



**CREDIT
UNION**

EAST COAST

2017

ANNUAL REPORT



education food & shelter recreation
members relationships environment
#EastCoastCUCares
local business charity literacy
finances community health

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A Message From Your CEO

It gives me great pleasure to share with you what an exciting year 2017 has been for East Coast Credit Union. Throughout the year, we have proven on so many levels that we are true to our cooperative values. From new and significant steps in sustainability initiatives, to further investments in delivering exceptional member experience and staff engagement, to demonstrating that we are committed to where we live, we have had a year of much success, pride, progressive change and overall organizational growth and development.

201+ featured the launch of a very important milestone on our sustainability journey. In January 2017, we announced a new environmental partnership with Bullfrog Power, Canada's leading green energy provider. In the first year of our partnership, East Coast Credit Union has reduced its environmental footprint by more than 754 tonnes of CO₂. This is equivalent to the carbon produced by burning 321,293 litres of gas, which is equivalent to taking 159 cars off the road for one year or diverting more than 239 tonnes



Ken Shea

of waste from the landfill. Through this partnership, we are also supporting the advancement of renewable energy in Canada. Bullfrog uses the support of its customers to fund community-based green energy projects across Canada. To date, Bullfrog has provided funding to more than 130 of these projects—including solar and wind projects, and renewable energy installations with Indigenous communities. By supporting green energy with Bullfrog Power, we're reducing our environmental footprint and supporting the development of new renewable energy generation across Canada. In particular, we're proud to support local renewable energy projects in Nova Scotia, such as the newly constructed Ellershouse Wind Farm.

We have had a year of much success, pride, progressive change and overall organizational growth and development.

At East Coast Credit Union, we take great pride in delivering an exceptional member experience. With our 2017 strategic goals, we continue to focus on developing and enhancing relationships with our existing and new members. Our branch strategies are key to delivering exceptional member experience. Our Sackville branch transformation in 2017 and Bergengren branch transformation in 2016 are projects we have undertaken to enhance how we interact with members when they come into the branch. As part of this Branch Transformation project, we also participated in a member experience assessment. This assessment is directly in line with our goals to provide exceptional member experience. The focus of this assessment will give us additional insight into other key areas and tell us how we are doing. The results from our feedback will help us determine what areas we need to focus on to be successful in our branch strategies and the member experience.

East Coast Credit Union continues to strive to foster an environment where employees are motivated, believe in the work they do and are proud to work for the organization. We believe this is key to the success of any organization. To measure how they are doing, we implemented an employee engagement survey. The feedback collected is currently being used to gauge how well we are doing in certain areas, and has become the benchmark we use as we continuously work toward improvements. East Coast Credit Union has been through considerable change over the last year and a half, no easy feat where change management and people are concerned. That taken into consideration, it is a considerable achievement that overall engagement scores rate very positively and demonstrate a strength in culture!

In September 2017, in recognition of the year of Canada 150 celebrations, we launched a new community initiative called #EastCoastCUCares. This initiative demonstrated our commitment to supporting our local communities and was received by staff and our community members with much excitement and enthusiasm. The initiative involved engaging all 20 of our East Coast Credit Union branches and over 200 staff members across Nova Scotia in delivering random acts of kindness in the local communities we serve. The goal was to encourage people to be kind to one another, without any specific reason other than to do good without reward and hope those in receipt are inspired to pay it forward by performing a random act

of kindness to someone else. The random acts of kindness occurred over several weeks, with a final celebration of our members and community on International Credit Union Day, in October 2017. Our staff were thrilled to be part of this initiative and to actively contribute positively to our communities through acts of kindness. Their enthusiasm was demonstrated through the creative ideas and energy put forth in every random act of kindness. This event will continue to grow in the future and demonstrates our credit union and its employee's "commitment to where we live".

In closing, we would like to thank our staff, management team, and board members for their tremendous support in 2017. We are very pleased with what has been accomplished and feel positive about our strategic direction moving forward. We are excited about the year ahead as we continue to strive to become a leader not only in our local communities but within the Atlantic region and the national cooperative movement. To all our staff who continued to work diligently during the year to help our organization move through the progressive change required to be successful, thank you for the perseverance and enthusiasm you demonstrated through various initiatives throughout 2017. Your support is critical as we continue to move forward and grow as an organization. To our Board, thank you for your guidance throughout the year. Without your commitment and dedication, these accomplishments would not have been possible. Most importantly, thank you to our members for your continued support. You have made 2017 another great year for East Coast Credit Union. We are all members of East Coast Credit Union and we all have a key role to play in continuing to move it forward as a stronger and better East Coast Credit Union.



Dartmouth staffers hit the streets to hand out free bus tickets to folks in the community.



Mary Oxner

A Message from Your Chair

In the board's deliberations about strategy, focus on members is always a main priority.

2017 required your Board of Directors to provide oversight over the achievement of key milestones in the second year of implementation of our three-year amalgamation plan (2016-2018) and to actualize the implementation of our strategic plan entitled "Achieving Greater Value for our Members" (2016-2019). Our strategic plan focuses on innovative products, services and service delivery platforms for members, on developing and supporting our employees, on building the capacity of our communities, on reinforcing the unique role of the credit union in our communities and on the financial performance to allow us to achieve our strategy. In the board's deliberations about strategy, focus on members is always a main priority. Given that focus, we affirmed that cultivating an improved relationship with members is a Board priority; one initiative already in process is improving the Board information and presence on the East Coast Credit Union website. 2017 was a successful year for East Coast Credit Union and we look forward to continued successes in future years.

| MEMBERSHIP | ASSETS | LOANS | EQUITY |
|------------|------------|------------|--------|
| 41,211 | \$729.7 MM | \$614.8 MM | 7.16% |

[Click Here](#) to review ECCU's Financial Statements for 2017



a random act of kindness



Your Board of Directors

Directors at East Coast Credit Union perform a vital role and are elected by the membership. Their leadership is critical in maintaining our success and in shaping the future direction of our progressive, dynamic and caring organization.



Trevor Boudreau



Dan Fougere



Helen MacPherson



Randy Peters



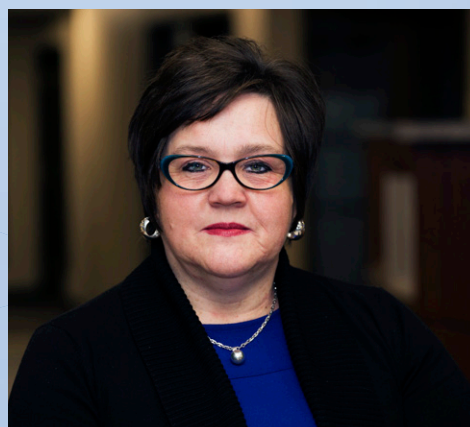
Melanie Sampson



Anne Sears



Bill Mills



Mary Oxner (chair)



John Peach



Bill Timmons



Blair van Veld



Craig Williams

30 CHERYL MACEACHERN
DONNIE MACINNIS

25 HELEN ASPREY
LORNA PHILLIPS
JEANNETTE PITTMAN

20 ANGIE LEBLANC
JANICE OLSEN
JEANNE DOIRON
PATRICK MCKENNA

15 THERESA MACNEIL
PAMELA SAMPSON
LESLEY O'HAGAN
LIZ HALFPENNY

5 BECKY MATTHEWS
ANGELA BURNS
KRISTIN KING
KELLEY MATHESON
ALEX SEUFERT
ROBAN GUTOWSKI
WAYNE THORPE
DAVE MACDONALD
ALVIN HUBLEY

10

GERALYN BOUDREAU
WANDA BURKE
LAYLA KHALIL
DALE BIGNEY
LEAH MARTIN
KYLE PITTS
DEBBIE MACDONALD
ANDREA SMALL

CHUCK TIBBO
JESSICA KENNEDY
TERRA MARTELL
REVA BENOIT
TRYPHENA MACDONALD
DARLENE MACINNIS
CAROLINE DICKIE

2017 Service Awards

East Coast CU employees care and their years of dedication to helping members and each other has given us a strong foundation to build on.

Caring for our Communities

At East Coast Credit Union, **we are a part of something bigger.** We care for our communities and take pride in giving back to our communities in meaningful ways. In 2017, our staff and board members collectively donated over **4551** hours to important organizations, events and causes throughout Nova Scotia. Our commitment to our communities shines bright through our staff and board who care deeply for the communities where we live and work.



Our Bergengren branch put together packages with cookies and a card to hand out to members as an act of kindness.

Dartmouth staffers delivered a gift basket to the local fire department to show appreciation for all the important work they do.



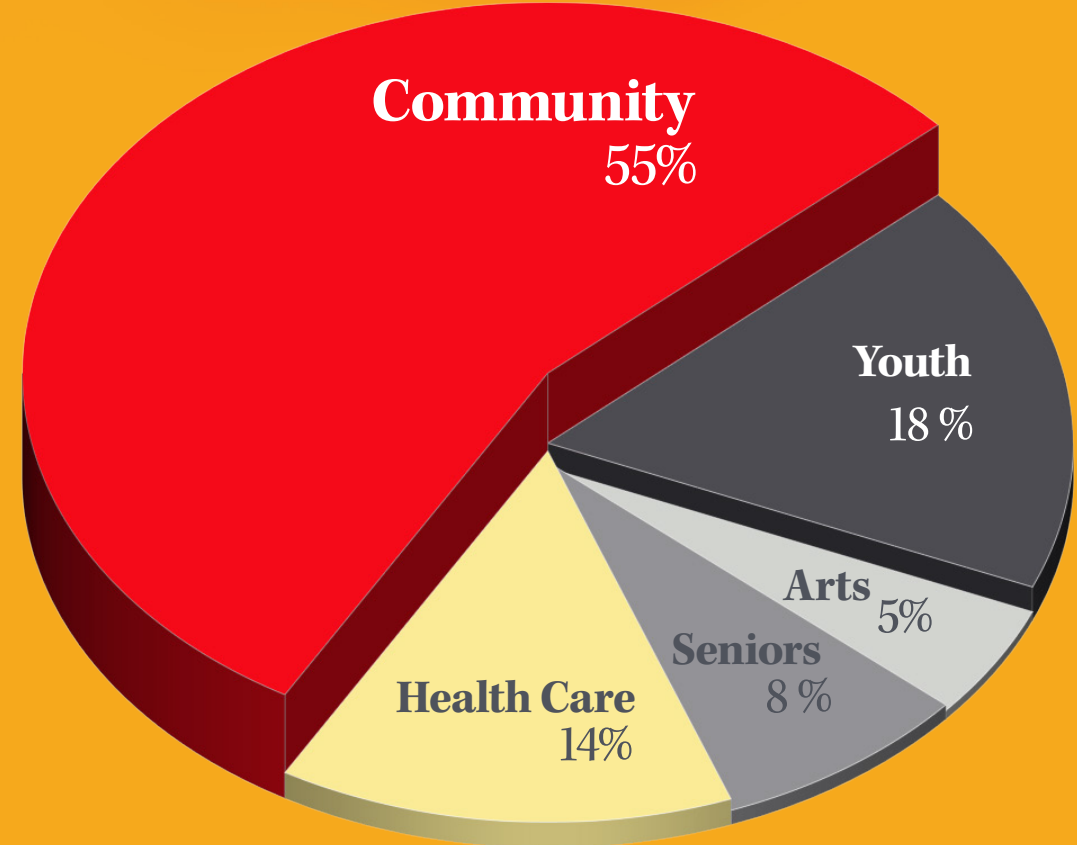
The New Glasgow team delivered supplies to Roots for Youth, a non-profit organization in the community that provides transition housing and resources to homeless youth.



Baddeck staffers dropped off a box of Smile Cookies to the Emergency Health Services team.



Our Inverness branch delivered sandwiches and sweets to the staff at the Inverness hospital to give thanks for the important work they do.



Total Volunteer Hours – 4551

#EastCoastCUCares

At East Coast Credit Union we strive to live our cooperative values and take pride in giving back to our communities. In 2017, we continued to make corporate citizenship a priority and contributed **\$185,430** to local communities and organizations throughout Nova Scotia.



East Coast Credit Union Bursary Program

We were pleased to be able to support our youth with \$10,000 in bursaries to help them pursue post-secondary education.

Junior Achievement Of Nova Scotia

We provided \$15,000 to the Junior Achievement program with various important initiatives including Platinum Sponsorship of the Business Hall of Fame.



Critical Health Facilities

We continue to support out critical health facilities across Nova Scotia including St. Martha's Regional Hospital, QEII Health Science Centre Foundation, IWK Foundation and Aberdeen Hospital Foundation through various initiatives for the important service they provide to our communities.

Above: New Glasgow staff raised funds in support of the Maternity and Children's Ward at the Aberdeen Hospital Foundation.



Some of our Port Hood staff took a trip to Inverary Manor in Inverness to visit their eldest member who celebrated his 104th birthday on August 6th.



Our Port Hawkesbury staff biked for a good cause at the #BigBikeRide. With the help of our wonderful members, the team raised a total of \$1,341 for the Heart and Stroke Foundation.



Our Sackville branch showed appreciation to our members on Credit Union Day.

we join in and help in meaningful ways



#EastCoastCUCares About the Environment



Bullfrog has put **1,125 MWH OF GREEN ELECTRICITY** onto the grid on East Coast Credit Union's behalf since 2017



East Coast Credit Union has displaced **754 TONNES OF CO₂** since 2017



THE 754 TONNES OF CO₂ IS EQUIVALENT TO:



Taking more than **159** cars off the road for a year



Diverting more than **239** tonnes of waste from landfill

IT'S THE SAME AMOUNT OF CO₂ EMISSIONS PRODUCED BY:



The consumption of **321,293** litres of gas



More than **289** hectares of forest in one year
More than **19,536** tree seedlings that have been growing for 10 years

SOURCE: EPA.GOV



2017 Awards

East Coast Credit Union received the 2018 Clean50 Leaders in Green Energy Award.

President and CEO, Ken Shea was recognized as 2018 Canada's Clean50 Award Honouree.

Ken Shea was recognized as one of Atlantic Business Magazine's 2017 Top 50 CEO's



East Coast Credit Union staff received an Award of Merit from Pictou County Fuel Fund for our financial commitment that helps purchase fuel for those in need.



Audit Committee Report

I am proud to serve an organization that strives to strike the right balance between service to members, strong financial performance and good governance practices while remaining loyal to the cooperative principles, which are the root of our success.



Dan Fougere

The East Coast Credit Union Audit Committee met on five occasions since the last Annual General Meeting. Audit Committee members are Dan Fougere, Bill Mills, Randy Peters, Anne Sears and Blair van Veld. The Committee meets at least quarterly and arranges its agenda so that, on an annual basis, the required duties are performed and appropriate action taken as a result thereof.

Quarterly meetings of the Audit Committee are held to review interim financial reports, key performance indicators, compliance with CUDIC benchmarks, Enterprise Risk Management measures and a newly introduced Balanced Scorecard.

Your Audit Committee participated in a comprehensive review of the external audit plan as developed by BDO Canada LLP. Building on the experience of prior years, the audit team presented a plan designed to test and evaluate critical internal control measures and risks to East Coast Credit Union. Working with senior management, the external auditors provided advice and guidance on the implementation and loan loss provision impact of IFRS 9 effective January 1, 2018.

Upon completion of the audit, the BDO audit team met with our Committee and presented a thorough analysis of the financial results and the accompanying notes to the financial statements for the year ended December 31, 2017. An unqualified audit report was issued and the external auditors did not discover any material deficiencies in the internal control practices of East Coast Credit Union. The auditors provided several recommendations for internal control improvement, all of which have been accepted and will be implemented by management.

Against this backdrop of good governance practices, your Audit Committee extends a note of gratitude and congratulations to the management and staff for building on the amalgamation platform developed in 2016 to deliver strong year over year financial performance in fiscal 2017.

As a Member of East Coast, You are a Part of Something Bigger.

We provide expert financial advice and services, but we also invest in our members and our communities. We don't answer to distant shareholders, we answer to you. We're more than a bank. We make a local impact. Your money stays here. You are more than a customer, you are a member.

Refreshingly Honest Banking



catch more of us caring for our communities by searching

#EastCoastCUCares

