



Soaring High

Annual Report 2021



EAST COAST



**We are grateful to all our members who have chosen to soar with us!
East Coast CU, where unique banking, lifestyle, community, and values meet.**

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“

I deal with Sheet Harbour, they are fantastic. They are easy people to get a long with. They seem to do what they need to do to help you out and easy to talk to, makes you feel like home.

- Kim, Sheet Harbour Branch

”

Ken Shea

Message from your CEO

“

East Coast CU, through its ability to navigate change and adversity soared high as a financially strong and stable organization, well-positioned for future success.

”



I am privileged to present this report in a year where we have once again proven our ability to progress through challenging times towards building a financial institution that is capable, competitive, and relevant for its members. As we concluded the second year of unprecedented disruption, East Coast CU, through its ability to navigate change and adversity, soared high as a financially strong and stable organization, well-positioned for future success.

Many of the investments and changes we made over the last year ensure we are well positioned for continued growth. We are aligning our organization for completion of large-scale projects which are critical to the achievement of our overall business strategy and vision - strategies that allow us to continue to bring the most value to our members by enhancing their experience. With technology increasingly shaping our members' day-to-day interactions with East Coast CU, we continued to innovate to meet these evolving needs. In 2021, we began our banking platform conversion project, a very significant milestone to serving our members in

today's digital world. We also continued to develop stronger capacities to meet the demands in cyber security services. These projects require a multi-year investment and are critical to address the ever-growing demands for digitization, protection, and enhanced service to our members. To ensure we are well-positioned to respond to these demands, we must take steps to streamline operations, manage risks, improve governance, and develop growth strategies by continuing to explore opportunities to collaborate, consolidate and partner to grow our competitive offerings and the value we provide to members.

In today's world, consumers can work, play, shop, live and learn online. With this evolution, East Coast CU has made significant investments in technology requiring more staff resources to implement. We are committed to providing convenience to our members by enhancing our product offerings through digital channels to ensure you are able to fulfill your financial needs digitally. In 2021, we launched our online lending and savings application to complement the online

We can soar high by evolving and innovating



account opening software launched in 2020. Members can now enjoy the flexibility of applying for several product offerings both in branch and online. We have also made very significant progress in the development of a new East Coast CU website, to be launched in spring 2022, which will provide a much easier to use multi-channel experience for our members so you can bank where, how, and when you want using a modernized member interface.

Cyber security threats continued to evolve throughout 2021. To safeguard our members, we continue to improve our cyber defense and resilience through such initiatives as 2 step verification, enhanced staff training, and improved policies and procedures. We remain dedicated to continuing to improve our capability to detect and respond rapidly to new and emerging threats.

With youth in mind, we introduced the Aura Teen Loyalty Card, an enhancement to the reloadable prepaid Mastercard® financial wellness app introduced in 2020. This program is now available to members aged 13+. We enhanced our eco-friendly loan options by launching the Greener Energy Loans Program to further support members who wish to take steps toward environmental sustainability in their everyday lives. Yes Capital, an ethical alternative mortgage lender for Atlantic Canadians was also introduced in 2021. Yes Capital is designed to assist Nova Scotians who are not able to access mortgage financing through traditional means due to either a credit situation, life situation, or a lack of ability to confirm income.

Our net promoter score (NPS) measures the loyalty of our members through member surveys. At the end of 2021, we remained well ahead of our competitors. To further improve our member

service, we take feedback from our members and make it part of our ongoing member service strategy. Across all our regions, our team has worked diligently to advance our strategies and to support the thousands of families and businesses who have placed their trust in us. We appreciate your ongoing support throughout the process as we continue to advance these strategies.

Ensuring we have created a culture of diversity, equity, and inclusion (DEI) within our organization also became a focus in 2021. An environment that encourages DEI is everyone's responsibility and is important to help employees thrive. As part of our DEI initiative, we are building a diverse, cross-cultural team of employees who are passionate about contributing to our overall DEI strategy and helping develop the plan and program for our credit union. We are off to a great start in 2021 and are excited to see where this goes in 2022!

Although it was a year of significant challenges, there were accomplishments to celebrate! In 2021 East Coast CU was awarded the Empower Your Communities Grant for our work with the Antigonish Emergency Fuel Fund. We were also once again selected as one of Atlantic Canada's Top Employers by Atlantic Business Magazine. In addition, we were recognized as one of the Top Employers in Nova Scotia. Despite the challenges our economy faced, I am also pleased to share that East Coast CU continued to grow and maintain a strong fiscal position at the close of 2021. Our strong financial performance and profits enable us to deliver more value for members. While there remain uncertainties in the global and national economy, we are well positioned for future headwinds.

We continued to invest in our most important asset – our people – to enable them to grow their

careers at East Coast CU. From an enhanced focus on training to our continued efforts in employee engagement surveys, we are focused on the success and growth of our team. Attracted by a vibrant and compelling alternative to the bigger banks, more people are joining us. New members can see that they are valued and profits at East Coast CU are reinvested into building stronger communities.

In closing, I would like to thank our East Coast CU team for the dedication they continue to show each year. Your professionalism and outstanding work ethic in providing essential services to our members is critical to our success. I would also like to thank our Board of Directors for their continued leadership and direction. During such a prolonged period of uncertainty, I could not be prouder of what we have accomplished together, and I am excited about our future as we continue to soar high.



#EastCoastCUCares

Our Community Impact

There is no doubt that 2021 was another year of significant challenges for our members, our team, and the communities in which we live. Against a backdrop of ongoing economic uncertainty, the pandemic and natural disasters, we have stood side by side with our members through both the good and the challenging times. Our community impact initiatives have been unwavering. We continue to identify new opportunities to drive sustainable and inclusive growth, and to contribute to our economic recovery. We contributed over \$850,000 in funding during the year to ensure better social, environmental, and economic outcomes at a time where many issues have been exacerbated by COVID-19.

We would like to share with you a few key components to our giving strategy in 2021. The #EastCoastCUCares Grant Program was introduced this year with up to \$100,000 available in grants to help Nova Scotia build back together. We participated in #Loyal2LocalChallenge2.0 which injected \$80,000 back into our economy and, in turn helped increase awareness for shopping local. The 2nd Annual Holiday Pay-It-Forward Initiative was also launched to continue to reach those communities, organizations, individuals, and families that may need extra support during the Holidays. Other important local organizations and initiatives we supported with sponsorships included Paqtnkek Mi'kmaw Nation, Canadian Red Cross, Nova Scotia Summer Fest Kitchen Party Tour, Big Brothers Big Sisters, The North Grove, St. Andrews Senior Housing Authority, and Roots for Youth, to name a few. We remain well provisioned to provide further community support to all our regions.

Dan Fougere

Message from your Board Chair

“

We continue to soar high above the competitive banking world as a financial institution that truly offers more.

”



On behalf of your East Coast Credit Union Board of Directors and with much gratitude for the ongoing support of our 42,228 members, we present here our 2021 Annual Report. While keeping a watchful eye on the health and safety of our employees and members, our dedicated team was able to rise above the adversity and deliver record earnings as total assets under administration crossed the \$1 billion threshold in the spring of 2021. The launching of Yes Capital as a subsidiary in the fall of 2021 has created an opportunity to expand our range of mortgage offerings throughout the Atlantic Provinces.

We continue to operate in a more complex and competitive environment. Now, more than ever, we must invest in new specialized services, technology, and expertise. Like all financial institutions, our credit union is seeing dramatic shifts in how members bank. Members are increasingly using digital channels to transact and manage their money. These changes started before COVID-19 and have accelerated since the pandemic began. As the

industry becomes more complex, we must also invest in new regulatory and compliance requirements to manage things like anti-money laundering, cyber security, and general overall financial success.

To continue on our successful path to building an even stronger credit union, we need to grow by retaining our current membership while also attracting our next generation of members. We can lean on our co-operative values as we find new ways to collaborate and partner to grow our competitive offerings and the value we provide to members. We must continue to explore merger opportunities with selected partners to truly realize the benefits of collaboration and shared resources.

I thank our Board of Directors for their dedicated governance and our employees for their resourcefulness in meeting the needs of our members as we continue to soar high above the competitive banking world as a financial institution that truly offers more.

Financial highlights

[Click for financial statements](#)



Membership

42,228



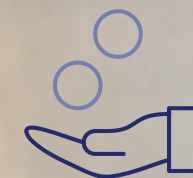
Assets

\$1,070,068,600



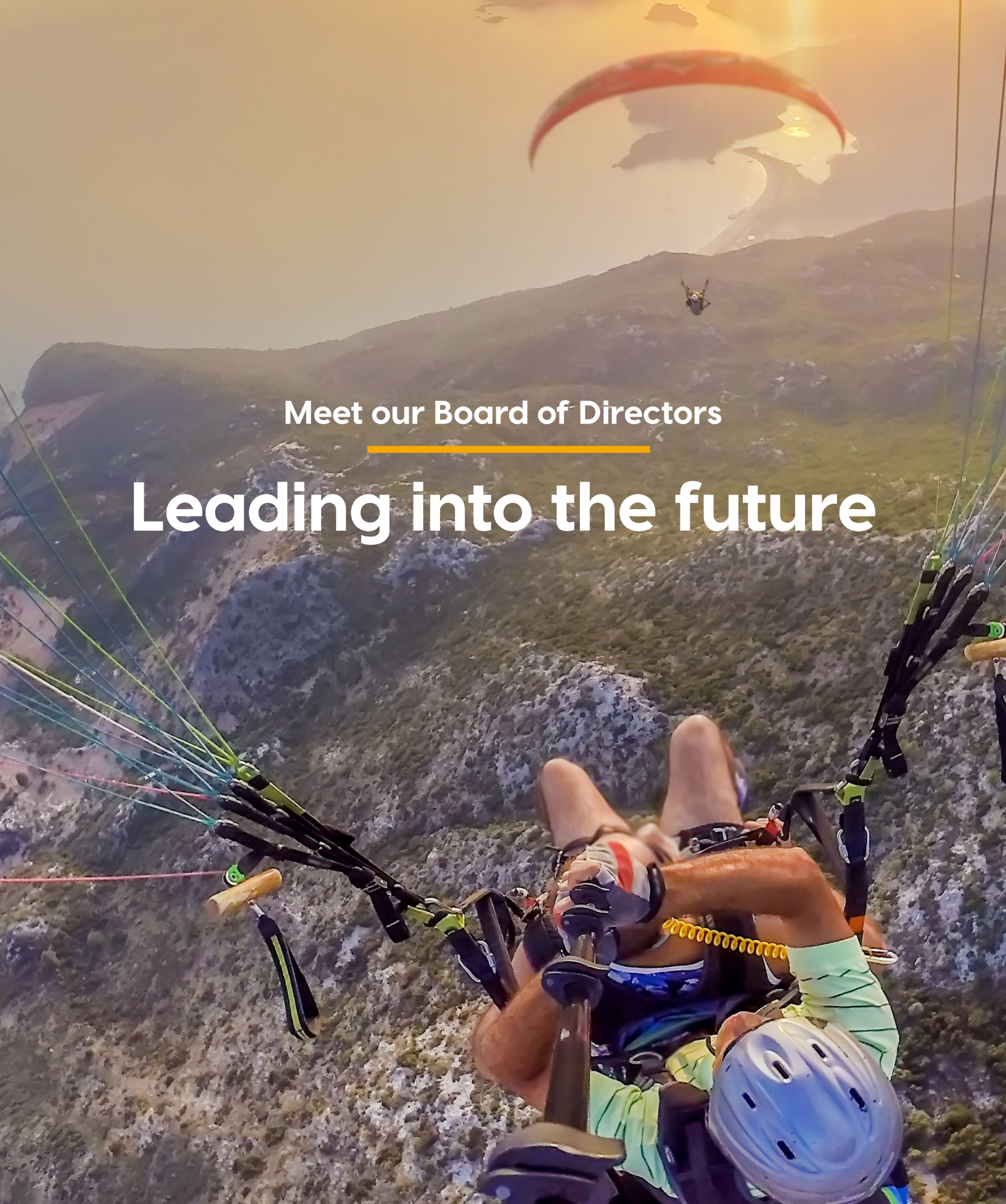
Equity

6.16%



Loans

\$822,787,923



Meet our Board of Directors

Leading into the future



Dan Fougere (Chair)

Executive Committee
CEO Evaluation Committee



Helen MacPherson

Executive Committee
Credit Committee
Governance Committee
Nominations Committee



Tyrell Giffin

Governance Committee
Communications Committee



Mary Oxner

Executive Committee
Audit Committee
Communications Committee



Melanie Sampson

Executive Committee
Credit Committee
CEO Evaluation Committee
Nominations Committee



Christine Hanlon

Audit Committee



Anne Sears

Executive Committee
Audit Committee
Communications Committee



Bill Timmons

Audit Committee
Community Impact Committee



Kathy MacDonnell-Rankin

Governance Committee
Community Impact Committee
CEO Evaluation Committee



Leroy MacEachern

Credit Committee



Tara Reddick

Board Member



John Berk

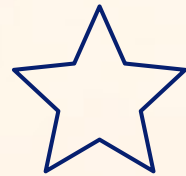
Community Impact Committee
Governance Committee
Nominations Committee



2021 Service Awards

We soar together

Working here is more than a job—we get to make a difference in our communities every day, in an environment that fosters collaboration and positivity. At East Coast CU, staff enjoy great benefits and work with a team that supports each other, and our members, wholeheartedly.



Outstanding work culture



Focused on community



Collaborative workplace



celebrating
385
years of
service

In 2021 we celebrated the commitment and dedication of twenty-one employees who reached a significant milestone in their career at East Coast Credit Union.

Congratulations to these staff members - we appreciate your loyalty as we continue to soar high into the future.

5 years

Amanda MacDonald
Victoria MacIsaac
Anita Bentley-DeBaie
Erin Noble

10 years

Katrina Turnbull
Stephen Long
Angela L'Abbe
Jill Brewer

15 years

Kim MacKinnon Sampson
Amber Madden

20 years

Tanya Chisholm
Brenda MacIsaac
Teresa Girvan
Louise MacDonald
Cathy MacDonald

25 years

Nadia Gardin
Shelagh Fraser
Bev Murphy-Levy

35 years

Stella McDaniel

40 years

Suzanne Young

45 years

Jean MacNeil






Caring for our communities

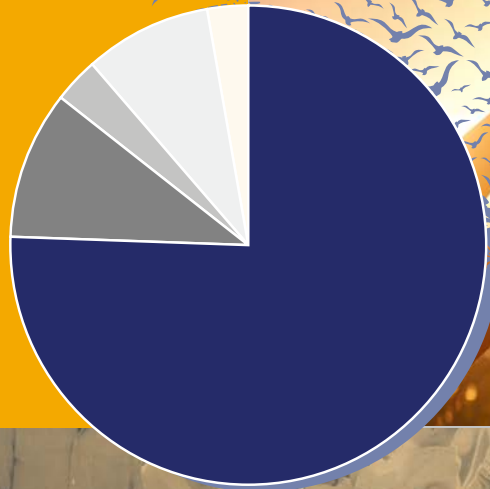
Helping others fly

Giving back is deeply rooted in who we are. We are committed to making a difference through volunteer work, partnerships, donations and sponsorships so our communities thrive and soar.



Our staff and board members collectively donated over **3,288 volunteer hours**

- 76%  Community
- 10%  Seniors
- 4%  Youth
- 9%  Health Care
- 3%  Arts



In 2021 we contributed **\$851,984** to our local communities and organizations.

\$392,764
financial contributions

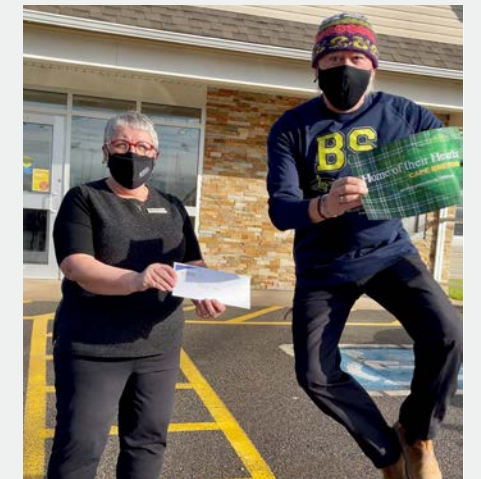
\$459,220
in kind contributions



Grand opening for East Coast Credit Union and S.A.S.H.A. Project Sunshine.



Elmsdale Branch staff handed out flowers to community members for #EastCoastCUCares.



Proudly sponsored local TV series, Home of Their Hearts, showcasing the Cape Breton Island community.



Staff from our Dartmouth Branch made the day of Stone Pizza customers by paying for their orders as part of #EastCoastCUCares.



In support of Earth Month, branches did garbage clean-ups around their communities



Staff represented East Coast CU as the presenting sponsors of the Nova Scotia Summer Fest Kitchen Party Tour

< East Coast Credit Union pledged \$25,000 to help develop the Coady Change Leadership Campaign.

Awards and Recognition

We celebrate the ascent

The journey of soaring to new heights to help our members and community is rewarding in itself, but we are grateful to have been recognized for several awards this year.



Growing our communities



Supporting future leaders



Teaching financial literacy



Bringing people together



Making a real difference

Top Employer Awards

Going above and beyond

Following an uncertain year dominated by the COVID-19 pandemic, being named one of Atlantic Canada's Top Employers for 2021 is even more poignant — and for a third consecutive year, East Coast Credit Union earned this coveted spot. The East Coast CU team has gone above and beyond to place employees and members first, while continuing to give back to local communities with donations, expertise and lots of volunteer hours.



Empower Your Community Award

Supporting the Antigonish Emergency Fuel Fund

East Coast Credit Union was awarded a grant from Wyth (formerly "Concentra") in support of the Antigonish Emergency Fuel Fund, through its annual Empowering Your Community campaign. The Fuel Fund offers emergency relief for members of the community of Antigonish who are in immediate need of financial support to heat their homes during the winter. Funding comes from donations made by community members and local organizations, including East Coast Credit Union. To date, East Coast CU has made more than \$70,000 in donations.

Audit Committee Report

Soaring to new heights

The East Coast Credit Union (East Coast CU) Audit Committee is a statutory committee of the Board of Directors. This year's committee membership is Anne Sears, Bill Timmons, Christine Hanlon and Mary Oxner, Chair.

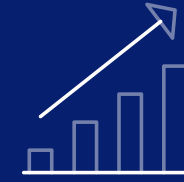
The Audit Committee is tasked with reviewing and recommending several key financial documents (i.e., annual budget and business plan, risk management plan, annual audited financial statements, internal audit reviews, etc.) which reflect the strategic initiatives, operational performance and the regulatory requirements of East Coast CU. Quarterly meetings of the Audit Committee are held to review interim financial reports, key performance indicators, compliance with CUDIC benchmarks, enterprise risk management (ERM) measures and internal policies and procedures. The Audit Committee is engaged on a regular basis with our external auditor, BDO Canada LLP, and our internal audit consultant, MNP LLP.

These audited financial statements as of December 31, 2021, reflect a credit union with strong financial metrics. This year East Coast CU assets grew to a milestone level of \$1B. The growth in assets was accompanied by net income of \$4.7M, income before taxes of \$6.5M and comprehensive income of \$7.3 which was bolstered by the remeasurement of the pension plan assets of \$3.7M. The financial performance outcomes exceeded budget expectations. Its financial health positions East Coast CU to invest in the continued development of innovative services and products for members.

Sincerely,



Mary Oxner
Chair, East Coast CU Audit Committee



\$1B

East Coast CU assets
grew to a milestone level

We soar thanks to the support of our members!

“ In my life, I have dealt with all of the major financial institutions BUT once I joined the Credit Union, I knew I was “home”. They are always so pleasant and accommodating whenever I go into the branch. When you walk into the St. Andrews branch or the Bergengren branch in Antigonish, you feel welcomed and a valued customer. I cannot imagine interacting with any other financial institution.

” - Carmen, St Andrews Branch



We continue to soar for future generations

Online, by phone or in person, we're here to help with all the banking services you need:



Digital & mobile



Phone & video



Canada-wide ATM



In-person banking



EAST COAST

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