

**Minutes of Kindred Credit Union's 59th Annual General Meeting
Knox Waterloo Presbyterian Church and Zoom for Remote Online Attendance
April 12, 2023 at 7:00 p.m.**

**Confirmed Registrations at Date of AGM: 491
Official Attendance: 376**

Board members present: Susan Taves, Carolyn Albrecht, Gerry Frey, Gloria Martin, Rick Martin, Rosemarie McCrie, Henry Paetkau, James Schenk, Kaylie Tiessen, Tim Wagler, Wanda Wagler-Martin

Regrets: Greg Brimblecombe

Prelude by Lidia Martin.

1. VIDEO INTRODUCTION – KINDRED MEMBER SPOTLIGHT – DENISE

A video presentation introducing Denise, a Kindred member, shared about the unexpected and difficult times when building a new life for herself and her community, while entrusting Kindred to walk alongside her in this financial journey.

2. WELCOME AND INTRODUCTION

Ian Thomas, CEO, welcomed the members and Board of Directors and staff to the 59th Annual General Meeting of Kindred Credit Union. Ian welcomed special guests including community partners, credit union peers, trade associations and service partners. The following were acknowledged:

- Sreejith Lal, Financial Services Regulatory Authority of Ontario (FSRA)
- David Beaudoin, PricewaterhouseCoopers LLP
- Christopher Park, Dueck, Sauer, Jutzi & Noll LLP
- Sarah Lainez, Director of Outreach at Creekside Church
- Steve Manske, Chair of Affordable Housing Steering Committee at Stirling Avenue Mennonite Church
- The numerous credit union colleagues, business delivery partners, and community partners also joining the AGM in person and virtually

3. OPENING PRAYER

Rev. Hugh Donnelly led in prayer.

4. HYMN

Donovan Gerber and Lidia Martin directed singing of Hymn – “Great is Thy Faithfulness”.

5. CALL TO ORDER / BUSINESS ITEMS

Susan Taves, Chair of the Board, reiterated the opportunities for members to participate in the meeting.

Susan introduced the current Kindred Board members noted above under attendance.

Susan introduced the Kindred Senior Leadership:

- John Klassen, Chief, Finance and Compliance Officer
- Max Bentz, Vice-President, Member Relationships
- Nolan Andres, Chief, Technology and Innovation Officer

- Rebecca Smith, Vice-President, Engagement and Values
- Sandra Yutzy, Interim Vice-President, Credit Risk
- Stephanie Szusz, Vice-President, Agriculture and Commercial Banking
- Ian Thomas, Kindred CEO

Susan thanked the outgoing Directors, Gloria Martin and Greg Brimblecombe.

Susan officially called to order the business portion of the 59th Annual General Meeting of Kindred Credit Union.

It was confirmed that the Board operated at its full complement of 12 directors throughout 2022 and that significant time was invested in orientation, training, and resources to ensure the Board continued to be properly equipped to govern and oversee Kindred's operations.

6. 2022 AGM MINUTES

Some highlights were provided from the minutes of the 58th Annual General Meeting.

Motion #1 (AGM 12/04/2023) to accept the minutes of the April 12, 2022 AGM.
Victor Hiebert / Eric Stager / Carried.

7. FINANCIALS, AUDIT AND RISK COMMITTEE, AND AUDITOR REPORTS

Susan Taves stated the next two motions relate to the 2022 year-end financial statements and our auditors. John Klassen, Chief Finance and Compliance Officer, was invited to share the highlights of the financial report.

8. FINANCIAL REPORT

John Klassen, Chief, Finance and Compliance Officer, presented the financial report for the fiscal year ended December 31, 2022.

In 2022, the credit union saw strong growth in the fundamental areas, solid earnings, and continued organizational development. Even with continued uncertainty from an economic and interest rate perspective, 2022 was a very successful year for the credit union. Kindred continued to make steady progress on financial objectives and achieved all of the key financial milestones that were set out for the organization for the year.

John highlighted the following from the 2022 financials:

- 2022 saw an overall asset growth of 8.64% bringing year-end assets to \$1.97 billion.
- \$78.1 million or about 4.8% overall loan growth.
- \$109.6 million or almost 6.5% deposit growth.
- \$9.7 million in core earnings.
- \$1.46 million of 2022 profits shared with members through Kindred Profit Shares program.
- \$11.8 million in net earnings after distributing Profit Shares.
- Decrease of \$312 thousand due to fair market value adjustments.
- 2022 capital levels remained above regulatory minimums.
- 70 basis points return on average assets.

There was an opportunity for questions.

9. CHURCH BUILDER GRANT RECIPIENT – CREEKSIDE CHURCH

In 2022, Kindred awarded five \$5,000 grants through a contest that churches throughout Ontario were invited to participate in, in honour of the 25th anniversary of the Church Builder GIC. Creekside Church was one of the recipients, and Sarah Lainez, Director of Outreach at Creekside Church, shared how this grant was used to provide bundles of warm clothes, meals, and other necessities for the people living in the tent encampments at Victoria Park.

10. AUDIT AND RISK COMMITTEE REPORT

Susan Taves read from the Audit and Risk Committee Report on behalf of the Committee, noting two corrections in the original printed copy of mentioning the Credit Union and Caisses Populaires Act of 1994, rather than the Credit Union and Caisses Populaires Act of 2020, and the Committee met five times in 2022 instead of four times. For 2022, the committee consisted of Greg Brimblecombe, James Schenk, Kaylie Tiessen, and Tim Wagler who served as Chair.

The Audit and Risk Committee has met its annual mandate and has identified no matters that should be reported to members, nor are there any further matters that are required to be disclosed pursuant to the Credit Union Act or its associated regulations.

11. AUDITOR'S REPORT

Susan Taves highlighted the Auditor's Report issued by the external auditor, PricewaterhouseCoopers, LLP. The report states that, in the opinion of the external auditor, the financial statements present fairly, in all material respects, the financial position of the credit union as at December 31, 2022 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Motion #2 (AGM 12/04/2023) to accept the Financial Report, Audit and Risk Committee Report, and Auditor's Report as presented.
John Wiebe / Tim Miller Dyck / Carried.

12. APPOINTMENT OF AUDITOR FOR 2023

Susan Taves stated that every five years, the Audit and Risk Committee undertakes a comprehensive evaluation of the Auditors. The Committee unanimously recommended to the Board of Directors, who recommend to the members that PricewaterhouseCoopers LLP be appointed as Kindred's auditors for 2023.

Motion #3 (AGM 12/04/2023) to appoint PricewaterhouseCoopers LLP as the auditor for the 2023 fiscal year.
Donovan Gerber / Katherine Elliot / Carried.

13. CREDIT UNION GOVERNANCE (BY-LAW CHANGE)

It was noted that with the recent thorough modernization of the Credit Union Act, Kindred is required to revise sections in the General By-Law. Kindred's Board of Directors and Leadership are proposing regulatory changes and updating of the Membership definition in the General By-law. The Chair reiterated that the By-law changes and the direction to revise our membership definition was thoughtfully considered and deliberated by the working group of Board members, community and staff members. These changes were approved by Kindred's Board of Directors on March 23, 2023. The proposed change will bring Kindred to compliance with the new Act, and position Kindred for an even stronger future.

Motion #4 (AGM 12/04/2022) to approve the amendment of the Kindred Credit Union General By-Law as approved by the Board on March 23, 2023 and recommended for membership approval at the AGM.

Marcus Shantz / Nick Dreidger / Carried.

Total Votes Cast – 286 (In Favour – 246; Opposed – 40).

This motion (special resolution) was carried by more than two-thirds majority.

14. BOARD SLATE AND RATIFICATION VOTES

Susan Taves reiterated that the Board operated this year with a full complement of directors. For the upcoming year, the slate of directors includes one new nominee, Stephen Funk, who has been proposed to join the Board at this AGM.

The candidate indicated in writing that he does not have any conflicts of interest in a material contract with the Credit Union based on his review of the associated sections of the *Credit Unions and Caisses Populaires Act, 2020*.

Motion #5 (AGM 12/04/2023) to ratify the new Board member as listed.

Dale Brubacher-Cressman / Jonathan Preston / Carried.

Susan noted that with the ratification of this slate, Kindred has 11 directors serving the members as their Board of Directors for 2023.

15. CHURCH BUILDER GRANT RECIPIENT – STIRLING AVE. MENNONITE CHURCH

In 2022, Kindred awarded five \$5,000 grants through a contest that churches throughout Ontario were invited to participate in, in honour of the 25th anniversary of the Church Builder GIC. Stirling Ave. Mennonite Church was one of the recipients, Steve Manske was invited to share how this grant was used to support Stirling's Affordable Housing Steering Committee. Steve shared on the efforts made in providing affordable housing, along with the approach and steps undertaken to address the housing crisis.

16. OTHER BUSINESS / DISCUSSION

There was an opportunity for questions from members.

17. CLOSING COMMENTS

Susan Taves thanked the Council of Members, Board of Directors, Senior Leadership Team, and Kindred staff members for perseverance and adaptability in 2022. Community and industry partners were also thanked for their ongoing impact in local communities. By working together to create thriving communities that Kindred's purpose envisions, Kindred has and will continue to inspire peaceful, just, and prosperous communities.

18. ADJOURNMENT

Susan Taves adjourned the 59th Annual General Meeting in Waterloo.

Adjournment – 8:45pm

Chairperson

Secretary