process for the question-and-answer session.

6:35 pm Mr. Eberl paused the meeting to speak to the Parliamentarian.

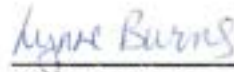
6:39pm the meeting resumed, Mr. Eberl asked that individuals still experiencing accessibility problems to log out and log back in, advising that for those who had done so, the problem appeared to resolve. The meeting was paused to give members time to rejoin.

6:55pm the meeting resumed, Mr. Eberl thanked members for their patience. Finding that technical issues had not fully resolved and noting the importance of the vote and integrity of the process, Mr. Eberl advised that the meeting would be adjourned, and notice reissued via Canada Post for an SGM in the near future.

At 6:54pm Mr. Eberl declared the meeting adjourned.



ANDREW EBERL, Chair



LYNNE BURNS, Recording Secretary



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MINUTES

Special General Meeting

Date: Thursday, November 09, 2023

Meeting Start: 7:00 p.m.

Location: BMO Centre – 20 Roundup Way SE Calgary, AB

Board Members:

Andrew Eberl, Chair	Michel Cantin
Anne Johnson, 1 st Vice-Chair	Karim Teja *absent
Carey Taubert, 2 nd Vice-Chair	Adil Lalani
Cindy Skrukwa	Shannon Rennie *absent
Darlene Harris	William O'Yeung
Matthew Becker *absent	Tim Crowe

Management:

Barry Hensch, EVP Amplified Experience	Jim Shore, Interim Chief Risk & Administration Officer
Bob Webb, Chief People, Brand & Culture Officer	Kathleen Hurtubise, Chief Member Experience Officer
Catherine Boynton, Chief Technology Officer	Kendra Holland, Chief Merger Officer
Don Coulter, Chief Executive Officer	Muhammad Shalwani, Chief Financial Officer

Parliamentarian:

Todd Brand, Todd Brand Consulting	Recording Secretary: Lynne Burns, Executive Assistant to the CEO Kim Langille, Executive Assistant to Chief Technology Officer
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1.0 CALL TO ORDER

Mr. Eberl, Chair of the Board of Directors, called the meeting to order at 7:05 p.m.

2.0 DECLARATION OF QUORUM

Mr. Eberl confirmed quorum with 924 members in attendance.

3.0 MEETING CEREMONIES & INTRODUCTIONS

Mr. Eberl welcomed everyone and introduced CEO Don Coulter, Parliamentarian Todd Brand and MNP LLP as scrutineer, led by Kris Kornelsen.

In the event Mr. Eberl could not continue for any reason, Anne Johnson, 1st Vice Chair was on hand to resume the meeting as Chair.

Following this, Mr. Eberl introduced the board members and the executive leadership team and welcomed invited guests.

Mr. Eberl reviewed housekeeping matters inclusive of Q&A, mic protocol, motions and voting procedures.

4.0 APPROVAL OF AGENDA

Mr. Eberl presented the proposed agenda contained in the member information package and asked if there were any objections to approving it. Hearing no objections, the agenda was approved as presented, by unanimous consent.

5.0 APPROVAL OF RULES OF ORDER

Mr. Eberl asked that the Rules of Order contained in the member information package be approved as presented. Hearing no objections, the Rules of Order were approved as presented by unanimous consent.

6.0 AMALGAMATION PRESENTATION

Mr. Eberl delivered the amalgamation presentation followed by the amalgamation motion.

MOTION: mover DARLENE HARRIS | seconder MICHEL CANTIN

It is moved that:

- having been presented with the Amalgamation Agreement for the amalgamation of connectFirst and Servus and upon hearing the recommendation of the Board of Directors of connectFirst that it is in the best interest of connectFirst to enter into the Amalgamation Agreement, the members approve the Amalgamation Agreement;
- and the officers and directors of connectFirst are hereby authorized to do all things and to execute all instruments and documents necessary or desirable to carry out and give effect to the amalgamation of connectFirst and Servus in accordance with the terms and subject to the conditions set forth in the Amalgamation Agreement.

7.0 Q&A SESSION

At the conclusion of the amalgamation presentation, Mr. Eberl welcomed questions from members.

Several members presented questions and comments on the merger, the future expectations on service levels, rural location service, employee opportunities, community commitments, financial cost of the merger, board representation, AI and sustainability in the future. Both Mr. Eberl and Mr. Coulter answered questions and acknowledged comments.

8.0 SPECIAL RESOLUTION VOTE

Mr. Eberl reviewed the instructions for the ballot vote and that two thirds of votes cast must be in favour for the vote to pass. Mr. Eberl re-read the resolution and asked members to vote, noting a 3-minute pause for this process followed by a 15-minute recess for the scrutineers to tally the votes.

8:07pm ballot casting began, 8:11pm voting closed.

8:12pm ballot count began, meeting recessed for 15 mins.

8:25pm another 5 mins requested to complete the ballot count.

Mr. Eberl resumed the meeting at 8:31pm and announced the results.

There were 954 ballots cast with 810 in favour, 144 against. With 84.9% votes in favour, more than two thirds votes in favour, the motion carried.

Mr. Eberl thanked members for their vote and securing this step toward the merger. Mr. Eberl informed the membership that the final step needed would be regulatory approval and once that decision is received, we will provide updates via our usual methods of communication. Results of the SGM vote will be posted on the website following the meeting.

9.0 ADJOURNMENT

At 8:34pm Mr. Eberl declared the meeting adjourned.


ANDREW EBERL, Chair


LYNNE BURNS, Recording Secretary
KIM LANGILLE, Recording Secretary

Audit and Finance Committee Report

The role of the Audit and Finance Committee (“AFC”) is to ensure that an independent and effective control framework for the protection of member assets has been implemented by management of connectFirst Credit Union (“connectFirst”). It does this by reviewing reporting on the assessment, management and monitoring of the financial integrity and internal control environment of the credit union. The AFC consists of five directors and as required by the Credit Union Act, the AFC met on a regular basis in Fiscal 2023. Key activities included:

- Reviewed financial performance, including comparison of actual results to budget and trend analysis;
- Reviewed the quarterly and annual audited consolidated financial statements and notes to these financial statements, prepared in accordance with International Financial Reporting Standards (“IFRS Accounting Standards”), and recommended their approval to the Board of Directors (the “Board”);
- Met with internal and external auditors on a quarterly basis to review accounting and auditing issues;
- Reviewed the Audit Findings Report of connectFirst as completed by the external auditor, for the year ended October 31, 2023;
- Reviewed and approved the Management Discussion & Analysis for the year ended October 31, 2023;
- Reviewed all Financial and Statistical reports as submitted to our regulator
- Reviewed internal and external audit reports, including scope, plan, audit methods, quality of reporting, and audit results;
- Monitored areas of financial risk including asset liability management, capital, liquidity and investments;
- Reviewed and recommended distribution of earnings through common share and investment share dividends for the fiscal year to the Board;
- Reviewed and approved the credit union’s borrowing facilities;
- Reported the committee’s activities and action plans to the Board.

The AFC is pleased to report to the members of connectFirst that it receives full cooperation and support from management, thus enabling it to play an effective role in risk oversight, and enhancing the overall control environment at connectFirst.

The AFC, relying on management reports, internal audit reports, and external audit reports, believes that connectFirst operates using sound business practices, benefits membership and protects the assets of the organization.

Respectfully submitted,

Carey Taubert
Audit and Finance Committee Chair

Board Risk Committee Report

The Risk Committee (the “Committee”) assists the Board of Directors (the “Board”) in fulfilling its oversight responsibilities. It does this by reviewing reporting on identification, assessment, management and monitoring of risks and controls which management and the Board have established. The Committee consists of five directors who met on a regular basis in fiscal 2023 to complete its responsibilities. Key activities included:

- Review and recommend to the Board for approval the annual risk appetite, which sets out the nature and extent of risks that are acceptable to the credit union to incur in pursuit of its strategic direction.
- Monitored loan delinquency levels and reviewed the allowance for impaired loans, as reported by management. This monitoring ensures that the Board is satisfied that management has properly accounted for anticipated future loan losses.
- Discussed emerging risks faced by the credit union, either brought forward by management or by committee members.
- Received reports from management on significant activities such as the risks related to third-party or vendor risk, evolving technology employed at or planned for the credit union, and IT governance maturity assessments.
- Monitored key risk appetite categories including strategic risk (including capital), credit risk, market risk, liquidity & funding risk, operational risk, cyber security risk, information technology risk, regulatory & legal risk as the significant risks that may impact the credit union, as reported by management.
- Monitored the continuing maturity of the credit union’s Enterprise Risk Management (ERM) program.
- New committee members attended an orientation session on the ERM program at connectFirst Credit Union (“connectFirst”) to understand the ERM Framework and benefits of the program.
- Reviewed and recommended key policies for Board approval to ensure that board policies reflect any changes in applicable legislation, regulations, or industry best practices, and remain aligned with management policies.
- Followed the Terms of Reference for the Committee to make certain that Board and management responsibilities with regards to Risk Management continue to be defined and understood.
- Reported the committee’s activities and action plans to the Board.

The Committee is pleased to report to the members of connectFirst that it receives full cooperation and support from management, thus enabling it to play an effective role in risk oversight and enhancing the overall control environment at connectFirst. The Committee, relying on management reports, internal audit reports, and external audit reports, believes that the credit union operates using sound business practices, benefits the membership and protects the assets of the credit union. In 2023, our connectFirst team did a remarkable job of identifying and managing risk throughout a high-risk and volatile environment. Across our organization, a risk awareness culture and risk management maturity were clearly demonstrated and are commended by the Committee.

Respectfully Submitted,

Michel Cantin

Risk Committee Chair

Board Governance Report

At connectFirst Credit Union, we are dedicated to achieving excellence in governance. Our commitment is twofold: to ensure the long-term financial stability of our credit union through our strategic oversight and to remain deeply connected with and relevant to the communities we serve, while honouring our cooperative roots. Our governance approach reflects our core values of transparency, openness, teamwork, and accountability.

This board governance report is intended to provide you – our members – with a holistic view of the Board of Directors' activities and how our work adds value to the credit union and the membership.

Through continuous refinement of our practices, we always aim to uphold the highest standards of governance excellence. Our efforts are guided by four key governing principles:

- **Relevance.** We're committed to staying in touch with our members' needs and ensuring our credit union plays a vital part in their lives.
- **Renewal.** Our governance practices are designed to foster board renewal.
- **Effectiveness.** We're committed to ensuring our board is comprised of individuals who are not only skilled and knowledgeable but dedicated to our credit union's success. Regular assessments of our governance processes ensure we are effective in our roles and capable of making informed decisions.
- **Accountability.** We uphold the highest standards of accountability and integrity. Decisions and actions taken by the Board are made in best interests of our credit union.

Transparency is central to our governance practices, which is an important aspect of achieving accountability within the Board. It's this level of transparency that fosters trust and confidence in the governance process. Each year, we undertake significant efforts to uphold our standards of governance excellence. This includes a thorough review of our policies to ensure they stay aligned with regulatory requirements and best practices. We also provide strategic guidance on major transformative initiatives.

Through our regular board meetings, we're informed of the needs and activities of our members. In the context of the Fiscal Year 2023, particularly the proposed merger with Servus Credit Union. These touchpoints are critical to help us thoroughly understand how this strategic move can enhance the financial well-being of both individual and business members, as well as the credit union itself.

Oversight of the leadership team is carried out with the utmost care, in line with our goal of safeguarding connectFirst's long-term financial stability, so that we can continue to serve our members needs effectively, today and into the future. As we progress through our member journey, we recognize and celebrate the potential benefits this exciting transformation will bring. Parallel to this, we continue to be focused on our commitment to **Make Money Make a Difference** by being a beacon for financial success and prosperity in Alberta. Even as we navigate this merger, we stand firm in our commitment to empowering our members financially by understanding and connecting them with the necessary knowledge and tools to thrive.

Commitment to the oversight of our credit union's overall health is also anchored in our application of connectFirst's Enterprise Risk Management Framework. This allows us to proactively assess and address risks that could significantly impact our reputation, financial stability, and organizational health. In addition, we are committed to guiding connectFirst's business strategy. We challenge ourselves and our leadership team to examine the financial landscape and emerging trends through strategic lens. This approach is also rooted in our guideposts, **Differentiate**, **Expand**, and **Transform**, which serve as the foundation for our continued resilience and success.

Our governance practices are established in adherence to the regulatory guidance provided in the Credit Union Act ("the Act") which informs all aspects of our strategic decisions. This ensures our governance practices not only comply with regulatory requirements but are also aligned with our key governance guiding principles.

This year, as we faced the possibility of a potential amalgamation with Servus Credit Union, the board undertook a meticulous review of our board recruitment approach. Recognizing the need for proactive planning in the event the amalgamation did not occur or was delayed, the board developed a contingency plan to ensure that, regardless of the amalgamation's outcome and timing, our governance structure would maintain the knowledge and ability to act responsively to the needs of our credit union.

In anticipation of the merger, which would result in the formation of a unified board for the NewCU, stability and continuity in governance was our key focus. This focus led to the Board's decision to approve the endorsement of incumbent directors whose terms expire March 2024, resulting in acclamation of four (4) director candidates. The four (4) acclaimed directors are appointed a one-year term or to serve up to the date of the amalgamation with Servus Credit Union Ltd., whichever comes first. This decision was essential to maintaining a steady course through the transition, and was made with utmost care.

Another cornerstone of our board's governance responsibilities is the selection and appointment of a Chief Executive Officer (CEO). This task, arguably one of the most critical decisions we face, needs thorough due diligence and balanced consideration of candidates, within and outside of the organization. In 2023, this responsibility took on additional complexity due to the ongoing discussions about our potential merger.

Throughout this period, our main concern has remained the welfare and best interests of our employees, members, and credit union. The decision to recruit and hire a CEO was not made lightly. It was a decision that demanded a forward-looking approach, recognizing the need for stable and effective leadership to guide connectFirst through times of change. By prioritizing the credit union's immediate and long-term needs, the board has shown our commitment to stewardship and strategic foresight, ensuring connectFirst remains poised for success, regardless of the merger's outcome.

Board Member Attendance

The Board of Directors maintains the Board Attendance Policy as directed by the Credit Union Act and governed by our bylaws. The policy governs all regularly scheduled board and committee meetings as represented in the approved annual meeting calendar. The Governance Committee reviews all board member attendance quarterly to ensure compliance.

Board Attendance for April 1, 2023 – March 13, 2024

Board Member	Committee Meetings Recorded Absence	Board Meeting Recorded Absence	In Compliance
Adil Lalani <i>Audit & Finance Committee Member Risk Committee Member</i>	none	none	yes
Andrew Eberl <i>Board Chair, Governance Committee Member HR Committee Member</i>	Jun. 5	none	yes
Anne Johnson <i>1st Vice Chair Governance Committee Chair Risk Committee Vice Chair</i>	none	none	yes
Carey Taubert <i>2nd Vice Chair Audit & Finance Committee Chair Nominations Committee Chair</i>	none	Apr. 4 board re-org	yes
Cindy Skrukwa <i>HR Committee Member Governance Committee Vice Chair</i>	none	Apr. 4 board re-org	yes
Darlene Harris <i>Audit & Finance Committee Member Risk Committee Member Alberta Central Board Representative</i>	none	Apr. 4 board re-org	yes
Karim Teja <i>HR Committee Vice Chair Audit & Finance Committee Vice Chair</i>	none	Apr. 4 board re-org	yes
Matthew Becker <i>HR Committee Chair Nominations Committee Vice Chair</i>	none	Sep. 5	yes
Michel Cantin <i>Governance Committee Member Risk Committee Chair</i>	none	Jun. 13	yes
Shannon Rennie <i>Governance Committee Member Nominations Committee Member</i>	none	none	yes
Tim Crowe <i>HR Committee Member Risk Committee Member</i>	none	none	yes
William O'Yeung <i>Audit & Finance Committee Member Nominations Committee Member</i>	Apr. 27	none	yes

Compensation

The Board maintains a Board Remuneration Policy, which is reviewed every two years with any recommendations for change being validated by an external third party.

In the chart below, you will find Board members annual remuneration for FY2023 (November 1, 2022 – October 31, 2023) based on the flat-fee retainer model within policy. The greater expectations and time commitment required of those in board leadership roles, i.e., Board Chair, 1st and 2nd Vice Chair, and/or Committee Chair roles, is acknowledged and rewarded through a differentiated remuneration level.

Active Board Member	Flat-Fee Retainer
Adil Lalani * <i>Audit & Finance Committee Member</i> <i>Risk Committee Member</i>	17,937.50
Anne Johnson <i>1st Vice Chair</i> <i>Governance Committee Chair</i> <i>Risk Committee Vice Chair</i>	41,854.22
Andrew Eberl <i>Board Chair</i> <i>Governance Committee Member</i> <i>HR Committee Member</i>	61,500.00
Carey Taubert <i>2nd Vice Chair</i> <i>Audit & Finance Committee Chair</i> <i>Nominations Committee Chair</i>	43,989.62
Cindy Skrukwa <i>HR Committee Member</i> <i>Governance Committee Vice Chair</i>	30,750
Darlene Harris <i>Risk Committee Member</i> <i>Audit & Finance Committee Member</i> <i>Alberta Central Board Representative</i>	30,750
Matthew Becker <i>HR Committee Chair</i> <i>Nominations Committee Vice Chair</i>	35,874.96
Michel Cantin <i>Governance Committee Member</i> <i>Risk Committee Chair</i>	40,145.86
Karim Teja <i>HR Committee Vice Chair</i> <i>Audit & Finance Committee Vice Chair</i>	30,750
Shannon Rennie * <i>Governance Committee Member</i> <i>Nominations Committee Member</i>	17,937.50
Tim Crowe * <i>HR Committee Member</i> <i>Risk Committee Member</i>	17,937.50
William O'Yeung <i>Audit & Finance Committee Member</i> <i>Nominations Committee Member</i>	30,750
Active Board Members - Total	400,177.16

Retired Board Member	Flat-Fee Retainer
Robert Petryk**	14,947.90
Charlie Van Arman**	12,812.50
Retired /Resigned Board Members – Total	27,760.40
OVERALL TOTAL	427,937.56

*Initial Term - Board Members reimbursed from Mar. 2023 – Oct. 31, 2023

** Retiring Board Members: Reimbursed from Nov. 1, 2022 – Mar. 2023

Respectfully submitted,
 Andrew Eberl, Board Chair