

AGM member attendance

We want as many members as possible to attend our AGM each year and are always looking for ways to encourage participation.

Each year, our marketing and governance teams work to proactively engage our membership and to encourage them to attend the AGM. They do so through our digital channels, including but not limited to our website, internal website, in-branch signage, as well as mail outs, social media, and email marketing. In addition, when members reach out in advance, we provide one-on-one support to help them attend the virtual AGM. For 2022, we also offered a Virtual AGM Prize Draw for two winners of a \$500 Vancity cashable term deposit as an incentive for members to attend.

The attendance in this year's virtual AGM is comparable to the number of members that attended our in-person AGMs prior to 2020. The virtual format has made the AGM more accessible to more members in different regions, as well as provide equal access for folks that are unable to attend in-person.

Multi-factor authentication options

Multi-Factor Authentication is an additional layer of security that helps to protect your account. When entering your MEMBER CARD number and password, you may be asked to enter an additional one-time code. There are three ways to authenticate: your phone via a text message, an automated voice call, or an authentication app.

When a cell phone is not available, the voice call can be reset to another number when you are travelling. If you will be travelling, we recommend that you download the authenticator app to a mobile device and use it to access your One-Time Code (OTC) when offline/without cellular data. We are constantly exploring other means of authentication that balance our members security with convenience.

Our login methods for our Visa and our Online Banking differ because each are serviced by separate providers, and thus have different capabilities. We are continuing to explore other methods for secure authentication and simplified methods of login across Vancity services.

Vancity enviro Visa retail fee changes

Effective June 2, 2022, enviro Classic, Gold, Infinite and Infinite Privilege VISA will undergo fee changes for some services. Cardholders will only be impacted if they: go over their available credit limit, make a payment on their Visa card bill that is not accepted, use cash advances, make purchases in foreign currency, or have an inactive account with a positive credit balance for 12 consecutive months.

There are no changes to the annual fee, interest rate, Vancity Rewards™ and Visa Infinite Benefits. The fees that are changing are mostly avoidable by monitoring account usage and credit limits. We'll always work with our members to discuss their options, so please don't hesitate to call our Card Services Team at 604-877-4999 or toll-free at 1-800-611-8472.

Shared Success Patronage

Vancity shares 30% of our net profits with our members and communities. Since 1994, we've given more than \$406 million through the Shared Success program. We distribute membership share dividends for both retail and business members; it's how members directly benefit in the success of our credit union.

Following a review of the program, we changed Shared Success to make it simpler, more equitable and transparent. Patronage payments, as a part of Shared Success, ended this year, with the last Patronage payments distributed in March 2022. Patronage was a component of the Shared Success program that rewards members based on the various Vancity products members have. In practice, it disproportionately rewards members who have higher accumulated wealth.

This change remains aligned to our cooperative principles and was made with member feedback. Vancity conducted third-party research surveys among representative samples of our membership. The surveys were asked of several hundred of our members and designed to capture a range of factors such as gender, age and geographic locations too. When asked, 77% told us they would be supportive of redirecting their Patronage payments so it can be invested by Vancity to help advance social or environmental causes.

The Patronage program was introduced in 1991 and was something unique to Vancity. The world has changed for many people in the past 30 years and the change to our Shared Success program is a reflection of that. As an organization, we make decisions that align with our cooperative values to address big problems where we live. Redirecting Patronage funds means we can invest more into programs and partnerships to address broad and systemic needs in our communities.

Board of Directors: role and compensation

Vancity's board directors are elected from among the credit union's own membership and play a critical part in the governance and oversight of our organization. Board members deal with complex issues that include the changing regulatory and economic environments. Their compensation is in recognition of the time spent performing their duties in service to the credit union membership. This is a practice common to all credit unions and is an important component of what it means to be a cooperative.

The board directors have an important responsibility and must bring to the role skills and experience commensurate with that responsibility. As a credit union, we must provide fair

compensation to attract board members with the skills and experience to oversee Vancity and guide our unique values-based business model.

Their compensation is reviewed every three years by an independent committee of Vancity members. The committee reviews the board chair, board member and committee chair compensation, then compare it to other organization boards, including comparably sized credit unions.

As a result of the last review, the committee recommended a 2% increase for Directors and Committee Chairs per year for three years, and a 3.5% increase for Board Chair per year for three years. The committee also reported that it took into account the impact that Covid has had Vancity members' finances and therefore chose to place Vancity board compensation at a mid-level when it comes to comparable organizations of board director compensation.