



Board of Director's Candidate Package

2022

Dear ABCU Credit Union member,

Thank you for your interest in becoming a member of the ABCU Credit Union Ltd. Board of Directors.

The ABCU Board of Directors consists of nine members elected by the membership. In 2023, three positions on the ABCU Credit Union Ltd. Board are up for election for a 3-year term.

The function of the Board of Directors is to set policies and provide governance according to the Credit Union Act and ABCU's by-laws. The Board of Directors represents the membership in governance, strategic direction, monitoring organizational performance and ensuring an effective risk management framework is in place.

The Board meets regularly during the year in the evenings and weekends and meetings can take up to six hours depending on the meeting. All directors sit on one of the following committees: Risk, Audit and Finance or Governance, Ethics and Human Resources. Directors who are not in their final term may also sit on the Nominating Committee. Committee meetings are held throughout the year and can take up to three hours each.

Directors are required to complete director development courses through the Credit Union Director Achievement Program and are encouraged to participate in additional training through the Governance Leadership Program CCD through CUSource. Directors are expected to represent ABCU Credit Union Ltd. at various functions, seminars, planning sessions and conferences. Many of these occur during the evenings and on weekends.

Directors must be prepared to make a substantial time commitment, which includes board and committee meeting preparation, meeting attendance, planning sessions, training and community functions.

Directors are individually and collectively responsible to the shareholders/members of the Credit Union. The board is ultimately accountable for the actions of the employees where employees are acting within the confines of their duties whether such duties are expressed or implied within the delegated framework. Director liability insurance is provided.

This package contains information regarding the election process, timelines, qualifications, forms and documents required for you to pursue a director position in the 2022 Election process.

Please note that all nominations must be received by the Nominating Committee at ABCU Credit Union Ltd. **no later than 4:00 pm on Friday, October 14th**. Please note that **original** forms with **original** signatures will be accepted. Faxed and emailed copies **will not be accepted**.

All original forms and documents are to be either mailed or dropped off at:

Attention: Chair, Nominating Committee
C/O Rachele Woods, Executive Assistant
5007-50th Avenue
Beaumont, Alberta
T4X 1E7

We will return for re-submission any incomplete nominations packages, provided they are received before the deadline.

The Nominating Committee is comprised of members of the Board of Directors and internal resources. The committee oversees all applications and is responsible for:

- Ensuring members are fully informed about the election process.
- Overseeing the conduct of the Board of Directors' election.
- Identifying, recruiting and if considered appropriate by the Nominating Committee, recommending to members candidates for election as directors who meet the criteria established.
- Preparing for delivery to the membership the notice of elections as per the requirements of the Credit Union Act.
- Conducting the election of the directors in accordance with the policies and guidelines.

The Nominating Committee will review each nomination received and assess whether the nomination complies with the Act, By-laws and policies. The committee will evaluate all nominations and has the authority to reject any nominations that are not in order or do not comply.

If the number of qualified nominees is less than or equal to the number of offices to be filled, the nominees shall be declared elected by acclamation.

If the number of qualified nominees exceeds the number of offices to be filled, the Nominating Committee will provide information to the members explaining how to cast their ballot. The Nominating Committee will include biographies, statements and photographs submitted by the nominees and approved by the Nominating Committee. This information will be available on the website and/or hard copies can be picked up in-branch.

The committee will also conduct interviews with all nominees for the purpose of ensuring there is alignment to the board's stated candidate criteria. All nominees, whether selected or rejected will be notified accordingly.

Balloting will take place in-branch.

If you have any questions, please contact Rachelle Woods at 780-929-1388 or rwoods@abcu.ca . You can also visit abcu.ca for more information about ABCU Credit Union Ltd.

Yours truly,

Alice Chalifoux
Chair, Nominating Committee

Nominees, the Board of Directors and all members shall be informed of the election results at the Annual General Meeting in 2023. (Note date to be announced)

2022-2023 Timeline

- | | |
|---|---|
| • Call for nominations | October 3rd |
| • Deadline for receiving nominations | October 14 th at 4:00 p.m. |
| • Candidate Interviews | October 19 th - October 21 st |
| • Voting period | October 24 th - October 28 th |
| • Votes tabulated and nominees contacted by | October 31 st |
| • Annual General Meeting | February 7 th , 2023 (tentative) |

Voting will take place between October 24th to October 28th at Beaumont and City Centre Branches during regular business hours. There will be no electronic or mail voting options for this election.

Board of Directors' Nomination Package

Candidates must complete and provide:

1. The Director Application Form.
2. The Candidate Skills and Experience Matrix.
3. Submit the Consent to Act as a Director Form.
4. Complete a Criminal Reference Check - note rwoods@abcu.ca will make arrangements with all candidates to complete.
5. Submit a resume.
6. Submit an outline of individual commitment and why you would be an asset to the Board of Directors (no more than 250 words; written in the first person on a word document).
7. Provide a current photograph in electronic format on a DVD, CD or USB.

Candidates will be contacted to schedule an interview.

Potential candidates for membership on the Board will not be denied consideration by reason of faith, color, ancestry, place of origin, marital status, family status, age (provided the candidate is over 18 years of age), sex or sexual orientation, nor will any candidate be selected solely for such reason.

Candidates are encouraged to drop off Nomination packages before the above deadline in which the Nominating Committee will immediately process the nomination papers and schedule a Candidate interview.

Candidate Qualifications:

To run as a candidate for the ABCU Credit Union Ltd. Board of Directors you must:

- Be an individual who is at least 18 years of age.
- Be a member in good standing of ABCU Credit Union Ltd. for at least 12 months prior to the closing date of nominations, or six months combined with continuous membership in another Credit Union or Caisse Populaire to total at least one year.
- Must not be an “Immediate Relative” of any employee or member of the Board of Directors of the credit union.
- Must be willing to acknowledge acceptance of the terms and conditions of the credits:
 1. Confidentiality Agreement,
 2. Conflict of Interest Statement; and
 3. Code of Ethics Statement.
- Must not be employed by or involved as a director or advisor at any other competing financial institution.
- Must not be in violation of the credit union’s policies or by-laws; and is not eligible to be nominated for election, be appointed as a director or hold office as a Director, if the member:
 - Has a loan with any credit union which was required to be written off;
 - In accordance with SA.65 of the Act is an employee or has been an employee within three (3) years, or is an employee of a company under contract to the credit union;
 - In accordance with SA.65 of the Act is a director, officer or employee of a bank, trust company, savings and loan association, another credit union, or other institution or business that is engaged in activities similar to the activities in which the Credit Union is engaged in the normal course of business, or is the spouse or adult independent partner or common law partner of the person referred to in this paragraph; or
 - Is employed in a position that could be construed as a conflict-of-interest situation or a potential conflict of interest situation.

In consideration of individuals who serve on ABCU Credit Union’s Board of Directors, the Nominating Committee assesses applications against the following criteria defined and approved by the Board of Directors.

Candidate Nomination Criteria:

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Personal Attributes

Each Director must adhere to the highest ethical standards, display solid business judgement and have strong interpersonal skills. To be considered a preferred candidate one must be financially literate, and

the committee will also consider:

- The candidate's ability to commit to the time required to work for the Board.
- The candidate's ability to serve in an unbiased capacity.
- The candidate's desire to act in ABCU Credit Union's best interests.

Leadership Capabilities

Preferred candidates will have leadership experience and be willing and capable of assuming Board Leadership positions such as the Board Chair or Committee Chairs.

Specific Skills & Experience

For the 2021 board election, candidates will be assessed against the following criteria:

Business Skills and Strategic knowledge:

- Financial Acumen
- Regulatory and Legislative
- Technology - specifically digital business applications
- Risk Management
- Executive Compensation
- Human Resources
- Strategic Planning
- Financial Industry Experience
- Commercial and Small Business Experience
- Wealth Management Experience
- Board Member Experience
- Corporate Social Responsibilities
- The Co-operative System

Personal qualities:

Have a passion for the credit union system and a strong desire to be involved in the community. Be a critical thinker and team player with a commitment to learning and volunteering. Be open and flexible to new ideas and changing industry trends.

Board of Directors' Position Description

Purpose

The Board of Directors is accountable to the general membership of ABCU Credit Union Ltd. for overseeing the affairs of the credit union.

Authority

The Board of Directors derives its authority under the Credit Union Act, the Credit Union by-laws and from its members. A Director has no independent authority to act or to unilaterally give direction to management or to commit ABCU Credit Union Ltd. to any course of action.

Composition of Quorum

The Board is comprised of nine (9) elected Directors, pursuant to ABCU Credit Union's by-laws. A quorum shall be a majority of the Directors. A Chairperson shall be elected by and from the Directors.

Board of Directors Roles and Responsibilities

- Represents the interest of the membership.
- Provides leadership and direction to management.
- Enacts and ensures adherence to corporate governance and enterprise risk management (ERM) "best practices".
- Ensures corporate policies are in place and, where applicable, reviews and approves Board policies.
- Plays an active role in the strategic planning process.
- Authorizes the appointment of the Chief Executive Officer (CEO).
- Through the Governance, Ethics and Human Resource Committee, ensures the evaluation of the performance of the Chief Executive Officer (CEO) is completed annually.
- Through the Governance, Ethics and Human Resource Committee, ensures the structure is in place to monitor and authorizes compensation of the Chief Executive Officer.
- The Governance, Ethics and Human Resource Committee, ensures that an appropriate management succession is in place.
- Ensures enterprise risk is managed.
- Ensures the integrity of internal control and management information systems.

A Director shall

- Always acts honestly, in good faith and in the reasonably held belief that the act is in the best interests of the Credit Union.
- Demonstrates integrity and high ethical standards.
- Be committed to compliance with the highest standards of governance.
- Represents the interests of the members.
- Exercises independent judgement in directing and overseeing the operations of the Credit Union.
- Has an understanding of fiduciary duty.
- Be financially literate, acting as a steward of the Credit Union's financial resources.
- Enrolls in the Credit Union Director Achievement Program within three months of election and completes courses within the required timeframe; be committed to continuing education and willing to enroll in courses beyond the minimum requirements for the duration of their tenure

as a Director.

- Demonstrates well developed listening and communication skills while actively participating in board discussions.
- Devotes sufficient time to serve effectively as a Director.
- Possesses relevant career experience and expertise to advance the interests of the Credit Union.
- Demonstrates a commitment to Credit Union and Cooperative Principles.
- Keep confidential all matters involving the Credit Union.
- Acts in a respectful manner in all dealings with other Directors and Employees.
- Abides by and supports any decision properly reached by the Board of Directors.
- Complies with the Credit Union's Code of Conduct; review and sign the document annually.
- Follows the approved communication protocols, deferring to the appointed public spokesperson for public comment.

Board Operations

Each Director is responsible for contributing to the Credit Union's corporate governance team. As such, a Director is responsible for understanding the difference between governing and managing, ensuring that the Director and management operate freely within their respective domains, and cooperating with management in areas of shared responsibility.

A Director is expected to:

- Participate in the selection and through the Board Chair/Governance, Ethics and Human Resources Committee participate in the monitoring, evaluation and compensation of the CEO.
- Participate in the establishment of the Credit Union's annual strategic plan and monitor progress.
- Be concerned with the organization, composition and continuity of the Board.
- Fully and actively participate in Board processes including community and Credit Union events.
- Regularly attend Board meetings, and those meetings of any committee on which the Director serves.
- Attend the annual general meeting and strategic planning sessions.
- Fully consider all material distributed to the Director in advance of any Board or committee meeting.
- Ensure that appropriate information to support any material decision required of the Board is provided by management, and that any action that is proposed be taken or delayed until such information is available.
- Participate knowledgeably and meaningfully at board and committee meetings; ask appropriate questions of management.

Accountability

A director is accountable to the Board of Directors and its members.

Candidate Skills and Experience Matrix

The purpose of the Candidate Skills and Experience Matrix is to provide a non-critical analysis of the existing competencies and skills of each individual candidate as required by ABCU Credit Union Ltd.

The results will provide the Nominating Committee with a detailed analysis of each candidate's suitability as a director.

A detailed position description is included as part of the process (page 8 and 9), in order to better understand the requirements, skills and complexities involved in being elected to the Board of Directors for ABCU Credit Union Ltd.

Please read the Director Role Description and rate yourself in consideration of these skills and experience.

Note: A lack of all skills is not a barrier as training/education will be provided if elected.

Defining the Rating Scale:

1 = have no experience

2= have minimal experience

3= have had some indirect experience

4= have direct experience but not considered an expert

5= have expertise and would be considered a professional in the field

ABCU Credit Union Ltd. Director Skills and Experience Matrix

Area	Rating 1-5 (low to high)	Comments & Examples
Financial Accounting and Audit – understanding of the financial underpinnings of the organization, financial statements, and their composition; professional designations (e.g. CA, CGA) an asset.	Low ----- High 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>	
Leadership – holding a senior leadership role in a mid-to-large sized company such as Executive or CEO roles.	Low ----- High 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>	
Strategic Planning - experience leading strategy formation and implementation for a large organization.	Low ----- High 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>	
Human Resources - experience with compensation plans, ideally pay-for-performance; experience with leading HR committee, CEO Performance Review and assisting the Board in setting performance goals and compensation.	Low ----- High 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>	
Risk Management – working knowledge and understanding of Enterprise Risk Management. Enterprise Risk Management designation an asset.	Low ----- High 1 2 3 4 5 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>	
Technology - ensuring technology is aligned with strategic priorities and is creating/preserving value, ensuring IT resources are used satisfactorily and IT risk is effectively assessed and managed.	Low ----- High 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>	
Regulatory Control/Governance - familiarity with the legislation, regulation and governance guidelines pertinent to operation of a credit union.	Low ----- High 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>	
Wealth Management/Commercial – experience directly or indirectly with investments, insurance and commercial lending.	Low ----- High 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>	
Legal – have experience in the legal profession.	Low ----- High 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/>	

List any past experience with a credit union.

List any involvement with community activities.

Briefly outline your reasons for submitting your name to the Nominating Committee.

Do you have a specific purpose in mind that you might pursue while on the Board of Directors?

4. FURTHER COMMENTS:

Signed: _____ Date: _____

Criminal and Credit Check Consent Form

In connection with my application for candidacy on the Board of Directors of ABCU Credit Union Ltd., I, _____, hereby authorize and give consent to ABCU Credit Union Ltd. to conduct any pre-screening, criminal and credit checks considered necessary.

Signature

Date of Birth

Social Insurance Number

Date

Note: an electronic Criminal Check will be sent to you electronically through ABCU Credit Union.