

MINUTES of the third annual general meeting of Desjardins Ontario Credit Union (DOCU), held on Tuesday, April 18, 2023, beginning at 6:30 p.m., in hybrid format.

1. CALL TO ORDER AND ESTABLISH QUORUM

1.1. OPENING REMARKS

Carl-Edwin Michel introduced himself and announced that he would be acting as meeting emcee. He mentioned that the meeting would be held in French and would also be available in English through simultaneous interpretation in the online meeting. He then turned it over to Francine Côté, the chair of the credit union's board of directors. Francine Côté opened the meeting and on behalf of the board, welcomed everyone to the third annual general meeting of Desjardins Ontario Credit Union (DOCU), held in hybrid format at the Cité Collégiale in Ottawa and at three satellite locations: the Parkway Inn in Cornwall, the Collège Boréal in Sudbury and the Holiday Inn in Welland, in addition to members attending online.

She stated that the quorum was present and declared the meeting duly constituted and open.

The chair of the meeting then introduced her colleagues who would be speaking and helping out during the meeting. She then turned it over to Billy Boucher, General Manager and Chief Operating Officer. Billy Boucher introduced DOCU's management team. He also acknowledged and thanked former directors and former general managers in attendance either online or at one of the satellite locations for their dedication, leadership and support for DOCU's success.

The emcee then described the meeting procedures, explaining that participants could submit their questions online, via a QR code or by raising their hand at one of the in-person locations.

He informed participants that motions would be voted on live, either online for virtual attendees or by show of hands for in-person attendees. He also explained that in the 4 days after the meeting, members would be able to cast their vote on the election of board members.

1.2. MESSAGE FROM THE PRESIDENT OF DESJARDINS GROUP

Participants were invited to view a video featuring Guy Cormier, President and CEO of Desjardins Group, who delivered an important message. The chair of the meeting thanked the president, who is a proud ambassador of our financial services cooperative.

2. MEETING AGENDA AND RULES OF ORDER

2.1. RULES FOR PARTICIPATING IN THE AGM

The emcee shared instructions and information to facilitate the meeting, voting and interaction between in-person and virtual participants.

The chair of the meeting stated that in order to move or second a motion, attendees have to be full members who have been with the credit union for at least 90 days. To move or second a motion, attendees must also meet the following conditions: be an individual age 16 or older, or be a representative of a legal person or partnership.

2.2. APPOINTMENT OF SCRUTINEERS

The emcee asked members to appoint 2 scrutineers for the meeting. He explained that these people would be responsible for making sure the voting process is followed, including counting the votes so the credit union can share the secret results before they are officially announced.

The chair recommended appointing Richard Fortin and Chantal Joly as scrutineers since they are already familiar with the voting process.

Following the call for a vote on this proposal, the following resolution was adopted: **UPON MOTION duly made and seconded, it was resolved by majority** to appoint Chantal Joly and Richard Fortin as scrutineers.

2.3. ADOPTION OF THE AGENDA

The chair invited participants to read the agenda posted on the screen and available on the credit union's website and requested a motion for its adoption.

Following the call for a vote on this proposal, which requires more than 50% of votes, the following resolution was adopted: **UPON MOTION duly made and seconded, it was resolved unanimously** to adopt the following agenda:

1. Call to order and establish quorum
 - 1.1. Opening remarks
 - 1.2. Message from the president of Desjardins Group
2. Meeting agenda and rules of order
 - 2.1. Rules for participating in the AGM
 - 2.2. Appointment of scrutineers
 - 2.3. Adoption of the agenda
 - 2.4. Approval of the April 19, 2022 AGM minutes
3. A look back at 2022
 - 3.1. Board of directors report
 - 3.2. Auditor's report
 - 3.3. General manager's report
 - 3.4. Financial report
 - 3.5. Audit and Ethics Committee report
 - 3.6. Presentation on the credit union's community involvement
4. Decisions requiring a vote during the meeting
 - 4.1. Contribution to the Community Development Fund
 - 4.2. Adoption of amendments to credit union bylaws
 - 4.3. Appointment of the auditor
5. Question period
6. Board of directors election
 - 6.1. Nomination Committee report
 - 6.2. Meet the candidates
 - 6.3. Election by acclamation
 - 6.4. Explanation of the deferred voting process
7. End of meeting and closing remarks
8. Results announced following the 4-day voting period and adjournment of the meeting

2.4. ADOPTION OF THE APRIL 19, 2022 AGM MINUTES

The chair of the meeting moved on to the adoption of the minutes of the AGM held in the spring of 2022. Since the minutes of the last annual general meeting (AGM) were submitted at the same time as the notice of meeting on the credit union's website and participants had the opportunity to read them, they were not read or summarized.

Following the call for a vote on this proposal, the following resolution was adopted:

UPON MOTION duly made and seconded, it was resolved by majority to adopt the minutes of the AGM held on April 19, 2022, as presented.

3. A LOOK BACK AT 2022

3.1. BOARD OF DIRECTORS REPORT

The chair of the meeting introduced the members of the board of directors before moving on to the report. She started with the executive committee, which is made up of the chair, Francine Côté, Louise Gervais-Guy, vice-chair, Martine Nolin-Simard, secretary, and Stéphane Trottier, outgoing chair. The board also includes the following directors: France Bélanger-Houle, Sylvain Charlebois, Valérie Doré, Roger Gauthier, Lucie Huot, Bululu Kabatakaka, Alain Larocque, Sophie Miller, Donald Narbonne, Geneviève Evelyn Patry, Brad Robertson, Sami Saïdi and Michel Yelle.

She also introduced Maxine Vincent and Alex Hazan, 2 young intern directors, and François Chaput, Vice-President, Distribution Network Services at Desjardins Group, who is an observer. She thanked each of them for their involvement and commitment.

The chair of the meeting reviewed the past year and stressed that DOCU always does what's best for its members and communities, which sets it apart as a cooperative financial institution. She reiterated that the credit union is a major socioeconomic leader in Ontario and that youth is a priority for Desjardins.

She mentioned that the board is also supported by 4 regional liaison committees to inform the board of members' and communities' needs and expectations, share regional differences, identify business development opportunities, and act as Desjardins ambassadors in their communities.

She also acknowledged the departure of Donald Narbonne and Stéphane Trottier from the board. She thanked them for their dedication, support and solidarity over the years.

In closing, she thanked the 840 employees, 19 directors and 47 liaison committee members for their dedication. On behalf of the board, she also thanked the 137,000 members for their trust.

3.2. AUDITOR'S REPORT

The emcee invited Gérald Gauthier, partner of the accounting firm MNP, to present the auditor's report.

In the opinion of the independent auditor, the financial statements present fairly, in all material respects, the financial position of Desjardins Ontario 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 (IFRS).

The emcee thanked Gerald Gauthier for his presentation. He then invited Billy Boucher, General Manager and Chief Operating Officer, to present his report.

3.3. GENERAL MANAGER'S REPORT

The general manager and COO presented the results of Desjardins Ontario Credit Union as at December 31, 2022. He proudly noted that DOCU maintained its rank as one of the 10 largest credit unions in Canada. It ranked second in Ontario and was the largest credit union in Desjardins Group.

He presented DOCU highlights from 2022: 137,000 members; 840 employees across 48 branches and 62 ATMs. Assets totalled \$10.75 billion, and business volume was \$19.83 billion, making it the second largest credit union in Ontario based on assets. He mentioned that the credit union gave back \$2.9 million to the community through donations, sponsorships, the Community Development Fund, the GoodSpark Fund and the Momentum Fund.

He stressed that the results of member surveys show the credit union's true success. Comments from members clearly show that they recognize the professionalism and effectiveness of DOCU employees. In response to difficult economic conditions, the credit union adopted a proactive support strategy to help members find financial solutions that meet their needs.

In closing, he thanked the 137,000 members for their trust. He then turned it over to the emcee.

3.4. FINANCIAL REPORT

The emcee thanked Billy Boucher for his presentation. He then invited Jean-François Lortie, Chief Financial Officer of DOCU, to present a financial report on the credit union's results as at December 31, 2022.

The CFO presented an overview of Desjardins Group's results. He noted that Desjardins Group had surplus earnings of \$2,050 million and assets of \$407 billion. \$518 million was given back to members and the community, including \$403 million in individual member dividends and \$115 million for communities.

A video was shown on Desjardins Group's 2022 financial results, including Desjardins Ontario Credit Union.

He presented the credit union's financial results and mentioned that DOCU is always there to support members with their life plans and financial goals. Thanks to the trust of our members, business volume was almost \$20 billion in 2022, up nearly 5% over 2021.

Our support for members' savings and retirement goals is reflected in the \$8.5 billion in savings and investments products. Financing products, such as mortgages and commercial loans, totalled almost \$11.3 billion, up more than 10% in 2022.

The CFO reviewed the structure of the credit union's balance sheet. He noted that assets, consisting mainly of loans to personal and business members, totalled \$10.8 billion, up 9%, and that liabilities, consisting mainly of member deposits, totalled nearly \$6.6 billion as at December 31, 2022. He mentioned that with loans, which are mainly taken out from Desjardins to support growth in Ontario, and other liabilities, total liabilities stood at \$9.9 billion.

The difference between assets and liabilities brings the credit union's equity to \$820 million. He mentioned that Desjardins Ontario Credit Union is therefore well capitalized. He also presented operating income (income minus operating expenses), which totalled \$140 million in 2022, up 10% over the previous year.

He ended his presentation with net income for the year after member dividends, which decreased in 2022. The decrease in net income can be explained by 2 key factors:

- 1) A higher contribution (\$80.4 million) to Desjardins components in 2022 to support digital development and security enhancements
- 2) A one-time (non-recurring) income tax expense of \$61 million following the realization of income from the former investment fund whose units were redeemed

He explained that although net income after member dividends was down in 2022, the member dividend amounts are linked to Desjardins Group's financial results. Thanks to the organization's financial stability, member dividends are up for all members, including DOCU members.

The emcee thanked Jean-François Lortie for his presentation and said that any questions or comments would be addressed during the Q&A session.

3.5. AUDIT AND ETHICS COMMITTEE REPORT

The emcee invited Sophie Miller, Chair of the Audit and Ethics Committee, to present the report on the committee's operations for 2022. The committee's report is available on the credit union's website. The chair of the committee provided a summary.

She reported that over the last fiscal year, the Audit and Ethics Committee fulfilled its responsibilities under the *Credit Unions and Caisses Populaires Act, 2020* and related regulations. The committee met 11 times to monitor the credit union's financial reporting, internal control system and integrated risk management. The committee monitored compliance with three rules of professional conduct: no conflicts of interest were found; all deposits from and loans to restricted parties were in accordance with applicable rules of professional conduct; and the credit union did not award any contracts for the supply of goods and services to restricted parties subject to the Code or to any related persons.

Sophie Miller presented the supervision report for the past year for three of the rules of professional conduct.

- No conflicts of interest were noted.
- Deposits from and loans to the credit union's restricted parties were in accordance with applicable rules of professional conduct.
- The credit union did not award any contracts for the supply of goods or services to restricted parties subject to the Code or to any related persons.

Finally, the chair thanked the members of the Audit and Ethics Committee: Sylvain Charlebois, Roger Gauthier, Donald Narbonne, Sami Saïdi and Maxine Vincent (observer).

The emcee thanked Sophie Miller for her presentation.

3.6. PRESENTATION ON THE CREDIT UNION'S COMMUNITY INVOLVEMENT

The emcee then asked the general manager to present the report on the use of the Community Development Fund (CDF) and other local commitments.

Thanks to the Community Development Fund, along with donations and sponsorships, the credit union supports many organizations and institutions that play an important role in encouraging sustainable development in the community. In 2022, we awarded \$1.9 million to support promising initiatives across Ontario.

He presented a sector-based breakdown of donations and sponsorships, which totalled \$1.2 million in 2022. He also presented the breakdown of CDF amounts invested to support communities across Ontario. These investments totalled more than \$700,000 during the year.

Billy Boucher continued his presentation with the investment priorities that guide the credit union's decisions regarding investments in the community, as described in the community involvement and partnership plan, which is available on the credit union's website.

He then announced that the credit union's CDF balance stood at \$7.3 million as at December 31, 2022. He explained that CDF funds come from the credit union's surplus earnings and that money that is not used in a given year accumulates in a reserve. This reserve allows the credit union to take on major commitments over several years, while ensuring it meets the growing needs of its communities.

Billy Boucher said he was proud to share that since its creation in 2020, Desjardins Ontario Credit Union has given back over \$39.6 million to members and communities in Ontario, including \$32.3 million in individual member dividends and \$7.4 million in community dividends. A short video on member dividends was then shown.

4. DECISIONS REQUIRING A VOTE DURING THE MEETING

The emcee asked the chair to present item 4 on the agenda: decisions requiring a vote.

4.1. CONTRIBUTION TO THE COMMUNITY DEVELOPMENT FUND

The chair presented the credit union's community involvement, highlighting the importance of Desjardins's contribution to Ontario communities. The board recommends a \$2,079,224 contribution to the CDF to fund the credit union's ongoing community involvement efforts. The total amount for member dividends, including the CDF, is \$13,651,884. The CDF balance as at December 31, 2022, was \$7,273,881.

Following the call for a vote on this proposal, the following resolution was adopted:

UPON MOTION duly made and seconded, it was resolved unanimously to ratify the board's recommendation and contribute \$2,079,224 to the Community Development Fund.

4.2. ADOPTION OF AMENDMENTS TO CREDIT UNION BYLAWS

The chair presented a summary of the board's proposed changes to the bylaws, as described in the meeting notice:

1. **Various amendments to bring the bylaws into line with the Credit Unions and Caisses Populaires Act, 2020**
These amendments relate to naming conventions, sections of the Act and application rules.
2. **Removal of the 3% limit on the number of members who don't qualify under the bond of association (4.1.3)**
The bonds of association shared between the credit union's members are based on their place of residence or workplace or operation of a place of business by the member in Ontario. A member who no longer falls within the bond of association can still retain membership in the credit union. The proposed amendment removes the limit on the number of members in this situation.
3. **Change in the calculation of director term limits (ref. 6.1)**
To avoid confusion and ensure sound governance, the board recommends starting the calculation of the maximum number of years a director can hold office on January 1, 2020 (the date DOCU was created).
4. **Creation of a nomination committee. (ref. 9.14)**
In order to align with Desjardins Group, the board recommends the establishment of a nomination committee to ensure the integrity of the nomination process.
5. **Addition of a training requirement and a 75% meeting attendance requirement for directors. (ref. 12.20)**
*In order to align with Desjardins Group, we recommend mandatory training for directors.
A minimum attendance requirement of 75% is also proposed for governing bodies.*
6. **Addition of a requirement for the board of directors to produce a gender diversity report (Réf. 8.2.1)**
In compliance with the 2020 Act, we amended our bylaws as proposed. The report was added to the message from the chair in the annual report. It states that our membership is made up of 49% women and 51% men, and our board is well diversified and representative of our membership distribution, with 8 women (47%) and 9 men (53%).

Following the call for a vote on this proposal, the following resolution was adopted:

UPON MOTION duly made and seconded, it is resolved at majority to ratify the board's recommendation and approve the amendments to Desjardins Ontario Credit Union's bylaws.

4.3. APPOINTMENT OF THE AUDITOR

The emcee explained that under section 159 of the Act, at each annual meeting, the members appoint an auditor to hold office until the close of the next annual meeting. He asked the chair of the meeting to present the board's recommendation.

The chair of the meeting presented the board's recommendation, which is to appoint MNP as auditor for 2023.

Following the call for a vote on this proposal, the following resolution was adopted:

UPON MOTION duly made and seconded, it is resolved unanimously to ratify the board's recommendation and appoint MNP as external auditor for the 2023 fiscal year.

5. QUESTION PERIOD

The emcee invited members to share any questions or comments. He explained that if there wasn't enough time to answer all the questions, the credit union would follow up after the meeting.

The chair of the meeting and the credit union's management team answered several questions and shared some of the comments received.

6. BOARD OF DIRECTORS ELECTION

The emcee explained the roles of the people involved. Since the chair of the board is a candidate, the vice-chair, Louise Gervais-Guy, served as election chair, and Martine Nolin-Simard served as election secretary, as set out in the credit union's bylaws.

He then asked Martine Nolin-Simard, chair of the Nomination Committee, to present the Nomination Committee's report.

6.1. NOMINATION COMMITTEE REPORT

Martine Nolin-Simard provided an overview of the enhanced group profile, the nomination process and the role of the board of directors. For credit union's call for nominations was held in January.

The credit union issued a call for nominations for 6 vacant seats in the following regions:

- 2 seats: Ottawa
- 2 seats: Eastern Ontario
- 1 seat: Sudbury and Northern Ontario
- 1 seat: Toronto and Southwestern Ontario

During the nomination period (January 16 to February 17, 2023, the credit union received 11 nominations that met the criteria and required qualifications set out in the *Credit Unions and Caisses Populaires Act, 1994*, the credit union's bylaws and the *Desjardins Code of Professional Conduct*.

Martine Nolin-Simard presented all the eligible candidates for the board of directors. She encouraged members to read the candidate profile document available on the credit union's website to help them make an informed decision.

Ottawa (2 seats available): Alexandre Bouffard, Francine Côté, Yalowan Dossa and Marthe Yaro

Eastern Ontario (2 seats available): Jean Bégin, René Berthiaume, Valérie Doré and Brad Robertson

Toronto and Southwestern Ontario (1 seat available): Alexandre Toupin and Michel Yelle

Sudbury and Northern Ontario (1 seat available): Maxine Vincent

6.2. MEET THE CANDIDATES

The emcee handed it over to Louise Gervais-Guy, the election chair.

Before opening the voting, the election chair asked the candidates to introduce themselves, in alphabetical order by last name. She explained that the presentations would be timed, and each candidate would have a maximum of 2 minutes. She told participants that this part of the meeting would be available for replay on the credit union's website.

6.3. ELECTION BY ACCLAMATION

The election chair informed members that since the number of candidates for **Sudbury and Northern Ontario** was equal to the total number of vacant seats, the candidate, **Maxine Vincent, was elected by acclamation**. She congratulated the newly elected director.

6.4. EXPLANATION OF THE DEFERRED VOTING PROCESS

The chair explained that members could vote for the next 4 days to elect directors for Ottawa, Eastern Ontario, and Toronto and Southwestern Ontario. She explained the voting process.

For deferred voting, she reminded members of the requirement to have been a full member for at least 90 days. A recording of the meeting will be available through the **Vote** button in AccèsD and on the credit union's website. Members who weren't able to attend can still watch the meeting and make a fully informed vote. A specific tab will be available where members can watch only the portion introducing the candidates. The tab will include the candidate profile document and the credit union's annual report.

The election chair declared the voting period open and told participants they could vote until 11:59 p.m. on April 22, 2023. She also explained that this year, members attending in person could use the voting station available onsite. The results will be announced on April 24 and posted on the credit union's website. The meeting will be officially closed once the results have been announced.

7. CLOSING REMARKS

The chair of the meeting thanked the members for attending. She also thanked Carl-Edwin Michel for acting as emcee, the recording teams at the 3 satellite locations, the interpreters and the webcast team for making sure the meeting ran smoothly.

In closing, she said a special thank you to the credit union's staff for their day-to-day commitment to serving our members and clients.

8. RESULTS ANNOUNCED FOLLOWING THE 4-DAY VOTING PERIOD AND ADJOURNMENT OF THE MEETING

The meeting was adjourned at 8:31 p.m. on April 18, 2023. It was followed by a 4-day voting period to allow members to vote for directors for the Ottawa, Eastern Ontario, and Toronto and Southwestern Ontario regions.

This brought the annual meeting to a close on Saturday, April 22, 2023 at 11:59 p.m.


At the closing of the 4-day voting period, the elected candidates were as follows :

For the Ottawa region : Alexandre Bouffard and Francine Côté

For the Eastern region : Valérie Doré and Brad Robertson

For the Toronto Southwestern region : Alexandre Toupin.

Presented for adoption at the annual general meeting on April 16, 2024.



Chair



Secretary