

### REMUNERATION

#### What do we mean by director remuneration?

Directors receive a monetary sum for each year they serve on the Board (referred to as “remuneration”). Remuneration differs from a salary in that directors are not *employed* by Vancity, but rather are *elected* to its Board.

Remuneration is an important component in recognizing the significant time commitment directors are asked to make to Vancity. As well as the regularly scheduled Board and Committee meetings, which take place during the day and in the evening, directors are expected to attend various meetings, conferences, and events throughout the year to engage with members, and other credit unions and co-operatives. Directors can easily spend more than 50 hours a month on Vancity-related business.

#### Current Remuneration for 2022 to 2025

The Director Remuneration Committee presented its findings and the following six recommendations to members at the Annual General Meeting on May 10, 2022. Members approved the recommendations made, and the following changes came into effect May 10, 2022:

	Director	Committee Chair	Board Chair
<b>2022</b>	<b>\$51,163</b>	<b>\$59,631</b>	<b>\$82,261</b>
<b>2023</b>	<b>\$52,186</b>	<b>\$60,824</b>	<b>\$85,140</b>
<b>2024</b>	<b>\$53,230</b>	<b>\$62,040</b>	<b>\$88,120</b>
<b>Dollar Increase</b>	<b>\$3,070</b>	<b>\$3,578</b>	<b>\$8,641</b>
<b>% Increase</b>	<b>6.12%</b>	<b>6.12%</b>	<b>10.87%</b>

- 2% increase for Directors per year for three years.
- 2% increase for Committee Chairs per year for three years.
- 3.5% increase for Board Chair per year for three years.

#### How often is remuneration reviewed?

Members have determined that director remuneration be independently reviewed every three years by an ad hoc committee of non-director members, known as the “Director Remuneration Committee”. The Committee is comprised of three Vancity members who are not serving as directors of Vancity, or any of Vancity’s subsidiaries or affiliates. The Committee’s objective is to prepare a recommendation that will be presented to the membership for approval at the AGM.

The Committee reviews a substantial amount of information to assist in formulating its recommendations, including:

- Vancity’s current results;

- information about business and community trends;
- information about Vancity's business model;
- information about the various roles and responsibilities of a Vancity director, including the different expectations for those serving as director, committee chairs or the Board Chair;
- the level of time commitment required from each director;
- research about the remuneration of comparable organizations and Vancity staff;
- general articles and papers about director remuneration; and
- information about the general economy.

The Committee believes that remuneration should encompass the following principles:

- Given the added time and responsibility required of the Board Chair, the ratio of compensation between Chair and Board member should reflect these added demands. The Board Chair compensation is currently lower as a percentile when compared with similar organizations.
- Given the impact COVID-19 has had on the economy and on some of Vancity members' financial position, we believe we need to be prudent in the way we approach director compensation, and any increase is not viewed negatively by members. At the same time, the Committee recognizes that COVID-19 will have an impact on the work and responsibility of the directors and ensuring Vancity emerges from the pandemic in a healthy financial position.
- Board compensation should not be looked at in a similar way to employment remuneration. Linking an increase in board remuneration to cost of living ties it too closely to being seen as a "job" and provides no income planning ability for board members.
- A percentage increase is the most equitable way to approach board compensation.

### **EXPENSES**

Vancity also recognizes that directors incur expenses as they carry out their duties during the Board year.

The [Director Expense Policy](#) sets out the types of expenses covered by the credit union. As set out in that policy, directors are expected to:

- exercise discretion and good judgment in determining what is a reasonable and proper expense to be incurred on behalf of Vancity; and
- demonstrate a good example for the use of credit union resources.

Director remuneration and expenses for the 2022-2023 Board year are listed below.

### Director remuneration and expenses for the 2022 - 2023 Board year

Director	Remuneration	Expenses	
<b>Anita Braha</b> Board Chair (May – Dec) Director (Jan – May)	\$69,303.46	<ul style="list-style-type: none"> <li>attendance at Board-related events;</li> <li>professional development; and</li> <li>travel, home office, and electronic device expenses.</li> </ul>	\$24,504.22
<b>Rita Parikh</b> Board Vice Chair and Chair, Equity & People Committee (May – Dec) Board Chair (Jan – May)	\$69,060.15	<ul style="list-style-type: none"> <li>attendance at Board-related event;</li> <li>professional development; and</li> <li>travel, home office</li> </ul>	\$12,824.39
<b>Joel DeYoung</b> Chair, Technology Committee Board Vice Chair (Jan – May)	\$59,631.00	<ul style="list-style-type: none"> <li>home office</li> </ul>	\$720.00
<b>Lily Grewal</b> Chair, Nominations and Election Committee	\$59,631.00	<ul style="list-style-type: none"> <li>travel, home office, and electronic device expenses</li> </ul>	\$852.89
<b>Christie Stephenson</b> Chair, Governance Committee (May – Dec) Chair, Equity & People Committee (Jan – May)	\$59,631.00	<ul style="list-style-type: none"> <li>home office, and electronic device expenses</li> </ul>	\$730.79
<b>Patrick Nangle</b> Chair, Risk Committee	\$59,631.00	<ul style="list-style-type: none"> <li>home office</li> </ul>	\$720.00
<b>Bill Chan</b> Chair, Audit Committee	\$59,631.00	<ul style="list-style-type: none"> <li>attendance at Board-related events;</li> <li>professional development; and</li> <li>home office</li> </ul>	\$5,021.25
<b>Maegen Giltrow</b> Chair, Governance Committee (Jan – May)	\$54,691.31	<ul style="list-style-type: none"> <li>home office</li> </ul>	\$720.00
<b>Kristen Rivers</b>	\$51,163.00	<ul style="list-style-type: none"> <li>home office</li> </ul>	\$720.00