

— NOTICE OF FIRST WEST
CREDIT UNION

**ANNUAL
GENERAL
MEETING
AND BOARD
OF DIRECTORS
ELECTION**

We warmly invite you to join us online for our 2021 AGM

May 12, 2021 | 5 p.m. at firstwestcu.ca

This year, we're once again bringing the AGM to your home!

While the COVID-19 pandemic has kept us from meeting in-person, it hasn't kept us from meeting together. Building on the tremendous success of last year's inaugural online AGM, the board and management of First West look forward to sharing the credit union's remarkable journey over the past year as well as lay out the exciting future we anticipate in the months and years ahead.

Register to make the most of your online AGM experience

We can't wait to see you on May 12. To join us, please ensure you register in advance by visiting firstwestcu.ca/registration. It's easy to register—we simply need your last name, date of birth, postal code and email address. This will help us verify your eligibility to participate as members, including the ability to vote on resolutions and ask questions. Members eligible to participate must have been a member as of Nov. 30, 2020, hold at least five Class A Membership Equity Shares, must be at least 19 years of age, and not be in default of more than 90 days for any loans or obligations to First West.

If you're not a member, you're still welcome! To register as a non-member, visit firstwestcu.ca/registration and click the "Non-member" toggle. Then simply follow the instructions.

Your voice matters

As a cooperative, democratic organization, we want to hear from you. During the online broadcast, you can ask a question by clicking on the "Ask a Question" button in the upper right corner of the screen. Once you type and submit your question in the pop-up window the board chair will address your question at the appropriate time in the agenda.

Be sure to vote

Eligible members will be asked to vote on several items. You will be prompted on-screen when it is time to vote. Your responses will be recorded anonymously, and totals will be supplied to the meeting moderator.

Technology requirements

Most personal computers, tablets or mobile phones with an internet browser and a good connection to the internet may be used to participate. Most versions of popular internet browsers (e.g. Google Chrome, Apple Safari, Mozilla Firefox) will work.

NOTICE OF 2021 FIRST WEST CREDIT UNION ANNUAL GENERAL MEETING

Notice is hereby given that First West Credit Union will hold its 2021 annual general meeting online on May 12, 2021. For details on how to participate, please refer to page 2.

Annual Report and Financial Statements

First West's 2020 annual report and complete audited financial statements are available at: www.firstwestcu.ca/annual-report

Preliminary Agenda

- Call to order
- Ascertainment of quorum
- Welcome and introductions
- Appointment of recording secretary, parliamentarian
- Adoption of agenda and rules of conduct
- Approval of minutes of 2020 AGM
- Business arising from minutes
- Nominations Task Force report
- Board chair report
- CEO report
- Report of auditors
- Appointment of auditors
- New business
- Good and welfare
- Adjournment

Management Responsibility

Management is responsible for preparing the accompanying summarized consolidated financial statements and is responsible for their integrity and objectivity. The financial statements are prepared on a summarized basis to comply with various statutory and contractual obligations.

The basis of presentation adopted is not in conformity with International Financial Reporting Standards in that the financial statements do not contain all the disclosures required by International Financial Reporting Standards.

The basis of presentation is considered by management to be most appropriate for the broad communication of financial information to the members but readers are cautioned that these statements may not be appropriate for their specific purposes.



Launi Skinner
Chief Executive Officer



Thomas Webster
Chief Financial Officer

Report of the Independent Auditors on the Summarized Consolidated Financial Statements

To the Members of First West Credit Union

OPINION

The summarized consolidated financial statements of First West Credit Union (the Entity), which comprise:

- The summarized consolidated statement of financial position as at end of December 31, 2020
- the summarized consolidated statement of profit or loss for the year then ended
- the summarized consolidated statement of changes in members' equity for the year then ended
- and related note

are derived from the audited consolidated financial statements of First West Credit Union as at and for the year ended December 31, 2020 (audited financial statements).

In our opinion, the accompanying summarized consolidated financial statements are consistent, in all material respects, with the audited financial statements, in accordance with the criteria disclosed in Note 1 in the summarized consolidated financial statements.

SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

The summarized consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summarized consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the Entity's audited financial statements and the auditor's report thereon.

The summarized consolidated financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of the summarized consolidated financial statements in accordance with the criteria disclosed in Note 1 in the summarized consolidated financial statements.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on whether the summarized consolidated financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standards 810, Engagements to Report on Summary Financial Statements.



Chartered Professional Accountants
Vancouver, Canada
March 15, 2021

*First West Credit Union
Summarized Consolidated Statement of Financial Position
(Expressed in thousands of dollars)*

| <i>December 31, 2020, with comparative information for 2019</i> | 2020 | 2019 |
|---|---------------------|---------------------|
| <i>Assets</i> | | |
| CASH RESOURCES | \$ 1,386,162 | \$ 260,852 |
| LOANS TO MEMBERS | 9,142,749 | 9,139,432 |
| INVESTMENTS | 1,256,068 | 1,196,125 |
| OTHER ASSETS | 403,910 | 438,425 |
| | <u>\$12,188,889</u> | <u>\$11,034,834</u> |
| <i>Liabilities and Members' Equity</i> | | |
| DEPOSITS FROM MEMBERS | 10,537,238 | 9,651,779 |
| BORROWINGS | 600,670 | 412,766 |
| OTHER LIABILITIES | 208,652 | 203,305 |
| | <u>\$11,346,560</u> | <u>\$10,267,870</u> |
| MEMBERS' EQUITY | 842,329 | 766,964 |
| | <u>\$12,188,889</u> | <u>\$11,034,834</u> |

*First West Credit Union
Summarized Consolidated Statement of Profit or Loss
(Expressed in thousands of dollars)*

| <i>Year ended December 31, 2020, with comparative information for 2019</i> | 2020 | 2019 |
|--|------------------|------------------|
| INTEREST INCOME | \$ 341,917 | \$ 363,940 |
| INTEREST EXPENSE | 145,428 | 167,120 |
| NET INTEREST INCOME | 196,489 | 196,820 |
| PROVISION FOR CREDIT LOSSES | 25,416 | 16,748 |
| | <u>171,073</u> | <u>180,072</u> |
| FEE AND COMMISSION INCOME | 64,126 | 63,534 |
| OTHER INCOME AND GAIN ON SALE | 69,028 | 85,943 |
| | <u>304,227</u> | <u>329,549</u> |
| PERSONNEL EXPENSES | 138,119 | 138,685 |
| OTHER EXPENSES | 96,050 | 94,191 |
| INCOME TAX EXPENSE | 8,461 | 8,521 |
| PROFIT FOR THE YEAR | <u>\$ 61,597</u> | <u>\$ 88,152</u> |

1. Basis of Preparation

These summarized consolidated financial statements have been prepared in accordance with Section 128(4) of the Financial Institutions Act and are derived from the complete audited consolidated financial statements, prepared in accordance with International Financial Reporting Standards, as at and for the year ended December 31, 2020. Those audited consolidated financial statements were approved by the Credit Union's Board of Directors on March 15, 2021 and are located on First West's website at <https://www.firstwestcu.ca/annual-report> and can also be obtained at any of our branches.

NOTICE OF ANNUAL GENERAL MEETING BOARD OF DIRECTORS ELECTION PAGES

A call for nominations to the First West board of directors was issued on Dec. 14, 2020, inviting qualified candidates to apply who had skill and experience in the following areas:

- *Financial services*
- *Risk management*
- *Business growth and transformation*
- *People and culture*
- *Real estate lending and/or development*

In addition to these areas, the board was also interested in candidates who had experience in:

- *Financial accounting and audit*
- *Entrepreneurial leadership*
- *Treasury*
- *Law*

Five director seats were up for election; four for a three-year term and one for a two-year term. All contested seats were designated at-large, meaning the candidates may reside anywhere in British Columbia. In accordance with First West's Board Equity, Diversity and Inclusion Policy and recognizing that competence is paramount, the board was particularly seeking expressions of interest from well-qualified candidates who are from historically underrepresented groups, including women, people with disability, and Black, Indigenous and People of Colour.

Possession of director accreditation, such as ICD.D, C.Dir or other designation was considered an asset.

As at the close of nominations on January 19, 2021 two directors confirmed that they would not be seeking re-election. Furthermore, there is currently a vacancy

on the board owing to a director resigning to assume political office. This seat will be filled as a two-year term and will expire at the conclusion of the 2023 AGM. All contested seats have been designated at-large, meaning the candidates may reside anywhere in British Columbia.

At the close of nominations on Jan. 19, 2021, ten candidates submitted nominations papers. After a thorough candidate interview and deliberation process, the Nominations Task Force endorsed five candidates. Although not required to, the candidates who were not endorsed subsequently and voluntarily withdrew their candidacy.

Since there was a vacancy on the board owing to a director resigning with two years remaining in the term, First West Credit Union Rule 5.7 Terms of Different Lengths provides that if there is an election by acclamation, the respective terms for the elected directors be determined by the chair or be determined by lot. It was decided the two-year term would be determined by lot.

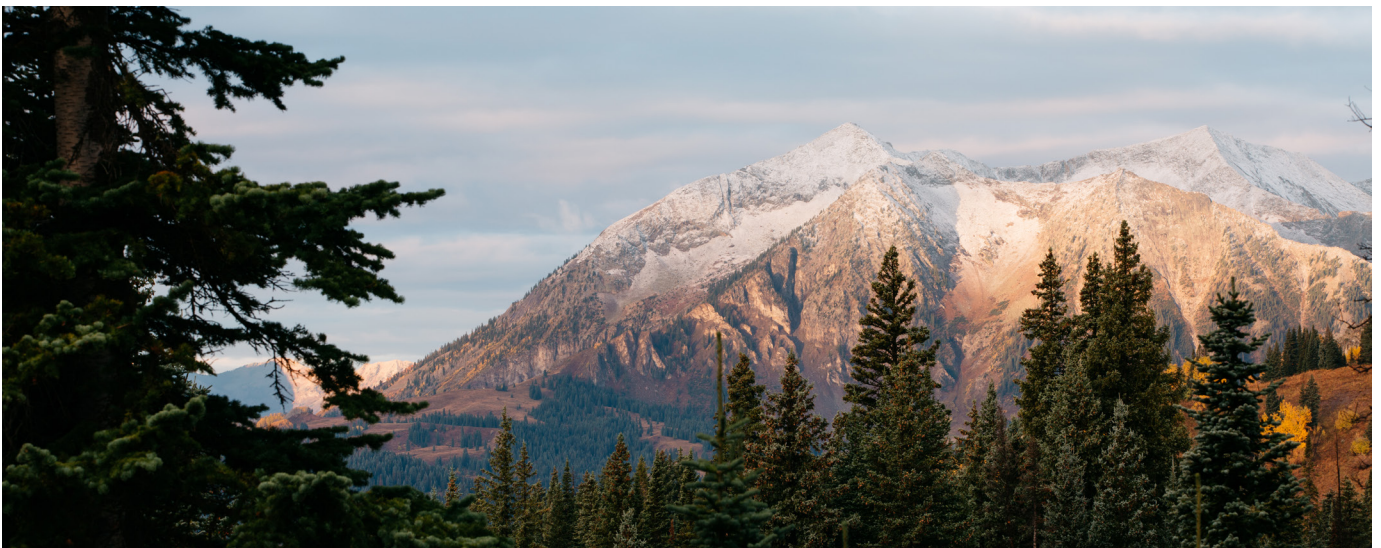
As a result, the following candidates were declared elected as at-large directors by acclamation and their respective terms (as determined by lot) are set out below:

3-year term expiring 2024

- **Deborah Buszard**, new candidate, Kamloops
- **Archie Campbell**, new candidate, Ladner
- **David Letkemann**, incumbent, Abbotsford
- **Balraj Mann**, new candidate, Langley

2-year term expiring 2023

- **Darryl Kropp**, incumbent, Abbotsford



IMPORTANT INFORMATION ABOUT FIRST WEST'S ENDORSEMENT PROCESS

The candidate search process is led by the board's Nominations Task Force. The Nominations Task Force includes three members of the Governance and Nominations Committee and two non-director members-at-large. The task force was assisted by an independent company that aided in the search for qualified candidates, checked references and conducted additional interviews.

Each year the board evaluates its current composition and skill set and identifies any critical skills, experience or expertise that would be beneficial to attract to the board given changes in our market and evolving strategic direction. The board also considers diversity in (but not limited to) gender, ethnicity/culture, geography and age.

The Nominations Task Force then seeks candidates with those attributes and, with insights gained through candidate applications and interviews, endorses those who would bring the most overall value to the board if elected. Incumbent candidates are not automatically endorsed—they are subject to the same assessment and interview process as other candidates, and only receive endorsement if their skills, experience and attributes meet the needs of the credit union.

The task force is required to endorse at least as many candidates as there are seats available in the election.

Endorsement helps members identify which candidates have the skills, experience and personal qualities needed to oversee the credit union on behalf of the membership. Incumbent candidates, for example, are not automatically endorsed—they are subject to the same assessment and interview process as other candidates, and only receive endorsement if their skills, experience and attributes meet the objectives of the credit union.

MEET THE AT-LARGE DIRECTORS ELECTED BY ACCLAMATION

Terms Expiring 2024



DEBORAH BUSZARD

*Professor, University
of British Columbia*

*Emerita Professor,
McGill University*

Kamloops

In my 30-year educational leadership career I have held executive roles at three great universities, McGill, Dalhousie and UBC, and served on numerous boards. I was Principal of UBC Okanagan (2012-2020) leading change, growth, and cultivating community partnerships. Today UBCO enrolls 11,000 students, is a respected community partner, and has a regional economic impact of over \$1.5 billion. Guiding UBC's long-term planning caused me to think deeply about how institutions best serve society and what it takes to nurture a great enterprise in the twenty first century. My experience of leading in a period of rapid change, in a complex and competitive environment may be applicable to First West as it moves forward. The skills I would bring to the board include understanding enterprise strategy, risk management, financial administration, social accountability and the importance of stakeholder engagement. I have experience leading rapid growth and innovation in complex organizations and in adapting to rapidly changing external environments and am a passionate advocate for equity, diversity and inclusion. What attracted me to First West was it is a values-led, member driven, organization with deep community roots and with the potential to be a force for positive social and economic change. I aspire to support First West to best serve its members and build the innovative, caring, entrepreneurial culture our region needs to thrive in the future. It is a privilege to serve on the First West board and contribute to creating a strong future for the organization, its members and communities.

KEY STRENGTHS

- 1. Business growth and transformation**
- 2. Entrepreneurial leadership**
- 3. People and culture**



ARCHIE CAMPBELL

Chief Financial Officer

*Coast Appliances LP
Ladner*

I am currently employed as the Chief Financial Officer of Coast Appliances LP, a consumer products retailer with stores across Canada. I have been a practicing accountant since 1992 (initially in the United Kingdom and since 1995 in Canada). I originally trained as a lawyer and then received my Chartered Accountant designation (CPA) with KPMG and worked for them in the United Kingdom, Europe and Canada. Since 1995 I have been in private industry and have worked for various companies both public and private. For the last 20 years I have mainly worked for private enterprises in the CFO or Chief Operating Officer role. Because of this, I have lots of experience running large for-profit organizations. Most of my career work could be described as being a change agent where an organization is looking to become bigger and needs to build scalability of both people and process. In this regard I believe my experience will benefit First West in the areas of business growth and transformation and people and culture noted in the Board skills requirements. As a corporate CFO, I also have extensive experience in accounting, audit and treasury. My legal background also helps when dealing with legal matters. I remain a lifelong learner and in addition to my CPA, CA designation I also hold the Family Enterprise Advisor (FEA) designation. In 2019 I obtained my ICD.D designation with a view to starting to obtain future Board positions such as this one. On the personal side I have been married to Kathleen, a fellow CPA, CA for 22 years and we have two adult sons. We live in beautiful Ladner, BC.

KEY STRENGTHS

1. Business growth and transformation
2. Financial accounting and audit
3. Risk management or People and culture



DAVID LETKEMANN

*Partner,
Linley Welwood LLP*

Abbotsford

I am a partner with the law firm of Linley Welwood, an Abbotsford firm focused on providing business law services, where I practice civil litigation. I graduated from law school at the University of British Columbia in 1995, and in 1992 from Simon Fraser University with a Bachelor of Business Administration with a double concentration in marketing and finance. I have served as a volunteer director with the non-profit Run for Water Society since its inception in 2007, which raises money for clean water in Africa while staging annual multi-distance races in Abbotsford. I live in Abbotsford with my wife and three children. I have been a member of First West Credit Union and its predecessor credit unions Envision and First Heritage Savings for approximately 35 years. First West has always treated me fairly and with a genuine desire to help. In 2006 I began serving as a director for First West (then Envision), and currently serve as Vice-Chair of the Board and Chair of the Governance Committee. I have a keen interest in governance, policy and risk, and feel that this as well as my academic and professional background give me the tools to add value to First West. In October 2021, I will begin the ICD-Rotman Program. I am excited to continue to champion our organization on our journey to federal continuance and believe in our unique organizational model and feel privileged to represent the members of First West as we move into the future.

KEY STRENGTHS

1. Law
2. Business growth and transformation
3. Entrepreneurial leadership



BALRAJ MANN
*Chairman and CEO
 BMG Infrastructure Inc.
 Langley*

I am the Chair and CEO of BM Group of Companies (BMG). BMG is comprised of a complimentary portfolio of specialty construction, materials supply and real estate related business. Starting from the lower mainland, BMG has expanded its operations to other parts of Canada, USA and South Asia and employs over 500 permanent employees. Prior to starting and growing my businesses, I was involved in the management of several large multi-national engineering companies. I am a member of the Engineers and Geologists of BC (EGBC) and Applied Science Technologists and Technicians of BC (ASTTBC). My professional education and training includes materials engineering and construction management. In addition to my professional career, I have been actively involved in several technical and community-based organizations as a donor, fund raiser and volunteer. Currently I serve on the boards of the Surrey Board of Trade (SBOT), the Langley Memorial Hospital Foundation (LMHF) and Kwantlen Polytechnic University Foundation (KPUF). I live in Langley with my wife, two daughters, son and mother.

KEY STRENGTHS

- 1. Business growth and transformation**
- 2. Real estate lending and/or development**
- 3. Risk Management**

Term Expiring 2023

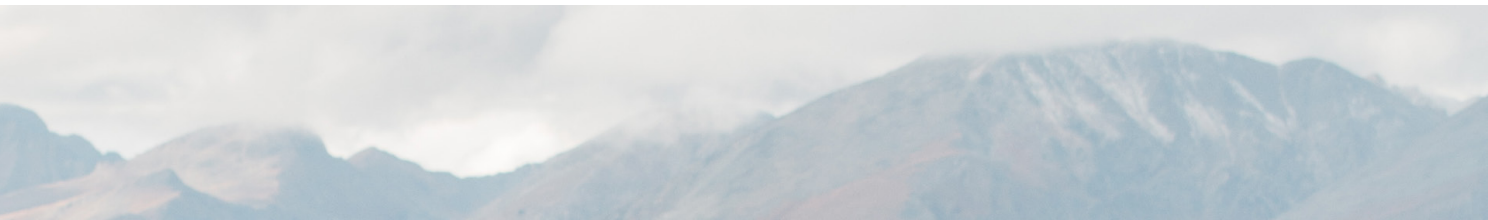


DARRYL KROPP
*Delivery Executive
 RedMane Technology Canada
 Abbotsford*

I look forward to continuing to work on the First West board and help build a stronger credit union that makes a difference in our communities. I have been a member for 23 years and have appreciated the importance of a local financial institution that makes decisions locally and gives back to its communities. With more than 24 years of technology leadership experience in utilities, aerospace, and human services, I'm currently a delivery executive for RedMane Technology Canada working with the Government of Canada to help deliver Employment Insurance, Canadian Pension Plan, and Old Age Security benefits to Canadians. This has been especially challenging and rewarding in 2020 and 2021, as we have played a key role in the delivery of COVID-related benefits to people in need. The credit union system is in the midst of a digital transformation as new digital competitors are on the horizon. We need to continue to scale-up to compete while continuing the need to maintain our local identity. I will continue using my technology, strategic planning, and organizational leadership skills and background to make First West stronger as we look to make good decisions and evaluate new and exciting directions. My wife and I have lived in Abbotsford for 20 years and have three children. We are part of Northview Community Church, where I serve as chair of the board. My favorite family activities are things we can do together: skiing, boating, and hoping to be able to travel again one day!

KEY STRENGTHS

- 1. Risk management**
- 2. Business growth and transformation**
- 3. Entrepreneurial leadership**



— HELPING FIGHT HUNGER IN OUR COMMUNITIES!

Since 2014, by participating in our directors' elections and special resolutions votes, you have helped make a real difference in the communities we serve by collectively raising more than \$35,000 for our signature cause.

Once again, we are continuing to raise money and awareness for our signature cause and are pleased to let members know we will donate \$2,500 to each of our regional programs. This \$7,500 donation is equivalent to providing 22,500 meals in our communities.



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