

# 2022

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## Corporate Governance Report From the Board of Directors



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## CORPORATE GOVERNANCE REPORT FROM THE BOARD OF DIRECTORS

Coastal Community Credit Union's (CCCU) Board of Directors continues to be committed to the highest standards of Corporate Governance to demonstrate our stewardship to members, employees and the communities we serve. Good governance is essential to the effective operation of CCCU and its ongoing success.

### Corporate Governance Framework

Directors have a responsibility to our membership, our employees, and our communities to maintain the balance between economic and social goals and between individual and collective goals. The corporate governance framework mandates the efficient use of limited resources and accountability for the stewardship of those resources by the Board of Directors.

The term "corporate governance" has come to mean many things. In our Credit Union, it describes:

- the processes by which the Board of Directors direct and control the Credit Union,
  - the processes and procedures by which the Credit Union complies with legislative and regulatory requirements, and
  - the processes by which fiduciary responsibilities are carried out on behalf of the Credit Union's membership.
- For greater clarity, board fiduciary duties are described as including:
- **Duty of Care:**  
Discharge of duties in good faith, in a manner that is in the best interest of the credit union. Devoting the resources to understand and oversee the affairs of the credit union.
  - **Duty of Loyalty:**  
Requires the director to set aside personal or conflicting interest and act solely in the best interest of the credit union when making a decision or acting on behalf of the credit union.
  - **Duty of Obedience:**  
Requires the director to obey all laws and regulations pertaining to the credit union and act in furtherance of the credit union purpose.

The corporate governance framework details the processes and procedures for making decisions on Credit Union affairs. It also provides the structure through which the Board of Directors set objectives, as well as the means of attaining and monitoring the achievement of those objectives. The corporate governance framework encompasses the principles of fiduciary duty and accountability.



## Principles of Corporate Governance

The Board of Directors has established a number of principles to guide corporate governance policies and procedures. These principles will provide direction as corporate governance policies and procedures are refined and developed, and as the Credit Union and the Board of Directors evolves and develops. These principles are as follows:

1. **Accountability** – we are accountable to our members for our actions, decisions and behaviour.
2. **Communications** – we are committed to timely, open and respectful communication as it is paramount to the effective operation of our team.
3. **Contribution** – we are each committed to making a constructive contribution to the Board of Directors and the Credit Union, and are recognized for our contribution through our remuneration.
4. **Diligence** – we are conscientious in carrying out our responsibilities and exercise a high standard of care and attention in recognition of the important role that our members have entrusted in us.
5. **Equality** – we will have equal access to the information, tools, and training necessary for each of us to excel as a Director.
6. **One Voice** – we believe the strength of a Board of Directors and the quality of decisions come from the sharing and expression of diverse views and opinions; however, once the Board of Directors makes a decision, the Board of Directors speaks with one voice outside the boardroom.
7. **Partnership** – we work together with our President & Chief Executive Officer, Corporate Secretary and management team in governing and leading the Credit Union each with our own distinct, but complementary roles.
8. **Prudence** – we exercise prudence in all that we do and always act in the best interests of the Credit Union and our members.
9. **Representation** – we represent the collective interests of our members, not any individual or group of members.
10. **Responsibility and Initiative** – we take personal responsibility and initiative as individuals for our learning and development and for acquiring and sharing information with the Board of Directors.

## Board Mandate

The Board of Directors is expected to act in a fiduciary manner that protects and enhances the value of the Credit Union in the interest of all its members and stakeholders by overseeing the management of the organization. The Board carries out its stewardship and oversight responsibilities by:

- Succession Planning - selecting the President and Chief Executive Officer to lead the organization,
- Strategic Planning - approving the organization's strategic direction including performance measures,
- Annual Planning - ensures adequate resources are in place (financial and human),
- On-Going Monitoring - overseeing how management operates the organization as it seeks



to fulfill its strategies, goals and objectives,

- Internal Controls & Policy – establish standards of business conduct and ethical behavior and ensure policies, controls and compliance are in place to ensure that regulatory and statutory requirements are being met,
- Risk Management - ongoing monitoring of enterprise risk management standards of both governance and management, and
- Communications – ensure the Credit Union communicates effectively to members, employees, regulators and other stakeholders.

The Board of Directors undertakes their collective responsibilities through the creation of vision, purpose, values, principles and policies to guide the development and execution of corporate strategy. The Board of Directors derives authority as a group, not as individual Directors. An individual Director has no legal authority to act on behalf of the Credit Union except when the authority and responsibility for a specific task has been delegated by the Board of Directors.

Corporate governance practices, policies and standards are regularly reviewed in light of recent industry developments for continuous improvements, which strengthen the ability of the Board to fulfill its mandate.

### **Board Composition**

In accordance with our Rules, the 2022 Board was comprised of 10 Directors, with each Director elected for a three-year term. Directors are elected by democratic process where members vote in accordance to our Rules to elect each Director by mail or electronic ballot, with the results being announced at the Annual General Meeting. The Nominations Committee has oversight responsibility for Director nominations and election of Directors in accordance with the Credit Union Rules.

### **Responsibilities of the Board of Directors**

The functions and responsibilities of the Board of Directors pertain to the Board as a whole, not to the functions and responsibilities of individual Directors. The voice of the Board of Directors will be through the Board Chair, not individual Directors, unless specifically delegated such authority by the Board of Directors.

The Board of Directors trusteeship function includes responsibility to:

- act on behalf of the members to safeguard their funds deposited in the Credit Union. This includes monitoring the President and Chief Executive Officer's stewardship over Credit Union operations, and arranging for the audit and appraisal of the financial affairs of the Credit Union;
- ensure that the Credit Union operates within the law, including the *Credit Union Incorporation Act*, the *Financial Institutions Act and Regulations*, and applicable sections of the *Business Corporation Act (B.C.)*, and in accordance with the Credit Union's own Rules; and
- ensure that the Board of Directors observes and upholds the policies by which it determines it will conduct itself.



The Board of Directors perpetuation function includes responsibility to:

- ensure that a capable and qualified Board of Directors is perpetuated by the recruitment of suitable members for positions as Directors of the Board, and ensuring training is provided for new Directors; and
- select and evaluate the performance of the President and Chief Executive Officer.

The Board of Directors decision-making function includes responsibility to:

- define the purpose of the Credit Union, establish strategic objectives, and to formulate, approve and monitor the execution of policies.

The Board of Directors review and monitoring function includes responsibility to:

- review, in conjunction with the President and Chief Executive Officer, strategic plans which will achieve the objectives;
- monitor, review, and evaluate adherence to annual budgets;
- monitor, review, and evaluate changes in capital structure and contingent liabilities;
- monitor, review, and appraise major individual projects and programs, significant changes in policy, changes in organization and structure, and lawsuits of a material nature; and
- monitor, review, and appraise adherence to policies and objectives.

The Board of Directors advisory function includes responsibility:

- to report to the membership, through the Board Chair, on the condition and progress of the Credit Union and to make recommendations on matters such as those related to changes in the Credit Union's Rules, structure of the organization, name changes, mergers and acquisitions; and
- to actively participate in the democratic structure of the Credit Union and co-operative industry and bring forward issues and concerns for the betterment of all Credit Unions and cooperatives.

The Board of Directors external/public leadership function includes the responsibility to:

- promote and defend, through the Board Chair, the Credit Union, the Board of Directors and the management of the Credit Union;
- enhance the image of the Credit Union by participating in and supporting worthwhile social and economic endeavours; and
- represent the Credit Union, in a manner consistent with the Credit Union's values.

Other duties of the Board of Directors include the following to:

- require management to present strategic plans, business cases, business plans, budgets and policies to the Board of Directors for approval;
- seek out the professional opinion and advice of management;
- select legal counsel and other professionals;
- select the auditors;
- identify the Board of Directors needs and assure timely flow of requested information;
- direct Committees and review and approve the Terms of Reference of Committees;
- annually review Enterprise-Wide Risk Management (ERM) policies;
- provide direction to the President and Chief Executive Officer on Credit Union objectives and philosophy;



- establish Board Committees and review Committee structure as required;
- receive reports and minutes of Committees;
- review and approve recommendations from Committees and management;
- approve the annual report, the annual audited financial statement and year-end capital adequacy return;
- delegate, subject to legislative restrictions, any or all of the foregoing duties; and
- establish and maintain Board and Director performance evaluations.

There are also written roles and responsibilities defined for the Board Chair, Vice Chair, Individual Directors, and Committee Chairs. The Board of Directors elects the Board Chair and Vice Chair annually after the Annual General Meeting. Committees elect the Committee Chairs annually at their first meeting after the Annual General Meeting.

### **Board Internal Operations**

The Board is also responsible for its own operations and effectiveness.

Meetings – In 2022 there were 21 board meetings as well as a four strategic planning session days and an Annual General Meeting. In-camera meetings are scheduled with every Board or Committee meeting.

Ethical Conduct – In its oversight, the Board strives to ensure that the Credit Union maintains a high standard of ethical, moral and legal conduct in all business practices. The Board has approved a Code of Conduct and Conflict of Interest policy for directors and officers outlining the expected behaviours. Annually, each director and officer must sign a code of conduct and conflict of interest declaration.

On-going development – Each new director is provided an orientation for familiarization to the Credit Union and its operations. There are also a number of mandatory courses that all directors must complete when elected to the Board. Directors are encouraged to continue with professional development and education opportunities throughout their time on the board, given the governance, technical and financial industry changes that regularly occur. Funding is provided for continuous learning and development during their three-year term.

Assessments – The Board of Directors completes two assessment surveys on a biennial basis: a General Board Assessment and a Self-Evaluation, Peer Evaluation and Skills Evaluation Assessment. These assessments assist in determining and improving the effectiveness of the board's performance. The Board also completes an assessment of its governance practices on an annual basis.

Independent Advisors – The Board and each Committee have the authority to hire independent legal, financial or other advisors as they deem necessary. In 2022 the Board hired an independent Risk Management Expert as an advisor to both the Risk Oversight Committee and the Board of Directors.

### **Board Committees**

The Board has regulatory and standing committees that are responsible for carrying out both legislated and delegated functions as described in each committee's Terms of Reference. All board committees are comprised of directors only, including the Officer on the Investment & Lending Committee, and all directors are independent.



As per the FIA, the board elects the *Audit & Finance Committee*, the *Conduct Review & Corporate Governance Committee* and the *Investment & Lending Committee*. All other committees are appointed by the Board Chair following consultation with the Board of Directors. The committees meet regularly throughout the year and are required to provide regular and timely reports and recommendations to the Board of Directors. Each committee also follows an Annual Work Plan to confirm that all their duties and responsibilities have been met during the year. An overview of the Committee mandates is as follows:

#### Audit & Finance Committee

Assists the Board of Directors in fulfilling its financial reporting, external audit engagements, and annual operating planning and budget review. The Audit & Finance Committee meets regularly with the external auditor without management present as well as with the management Chief Financial Officer.

#### Risk Oversight Committee

Assists the Board of Directors in fulfilling its oversight of internal controls, management information systems, capital requirements, enterprise risk management, and compliance responsibilities, including responsibility for the internal audit engagements. The Risk Oversight Committee meets regularly with the internal auditor without management present as well as with the management Chief Risk Officer.

#### Conduct Review & Corporate Governance Committee

This is a combined committee that has two mandates:

Conduct Review – oversees the establishment of standards of business conduct and compliance with legislation and regulatory requirements regarding related party disclosure, conflict of interest, confidentiality, ethical reporting and privacy of personal information.

Corporate Governance – the primary role is to ensure that the Board of Directors provides for effective governance with respect to board composition, competency and oversight, as well as monitoring current, evolving governance best practices and, as necessary, oversee a review of the Credit Union Rules.

#### Investment & Lending Committee

Provides oversight of risk management activities related to investment risk, credit risk, liquidity risk, structural risk and capital management. This includes review of the policies, limits and reporting with respect to each of those risk areas.

#### Human Resources & Compensation Committee

Reviews and makes recommendations on human resource matters including the compensation of the CEO and remuneration of the Board of Directors and manages the process of evaluating the performance of the CEO. The Committee also reviews the CEO and executive succession plan and Human Resources policy.

#### Nominating Committee

Ensures that the Credit Union fulfills the process of electing persons to the Board of Directors consistent with legislative requirements and the Credit Union Rules. This includes monitoring communications and timelines as well as overseeing the voting process to ensure a high level of integrity is maintained.



### IT Risk Committee

To assist the Board of Directors in fulfilling its Information Technology risk oversight responsibilities as per the effective use of technology and the organization's risk appetite statement and enterprise-wide risk management (ERM) reporting.

### **Governance Update**

In 2021 the Board of Directors established a short-term ad hoc committee called the "BOD Audit Working Committee" that carried over into the first half of 2022. The purpose was to review various risk and governance items that required Board input, review, and oversight. One change implemented from this is the Audit & Risk Committee was split into two committees as per a requirement of our Regulator: Risk Oversight Committee and the Audit & Finance Committee and an external independent Risk Management Expert was hired to advise the Board of Directors.

As per the Annual Work Plan of the Conduct Review and Corporate Governance Committee, this committee continued the formal "Rules Review" process. This Committee's mandate was to review the entire current Coastal Community Credit Union Rules in 2022, including the topic of term limits, and bring the recommended Rule changes to the Board of Directors for review and then recommendation to the membership for approval by the 2023 AGM. The Board was also engaged in the Special Resolution regarding Term Limits which was presented to the membership in late 2022/early 2023 with the vote occurring in early 2023.

### **Subsidiary Companies of Coastal Community Credit Union**

Coastal Community Financial Management Inc. ("CCFMI") is a wholly owned subsidiary company of Coastal Community Credit Union and as such operates with its own Board of Directors and Officers (these individuals are listed on the last page of this report). Through Coastal Community Private Wealth Group™, a division of CCFMI, Financial Consultants provide financial planning and advice, and offer a variety of products such as: mutual funds, stocks and bonds (through Credential Qtrade Securities Inc.) as well as life and health insurance. For more information on CCFMI please visit [coastalwealth.ca](http://coastalwealth.ca).

1200089 B.C. Ltd. is an insurance collaboration holding company established on April 1<sup>st</sup>, 2019, which is owned jointly and equally by Coastal Community Credit Union and Interior Savings Credit Union. The holding company operates with its own Board of Directors and Officers (these individuals are listed on the last page of this report). The holding company wholly owns two subsidiary companies: Coastal Community Insurance Services (2007) Ltd. ("CCIS") and Interior Savings Insurance Services Inc. ("ISISI"). Both are general insurance agencies. CCIS has 16 offices across Vancouver Island and the Gulf and Discovery Islands that offer a variety of insurance products such as: home, condo, tenant, auto, business, recreational vehicle, marine, and travel medical. For more information on CCIS please visit [cccu.ca](http://cccu.ca). ISISI has 16 offices across the Interior that offer a variety of insurance products such as: home, condo, tenant, auto, business, recreational vehicle, marine, and travel. For more information on ISISI please visit [interiorsavings.com](http://interiorsavings.com).

### **Governing Legislation and Regulation**

The Credit Union is established under legislation of the Province of British Columbia. It is regulated by the BC Financial Services Authority [BCFSA] (previously the Financial Institutions Commission of British Columbia [FICOM]). Key legislation that regulates the operations of the Credit Union includes the *Financial Institutions Act* [FIA], the *Credit Union Incorporation Act* [CUIA] and applicable sections of the *Business Corporation Act (B.C.)*. It is a requirement of the legislation that the Credit Union provides to BCFSA monthly, quarterly and annual reports and filings, and other such reports as may be requested.

**Annual Disclosures of Directors**


## Evelyn Clark

Board Chair (Jan-Apr)/ Director (May-Dec) (Independent)

*Courtenay*

Director Since: 1990 | Term: 2022 – 2025

Evelyn has been a credit union member and supporter all her life. Being a Director means supporting cooperative principles and Vancouver Island rural and remote communities while offering modern tools for members to build financial stability. Evelyn served as the Board Chair from January to April and is proud of the Board's many accomplishments. The Credit Union has pivoted during this extraordinary year by using innovation and creating solutions to ensure member continue to be served. CCCU continues to find ways to be efficient and effective in today's financial services reality.

Evelyn is currently the Executive Director for the Central Island Division of Family Practice in Qualicum Beach. Evelyn also serves as the Treasurer of Oceanside Hospice Society. Evelyn lives in Union Bay.

With changing economic realities, a more focused regulatory environment and increased competition, it's important that Coastal Community maintains a forward- looking, innovative board and staff to lead the organization to continued success. Evelyn is proud to be a member of that team.

### 2022

#### Education/Designations

- Institute of Corporate Directors – ICD.D Designation
- Master of Arts, Leadership and Training
- CFDA, Community Economic Development Certification

#### Other Board Appointments (Current)

- Oceanside Hospice Society (Director/Treasurer)

#### Committees

- As Board Chair, Ex-officio on all Board Committees (Jan-Apr)
- Conduct Review & Corporate Governance Committee (Chair; May-Dec)
- Human Resources & Compensation Committee (Chair; May-Dec)
- Nominating Committee (May-Dec)

#### Coastal Community Subsidiaries

- As Board Chair, Guest at all Subsidiary Board Meetings (Jan-Apr)

#### Attendance

- Board Meetings = 26/26
- Committees = 29/33
- Subsidiaries = 1/2

#### Educational Activities

- IDC Enterprise Risk Oversight
- Cultural Perspectives Training with Indigenous Perspectives Society
- Collaborative Leadership



## Susanne Jakobsen

Director (Jan-Apr)/ Board Chair (May-Dec) (Independent)  
*Nanaimo*

Director Since: 2018 | Previous Director 2001 – 2017 | Term: 2021 – 2024

Susanne has been a member of Nanaimo’s business community for more than 30 years, experience that has served her well in matters that pertain to enterprise risk management, responsible fiscal practices, and corporate management. She works with the Board to provide oversight and strategic direction, and update governance practices that assist CCCU in remaining a Governance leader in the Credit Union system.

Susanne currently serves as Board Chair and is proud of the Boards many accomplishments. Once again, our Credit union has been voted one of Canada’s Top Employers being recognized by its peers for offering an exceptional workplace for our employees.

Susanne continues to maintain strong community ties that have led her to serve as, Executive Director and Treasurer of Moonshine Cove Yacht Club, Past Chair of Island Trust Advisory Planning Commission, and Chair of the Property Assessment Review Panel. Susanne also volunteers for the Canadian Cancer Society, and the Red Kettle Campaign at Christmas. Susanne believes whole heartedly in loyalty to members, continuing to live CCCU’s vision of strengthening member, client, and employee relationships, and making a difference in the communities we are so fortunate to call home.

### 2022

#### Education/Designations

- Institute of Corporate Directors – ICD.D Designation
- Credit Union Director Achievement Graduate (CUDA)

#### Other Board Appointments (Current)

- Owner: Ingvard Inspections and Consulting Ltd.
- Director: Moonshine Cove Yacht Club
- Nanaimo Yacht Club
- Chair: Property Assessment Review Panel

#### Committees

- As Board Chair, Ex-officio on all Board Committees (May-Dec)
- Conduct Review & Corporate Governance (Chair; Jan-Apr)
- Human Resources & Compensation Committee (Jan-Apr)
- Nominating Committee (Jan-Apr)

#### Coastal Community Subsidiaries

- Coastal Community Financial Management Inc. (Jan-Apr)

#### Attendance

- Board Meetings = 26/26
- Committees = 44/44
- Subsidiary Board Meetings = 6/6

#### Educational Activities

- Cultural Perspectives Training with Indigenous Perspectives Society
- CPA ESG Symposium
- Open Banking Webinar C1



## Lynne Fraser

Board Vice-Chair (Independent)

*Nanaimo*

Director Since: 2009 | Term: 2021 – 2024

A credit union member since 1970, Lynne spent her career working in credit unions, leading the finance departments. Her last role, before retirement in 2006, was Senior Vice President of Finance for Coastal Community Credit Union. As a strong believer in the credit union and co-operative systems, Lynne has seen the wonderful synergies that happen in communities when a strong and well supported credit union takes a leadership role.

She believes our credit union has a dynamic and caring employee team, a branch network that promotes strategic economic development, and is committed to making a difference in the lives of our members, employees and communities.

Lynne is grateful to serve on the Coastal Community Board of Directors, and to be a part of a caring team and a great membership organization.

### 2022

#### Education/Designations

- Institute of Corporate Directors – ICD.D Designation
- Accredited Canadian Credit Union Director (ACCUD designation)
- Credit Union Director Achievement Graduate (CUDA)

#### Other Board Appointments (Current)

- N/A

#### Committees

- Vice-Chair (May-Dec)
- Audit & Risk Committee, Chair (Jan-Apr)
- Conduct Review & Corporate Governance Committee
- Human Resources & Compensation Committee
- Risk Oversight Committee, Chair (May-Dec)
- Investment & Lending Committee (May-Dec)
- BOD Audit Working Committee, Chair (ad hoc committee) (Jan-Apr)

#### Coastal Community Subsidiaries

- Coastal Community Financial Management Inc. (May-Dec)

#### Attendance

- Board Meetings = 25/26
- Committees = 34/34
- Subsidiary Board Meetings = 4/4

#### Educational Activities

- Directors' Forum: The Board's Role in Member Representation
- Cultural Perspectives Training with Indigenous Perspectives Society
- Enterprise Risk Oversight for Directors



## Melissa Lacroix

Director (Independent)

*Nanaimo*

Director Since: 2020 | Term: 2020 – 2023

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As a longtime supporter of the cooperative movement, Melissa is committed to Coastal Community Credit Union’s vision of being leaders in building relationships, that improve financial health, enrich people’s lives and build healthier communities.

She believes credit unions make meaningful, impactful differences in people’s lives and their communities — inspiring her to continue to add her talents to the credit union system. Melissa strives to be leader in her field as a health and safety consultant, promoting positive cultural changes to mentor, motivate and inspire others. She is the Regional Consultant for AgSafeBC, where she assists Vancouver Island agriculturalists and partners with industry to perform meaningful work that positively impacts members’ health and safety to support the success and sustainability of the agricultural sector & combat food insecurity at a local level.

In addition, she the sole owner and operator in a health and safety consultancy. Current chair of Coastal Community Financial Management Inc. (CCFMI) and committee member on the Investment and Lending & Audit and Finance committees at CCCU.

Melissa’s been able to build extensive experience in key areas like governance, operations, enterprise risk management, member relations, cooperative business model, policy review and strategic planning as a previous Director for the Mid Island Consumer Services Co-operative and Nanaimo Judo Club.

Her past Board and volunteer opportunities lead to helping the community and building stronger relationships. A strategic thinker and skilled planner, Melissa looks forward to contributing her strengths to Coastal Community’s member-elected Board.

### 2022

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#### Education/Designations

- Occupational Health & Safety Program, BCIT
- Occupational Health & Safety Practitioners Associate Certification, BCIT
- Credit Union Director Achievement Certification, CCUA
- Advanced Co-operative Governance Certification, Johnson Shoyama (USASK and UREGINA)
- World Credit Union Conference (WCUC)
- CCUA conference and AGM

#### Other Board Appointments (past)

- Board Member, Mid Island Consumer Services
- Board Member, Nanaimo Judo Club

#### Committees

- Investment & Lending Committee
- Nominating Committee (Jan-Apr)
- Audit & Finance Committee (May-Dec)

#### Coastal Community Subsidiaries

- Coastal Community Financial Management Inc. (Chair; May-Dec)

#### Attendance

- Board Meetings= 25/26
- Committees= 10/10

#### Educational Activities

- Credit Union Director Achievement (CUDA) Program: Levels A, B and C.
- ICD: Enterprise Risk Oversight for Directors
- Advanced Co-operative Governance Certification



## Terry Law

Director (Independent)

*Comox*

Director Since: 2011 | Term: 2020 – 2023

A Coastal Community member for the past 40 years, Terry has a keen interest in promoting the island region, thanks in part to his extensive travel industry experience and the 37 years spent as a local business man. Terry has owned both Pathfinder Travel and Associated Travel, and was involved with the Comox Valley Airport Commission.

He has also lent his efforts to the Comox Valley Chamber of Commerce, Tourism Comox Valley, Beaufort Association for the Mentally Handicapped, and as a Foster Parent. For Terry, it's an honour to be a part of the local credit union movement, which he views as the cornerstone of his community.

## 2022

### Education/Designations

- Credit Union Director Achievement Graduate (CUDA)

### Committees

- IT Risk Committee (Chair)
- Human Resources & Compensation Committee
- Conduct Review & Corporate Governance Committee (Jan-Apr)
- Risk Oversight Committee (May-Dec)

### Coastal Community Subsidiaries

- 1200089 B.C. Ltd. (Chair; May-Dec)

### Attendance

- Board Meetings = 26/26
- Committees = 22/22
- Subsidiary Board Meetings = 6/6

### Educational Activities

- Indigenous Partnerships Success Showcase
- CAT IQ Catastrophes: Past, Present, and Innovative Paths Forward
- CAT IQ Catastrophes in Canada – The Big Picture



## Michael Mascall

Director (Independent)

*Quadra Island*

Director Since: 2015 | Term: 2021 – 2024

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Over the last 40 years, Michael has worked in both the private and public sectors with PricewaterhouseCoopers, the World Bank, and various government agencies. He served as team leader and consultant—employing financial statements, budgets, and strategic planning, to define, communicate and achieve results.

Michael has volunteered in leadership roles for the environment, social change and land-use processes with BC Land Trust Alliance, Sierra Club of BC, local land trusts, with the Campbell River Hospice and was the founding chair of the Quadra Island Foundation. .

Michael has lived on Quadra Island for more than 30 years; during that time he has been a member of Coastal Community Credit Union. He first got involved with co-ops in 1976, when he served as vice-chair of the Guelph Campus Co-op. Michael is also a member of Peninsula Co-op, has been involved with several food Co-ops and has toured Spain's Mondragon cooperative society.

### 2022

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#### Education/Designations

- M.Sc. Economics
- B.SC. Agricultural Economics
- Diploma in Horticulture
- Certificate in Co-operative Management
- Accredited Canadian Credit Union Director (ACCUD designation)
- Credit Union Director Achievement Graduate (CUDA)

#### Committees

- Audit & Risk Committee (Jan-Apr)
- Nominating Committee
- Investment & Lending Committee (Jan-Apr)
- IT Risk Committee (May-Dec)
- Conduct Review & Corporate Governance Committee (May-Dec)

#### Attendance

- Board Meetings = 26/26
- Committees = 18/20

#### Educational Activities

- Outlook for the Financial Sector: Deloitte
- Dough Nut Economy
- Indigenous Perspectives Society: Cultural Perspectives Training



## Doug Lang

Director (Independent)

*Campbell River*

Director Since: 2014 | Previous Director 1983 – 2013 |Term: 2020 – 2023

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Doug Lang is a Chartered Professional Accountant, (FCPA, FCGA) with executive management experience in local government. Prior to retirement Doug was the Corporate Services Director and Chief Financial Officer for the City of Campbell River.

As a member of the executive management team, Doug was responsible for five city departments: Financial Services, Legislative Services, By-law Enforcement & Property Services, Materials Management, and Information Services. In his capacity at the City of Campbell River, Doug was involved in human resources and developing/designing compensation plans for the union and executive management. He was also responsible for creating a risk management plan for the city and setting the direction on information technology.

Doug brings a wealth of experience in corporate governance, having served on credit union boards and committees as well as publicly traded companies. He has also volunteered his extensive skills in his community and is presently Past Board Chair for the Campbell River Community Foundation.

### 2022

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#### Education/Designations

- FCPA, FCGA
- Credit Union Director Achievement Graduate (CUDA)

#### Other Board Appointments (Current)

- Past Chair, Campbell River Community Foundation
- Governance Committee Chair, Campbell River Community Foundation

#### Committees

- Audit & Risk Committee (Jan-Apr)
- Audit & Finance Committee (May-Dec)
- Conduct Review & Corporate Governance Committee
- Investment & Lending Committee (May-Dec)

#### Coastal Community Subsidiaries

- Coastal Community Financial Management Inc. (Chair; Jan-Apr)

#### Attendance

- Board Meetings = 26/26
- Committees = 18/20
- Subsidiaries = 2/2

#### Educational Activities

- 2022 State of the Island Economic Summit
- Open Banking Use Cases – Trade-offs Between Opportunity, Risk & Complexity
- Cultural Perspectives Training – Indigenous Perspectives Society

## Dominique Roelants

Director (Independent)

*Courtenay*

Director Since: 2016 | Term: 2022 – 2025




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Dominique is ready to put the skills he's acquired through his extensive professional experience towards ensuring that Coastal Community remains a strong, Islands-based credit union.

Dominique, who has a B.Sc, M.Sc. and Ph.D in Computer Science, was a computer science professor at Vancouver Island University for many years. He also served for many years as a member of the BC College Pension Board and was also on the BC Municipal Pension Board and the board of the BC Investment Management Corporation. He left his full time position at Vancouver Island University in 2014 to take on a role as a senior advisor to the BC College, Public Service and Teachers' Pension Boards.

After helping those three plans through plan redesign projects, in 2018 Dominique took on the role of Director, Pensions, Benefits and Special Projects for the BC Nurses' Union. He retired from the BCNU in 2021 and is now focused on practicing law - mainly labour, employment and human rights law either in private practice or as the Labour Relations Advisor for the Camosun College Faculty Association.

In addition, Dominique has found a natural fit in assisting other Boards. He's a past Board member of Vancouver Island University, the Cowichan Valley Branch of the Canadian Mental Health Association, Esquimalt Neighbourhood House Society and the University of Victoria. Dominique also generously volunteers his skills and expertise by providing pro bono legal services for various Island community organizations.

### 2022

#### Education/Designations

- Institute of Corporate Directors – ICD.D Designation
- LL.B
- Ph.D – Computer Science
- M.A. – Sociology
- B.Sc. – Psychology
- B.Sc. – Mathematics
- B.A. - Philosophy

#### Committees

- Investment and Lending Committee (Member; Jan-Apr/ Chair; May-Dec)
- Nominating Committee (Chair; May-Dec)
- IT Risk Committee
- Risk Oversight Committee
- Human Resources & Compensation Committee (Chair; Jan-Apr/Member; May-Dec)

#### Attendance

- Board Meetings = 26/26
- Committees = 30/30

#### Educational Activities

- World Council of Credit Unions Conference
- Canadian Council of Credit Unions Conference



## Debra Oakman

Director (Independent)  
*Comox Valley*

Director Since: 2017 | Term: 2020 - 2023

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Debra has been an active member of the Vancouver Island community for many years and brings a wealth of experience and knowledge to the Coastal Community Credit Union Board of Directors.

Debra retired in 2017 from the Chief Administrative Officer (CAO), senior executive role with Comox Valley Regional District, and like many in local government wore several 'hats' including CAO for the Comox Strathcona Regional Hospital District and Secretary for the North Island 9-1-1 Corporation. Along with local government executive leadership certification, Debra is a Chartered Professional Accountant (CPA), an Accredited Canadian Credit Union Director (ACCD) and is currently in her 6<sup>th</sup> year as a Director with CCCU.

With the combination of education and experience in strategic planning, financial planning, audit and risk management experience, Debra nicely complements the CCCU board team governance competences. In Debra's spare time she combines her passion for the outdoors and horses by being an active volunteer with the Back Country Horsemen of BC and is a lead volunteer in working with provincial and local governments, resource sector organizations and other non-profit organizations to assist with design, development, maintenance and operation of multi-use trails and horse camps/recreation sites in the north Vancouver Island area.

### 2022

#### Education/Designations

- Accredited Canadian Credit Union Director (ACCUD designation)
- Credit Union Directors Achievement (CUDA) program certificate
- Chartered Professional Accountant (CPA)
- Certified Management Accountant (CMA)
- Executive Certificate in Local Government Leadership

#### Other Board Appointments (Current)

- Chair, North Vancouver Island Chapter (NVI), Back Country Horsemen Society of BC (BCHBC)
- SD71 Audit Committee public member

#### Committees

- Conduct Review & Corporate Governance Committee (Jan-Apr)
- Nominating Committee (Chair; Jan-Apr)
- Audit & Risk Committee (Jan-Apr)
- Audit & Finance Committee (Chair; May-Dec)
- Risk Oversight Committee (May-Dec)
- IT Risk Committee

#### Attendance

- Board Meetings = 20/26
- Committees = 17/21

#### Educational Activities

- CPA Canada Audit Committee Certification (4 modules + 1 workshop)
- Indigenous Perspectives Society - Cultural Perspectives Training



## Nola Jeffrey

Director (Independent)

*Qualicum Beach*

Director Since: 2022 | Term: 2022 – 2025

As a woman of Tsimshian and Coast Salish ancestry, Nola brings an Indigenous voice and perspective to her work and day-to-day life—and looks forward to applying it towards her new role as Director at CCCU. Nola is also currently the Executive Director of Tsow-Tun Le Lum Helping House and has been with the organization since 2000. Nola holds a Bachelor of Arts in First Nations Studies from Malaspina University College and has extensive training and certifications in various fields along with Board experience dating back to 2008.

Culture and ceremony are an integral part of Nola's daily life and have continually supported her community efforts, including being part of provincial and national Truth & Reconciliation events and as part of the road crew for past Canoe Journeys. Nola cares deeply about all living things and the environment we share with them. As a mother and grandmother, she feels it's especially important to work together to build strong communities grounded in respect and unity.

### 2022

#### Education/Designations

- B.A, First Nations Studies

#### Other Board Appointments (Current)

- Rural and Remote Division of Family Practice
- PARCA

#### Committees

- Audit & Finance Committee (May-Dec)
- Nominating Committee (May-Dec)

#### Attendance

- Board Meetings = 11/12
- Committees = 8/8

#### Educational Activities

- CCCU Foundations of Governance in Theory and Action
- Completed my mandatory and non-mandatory 360 training.



**2022 Director Self-Select – Areas of Expertise / Competency / Knowledge Matrix**

Individuals on a Board of Directors possess their own areas of expertise, competencies and knowledge that are needed and applied collectively as an entire Board to ensure it continues to demonstrate the necessary oversight of the organization in the industry that it operates within. For Coastal Community Credit Union the following matrix demonstrates what primary areas of expertise / competencies and knowledge are required with the importance (risk level) for each in the financial services industry. Each Director check mark is their self-selected expertise / competency / knowledge area that they excel at individually so that the Board can then collectively oversee the organization. The matrix also reveals the year in which each Director’s term ends, which means there is the possibility a Director’s areas of expertise / competency / knowledge will be lost if the Director isn’t reelected or doesn’t seek reelection. As an example, if a significant number of check marks were missing in one of the “critical” risk levels rows, then the Board would consider retaining an external consultant(s) as an advisor(s), as needed.

		2024 Election Year			2025 Election Year			2023 Election Year			
		Lynne Fraser	Susanne Jakobsen	Michael Mascall	Evelyn Clark	Nola Jeffrey	Dominique Roelants	Doug Lang	Terry Law	Melissa Lacroix	Debra Oakman
Area of Expertise / Competency / Knowledge	Risk Level	Director Self-Selected									
Governance	Critical	✓	✓		✓	✓	✓	✓	✓	✓	✓
Audit & Financial Management	Critical	✓	✓	✓	✓			✓			✓
Information Technology	Critical						✓	✓	✓		✓
Enterprise Risk Management (ERM)	High	✓	✓	✓	✓		✓	✓	✓	✓	✓
Human Resources & Exec Compensation	High	✓	✓		✓		✓	✓	✓		✓
Strategic Planning	High	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Legislative & Regulatory	High	✓					✓	✓		✓	✓
Wealth Management	High	✓		✓							
Credit – Retail Lending	High	✓						✓			
Credit – Commercial Lending	High	✓						✓			
Capital Markets/Treasury	High	✓					✓				✓
Community Leadership	Medium	✓	✓	✓	✓	✓		✓	✓	✓	✓
Cooperative Business Models	Medium		✓	✓	✓			✓	✓	✓	
Operations	Medium	✓	✓	✓	✓	✓		✓	✓	✓	
Insurance	Medium	✓						✓	✓		
Legal	Medium						✓				

**Director Compensation**

Director Compensation Philosophy

Coastal Community follows the philosophy that Directors receive financial compensation and remuneration for expertise and contribution toward the successful performance of the Credit Union. Director compensation and remuneration is reviewed biennially by the Human Resources and Compensation Committee; the committee refers its recommendations to the Board of Directors for discussion and consideration for approval.

Director Compensation Policy and Practice

Director remuneration is formally reviewed every two (2) years or when peer comparison data is made available. It is the intent of the Board of Directors to analyze and maintain their remuneration using two guiding principles:

- Compare to British Columbia credit unions of like asset size
- Set Director remuneration at the 50<sup>th</sup> percentile or to come as close as possible.



	<b>Board Chair/ Vice Chair</b>	<b>Individual Directors</b>	<b>Committee Chair</b>	<b>Committee Member</b>
<b>Annual Stipend</b>	\$ 27,000 (Chair) \$ 18,000 (Vice Chair)	\$ 14,000	\$ 2,500 \$ 3,500 (Audit & Risk Committee)	N/A
<b>Board, Committee or Subsidiary Meeting Attendance (per meeting)</b>	\$ 400	\$ 400	\$ 400	\$ 400

Director Benefits and Perquisites

Coastal Community values the contributions provided by the Board of Directors and provides them with a range of benefits inclusive of health care, insurance and additional advantages. Dependent upon the benefit provided the Director may be responsible for a portion of the cost, or premium; whereas some benefits are compensated by the organization.

Director Education and Development

To ensure that Directors keep pace with the ongoing change and complexity of business and industry, the Board of Directors embraces the concept of continuous learning and Director development. The Board of Directors is committed to development activities to ensure that the highest standards of performance are met. As required by the Credit Union Incorporation Act of British Columbia, new Directors complete the required courses within the first 12 months of becoming a Director. Additionally, the Credit Union Director Achievement Program (CUDA) offers elective courses for Directors if they choose to pursue further educational opportunities. CUDA contains three levels of programs. Once directors complete all three levels they receive their CUDA Program Certificate and may choose whether they want to write a comprehensive accreditation exam to receive the Accredited Canadian Credit Union Director (ACCUD) credential designation.

In addition to the CUDA offered courses/programs, Directors are required to seek out and participate in continuous development and learning opportunities relevant to their role, which can include internal education and external webinars and education courses. A maximum of two Directors each year may be selected to attend external courses of either the Director Education Program (DEP) offered through the Institute of Corporate Directors (ICD) or the CUES Governance Leadership Institute. Directors are also required to complete mandatory courses annually that are offered through an internal training centre, Board 360. These courses include anti-money laundering and privacy training and require a passing grade of 90% or higher. There are also additional Board 360 courses available to Directors.

Directors do not receive remuneration for attending internal or external education courses, webinars or community events.

2022 Director Remuneration

Total director remuneration for 2022 [\$487,660] was up when compared to 2021 [\$443,240] due to extra board and committee meetings. In 2022 three temporary ad hoc/task force committees were operating: BOD Audit Working Committee, Rules Review Committee, and Special Resolution Committee. All remuneration for these ad hoc committee meetings is found in the "Other" column below (see *superscript 3 at the bottom of page 19*). As well, there were four additional board meetings in 2022. The following chart lists individual Director remuneration for 2022:



Director Name	Role(s) in 2022	Annual Stipend	Meeting Fees				Benefits Cost	Total Remuneration
			Board <sup>1</sup>	Committee	Subsidiary <sup>2</sup>	Other <sup>3</sup>		
Evelyn Clark	<ul style="list-style-type: none"> <li>Board Chair (Jan-Apr)</li> <li>Human Resources &amp; Compensation Committee Chair (May-Dec)</li> <li>Conduct Review &amp; Corporate Governance Committee Chair (May-Dec)</li> </ul>	\$18,500	\$10,400	\$11,600	\$400	\$15,600	\$340	\$56,840
Susanne Jakobsen	<ul style="list-style-type: none"> <li>Board Chair (May-Dec)</li> <li>Chair, Conduct Review &amp; Corporate Governance Committee</li> </ul>	\$25,000	\$10,400	\$17,600	\$2,400	\$27,200	\$340	\$82,940
Lynne Fraser	<ul style="list-style-type: none"> <li>Vice-Chair (May-Dec)</li> <li>Chair, Audit &amp; Risk Committee (Jan-Apr)</li> <li>Chair, BOD Audit Working Committee (ad hoc committee) (Jan-Apr)</li> <li>Chair, Risk Oversight Committee (May-Dec)</li> </ul>	\$22,615	\$10,000	\$13,600	\$1,600	\$24,800	\$0	\$72,615
John Newall	<ul style="list-style-type: none"> <li>Vice-Chair (Jan-Apr)</li> <li>Chair, Investment &amp; Lending Committee (Jan-Apr)</li> </ul>	\$8,731	\$5,600	\$2,400	N/A	\$4,400	\$0	\$21,131
Terry Law	<ul style="list-style-type: none"> <li>Chair, IT Risk Committee</li> <li>Chair, 1200089 B.C. Ltd. (May-Dec)</li> </ul>	\$16,500	\$10,400	\$8,800	\$2,400	\$6,000	\$340	\$44,440
Michael Mascall	<ul style="list-style-type: none"> <li>Director</li> </ul>	\$14,000	\$10,400	\$7,200	N/A	\$3,600	\$86	\$35,286
Doug Lang	<ul style="list-style-type: none"> <li>Chair, CCFMI (Jan-Apr)</li> </ul>	\$14,000	\$10,400	\$7,200	\$800	\$3,600	\$0	\$36,000
Melissa Lacroix	<ul style="list-style-type: none"> <li>Chair, CCFMI (May-Dec)</li> </ul>	\$14,000	\$10,000	\$4,000	\$1,600	\$5,200	\$340	\$35,140
Dominique Roelants	<ul style="list-style-type: none"> <li>Chair, Human Resources &amp; Compensation Committee (Jan-Apr)</li> <li>Chair, Investment &amp; Lending Committee (May-Dec)</li> <li>Chair, Nominating Committee (May-Dec)</li> </ul>	\$16,500	\$10,400	\$12,000	N/A	\$8,800	\$340	\$48,040
Debra Oakman	<ul style="list-style-type: none"> <li>Chair, Nominating Committee (Jan-Apr)</li> <li>Chair, Audit &amp; Finance Committee (May-Dec)</li> </ul>	\$16,500	\$8,000	\$6,800	N/A	\$6,000	\$144	\$37,444
Nola Jeffrey	<ul style="list-style-type: none"> <li>Director</li> </ul>	\$9,154	\$4,400	\$3,200	N/A	\$800	\$230	\$17,784

<sup>1</sup> Attendance at credit union board meetings, strategic planning session(s), AGM

<sup>2</sup> Attendance at subsidiary board meetings

<sup>3</sup> Attendance at Credit Union system or educational conferences and other meetings such as temporary ad hoc and task force committees, such as the: BOD Audit Working Committee, Rules Review Committee, Special Resolution Committee.



Director Expense Reimbursement

For 2022 the total Director's non-remuneration expenses totaled \$90,727.00, which includes expenses for training, conferences, travel, accommodation, and other miscellaneous items. The following chart lists the individual Director expenses for 2022:

Director	General <sup>1</sup>	Education, Training & Conferences <sup>2</sup>	Total
Doug Lang	3,584	1,908	5,492
Debra Oakman	3,358	-	3,358
Dominique Roelants	3,491	11,858	15,349
Evelyn Clark	7,001	3,309	10,309
Lynne Fraser	1,224	2,681	3,905
Melissa Lacroix	1,084	15,472	16,556
Michael Mascall	4,460	3,954	8,414
Susanne Jakobsen	2,614	9,764	12,378
Terry Law	5,967	6,918	12,886
Nola Jeffrey	950	1,132	2,082
<b>Totals:</b>	<b>\$ 33,732</b>	<b>\$ 56,995</b>	<b>\$ 90,727</b>

1 General includes:

Travel, meals, accommodation & misc. expense

2 Education, Training & Conferences includes:

Course and conference cost, travel, meals, accommodation



## CEO Profile



### **Adrian Legin, MBA, ICD.D**

President and Chief Executive Officer (CEO)  
Coastal Community Credit Union

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*Adrian is a dynamic senior executive with over 30 years of progressively responsible and diverse positions in the co-operative, private and public sectors within the financial, mining, government and telecommunication industries.*

As the President and CEO of Coastal Community, Adrian Legin leads the largest financial services organization based on Vancouver Island and the Gulf Islands—a position he has held since 2009. With over \$4.2 billion in on and off book assets, Coastal Community Credit Union offers complete financial services and solutions through an extensive network of personal banking, insurance, investments, and business services centres across the islands. Coastal Community is one of the top 10% largest Credit Unions in Canada. Coastal Community is also joint partner in the largest credit union-owned insurance company in Canada, and its wealth management company is approaching \$1 billion in Assets Under Administration. Coastal Community Credit Union and its subsidiaries serve a combined total of 110,000 members and clients, and employs over 600 Islanders.

Since joining Coastal Community in March of 2009, Adrian's strategic leadership has contributed to the following key accomplishments:

- The creation of Coastal Community's current Vision and Purpose, founded on its long-standing core Values. This framework has supported additional accomplishments including implementing innovative ways to deliver service across a variety of channels and extensive service expansion in South Vancouver Island, as well as financial innovations that have won national recognition
- *Aon Best Employers in Canada* recognition (2010, 2011 & 2012) as well as a *BC's Top Employer* award for 2015 and 2016
- Certified as a *Great Place To Work™* in 2019, 2020, 2021 and 2022. Named to the *Forbes Canada's Best Employers 2022*. Coastal Community was also named to two GPTW feature lists in 2020 (Best Workplaces in BC and Best Workplaces in Financial Services & Insurance) and in 2021 was named on the Best Workplaces in BC feature list.
- The introduction of innovative service delivery channels for members and clients, including new branching models, a member and client contact centre, and Interactive Teller Machine technology—the first of its kind on Vancouver Island

Passionate about economic and community development, Adrian has served strategic leadership positions with various community and industry groups, including, CU CUMIS Wealth Holdings, Credential Financial, Credential Asset Management and Credential Securities Inc., the Nanaimo Economic Development Corporation, Greater Nanaimo Chamber of Commerce, Regina Palliative Care, the Saskatchewan Advanced Technology Association, the Regina Regional Economic Development Authority's IT Cluster, the University of Regina's Building Dreams and Futures campaign, and the Canadian Information Productivity Awards (CIPA).

Adrian has senior management experience in the private, public, and co-operative sectors on a provincial, national, and international level - in the financial, mining, government, and telecommunications industry sectors. Adrian received his MBA from Queens University in 2000 and his Institute of Corporate Director education program designation in 2016.



**Board Appointments and Associations**

**\* Positions and Appointments**

CU CUMIS Wealth Holdings	Director
1200089 B.C. Ltd.	Director
Coastal Community Insurance Services	Director
Interior Savings Insurance Services	Director
Coastal Community Financial Management	Director

**Previous Positions and Appointments**

Credential Financial Inc.	Director and Risk Committee Member
Credential Asset Management Inc.	Director
Credential Securities Inc.	Director
Conexus Holding Corporation Board	Director
Conexus Insurance Board	Director
Century 21 Conexus Real Estate Board	Director
Centum Canada Mortgage Direct Board	Director
Protexus Inc. Board	Director
Regina Palliative Care Inc.	Director and President
Canadian Information Productivity Awards (CIPA)	National Judge
Regina Regional Economic Development Authority	Co-chair of the "IT Cluster"
University of Regina Building Dreams and Futures Campaign	Chair, Small to Medium Size Enterprises Working Committee (SME)

\*Any compensation related to Credit Union System Board positions is directed to the Credit Union and not to the employee

**CEO Profile – Compensation**

**Adrian Legin, MBA, ICD.D**

President and Chief Executive Officer (CEO)

Coastal Community Credit Union

**Compensation Philosophy**

Coastal Community utilizes a strategic compensation policy to facilitate its sound financial position, as well as to motivate employees to perform to the best of their abilities. Coastal Community utilizes the labour market surveys and analyzes emerging trends to determine salary rates and total rewards; with the understanding that salary is only a portion of the total rewards an employee receives (all compensation, benefits and perquisites).

**CEO Compensation Policy and Practice**

Coastal Community's Compensation Philosophy guidelines are developed to ensure that Coastal Community attracts and retains a skilled and competent Chief Executive Officer. This is achieved by compensating competitively at market rate.

Coastal Community uses an "at market" principle in establishing compensation and applies an aging factor to the market data bringing it into the current year. The compensation philosophy for this position leads the market in the establishment of compensation rates where job rate is equivalent to the 50<sup>th</sup> percentile of the market in current year terms to ensure a competitive and fair value. The range is reviewed along with total compensation and rewards every two years by an outside consultant and movement in the range is based on the Canadian Credit Union Executive and Senior Management Compensation Survey.



For the fiscal year ending December 31, 2022 the CEO earned the following compensation:

Description	Amount
Base Salary <sup>1</sup>	\$450,000.00
Short Term Incentive Plan <sup>2</sup>	\$225,000.00
Total	\$675,000.00

**CEO Incentive Plan Process and Payment**

The purpose of Coastal Community’s compensation program is to ensure that exempt employees are provided incentives and compensation in a way that supports both the organization’s short and long term goals while also creating a framework for the company to attract and retain talent.

An annual performance-based incentive bonus is provided to the CEO (paid in cash or to a Retirement Savings Plan, or a combination of the two). Components of the incentive plan are reviewed annually, and are subject to change as appropriate in order to meet the corporate goals.

Payment is based on the achievement of the Key Metric targets for the Balanced Performance Scorecard split between credit union experiences and metrics making up 60% of overall payment and overall credit union financial metric, which make up the remaining 40%.

For the fiscal year 2022 the CEO’s incentive equates to 50%<sup>3</sup> of overall salary for all measures achieved.

**CEO Benefits, RRSP and Perquisites**

Health care, insurance and other benefits provided to the CEO are consistent with those received by all other employee groups within Coastal Community. Coastal Community employees receive a comprehensive benefits plan that offers several options.

The Executives and CEO receive the additional benefit of the Health Care Spending Account benefits with a maximum value of \$2,500 per annum and an accumulated maximum of two (2) years value at \$5,000 for any unused funds.

Employees, including the CEO receive employer paid RRSP contributions of 11.50% of base salary to a Group RRSP or a Defined Contribution Plan. The CEO receives contributions up to the allowable limit under the Canada Revenue Agency (CRA) guidelines. Amount in excess of the allowable RRSP limit is accrued in a Supplemental Pension Plan, which was introduced in August 2020. The funds and accumulated interest and/or profits are “locked in” until discontinuance of employment or retirement from Coastal Community.

The CEO also receives a car allowance with a value of \$900 per month.

**Termination Benefits**

The CEO’s employment contract stipulates that if employment is terminated for cause, then no notice, salary, bonuses or benefits are owed to him. If his employment is terminated without cause, then a severance package up to 24 months (including salary and benefits) would be owed to him.

<sup>1</sup> Base Salary is for 2022

<sup>2</sup> Annual incentive – Value paid in 2023 is for the 2022 annual period

<sup>3</sup> Total incentive is capped at 50% of base salary



**Coastal Community Credit Union Officers**

- Adrian Legin, President & Chief Executive Officer
- Barbara Coe, Chief Financial Officer
- Kent Jesse, Chief Risk Officer
- Rob Grundison, Chief Relationship & Sales Officer
- Bruno Dragani, Chief People & Administration Officer
- Joe Cristiano, Chief Community & Marketing Officer
- Paul Johnson, Vice President Enterprise Risk Management & Corporate Secretary

**Credit Union Industry Directorships Held by Directors and Officers in 2022**

- Co-operative Development Foundation of Canada (CDF) – Bruno Dragani, Director/Chair
- CU CUMIS Wealth Holdings – Adrian Legin, Director

**Directors & Officers of Subsidiary Companies as of December 31, 2022**

1200089 B.C. Ltd.

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Terry Law, Chair	Kirsty Scriver, General Manager
Elmer Epp, Vice-Chair	Paul Johnson, Corporate Secretary
Brian Harris	
Adrian Legin	
Rob Grundison, Co-President	
Ted Schisler, Co-President	
Trevor Tremblay	
Bruno Dragani	

Coastal Community Financial Management Inc.

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Melissa Lacroix, Chair	Don Tamelin, General Manager
Lynne Fraser	Paul Johnson, Corporate Secretary
Adrian Legin	
Rob Grundison, President	
Barbara Coe	
Bruno Dragani	
Joe Cristiano	