

YOU



**can have your
voice heard
at our AGM.**

78th Annual General Meeting.

Vancity

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Available on Vancity.com

Vancouver City Savings Credit Union Rules	click here
2023 Annual Report	click here

Agenda.

5:30pm	Call to Order, Welcome and Introductions Appointment of Parliamentarian, and establishment of quorum	Rita Parikh Chair, Board of Directors
5:50pm	Ordinary Resolution(s) a. Approval of Agenda b. Approval of Standing Rules c. Approval of 2023 AGM Minutes	Rita Parikh Chair, Board of Directors
	(VOTING)	
5:55pm	Report from Board of Directors	Rita Parikh Chair, Board of Directors
6:05pm	Report from President & Chief Executive Officer	Wellington Holbrook President and CEO
6:15pm	Question Period (for Board and CEO Reports)	Rita Parikh Chair, Board of Directors
6:30pm	External Auditor's Report (presented by Audit Committee Chair) Ordinary Resolution(s) a. Adoption of External Auditor's Report and the Sustainability Assurance Provider's Report b. Appointment of the External Auditor and Sustainability Assurance Provider	KPMG External Auditor
	(VOTING)	
6:35pm	Presentation of 2023 Board of Directors' Election	Kristen Rivers Chair, Nominations and Election Committee

Agenda.

6:40pm	Consideration of Member Proposal & Discussion	Proposed by Martin Duhamel, Vancity Member
6:50pm	Question Period (including New Business)	Rita Parikh Chair, Board of Directors
7:05pm	Closing Comments	Rita Parikh Chair, Board of Directors
7:10pm	Adjournment	Rita Parikh Chair, Board of Directors

Standing Rules.

1. The Annual General Meeting (AGM) will be run in accordance with the *Credit Union Incorporation Act*, the Vancouver City Savings Credit Union Rules, *Robert's Rules of Order Newly Revised (RONR) 12th Edition.*, and these Standing Rules.
2. Members may submit a question or comment electronically; such questions, if recognized by the Chair, will be thematically grouped and either addressed at the meeting or addressed in a public posting shortly following the meeting.
3. Only voting members of the credit union are entitled to submit questions or comments and vote.
4. Comments or questions must relate to the pending motion, report, or proposal.
5. Members may submit questions or comments throughout the meeting. They will be addressed during the allotted question period. Please keep your questions/comments brief and to the point.
6. A second question or comment on the same motion, will be addressed if there is enough time left during the allotted question period.
7. The AGM is for the purpose of transacting the business of the general membership of Vancouver City Savings Credit Union. Issues of a personal nature will not be addressed during the meeting but may be referred to the appropriate employee.
8. A standing rule may be suspended by a two-thirds vote¹

If you have any questions about the 78th AGM, please contact the Governance Team: agm@vancity.com

¹ In accordance with RONR

Proposed Ordinary Resolutions.

Agenda

RESOLVED, that the agenda be approved with a closing time of 7:10 pm.

Standing Rules

RESOLVED, that the standing rules for the 78th annual general meeting be approved.

Auditors' and Sustainability Assurance Provider's Reports

RESOLVED, that the External Auditor's Report and the Sustainability Assurance Provider's Report for the year ended December 31, 2023 be adopted.

Appointment of External Audit Firm and Sustainability Assurance Provider

RESOLVED, that the chartered accounting firm of KPMG LLP be appointed auditor and Sustainability Assurance Provider for Vancity for 2024 and that the Board of Directors be authorized to fix the remuneration for KPMG LLP.

Meeting Adjournment

RESOLVED, that the 78th Annual General Meeting for Vancouver City Savings Credit Union meeting be adjourned.

2023 AGM Minutes.

VANCOUVER CITY SAVINGS CREDIT UNION 77th ANNUAL GENERAL MEETING via Webcast May 10, 2023

Call to Order, Welcome and Introductions

The 77th Annual General Meeting (AGM) of Vancouver City Savings Credit Union (Vancity) was called to order at 5:02 p.m. by Rita Parikh, Chair of the Board. The Chair thanked the members for joining the meeting and welcomed their comments and questions during the meeting. She also addressed that 100 members need to stay tuned until the end of the meeting in order for the meeting to be duly convened and also have a chance to be entered in the prize draw.

A video of Sempúlyan, a current elected member of the Squamish Nation Council and a residential school survivor, was played, welcoming Vancity members to the webcast and offering a traditional blessing.

The Chair introduced the members of Vancity's Board of Directors and acknowledged the absence of Director Braha, Director Giltrow and Director Rivers due to dealing with personal matters. She also welcomed the newly elected members of the Board, Opreet Kang and Heather O' Hara and the re-elected member, Christie Stephenson. The CEO and the senior executive team were also acknowledged by the Chair and welcomed.

The Chair welcomed Debra Finlay of McCarthy Tétrault, the duly appointed Parliamentarian for the AGM, the American Sign Language (ASL) interpreters, and special guests.

Quorum was confirmed and the Chair reviewed the instructions on how to ask questions, second motions and vote through the functionalities of the webcast.

Adoption of the Agenda

The Chair noted the agenda for the 77th Annual General Meeting was located in the package and the webcast.

RESOLVED, that the agenda be approved with a closing time of 6:40 pm.
MOVED/SECONDED/CARRIED

Adoption of the Standing Rules

The Chair reviewed the standing rules for the meeting.

RESOLVED, that the standing rules for the 77th annual general meeting be approved.

MOVED/SECONDED/CARRIED

Receipt of 2022 Annual General Meeting Minutes

The Chair explained the 2022 Annual General Meeting minutes had been approved by the Board. Copies of the minutes were available to members in the package online.

The Chair also recognized members who had been Vancity members for 50+ years and encouraged anyone who had been a member since 1973 or earlier to submit a message through the webcast platform.

Report from the Board of Directors

The Chair began by expressing gratitude to two outgoing Board directors, Anita Braha and Lily Grewal, for their dedicated service.

The Chair emphasized Vancity's unwavering commitment to a visionary economy that prioritizes the planet's protection and universal equity for members and the broader community. This commitment remains steadfast despite increasing affordability and financial challenges affecting the population.

The Board's governance role is vital during uncertain times, with a focus on guiding members and the community through these challenges. The Chair underscored the significance of local businesses in communities and Vancity's commitment to supporting the local economy and helping business members grow.

In 2022, Vancity allocated 68% of its procurement spending, totaling \$88 million, to support local businesses. Vancity actively supports business members in their pursuit of green business certification, collaborating with a Vancouver Island program with plans for expansion.

Vancity's strategy aligns with economic development that protects the planet, emphasizing the assessment of greenhouse gas emissions associated with loans and mortgages. Vancity has committed to achieving this goal by 2040, a decade earlier than most banks.

Vancity continues its community investment initiatives, allocating 30% of net profits to support members and local transformative organizations. Vancity made a significant contribution of \$1.6 million in 2022 to strengthen cooperative entities, such as the B.C. Cooperative Association and the Canadian Worker Coop Federation.

Despite the challenges of 2022, Vancity remains in a robust position, with a resilient business strategy and an effective executive team prepared to navigate uncertainties. The Chair acknowledged the forthcoming departure of President and CEO Christine Bergeron, who has led Vancity through the pandemic, achieving historic financial performance. She noted the Board was initiating a search for a permanent President and CEO, with plans to announce an interim leader in the coming weeks. The Chair concluded by reiterating Vancity's vision for a transformed economy, reaffirming the Board's commitment to serving members, and recognizing long-standing members for their loyalty and support.

Report from the President and Chief Executive Officer

The President and CEO, Christine Bergeron, expressed her gratitude for her time with Vancity, both as a leader and working with the Vancity team over the past 12 years.

She acknowledged that this would be her final AGM report as CEO and highlighted Vancity's strong position to continue its financial performance and community impact, despite ongoing uncertainties.

The report highlighted the financial challenges of 2022, including global disruptions, stock market volatility, extreme weather events, and geopolitical events such as Russia's invasion of Ukraine, leading to inflation, recessionary pressures, and interest rate increases. Vancity prioritized flexibility in responding to these challenges while keeping members, communities, and values central to their work. Despite the difficulties, the credit union achieved strong financial results in 2022.

Key financial highlights included operating earnings of \$138.4 million, net lending growth exceeding targets, and total assets plus assets under administration reaching \$34.3 billion.

Members' trust in Vancity's responsible approach to investments was evident, with new investors joining in 2022, and more anticipated in 2023.

Vancity delivered a return on average members' equity of 6.2 percent, and after factoring in Shared Success payouts, the return was 4.6 percent. The credit union welcomed over 23,000 new members in 2022, although there were also account closures for dormant accounts.

Vancity's commitment to providing financial advice tailored to members' unique circumstances remained a priority.

The report emphasized the interconnectedness of economic challenges and the climate crisis, with Vancity working on innovative products to help members reduce their emissions. The credit union's support for community resilience included efforts to develop more affordable housing and assistance for displaced individuals arriving in British Columbia.

Vancity's commitment to reconciliation was highlighted through its participation in the Progressive Aboriginal Relations (PAR) certification program, aiming to create equitable access to financial services and employment for Indigenous communities.

The CEO acknowledged the dedication of Vancity employees, who were recognized as one of Canada's top 100 employers. She reflected on various accomplishments during her tenure, including Vancity's vision for a transformed economy that prioritizes the environment and equity, support during the pandemic, climate action, affordable housing initiatives, and efforts toward reconciliation and anti-racism.

Despite ongoing challenges, she expressed confidence in Vancity's compelling vision, strong strategy, talented team, and values-based approach, reaffirming the credit union's commitment to serving members and communities.

The report concluded with gratitude for members and communities and the assurance that Vancity would continue navigating uncertainties with them as its anchor.

Question Period on the Reports of the Chair, and President and Chief Executive Officer

Members asked the Chair and the CEO questions on the following issues: plans for new branches, employee pension, interest on savings accounts, AGM format, digital and encrypted currency, ATM updates, impact of inflation on interest rates, Indigenous reconciliation efforts, funding for cooperative development, and candidates in the election.

Report from the External Auditor (presented by Audit Committee Chair, Bill Chan)

Bill Chan, Audit Committee Chair, presented the external auditor's report noting that KPMG was engaged by the credit union to perform an audit of the annual consolidated financial statements of Vancity for 2022, a regulatory requirement for all credit unions in BC; and to provide assurance over key accountability data, information and principles included in the 2022 annual report.

There were no concerns to discuss with the membership with respect to the reports provided by KPMG. The Audit Committee had reviewed the work performed by KPMG and confirmed that KPMG remained independent from Vancity in the context of the rules established under professional standards; received the full cooperation of management and employees of Vancity; and were provided full access to Vancity's books and records during their audits.

Auditor's Report Adoption

RESOLVED, that the External Auditors' Report for the year ended December 31, 2022 be adopted.

MOVED/SECONDED/CARRIED

Appointment of the External Auditor

Director Bill Chan, Chair of the Audit Committee, made the following motion:

RESOLVED, that the chartered accounting firm of KPMG LLP be appointed auditor for Vancity for 2023 and that the Board of Directors be authorized to fix the remuneration for the auditor.

MOVED/SECONDED/CARRIED

Report on the 2022 Board of Directors' Election

Lily Grewal, Chair of the Nominations and Election Committee (NEC) introduced the members of the NEC and thanked them for their efforts.

The NEC Chair reported that six candidates ran for election in 2023; 26,008 valid ballots had been cast this year. Three of the candidates were elected to a three-year term commencing at the end of the AGM. The three directors elected to a three-year term were: Christie Stephenson (16,345 votes), Opreet Kang (15,627 votes) and Heather O'Hara (14,769 votes).

The NEC Chair thanked all the candidates for participating in the election and recognized each candidate individually: Christine Arnold, Opreet Kang, Heather O'Hara, Sean Riley, Christie Stephenson, and Juvarya Veltkamp.

Question Period and New Business

The question facilitator welcomed questions from members and noted that questions which weren't answered at this meeting would be collated by theme and posted on vancity.com in the days post the AGM.

Members asked the Chair and the CEO questions on the following issues: banking issues, the introduction of special children's accounts, new branch in Olympic Village, profit sharing with members, salary levels for the Executive Leadership Team, socioeconomical issues Vancity should focus on, plans for introducing visa debit cards, mental health resources for employees, and plans for introducing a US dollar credit card.

The question facilitator concluded the question period.

Draw Prizes

The Chair advised members that they would be contacted directly if they had been drawn as one of the winners of the two \$500 cashable term deposits.

Conclusion

The meeting concluded at 6:40 p.m.

These minutes were approved by the Board of Directors on September 19, 2023

Member Proposal.

Proposal

The following proposal is submitted by Martin Duhamel of #6, 2646 Yukon St., Vancouver, BC, V5Y 3P8:
I PROPOSE THAT the membership does not have confidence in the Vancity Board of Directors.

Statement

Do you have confidence in the Board? Vancity's constitution says that we are "a democratic organization, run for and by members." And it says that the Board of Directors is accountable to the members.

But consider that at the 2022 annual meeting, when the Board asked the membership to approve pay increases for themselves, they ended discussion after two critical questions. You might recall that one justification given for the pay increase was that they were "volunteers" and the money was an "honorarium." Also, no regard was given to the salaries of front-line staff. Do you accept any of this? There were only 139 people voting. The vote passed by 13 votes, and you might assume that 9 of those were directors!

The Board ended the final Q&A session after only 12 minutes, without answering all questions, and they ended the meeting entirely 15 minutes early, without conducting a vote on whether to adjourn the meeting.

In lieu of directly answering questions, the Board issued a general statement afterwards. Members like myself who submitted comments never got to be heard by the rest of the members.

Also in 2022, the Board decided to take patronage payments away from us. We were not permitted to vote on this. Do you think you should be entitled to a say in how Vancity profits are used? The profits were derived from the business we gave to Vancity. The profits belong to us, the members.

I tried to put this question forward as a resolution at the 2023 annual meeting, but the Board said that members do not have any right to put forward a resolution, contrary to Rule 8.1. They tried (and succeeded) in obstructing us from communicating with one another by editing my resolution.

I have refrained from expressing my own opinions. Everyone should have an opportunity to have their opinion heard on whether the Board remains true to the constitution.

WE ARE NOT PERMITTED TO VOTE ON THIS MATTER. The provincial regulator (BCFSA) says that members cannot ask for a vote without first getting (about) 5863 signatures in support. The Board advocated against a vote, saying "our ability to govern ... could be compromised."

You can see evidence for all of the above at my website: www.governancewatch.ca

Vancity's Member Proposal Response

Vancity has received a proposal submitted by one of our members, Martin Duhamel. A copy of the proposal is included in this Annual General Meeting package (Member's Proposal).

At our May 8th AGM, there will be time given for discussion of this item in line with the Credit Union Incorporation Act.

The Member's Proposal raises various issues relating to Vancity's **2022 annual general meeting** and process at annual general meetings in general.

Below, Vancity responds to various points in the member proposal.

Member's Proposal: *"But consider that at the 2022 annual meeting, when the Board asked the membership to approve pay increases for themselves, they ended discussion after two critical questions. You might recall that one justification given for the pay increase was that they were "volunteers" and the money was an "honorarium.""*

Vancity's Response: First, at the 2022 annual general meeting, contrary to what is suggested in the member proposal, there were eight questions answered and two comments and clarifications shared among members.

Second, members of Vancity's board of directors are not volunteers. They receive remuneration each year for serving on the board. Every three years, at the annual general meeting, members are asked to approve director remuneration based on a recommendation presented by the Director Remuneration Committee. That committee is always drawn from credit union members- at-large – not directors of the Board or management.

Member's Proposal: *"Also, no regard was given to the salaries of front-line staff. Do you accept any of this?"*

Vancity's Response: At the 2022 annual general meeting, Vancity answered questions about salaries of employees. The Chief Executive Officer advised members in the meeting that Vancity provides increases to salaries on a merit basis, annually, and that all Vancity employees share in Vancity's profits. The Chief Executive Officer also explained that Vancity employees also received an additional 2% pay increase in 2021 above the regular annual merit increase.

Member's Proposal: *"The Board ended the final Q&A session after only 12 minutes, without answering all questions, and they ended the meeting entirely 15 minutes early, without conducting a vote on whether to adjourn the meeting."*

Vancity's Response: Vancity values member questions, and strives to ensure member questions are addressed fairly by answering them during the meeting, after the meeting in writing, or if it is a personal, member-specific question, through a non-public communication directly with the member. At the 2022 annual general meeting, many member questions were answered directly, including one of Mr. Duhamel's. Any outstanding questions were answered in writing and published on Vancity's website on June 2, 2022. The 2022 annual general meeting

was adjourned by declaration after completion of all business. Going forward Vancity will adjourn meetings by motion.

Member's Proposal: *"Also in 2022, the Board decided to take patronage payments away from us. We were not permitted to vote on this. Do you think you should be entitled to a say in how Vancity profits are used? The profits were derived from the business we gave to Vancity. The profits belong to us, the members."*

Vancity's Response: Following the 2022 annual general meeting, Mr. Duhamel enquired with Vancity about the change to its patronage program. Vancity responded to Mr. Duhamel's enquiry with a detailed written reply. Vancity's decision to redesign our shared success program, discontinuing patronage payments, was not taken lightly. The decision followed a comprehensive review process and Board approval on November 30, 2021. There were many reasons for the change, including that the patronage approach ended up disproportionately benefiting a very small number of members with higher accumulated wealth. As a credit union, we take pride in the fact that every member, wealthy or not, has an equal vote in our governance, and each share our members hold is equal in value and carries the same dividend. Patronage treated and rewarded members differently based on how wealthy they are. Vancity determined that continuing the program did not align well with our values. Vancity's review determined that a majority of members shared this conclusion. Vancity has received overwhelmingly positive feedback since changing the program because the resulting change allowed us to direct more funding to community initiatives. Vancity continues to provide annual dividends on member shares to every member based on our annual net profit.

Member's Proposal: *"I tried to put this question forward as a resolution at the 2023 annual meeting, but the Board said that members do not have any right to put forward a resolution, contrary to Rule 8.1. They tried (and succeeded) in obstructing us from communicating with one another by editing my resolution.... WE ARE NOT PERMITTED TO VOTE ON THIS MATTER. The provincial regulator (BCFSA) says that members cannot ask for a vote without first getting (about) 5863 signatures in support."*

Vancity's Response: There have been significant changes to the *Credit Union Incorporation Act (CUIA)* in British Columbia. Pursuant to the changes, a member is unable to bring an ordinary resolution at an annual general meeting. Instead, a member has two mechanisms to be heard at an annual general meeting:

1. A Member's Proposal (s. 77.1 CUIA): a member may propose a matter for consideration at an annual general meeting, but without the ability to call for a vote, provided that the requirements of section 77.1 are met.
2. A Special Resolution (s. 77 CUIA): members may propose a special resolution for consideration at an annual general meeting, provided that the requirements of s. 77 of CUIA are met, including that the resolution be endorsed by a threshold minimum number of members, as set out in the CUIA. In the case of a credit union with more than 6,000 members such as Vancity, the minimum amount is the sum of (i) 300 members, and (ii) 1% of the difference between the number of members and 6,000 members.

Mr. Duhamel's proposed resolution in 2023 did not meet the requirements of s. 77 of the legislation to be put forward as a member's proposal or special resolution.