

- Introduction** Directors are elected by the members of Vancouver City Savings Credit Union (“Vancity”) to act collectively as the Board of Directors (“the Board”) to lead the organization.
- Standard of care** Every director owes a duty of care to Vancity. As a member of the Board, each director is required to fulfill the legal requirements and obligations of a director which includes a comprehensive understanding of their statutory, regulatory and fiduciary roles. Additionally, every director shall meet the requirements of a director as specified in the Vancity Rules, the Board-related Terms of Reference and Board policies.
- Each director is expected to be knowledgeable of the Credit Union Incorporation Act, the Financial Institutions Act, the Business Corporations Act (of B.C.) and any other legislation which governs Vancity as well as the Vancity Rules.
- In demonstrating an appropriate standard of care towards Vancity, each director will annually read, and abide at all times, by Vancity’s Directors’ Code of Conduct.

Duties and Responsibilities

- Board activity** As a member of the Board, each director shall:
- adhere to all fiduciary duties responsibilities to Vancity
 - participate in the review and approval of Vancity’s strategy and policies, and in monitoring their implementation;
 - be an available resource to Management and the Board;
 - wherever possible and so far as practicable, advise the CEO and/or Board Chair when introducing significant and/or previously unknown information or material at a Board meeting;
 - understand the difference between governing and managing, and use discretion so as not to encroach on Management’s area of responsibility;
 - when appropriate, communicate with the Board Chair and/or CEO between meetings;
 - at least annually, meet with the Board Chair to discuss individual director development plans and provide any specifics and requests to the Corporate Secretary following the discussion;
 - demonstrate a willingness and availability for one-on-one consultation with the Board Chair and/or CEO; and
 - participate in the evaluation of the CEO and Vancity’s performance.
- Preparation and attendance** To enhance the effectiveness of the Board and its committees, each director shall:
- attend Board and Committee meetings and contribute their expertise, knowledge and experience to Board deliberations
 - prepare for Board and committee meetings by: reading reports and background materials prepared for each meeting, analyzing the material, and doing independent research if necessary to better understand the material;

- maintain an excellent Board and committee meeting attendance record¹; and
- have acquired adequate information necessary for decision making.

Communication

Communication is fundamental to Board effectiveness and therefore each Board member shall:

- participate succinctly and frankly in the deliberations and discussions of the Board;
- encourage free and open discussion of the affairs of Vancity by the Board and its members;
- make reasonable enquiries about information provided to them by Management to ensure the information provided is correct and clearly understood;
- ask probing questions, in an appropriate manner and at proper times;
- support the Board as a whole to:
 - have sufficient time to engage in formative discussions,
 - be nimble in its decision making, and;
 - adjust methods for deliberation to fit the specific needs of the Board and Vancity
- focus inquiries on issues related to strategy, policy, implementation and results, rather than issues relating to the day-to-day management of Vancity
- monitor incoming Vancity communication on a regular basis between meetings and respond as appropriate

Independence

Recognizing the cohesiveness of the Board is an important element in its effectiveness, each director shall:

- be a positive force with a demonstrated interest in the long-term success of Vancity; and
- speak and act independently, while respecting decisions of the group.

Related Party and Conflict of Interest

Each director is required to submit an Annual Disclosure as part of Vancity's Related Party and Conflict of Interest reporting requirements. This disclosure will be sent and collated by the Governance team.

Committee work

In order to assist Board committees in being effective and productive, each director shall:

- participate on committees of which they are a member and become knowledgeable with the purpose, goals and responsibilities of the committee; and
- understand the process of committee work, and the role of Management and staff supporting the committee.

Business, community and industry knowledge

Recognizing decisions can only be made by well informed Board members, each director shall:

- be generally knowledgeable of Vancity's products, services, industry, facilities, officers, and communities served;

¹ The target is 100% attendance. Anything less than 80% without extenuating circumstances would create considerable concern for the Board.

- maintain an understanding of the regulatory, legislative, business, social and political environments within which Vancity operates;
- be financially literate;
- understand risk, and the range of risks Vancity is exposed to and how they are controlled;
- be generally knowledgeable about, and support the advancement of, cooperatives; and
- be an effective Vancity representative at functions and community events.

Authority

The Board acts collectively and exercises its powers and responsibilities as a group. An individual director has no specific authority as a director, rather the authority resides with the Board of Directors as a whole. A director cannot unilaterally operate, give direction to Management, or authorize transactions, unless specific authority has been delegated by the Board and is properly transacted.

Directors, subject to guidance from the Board Chair and the CEO, have access to any officer, employee, or agent of Vancity in fulfilling their responsibilities.

When a motion has been decided by proper decision making Board protocol, every director is expected to support the decision. If a director is strongly opposed to the Board decision and cannot support the decision, the director can have the minutes reflect the dissent and, if required, pursue options through legal means or resign from the Board.

Director evaluation

Each director agrees to an annual evaluation of their performance as a director by the Board Chair and/or a consultant. A formal evaluation by an external consultant will take place on a biennial basis. The results of the evaluations of all directors will be shared with the Board Chair (and upon the discretion of the Board Chair shared with the Governance Committee Chair), and each director will receive the results of their own evaluation. Where the evaluation results identify that the Board member is not operating at a satisfactory level, the Board member commits to improvement and will work with the Board Chair and VP General Counsel and Corporate Secretary to identify areas for appropriate education and professional development .

Director election

The Governance department will proactively engage with Directors whose terms of office are coming to end in the upcoming year to inquire their intention to run in the upcoming election by mid-May of the year prior. Directors must declare to the Board Chair and Corporate Secretary, by August 1st of the year prior, whether they will, or will not, be seeking re-election, and the Board Chair will share that information with the rest of the Board and the CEO.