



Board of Directors Candidate Nomination Package

2025

**Deadline for Submission
is
March 14, 2025**

Sydney Credit Union

Director Nominations Package (2025)

Dear Member:

The election for open positions on the Board of Directors of Sydney Credit Union Limited (SCU) will take place at the Annual General Meeting (AGM) on April 23, 2025 and we are very pleased to call for nominations for election to the SCU Board.

Our role as the Nominating Committee is to oversee the process of credit union member elections and confirm the eligibility of candidates for election to the SCU Board. The enclosed package has been developed to provide potential candidates with important information about eligibility requirements under the SCU By-Laws, as well as information about the skills, competencies and responsibilities expected of Directors.

SCU recognizes and values the benefits of having a diverse Board of Directors and considers diversity a key driver of its co-operative identity, competitive success and governance strength. The Board believes it is important for the organization to be governed by a mix of highly qualified Directors from diverse backgrounds that contribute a broad range of perspectives and experiences, ultimately promoting the best possible corporate and co-operative governance. While competency and expertise are of paramount importance in all Directors and will not be compromised, diversity on all fronts is viewed as a prime consideration and cornerstone of success. In addition to highlighting the requisite knowledge, skills and experience to participate in the effective governance of its organization, SCU aims to increase diverse representation on its Board to include people of different ages, genders, sexual orientations, Indigenous and ethnic backgrounds, and those who are visible minorities. We ask that members consider the needs and goals of SCU when nominating candidates to serve on the Board.

Open Positions on the SCU Board:

In 2025, there is one position open for election to the SCU Board due to a current director's term expiring. Therefore, there is one director's position that will need to be filled at the upcoming AGM.

Terms of Office:

Successful candidates will be awarded 3-year terms of office based on the election results as per By-Law 5.08. According to By-Law 5.09, directors are not eligible to serve for more than twelve (12) consecutive years.

Key Dates:

The following are key dates in the SCU election process:

Notice of Election Opens:	February 14, 2025
Close of Nominations:	March 14, 2025
Election Results Announced at AGM:	April 23, 2025

Seeking Interested Candidates:

Sydney Credit Union was established in 1935 and is a progressive, full-service, cooperative financial institution with over 13,000 members and over \$350 million in assets. When you open an account at Sydney Credit Union, you uniquely become both a member and an owner. As such, our relationship with all our member/owners is based on our commitment to empower them to make the best decisions for their financial well-being.

With these important goals, the Nominating Committee is seeking interested members to lead our credit union to setting and achieving ambitious strategic objectives, and to help drive our credit union's growth and success.

SCU needs an innovative, passionate and decisive board. The SCU Board requires strong credit union members who can be leaders, and who are decision-makers and influencers. The experience, skill and commitment of individuals with strength in financial, risk management and information technology experience, are particularly desired currently. We are seeking candidates who have the strategic agility, vision and experience to make SCU a leader in the credit union system.

Please review the following Director's Job Description for a broader understanding of the role and responsibilities of directors of SCU.

Policy Manual

Description

This policy sets forth the description of the role and responsibilities of an individual member of the Board of Directors (Board) of Sydney Credit Union.

Purpose

The Board of Sydney Credit Union works within a policy governance model and is comprised of individual members (each a Director). The Board is mandated to provide guidance and leadership to ensure Sydney Credit Union remains committed to the company's vision and delivers on its strategic objectives.

The Board acts collectively through its members and speaks "with one voice" once the Board has reached a consensus decision by voting.

The duties and responsibilities of the individual Director are of paramount importance to our Credit Union's governance, for it is only through the individual Directors, acting as a collective body, that a Board can act.

Responsibility

Directors must effectively carry out their vital leadership, legal, and stewardship responsibilities and act in the best interests of the collective membership of Sydney Credit Union. As such, Directors are responsible for providing effective governance and leadership to the Credit Union. Directors play a key role based on their shared understanding of the purpose and goals of the Credit Union as well as their vision of how to best serve the evolving needs of the Credit Union's members.

The most fundamental set of governance responsibilities of the Board include constructively partnering with the Chief Executive Officer (CEO) and senior management team to:

- 1) Govern the Credit Union and promulgate a set of Board level policies, procedures, practices and risk boundaries that collectively empower the Credit Union to:
 - a. productively serve the collective membership;
 - b. foster the ongoing success of the Credit Union's financial health and operations;
 - c. maintain the safety and soundness of the assets entrusted to the Credit Union;
 - d. validate the Credit Union's compliance with applicable Acts and By-laws.
- 2) Participate in developing a forward-looking strategic vision, mission and set of values for the direction, work and culture of the Credit Union, as well as agreed-upon set of prioritized strategic goals, objectives, and relevant metrics of success designed to forward the Credit Union's mission.
- 3) Directors must delegate appropriate authority to the CEO to properly manage and operate the day-to-day affairs of the Credit Union.

Policy Manual

The duties of individual Directors are the duties of:

Care

- Actively engage, contribute, participate, and ask questions;
- Keep informed, prepare for and attend Board meetings;
- Participate in Director development and educational activities;
- Support and participate in the Credit Union's community outreach efforts and activities;
- Understand and monitor the Credit Union's finances, safety, and soundness; must have at least a working familiarity with basic finance and accounting practices, including the ability to read and understand the Credit Union's balance sheet and income statement and the ability to ask, as appropriate, substantive questions of management and auditors;
- Assist in shaping the vision, mission, and strategy of the Credit Union;
- Cast their vote independently of other Directors in the best interests of the Credit Union and its members, relying upon their best judgment, knowledge and information.

Loyalty

- Focuses on avoidance of improper conflicts of interests and requires fair dealing by Directors involved in transactions where a personal or financial interest may arise;
- Requires Directors to act in good faith and in the best interests of the Credit Union and not in their own interests or the interests of persons or organizations with which they are associated;
- Adhere to the Code of Conduct and Confidentiality Agreement;
- Declare all conflicts of interest and potential conflicts of interest regarding agenda items to the Chair;
- Attend and actively participate in monthly Board meetings, in the annual planning sessions, and in meetings of the membership of the Credit Union.

Obedience

- Requires a Director to faithfully observe and comply with all properly promulgated policy and procedures of the Credit Union;
- Ensure that the Credit Union is operating in observance of its stated vision, mission and strategic direction;
- Keep Board policies top of mind during all discussions and if necessary, make recommendations if a gap in policy is noticed;
- Focus on the strategic plan for Sydney Credit Union, not the operations;
- Directors can exercise their own reasoned judgment in how the Credit Union should best achieve its mission, but they cannot act in a manner that is inconsistent with the Credit Union's mission;
- Exercise due diligence and oversight to assure compliance to all applicable Bylaws, policies, and rules properly promulgated by the Board;
- Participate on any committees or task forces as requested by the Board.

For the 2025 Election, SCU is seeking to encourage candidates with experience and expertise in the financial, information technology and risk management fields as well as candidates with change management skills.

Overall, a candidate's ability to contribute to the success of SCU in pursuit of its Strategic Plan will be considered important.

Expected Commitment:

The primary responsibility of the board is to ensure the credit union is creating and maintaining value for its members. Strategy planning and oversight should be considered the most important responsibility of the board. Candidates should be aware that there will be a time commitment demanded of directors on the SCU Board. The Board will likely meet a minimum 8 times per year, in Sydney River and sometimes virtually, and Directors will also be expected to participate in an annual planning session, as well as the AGM. A tentative schedule of Board meeting dates for the 2025 calendar year is noted below. Board meetings usually encompass two to three hours, beginning at 5:00 pm. There are five (5) standing committees of the Board, namely the Executive/Human Resource Committee, the ESG Committee, the Audit & Risk Committee, the Credit Committee, and the Nominating Committee.

Each Committee has their own meeting schedule, with anywhere from two (2) to nine (9) meetings per year. Directors would typically sit on 2 or 3 Committees. SCU Board members are paid a modest annual retainer for their time. In addition, directors are reimbursed for any travel costs incurred, as well as for costs of approved Director education.

Endorsement of Candidates:

The Nominating Committee will undertake a process to ensure candidates meet the eligibility criteria according to the Credit Union Act (1994) and SCU By-Laws. The Committee will assess eligible candidates against the identified gaps identified by the current Board of Directors. The Committee will then submit the eligible candidates for election to the SCU Board to the members at the AGM.

Sincerely,
The Nominating Committee

Sarah MacEachern
Committee Chair
Nominating Committee

Joyce Lind
Director

Holly Chisholm
Director

John Patrick Fitzgerald
Former Director

Board of Directors meeting dates in 2025:

January 21

February 18

March 18

May 20

June 17

September 16

December 16

Annual General Meeting – April 23, 2025

Strategic Planning Session (all day) – October 18, 2025 (Tentative Date)

SYDNEY CREDIT UNION

2025 BOARD ELECTION – CALL FOR NOMINATIONS

The attached Nomination Package includes the following:

1. Candidate Instructions and Guidelines
2. Nomination and Stand Form
3. Candidate Self-Assessment
4. Statement of Disclosure
5. General Information:
 - Legislated Director Eligibility Requirements
 - Qualification and Selection Criteria for Directors
 - Role and Responsibilities of Directorship
 - Insurance Coverage for Directors
 - Contact Information
 - Code of Ethics and Statements of Policy
 - Ongoing Training Requirements (Schedule A)
 - Required Regional Director Training Schematic (Schedule B)

SYDNEY CREDIT UNION 2025 ELECTION PROCESS

CANDIDATE INSTRUCTIONS and GUIDELINES

Instructions:

1. Read the entire Nomination Package prior to completing the required documentation.
2. Ensure that you understand the role, responsibilities and obligations of Directorship on Sydney Credit Union's Board and are prepared to commit to fulfilling those responsibilities.
3. Seek assistance or more information from Sydney Credit Union if required. (see Contact Information just before the Appendices).
4. Complete the Candidate Self-Assessment & Statement of Interest Form.
5. Complete the Statement of Disclosure.
6. Attach the completed Nomination & Stand Form. **(You must have 2 members in good standing sign on page 4 according to By-Law 5.15).**
7. Please attach an up-to-date **Resume** or **Curriculum Vitae (CV)**.

Submit your Nomination Package to Sydney Credit Union's Nominating Committee at any Branch of Sydney Credit Union. The closing date for nominations to be received by the Nominating Committee shall be March 14, 2025.

**SYDNEY CREDIT UNION 2025
ELECTION PROCESS**

NOMINATION and STAND FORM

Director Candidate's Statement

In accordance with Sections 5.04 and 5.05 of the By-Laws of Sydney Credit Union, I hereby certify that I am a member in good standing of Sydney Credit Union and am not otherwise disqualified from being a director.

Name of Director Candidate: _____

Signature of Director Candidate: _____

First Sydney Credit Union member making nomination:

Member Name: _____

Member Address: _____

Member Signature: _____

Second Sydney Credit Union member making nomination:

Member Name: _____

Member Address: _____

Member Signature: _____

SYDNEY CREDIT UNION 2025 ELECTION PROCESS

CANDIDATE SELF-ASSESSMENT

Candidates are asked to self-assess their qualifications, skills and experience against those determined by the Board as required to effectively fulfill the responsibilities of Sydney Credit Union Directorship.

Please consider your relevant qualifications, skills and experience referring to the attached Qualifications & Selection Criteria for Directors. Also, please explain how you feel you can specifically contribute to Sydney Credit Union's Board of Directors.

BIOGRAPHICAL DATA

Director Candidate Name: _____

Credit Union Membership: _____

E-mail Address: _____

Day Phone Number: _____

Home Phone Number: _____

Home Address: _____

City: _____

Postal Code: _____

Signature:

Date:

SYDNEY CREDIT UNION 2025 ELECTION PROCESS

STATEMENT OF DISCLOSURE RESPECTING CONFLICTS OF INTEREST AND CODE OF CONDUCT

I, the undersigned, have read and reviewed carefully and understand the attached policy adopted by the Board of Directors regarding Code of Corporate Ethics and Business Conduct.

I agree to make a full and complete disclosure of any conflict of interest which I may have now or in the future and which is, to the best of my knowledge and belief, within the intent expressed by said policy.

I further agree that, to the best of my ability, I will refrain from participating in the decision-making process with regard to any matters where I have a conflict of interest.

I confirm that to the best of my knowledge and belief, that I have not in the past, I am not now in, and do not foresee any conflict with, or breach of any of its provisions, except as specifically noted below and this confirmation shall include notice of any boards on which I serve, or entities in which I am an officer or owner:

(If there are no exceptions please insert 'none'.)

I further agree that I shall tender my resignation as a Director of Sydney Credit Union in the event that I:

1. Am disqualified from being a Director under provisions of:
 Credit Union Act, 1994 (Nova Scotia);
2. Am disqualified from being a Director under provisions of by-laws and/or policies of Sydney Credit Union.
3. Have inadvertently or otherwise put myself in a conflict of interest position that is prohibited by legislation and that has not been disclosed to the Board.
4. Refuse to sign the Annual Director Confidentiality Agreement.
5. Have made an assignment into bankruptcy.
6. Have been convicted of a criminal charge involving moral turpitude or am no longer bondable.

By signing this Statement, I hereby acknowledge that, the designated officers of Sydney Credit Union or whomever they may designate, may review and assess the contents of this affirmation.

Prior to signing this statement, I have had the opportunity to review my business affairs and seek independent counsel as required.

Signed this _____ day of _____, 2025.

) _____
) Name of Director Candidate (please print)
) _____
) _____
) Signature of Director Candidate
)



Board of Directors

Candidate Nomination Package

General Information

SYDNEY CREDIT UNION 2025 ELECTION PROCESS

ELIGIBILITY CRITERIA FOR DIRECTORS FROM THE CREDIT UNION ACT (1994) and SYDNEY CREDIT UNION BY-LAWS

Qualifications of Directors

82 (1) A citizen of Canada who is eighteen years of age, a member of the credit union and satisfies the requirements set out in the charter by-laws of the credit union except

(a) an undischarged bankrupt;

(b) an employee of a credit union, the Central, the Corporation or a deposit insurer;

SCU By-law specific requirement:

5.04 (b) a current employee, or anyone who, in the past three (3) years has been, an employee of a member of the Central, the Central, the Nova Scotia Credit Union Deposit Insurance Corporation or a deposit insurer;

(c) an auditor, or a partner of the auditor's firm, of a credit union;

(d) a member who is in arrears for more than ninety days under a debt obligation to a credit union;

(e) the solicitor, or a partner of the solicitor's firm, of a credit union; or

(f) a civil servant whose official duties are concerned with the affairs of credit unions, may be a director of the credit union.

(2) A non-individual shall not be a director of a credit union.

(3) Within a period specified by the Central,

(a) a person elected or appointed for the first time as a director of a credit union; or

(b) where required by the Central, every director of a credit union who has not completed a director training program, shall complete a credit union director training program determined by the Central.
1994, c. 4, s. 82; 2004, c. 11, s. 14; 2010, c. 49, s. 2; 2019, c. 13, s. 17.

**ONGOING TRAINING REQUIREMENTS FOR DIRECTORS
OF SYDNEY CREDIT UNION**

Directors of Sydney Credit Union are required to participate in regular director training sessions in accordance with Sydney Credit Union's Board policy #11600. See attached Schedule "A" for a current version of that policy.

SYDNEY CREDIT UNION 2025 ELECTION PROCESS

QUALIFICATION & SELECTION CRITERIA FOR DIRECTORS

GENERAL QUALIFICATIONS:

The role of a director today is more onerous and demanding, more complex and multi-dimensional than it has been in the past. There are also more risks, and potential liabilities are relatively heavy. Society expects and demands more from directors, and consequently the director's role has become more professional.

Directors of Sydney Credit Union will be expected to bring to the Board the broadest possible knowledge and depth of experience from their chosen business or profession.

Directors should evidence a demonstrated ability to deal with business, financial and social issues within the cooperative environment and context. This implies a capacity to provide additional strength, diversity of views and up-to-date perceptions to the Board and its deliberations.

Potential candidates for membership on the Board will not be denied consideration by reason of race, sex, religion or affiliation with some special constituency group, nor will any candidate be selected solely for such reason.

A Director should possess integrity, be willing to articulate their views frankly, be able to work productively with others, and have the ability and willingness to commit the time and effort required.

Directors should be fully informed regarding their responsibilities and liabilities as a Director prior to a commitment to serve.

MINIMUM ELIGIBILITY REQUIREMENTS:

1. Directors must meet the legislative requirements of the Credit Union Act (Nova Scotia) and meet the eligibility criteria contained in the Sydney Credit Union By-Laws.

PERSONAL ATTRIBUTES:

The following personal attributes should be considered by candidates seeking Board election:

1. Ability to bring to the Board a knowledgeable perspective on issues affecting the business of the credit union.

2. Ability to act in the best interests of Sydney Credit Union and its Members as a whole and independently of any particular interest arising as a result of any previous, existing or future relationship with Sydney Credit Union's Members or other stakeholders.
3. Willingness to ask probing questions and challenge management within the appropriate governance context.
4. Ability to adopt a collegial perspective, including the ability to "speak with one voice" once a full discussion has been undertaken and a decision has been made by the Board in accordance with its governance policies.
5. Compatibility with Sydney Credit Union's strategic objectives and operational values.
6. Ability and willingness to commit the time to make a real contribution to Sydney Credit Union, its Board and its Members.
7. High ethical standards.
8. A strong, independent individual who also contributes effectively as a team member of the Board and its Committees.
9. Ability to assist Sydney Credit Union in making contacts and assisting in business development where appropriate.
10. Ability to critically assess business strategies and operations.
11. Forward thinking and with a knowledge of potential changes and trends facing the future of the industry.
12. Experience in corporate governance and risk assessment.
13. Ability to think strategically.

BUSINESS BACKGROUND/EXPERIENCE:

Specific experience in these categories will be considered positive attributes of potential candidates for Sydney Credit Union's Board:

1. Experience in the Co-operative Sector.
2. Business experience in related fields (to be defined on an annual basis).
3. Knowledge and experience in association governance or management.
4. Credit Union Director Achievement qualifications.
5. Financial literacy.
6. Experience in government relations.

7. Experience in the financial services sector.
8. Customer relations in a service sector.
9. Governance, audit and/or operational risk management.
10. Experience as a Director.
11. Knowledge and/or experience in mergers, acquisitions or strategic alliances.
12. Knowledge and/or experience in the field of human resources.
13. Credit or interest rate risk management.

SYDNEY CREDIT UNION 2025 ELECTION PROCESS

ROLE AND RESPONSIBILITIES OF DIRECTORSHIP

Introduction

Obviously, there is no simple statement available to summarize all the duties and responsibilities of a Director. Directors are given significant powers and their discretion in the exercise of these powers is almost absolute. It is because of this that the scope of a Director's potential liability is not only large, but also increasing.

A Director must be a person of ability, experience, judgment and integrity. A Director must learn how to comply with all governmental requirements, protect the assets of Sydney Credit Union, safeguard the rights of all of the shareholders, honour the rights of employees, creditors and the public and last but not least, make a profit.

The following is an excerpt from the Sydney Credit Union By-Laws:

Powers and Duties:

- 5.2 Subject to the Act, the Regulations and these Charter By-laws, the Board of Directors shall be responsible for the general management of the affairs of the credit union and, without limitation, shall
- (a) exercise the powers of the credit union directly, or indirectly through the employees and agents of the credit union;
 - (b) direct the management of the business and affairs of the credit union;
 - (c) authorize termination of membership and establish the form and manner in which all applications for membership or associate status are accepted. The Board of Directors may delegate to the Chief Executive Officer (CEO) the authority to approve applications for membership or associate status;
 - (d) establish the manner in which interest rates on loans, and deposits are determined;
 - (e) declare such dividends and patronage refunds as these by-laws may authorize;
 - (f) appoint a credit committee and an audit committee and any other committees it deems necessary and delegate appropriate levels of authority to these committees;
 - (g) approve a loan policy for the credit union;
 - (h) approve an investment policy and authorize investments on behalf of the credit union, approve all other policies deemed necessary for the effective operation of the credit union;
 - (i) ensure effective internal control processes are in place for the credit union;

- (j) oversee the risk management program of the credit union;
- (k) ensure the credit union maintains adequate insurance and bonding coverage;
- (l) authorize the write-off of uncollectible loans;
- (m) appoint signing authorities for the credit union;
- (n) elect officers of the credit union;
- (o) hire a Chief Executive Officer for the credit union;
- (p) appoint delegates and alternate delegates as required by Atlantic Central's By-laws and the policies of the credit union; and
- (q) perform such other duties as may be required by the Act, the Regulations, these by-laws to ensure the effective and efficient management of the credit union.

Strategic Planning:

1. Sydney Credit Union directors have the responsibility to participate, through the Board and its committees, in developing and approving the mission of the business, its objectives and goals, and the strategies by which it proposes to reach those goals. The Chief Executive Officer is responsible for driving this process and providing the Board with plans and strategies for its consideration and approval.
2. The Board has the responsibility to ensure congruence and compatibility between shareholder expectations, company plans, and management performances.
3. The Board has the responsibility to monitor Sydney Credit Union's goals, revising and altering direction in light of changing circumstances, and taking action when performance falls short of its goals or special circumstances warrant such action.

Managing Risk:

4. The Board must understand the principal risks of all aspects of the business in which Sydney Credit Union is engaged and achieve a proper balance between risks incurred and potential returns to shareholders.
5. The Board must ensure that there are systems in place to effectively monitor and manage these risks with a view to the long-term viability of the organization.
6. The Board is responsible for ensuring its own succession, training and development, including the establishment of criteria for the selection of directors, access to effective orientation programs, and ongoing training and development initiatives.

Integrity of Corporate Internal Control and Management Information Systems:

7. The Board has the responsibility for approving and monitoring compliance with all significant policies and procedures by which the company is operated.
8. The Board has a particular responsibility for ensuring that the company operates, at all times, within applicable laws and regulations and to the highest ethical and moral standards.
9. The Board is responsible for ensuring control and information systems are in place to ensure the effective discharge of all the Board's responsibilities.

Specific Functions:

1. Appoint and fix the compensation for the Chief Executive Officer.
2. Call Shareholder meetings as required.
3. Appoint the Auditor when a vacancy occurs during the year.
4. Manage the business and affairs of the company.
5. Disclose where they have an interest or are a party to a material contract, and not to vote on the matter.
6. Comply with the legislation, regulations, articles and bylaws.
7. Approve annual dividends to shareholders.
8. Approve the annual operations budget and major changes thereto.
9. Approve all significant capital expenditures.
10. Approve the corporate strategy and major decisions relating thereto.
11. Create, approve and monitor Board-level policies to govern Sydney Credit Union.
12. Receive and approve the reports of the Compliance Officer, and External Auditor and any other regulatory bodies.
13. Approve the financial statements of the company and present those financial statements annually to the shareholders of Sydney Credit Union at the Annual General Meeting.
14. Elect all Board Officers of the company and appoint the other Officers.
15. Recommend the appointment of the Auditors to the shareholders at the Annual General Meeting.
16. Receive reports from the Chief Executive Officer.

17. Authorize Officers of the company to sign documents and take financial action on behalf of Sydney Credit Union.
18. Authorize the Chief Executive Officer to appoint employees to various positions and to fix their salaries and review compliance by the Chief Executive Officer of their actions within the requirements of Board policies.
19. Serve individually as advisors to the Chief Executive Officer and, with their approval, to other employees of Sydney Credit Union.
20. Make by-laws and recommend to shareholders for approval.
21. Authorize the issue or redemption of any shares of the organization.
22. Transact such other business as appropriate.

SYDNEY CREDIT UNION 2025 ELECTION PROCESS

INSURANCE COVERAGE FOR DIRECTORS

Directors Liability Insurance:

Directors are covered immediately following election to the Board by a Directors' and Officers' Liability Insurance policy. The policy limit is \$10,000,000 and the deductible per insured is \$2,500.

This coverage of \$10,000,000 is the total amount payable by The Credit Union Bonding Program to protect the directors, officers, committee members and the employee holding the most senior management position against loss arising from a claim made against them for reason of a wrongful act.

In addition, Directors should note Section 102 of the Credit Union Act, which states that:

Indemnification

102 (1) Except in the case of an action by or on behalf of the credit union or body corporate to procure a judgment in its favour, or by or on behalf of the Superintendent or the Corporation pursuant to Section 236, in which case the approval of the court must first be obtained, a credit union may indemnify a director or officer of the credit union or a person who acts or acted at the credit union's request as a director or officer of a body corporate of which the credit union is or was a member, shareholder or creditor, and that person's heirs and legal representatives, against all costs, charges and expenses, including any amount paid to settle an action or satisfy a judgment, reasonably incurred by that person in respect of any civil, criminal or administrative action or proceeding to which that person is made a party by reason of being or having been a director or officer of the credit union or body corporate, if the director or officer

(a) acted honestly and in good faith with a view to the best interests of the credit union; and

(b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing the conduct was lawful.

(2) Notwithstanding anything contained in this Section, a person referred to in subsection (1) is entitled to indemnity from the credit union in respect of all costs, charges and expenses reasonably incurred in connection with the defence of any civil, criminal or administrative action or proceeding to which that person is made a party by reason of being or having been a director or officer of a credit union or body corporate if the person seeking indemnity

(a) was substantially successful on the merits in defence of the action or proceeding; and

(b) fulfils the conditions set out in clauses (1)(a) and (b).

(3) A credit union may purchase and maintain insurance for the benefit of any person referred to in subsection (1) against any liability incurred by that person

(a) as a director or officer of the credit union, except where the liability relates to the failure of that person to act honestly and in good faith with a view to the best interests of the credit union; and

(b) as a director or officer of another body corporate where the person acts or acted in that capacity at the credit union's request, except where the liability relates to the failure to act honestly and in good faith with a view to the best interests of the body corporate.

(4) A credit union or a person referred to in subsection (1) may apply to the court for an order approving an indemnity pursuant to this Section, and the court may so order and make any further order it thinks fit.

(5) An application pursuant to subsection (4) shall give the Superintendent and the Corporation notice of the application, and the Superintendent and the Corporation are entitled to appear and be heard in person or by counsel.

(6) Upon an application pursuant to subsection (4), the court may order notice to be given to any interested person and that person is entitled to appear and be heard in person or by counsel.
1994, c. 4, s. 102.

CONTACT INFORMATION

If you have any questions in relation to this Nomination Package, or seek further information or assistance in relation to your consideration of running in the 2025 election, please contact:

Caleb Gibbons, Chief Executive Officer

Sydney Credit Union

1280 Kings Rd Suite 200
Sydney River, NS B1S 1E2
902-567-6522
cgibbons@sydneycreditunion.com

Sarah MacEachern, Chair

Nominating Committee

Sydney Credit Union
95 Townsend Street
Sydney, NS B1P 5C9
sarah5maceachern@gmail.com



CODE OF CORPORATE ETHICS AND BUSINESS CONDUCT

**Sydney Credit Union
Directors**

Approved by Board of Directors: November 18, 2014
Revised: January 2022

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Introductory Remarks

Letter from the Chair of the Board

To all Directors,

At **Sydney Credit Union** (the “Credit Union”), we are committed to dealing fairly and with integrity in all aspects of our business. We believe that good ethics fosters good business, and that business should be conducted honestly, fairly and legally. This Code of Corporate Ethics and Business Conduct (the “Code”) establishes a foundation of ethical behaviour and the standards by which good ethics and good business conduct are achieved. Sydney Credit Union expects all Employees, Directors, Management and staff to share in its commitment to high moral, ethical and legal standards.

All Directors are expected to know and abide by the Code; it is meant to be a guide to all Directors. If you encounter a situation that causes you to question its appropriateness and are unsure how to handle it, this Code was written to give you guidance.

Please take the time to review the Code. You play a very important role in setting the standards for our behaviour and in the success of the two companies.

Sarah MacEachern
Acting Chair, Board of Directors
Sydney Credit Union

Introduction to the Code

The importance of the Code cannot be overstated. Your understanding, cooperation, and compliance are critical to maintaining our integrity and the trust that our stakeholders have placed in the Credit Union. Each year, all Directors must review the Code and sign the prescribed form to acknowledge that they have read and understood the Code. The Code applies equally to all Directors, and compliance with the Code by all Directors is mandatory. The Code does not replace existing Board Policies or other policies that come into effect; rather, it supplements such policies.

If, at any time, you are uncertain about the proper course of action, discuss your concerns with your Board Chair, the Vice Chair, or the Compliance Officer. The terms “Credit Union”, “our” and “we” have been used throughout this document to represent the **Sydney Credit Union**. The terms “your” and “you” have been used to collectively represent the Directors of the Credit Union. Definitions of [Key Terms](#) are located in Appendix I.

If at any time a provision of the Code or Policies conflicts with applicable laws or regulations, the law or regulation will govern.

If you have any questions or concerns, contact your Board Chair, the Vice-Chair, the Compliance Officer, or Integrity in Action Hotline (available 24 hours a day, 7 days a week at 1-877-571-1152).

Expectations for Ethical Behaviour

What is Expected of Directors?

You are expected to comply with the Code and Board Policies, exercise good judgment, accept responsibility for your own actions, and conduct yourself in the best interests of the Credit Union. You are responsible for treating others fairly and respectfully, adhering to ethical principles, and recognizing other responsibilities as described throughout the Code.

All Directors share the responsibility of ensuring that the Code is followed and enforced. If you ever question a behaviour or course of conduct, consider: is it ethical, legal, and consistent with the Code and Board Policies; will it reflect well on the Credit Union?

If the answer is no, you will avoid or cease the behavior or conduct. If there is uncertainty, seek advice from your Board Chair, the Vice-Chair, or the Compliance Officer. By asking for help and reporting concerns in good faith, Directors help to ensure compliance with laws and regulations, Board Policies, and ethical principles.

All Directors are required to acknowledge receipt, understanding, agreement and compliance with the Code and Board Policies using [Appendix VI](#). New Directors will sign the [New Director Code of Conduct Compliance](#) when they begin their term, and all Directors will read and acknowledge compliance with the Code on an annual basis by signing the [Annual Director Disclosure Statement](#).

What to Expect of the Credit Union?

Ethical behavior is based on the principles of honesty, integrity, fairness, accountability, and freedom from deception and fraud. Ethical behavior in all aspects of our organization is of the utmost importance; therefore the Credit Union will not promote business results at the expense of ethical principles or compliance with the law. The Credit Unions are required to know and comply with the Code.

The Credit Union will endeavour to provide a positive and supportive environment that encourages learning and professional development in which all stakeholders are treated fairly and respectfully, and Employees and Directors feel comfortable voicing concerns without fear of reprisal. The Credit Union values the assistance of Directors identifying, in good faith, concerns and breaches of the Code, and the Credit Union will respond to and investigate Reports confidentially.

The Credit Union will ensure that all Directors have the opportunity to review the Code on an annual basis and to understand their responsibilities under the Code and Board Policies. The Credit Union will provide Directors with opportunities to discuss the Code and the importance of ethical principles in our business. To this end, a Compliance Officer has been designated to respond to all questions or concerns.

Shared Responsibilities

Compliance with Laws and Regulations

We will respect the law at all times.

The Credit Union will comply with all legislation applicable to the Credit Union, our business place, the products and services we provide to our members, customers and others, and the health, safety and well-being of our Employees and Directors. You will ensure that your conduct cannot be interpreted as being in any way contrary to the applicable laws and regulations governing the operations of the Credit Union. Our actions and the perception of our actions by others reflect upon the Credit Union, and all Directors must act accordingly.

Compliance with Voluntary Codes of Conduct

We will respect our commitments to voluntary Codes of Conduct

The Credit Union is committed to following voluntary codes of conduct that apply to our delivery of products and services and benefit our members. You will ensure that your conduct is in line with the commitments set out in these voluntary codes at all times.

3700 Market Conduct Code

Conflict of Interest

We will act in the best interests of the Credit Union.

A “*conflict of interest*” is an obligation, interest, or distraction that could interfere, or appear to interfere, with a Director’s ability to independently exercise judgment in the Credit Union’s best interest.

You will perform your duties conscientiously, honestly and in the best interests of the Credit Union. You must conduct yourself ethically and exercise care, skill, good faith, loyalty, honesty, and integrity. You must not use your position, or the knowledge gained through your directorship with the Credit Union, for private or personal advantage. Further, you must not use your position or the knowledge gained through your directorship in such a manner that gives rise to a conflict or an appearance of conflict between the Credit Union’s interest and your personal or other interests.

You must seek direction from your Board Chair, the Vice-Chair, or the Compliance Officer where there is a question of a conflict or a perceived conflict of interest.

While no policy could address every circumstance giving rise to a possible conflict of interest, the following will serve as a guide to the types of situations that might give rise to an actual or perceived conflict and therefore should be avoided by all Directors:

Receiving Gratuities and Improper Payments

We will consider the Credit Union’s reputation and best interests in our relationships with

members, customers, suppliers, contractors, regulators and others.

You are expected to make business decisions based on impartial assessment of each situation, free from influence of gifts, favours, hospitality, entertainment, or gratuities that could impair your judgment in the performance of your duties. To minimize the risk of actual or perceived conflicts of interest, preferential treatment or personal favours offered because of your position with the Credit Union should be declined, and you must not offer inappropriate gifts or other means of improperly influencing third parties.

You must never solicit, offer, or accept any improper payment, such as direct or indirect bribes or kickbacks, from any person or entity for any reason. Unless specifically provided under Board Policy, you must not receive commissions or other compensation related to your duties as a Director. You must not employ outside persons, entities, or third parties in order to circumvent Credit Union policy.

Any gifts that are in excess of \$150 or of any value that make you suspicious or uncomfortable must be promptly disclosed to your Board Chair. The Chair will exercise proper discretion as to whether or not to report the item to the Compliance Officer.

Conflicting Financial Interests

We recognize your right to make personal investment decisions, provided that such decisions do not create a conflict of interest or contravene the Code or any applicable legislation.

You must not make any personal financial decisions on the basis of Insider Information. Directors in possession of material non-public information must not pass this on to others for their use. You will not knowingly permit your personal investment transactions to have priority over transactions for the Credit Union. You and your Immediate Family members must not have financial interests or contractual arrangements with other entities that are, or appear to be, inconsistent with your duties to the Credit Union.

Examples of conflicting financial interests include, but are not limited to:

- stock ownership, partnership participation or management;
- direct or indirect material financial interests in any outside entity that does business with or competes with the Credit Union;
- direct or indirect competition with the Credit Union in the purchase or sale of property or property rights; and
- representation of the Credit Union in any transaction in which you have a material financial interest.

Conflicts of Duty

We are all responsible for contributing to our local communities, and we encourage Employees and Directors to participate in charitable, educational and civic activities.

The Credit Union is committed to preventing conflict of interest situations for our Employees

and Directors. You must not engage in outside activities that could affect or appear to affect your judgment in carrying out your duties and responsibilities to the Credit Union. If you hold, or have been invited to hold, outside directorships you should take particular care to ensure compliance with all provisions of this Code and to avoid conflicts of duty. If a conflict does arise, the Credit Union reserves the right to request that you remove yourself from the position in question. You must avoid acquiring any business interest or participating in any other activity outside the Credit Union that would be or may appear to be a conflict of interest.

Other Conflicts Concerns

In addition to conflicts of financial interest and conflicts of duty, you must be aware of and should avoid other areas of potential conflict, including situations where your interests or an Immediate Family member's interests could conflict with those of the Credit Union.

Examples of such other conflicts include selling anything to the Credit Union or buying anything from the Credit Union (except in the course of any normal program of disposal of surplus Credit Union Property).

Positive Environment

Fairness

We are committed to respect, equity, fairness, non-harassment and non-discrimination in our practices with respect to all individuals.

The Credit Union is committed to creating an inclusive professional, safe and healthy environment where all individuals are treated and treat each other with civility, decency, respect and dignity. The Credit Union has policies in place to prevent discrimination, harassment, and inappropriate behaviour and will take reasonable measures to ensure a respectful environment. Likewise, the Credit Union expects that you will take personal responsibility for your interactions, communications, and behaviour with others and be open to others' perspectives, viewpoints, and backgrounds, in order to maintain an inclusive and respectful environment. You are expected to act in a manner that is consistent with the Code and Credit Union Policies when acting as a representative of the Credit Union.

Workplace Accommodation

We are committed to an inclusive work environment and making reasonable accommodations for employees.

The Credit Union recognizes that sometimes it is necessary to treat some directors differently in order to be fair, and to prevent discrimination. A duty to accommodate exists for the Credit Union when the director has a bona fide need based on any of the grounds of discrimination recognized under the human rights legislation. These grounds include, but are not limited to age, race, colour, religion, creed, sex, sexual orientation, gender identity, gender expression, physical disability, mental disability, family status, marital status, political belief, affiliation or activity, ethnic, national or aboriginal origin, and any other analogous or protected ground under applicable human rights

legislation.

The form of accommodation for a director is usually specific to the person and largely depends on the underlying cause. The range of accommodations are varied and address needs from a number of sources including, but not limited to, mobility issues, mental health matters, addictions, and the use of some prescription drugs. Directors can discuss or request an accommodation through the Chair.

Remuneration and Reimbursement of Expenses

We are committed to providing Directors fair remuneration.

The Credit Union is committed to providing Directors a fair remuneration in recognition of their time and effort in serving on the Board and reimbursing reasonable expenses incurred in carrying out Director Responsibilities. As a Director, except as specifically provided under the policies of the Board, you must not receive commissions or other compensation related to your duties as a Director.

Harassment and Discrimination

We are committed to providing an environment that is free from Harassment and Discrimination.

All Individuals have the right to an environment free from physical, sexual, verbal, or Psychological Harassment and free from Discrimination.

Discrimination and Harassment, as well as retaliation against an Individual for making a complaint or participating in the investigation of a complaint of Discrimination or Harassment, are against the law. Accordingly, violations will not be tolerated. Violators will be subject to disciplinary action up to and including removal from the Board. False accusations of Discrimination or Harassment will result in severe disciplinary action up to and including removal from the Board. Also see Policy 15175, Anti-Harassment.

Health and Safety

We are committed to promoting a safe and healthy business environment.

The Credit Union considers the health and safety of all Individuals a matter of highest priority. The Credit Union will provide and maintain a safe and healthy business environment, and will comply with all applicable federal, provincial and local health, safety and environmental laws. Because this is a shared responsibility, you are to take every reasonable and necessary precaution to protect your own health and safety and that of anyone else who may be affected by you while carrying out your duties to the Credit Union.

Also see Policy 15285, Occupational Health & Safety.

Alcohol, Recreational Cannabis, Illegal Drugs, and Gambling

We will endeavor to achieve a work environment that is free from the effects of alcohol, drug

abuse, illegal substances, and gambling.

It is the Credit Union's right and responsibility to its stakeholders, Employees and Directors to maintain a work environment that is free from alcohol, recreational cannabis, illegal drugs, and gambling and their effects. You are responsible for contributing to a safe, healthy and productive office environment free of drug abuse, illegal drugs, alcohol, gambling, or any other activities that might impair your or others' duties. The same applies while on credit union business.

At Credit Union functions, Individuals must maintain proper decorum at all times.

Integrity in the Credit Union

Use of Credit Union Property

We will protect the Credit Union's assets, and we will use such assets only as intended or authorized.

Credit Union Property encompasses every tangible and intangible asset in the business place, without limitation, including physical and technological property. Use of Credit Union Property is granted to Individuals for legitimate business purposes related to the Credit Union's operations. The Credit Union reserves the right to open, inspect and access all physical and electronic property, including but not limited to computers, to ensure compliance with applicable laws and regulations, the Code and Board Policies, and ethical principles. The existence of passwords and message delete functions do not restrict or eliminate the Credit Union's ability or right to access electronic communications. An Individual's communications transmitted over Credit Union communication systems are not considered private.

You may use Credit Union Property for occasional personal purposes provided that the use is appropriate, lawful, and in accordance with Credit Union policies. You must not use Credit Union Property to conduct non-Credit Union business such as operating a part-time business, or for personal political activities, or take, misappropriate or misuse Credit Union Property. You must report any theft, misappropriation or misuse of Credit Union Property to your Board Chair, the Vice –Chair, or the Compliance Officer.

Use of Electronic Resources

We will use all electronic resources in a manner that upholds the ethical principles of integrity and professionalism.

You are permitted to use Credit Union electronic resources for business purposes while working in other workplace locations as provided in policies and provided all Confidential Information is protected from unauthorized access, theft, misuse, or corruption. By using Credit Union communication systems, you consent to having such use monitored by authorized Credit Union personnel at the discretion of the authorized personnel.

You must not use Credit Union electronic resources to access, create, send, receive, forward, retrieve, download, store, print, or transmit information that is hostile, malicious, unlawful, sexually explicit, discriminatory, harassing, profane, damaging (e.g. computer viruses), or inappropriate for the business environment.

You must not attempt to gain access to another Director's or Employee's messages, or any files, without permission, disclose any password, use any password without authorization, or allow any use of keys by any person that is not authorized to access the premises.

You must use your own discretion when using any social media, including but not limited to: Facebook, Instagram, Twitter, LinkedIn, and blogs; instant messaging services; and Internet discussion groups, chat rooms, or other public forums for personal use.

Cybersecurity

The Credit Union is committed to protecting our organization, Directors, Employees, suppliers, contractors, customers, members, credit unions, and other 3rd party partners from damaging cybersecurity incidents. Cybersecurity threats represent a significant risk to the Credit Union's operations and services.

You must comply with all Credit Union Policies and standards related to cybersecurity, data protection, computer security and acceptable use of electronic resources to ensure that activities do not risk the normal functioning and security of the Credit Union's network, servers, and data.

Intellectual Property and Agreements

The Credit Union provides network access to the Internet and Internet services to fulfill a legitimate business purpose. The Credit Union intends to honour all software copyrights, restrictions, and agreements. Improper copying or use of computer software can lead to civil and criminal penalties. You must use computer technology and Intellectual Property in accordance with applicable agreements, copyright, trademark, patent, and other laws. You must not duplicate, install, or use software, Intellectual Property, and electronic data without permission from the owner or do anything else in violation of copyright or license.

Social Media

Social media is an important marketing tool for Sydney Credit Union. In addition to promoting our credit union, it allows us to connect and build relationships, show prospective and current members how we can help them and it lets people know what we have been doing, our initiatives, and our role in the community.

Sydney Credit Union's goals for using social media are as follows:

- Improve the Credit Union's online presence and increase the positive perception of the Credit Union
- Develop relationships with current and prospective members
- Demonstrate the Credit Union's community focus and support

Directors can follow any of the Credit Union's social media pages, and like, comment on, or share anything posted on them. However, it is important that you take the time to consider the potential risks to you and

the Credit Union, prior to interacting with our social media pages.

Sydney Credit Union's Directors are encouraged not to engage in discussions regarding competitors' products, legal issues in which the Credit Union is involved, or government issues related to the Credit Union and our industry without prior approval from the Chair of the Board in consultation with the CEO.

Credit Union Funds

We will maintain internal controls to safeguard Credit Union assets and to prevent fraud and dishonesty.

If you have access to Credit Union funds in any form you must follow Credit Union procedures for recording, handling, and protecting such funds. You must, at all times, ensure that Credit Union funds are used only for the Credit Union's business purposes. Where your position requires Credit Union funds to be spent, it is your responsibility to use good judgment on behalf of the Credit Union and to ensure that appropriate value is received by the Credit Union for such expenditures.

If you become aware of any evidence that Credit Union funds may have been used in any fraudulent or improper manner, you are required to immediately and confidentially advise your Board Chair, the Vice-Chair, or the Compliance Officer. Alternatively, you may anonymously report the incident using the Integrity in Action program.

Credit Union Records

All Credit Union books and records, including the amounts recorded and the true nature of the transactions represented, will be accurately and fairly stated.

Ensuring accurate records and reporting maintains the Credit Union's reputation and ensures compliance with Federal and Provincial laws and regulations. The Credit Union does not permit undisclosed, unrecorded, or distorted revenues, expenses, assets or liabilities. In all operations you must not falsify internal or external documents, or in any other way cause books and records to be inaccurate or misleading. To the extent required by your position, you must ensure that the Credit Union's books and records reflect all business transactions in an accurate and timely manner. Intentionally misrepresenting, improperly recording, or falsifying Credit Union records will be a violation of the Code, and Individuals involved in such conduct will be subject to corrective action up to and including removal from the Board.

Obtaining and Safeguarding Information

We will take steps to safeguard the privacy and integrity of Personal, Confidential, and Proprietary Information in the Credit Union's care by providing appropriate physical and electronic protection.

In the regular course of business, the Credit Union accumulates a considerable amount of sensitive information, including Personal, Confidential, and Proprietary Information. You are required to safeguard sensitive information throughout your term as a Director, including outside the Credit Union offices and outside working hours, and after your directorship with the Credit Union has been terminated, regardless of the circumstances of the termination. Personal, Confidential, and

Proprietary Information must not be disclosed unless it has been authorized by the Credit Union or compelled by law, or alternatively the information was not received during the course of your directorship or the information is already in the public domain.

Personal Information

We value and protect the Personal Information of our Employees, Directors, stakeholders, and others.

The Credit Union's Privacy Officer will take steps to ensure compliance with Privacy Procedures, policies and applicable legislation. You must ensure your own compliance and that all Personal Information in your possession is protected as outlined in the Privacy Procedures and policies. You must only collect, use and retain such Personal Information as is necessary for the Credit Union's business. All required Personal Information must be obtained with appropriate written consent. You must use only reputable and reliable sources to supplement any Personal Information, and must retain Personal Information only for as long as it is needed to fulfill the purpose for which it was collected or as required by law. You must not disclose any Personal Information (including Employees' and Directors' Personal Information) to any outside person unless proper authorization has been obtained for such disclosure. Also see Policy 5700, Standards of Professional Conduct, Protection of Personal Information.

Confidential Information

We value and protect the Credit Union's Confidential Information and we respect the Confidential Information of others.

Confidential or Proprietary Information belonging to the Credit Union, or information that another entity owns, develops, pays to develop, possesses or to which it has an exclusive right, or that it considers confidential, may become available to Directors. It is very important that you safeguard such Confidential Information.

Both *during and after* your term as a Director, you must not disclose, use, release or discuss any Confidential Information except as required in the course of your duties as Director, as permitted by Credit Union policy, or as required by law (notice of any anticipated court orders must be given to the Credit Union). You must never use any Confidential Information for personal use or in any way that is inconsistent with the interests of the Credit Union.

You must never be a party to a situation in which Confidential Information has been obtained improperly. If you are approached with an improper offer of Confidential Information, you must immediately discuss this matter with your Board Chair, the Vice-Chair, or the Compliance Officer. You must also follow confidentiality restrictions from previous employers or relationships and not use or share any information they consider Confidential Information with the Credit Union or the Board of Directors. As Confidential Information in a Director's possession now or at any time during your term as a Director is the property of the Credit Union and its affiliates, you must immediately return all such materials and all copies to the Credit Union whenever requested by the Credit Union. Also see Policy 5725, Standards of Professional Conduct, Privacy Breach Response.

Access to Information

The Credit Union recognizes your right to review your own personal records retained by the Credit Union. This right is subject to a corresponding right to privacy of the source of such information. You may correct or clarify erroneous Personal Information relating to yourself that is retained by the Credit Union. If the Credit Union does not agree with the requested corrections, you will be given the opportunity to file a written statement in the Credit Union's records. Also see Policy 5750, Standards of Professional Conduct, Access to Information Request.

Integrity in Our Community

Environmental Sustainability

We will take steps to reduce our waste and conserve valuable resources.

The Credit Union is committed to conserving resources in its business operations. You must use your best efforts to make efficient use of resources, to reduce waste, reuse and recycle supplies and materials, and to source from environmentally responsible organizations.

Political Activity

We respect your personal participation in the political process, including candidacy, and we respect your right to absolute privacy with regard to personal political activity and will not attempt to influence any such activity.

Directorships with the Credit Union will not be affected by personal political views, contributions, or activities. However, your participation in the political process must not extend to the use of Credit Union time, funds, goods, or services. You must not use the Credit Union's reputation or assets to further your personal political activities or interests. The Credit Union will not reimburse Directors for personal political activity.

External Communications

We are committed to honest, accurate, timely and concise communications with the public and the media and we work to ensure all information originates from an authoritative source within the Credit Union.

The official media spokespeople for the Credit Union are the Chairs of the Boards of the Credit Union as well as the Chief Executive Officer (CEO). All media inquiries are to be sent to the Chair of the Board or the CEO. You should be aware that your actions may influence the Credit Union's reputation or image. You have the right to publicly express personal views as a private citizen; however, you have a responsibility to ensure such views are not defaming or disparaging to the Credit Union and its reputation. You have a responsibility not to make statements on behalf of the Credit Union without express, prior authorization. This includes communications using: Credit Union letterhead; e-mail; print media; social media, including but not limited to blogs, Facebook, Twitter, LinkedIn and any other means.

Breach of the Code

All Directors will report potential breaches of the Code, and all Reports will be investigated and responded to in a timely manner.

By asking for assistance or reporting an issue, Directors help to ensure that our Code is followed and enforced. You are required to identify to your Board Chair, the Vice-Chair or the Compliance Officer all cases in which it is believed that:

- the Code or policies are not being followed;
- laws or regulations are not being followed;
- there is an accounting irregularity; or
- there has been a theft, fraud or embezzlement.

Although your Board Chair, the Vice-Chair or the Compliance Officer should be considered your first choices for reporting, the Credit Union does provide a means to report contraventions of the Code in an anonymous and confidential manner through the Integrity in Action Hotline. You can also approach your Board Chair, The Vice-Chair or the Compliance Officer with questions or concerns and for advice or assistance.

If violations are found, the Credit Union will act promptly to respond. All Reports will be kept in confidence, and only those who need to know of a reported incident will be advised. Every effort will be made to protect the confidentiality of persons reporting violations of the Code, the law, Credit Union policies, or unethical behaviour. The Credit Union will not tolerate retaliation against anyone who reports a potential breach of the Code. Retaliation in any form will be considered a serious disciplinary offence.

All Reports must be made in good faith. Anyone who makes a false complaint in bad faith, threatens others, or damages another person's reputation will be subject to corrective action up to and including removal from the Board.

See [Appendix III: Procedures for Filing a Complaint](#).

If you have any questions or concerns, contact your Board Chair, the Vice-Chair, the Compliance Officer, or the Integrity in Action Hotline (available 24 hours a day, 7 days a week at 1-877-571-1152).

Appendix I: Glossary

Definitions of Key Terms:

Chair: means the Chair of the Credit Union Board of Directors.

Credit Union: means **Sydney Credit Union**.

Credit Union Information: means any information the Credit Union considers private and that other persons or organizations might find useful for competitive or other reasons. This includes Trade Secrets and information with respect to any confidential product, plan or program of the Credit Union or subsidiaries.

Credit Union Property: means every physical item and electronic system in the workplace including, without limitation, electronic mail, fax machines, copy machines, computer systems, voice mail systems, interoffice mail, desks and other tangible assets, and all Intellectual Property belonging to the Credit Union (including, copyrighted works, trademarks, patents, industrial designs and Trade Secrets).

Confidential Information: Credit Union Information (see above) or Proprietary Information (see below) of the Credit Union, or information that another entity owns, develops, pays to develop, possesses or to which it has an exclusive right, or which it considers confidential.

Directors: means all current members of the Boards of Directors of the Credit Union.

Discrimination: means any treatment, action or decision against an Individual that is prejudiced or based on class or category, including, but not limited to, the grounds set out in the *Human Rights Act* (NB, NS, and PEI), and the *Human Rights Code* (NL), such as age, race, colour, religion, creed, gender, sexual orientation, family status, physical or mental disability, rather than on individual merit.

Employees: means all current full-time, part-time, casual and contract Employees of the Credit Union, and all independent contractors currently hired by the Credit Union.

Compliance Officer: means the person appointed by the Credit Union as its Compliance Officer, as set out in [Appendix II](#).

Harassment: (also known as “bullying”) means any behaviour that demeans, embarrasses, humiliates, annoys or abuses a person and that is known or reasonably expected to be offensive or unwelcome, or that undermines efforts to maintain a safe, comfortable and productive workplace. Such behaviour may or may not violate human rights legislation. A person does not need to have been touched or threatened to have been harassed. Harassment can be purely psychological in nature.

Immediate Family: means your spouse (including common law and same sex partners), parents and grandparents, children and grandchildren, siblings, mother-in-law, father-in-law, brothers-in-law, sisters-in-law, daughters-in-law and sons-in-law, and includes your step family.

Individual: means a natural person associated professionally with the Credit Union, including but not limited to a Director or Employee of the Credit Union, as such terms are defined in this document.

Insider Information: means any material, non-public information about a credit union (including the Credit Union) that a reasonable investor would likely consider important in making an investment decision relating to that credit union.

Integrity in Action: means a toll-free hotline service operated by an independent credit union. This service is available 24 hours a day, 7 days a week. A specially trained interviewer documents concerns and relays the

information to the Credit Union.

Intellectual Property: means copyright (rights in original works of artistic expression), trademarks (distinctive logos, signs or marks used to identify products, services or wares), patents (rights relating to inventions), industrial design rights (rights relating to the visual design of an object that is not purely utilitarian) and Trade Secrets (formulae, practices, processes, designs, or compilations of information that provide a business with an economic advantage over competitors and which is not generally known or reasonably ascertainable).

Personal Information: means information about any identifiable individual, including, but not limited to, Employees, Directors, shareholders and clients of the Credit Union, and all information contained in employment files. It includes, but is not limited to, a person's name, address, telephone number, age, health, financial and educational information, and identifying numbers and symbols like a student number and Employee number.

Proprietary Information: means information that the Credit Union owns, develops, pays to develop, possesses or to which it has an exclusive right.

Psychological Harassment: means any hostile, inappropriate and unwanted conduct or verbal or written comments that affect an Individual's dignity or psychological or physical integrity or any abuse of authority that is used to endanger or undermine an Individual's position.

Report: means a formal written Report or electronic PDF format Report provided to the Compliance Officer (or to your Board Chair or the Vice-Chair as the case may be).

Trade Secrets: means information known only to the Credit Union, which the Credit Union uses to conduct its business.

Appendix II: Key Contact List

CONTACT NAME	TITLE	CONTACT NUMBER
Karen MacNeil	Compliance Officer	Work 902-567-6527
Mary Jane Morrison	Chair, Board of Directors	Credit Union Line 902-562-5301
Sarah MacEachern	Vice-Chair, Board of Directors	Home 902-733-3781
Joe Wall, Solicitor	The Breton Law Group	Work 902-563-1000

Should Directors require the assistance or advice of a lawyer prior to filing a Report with the Board Chair, the Vice-Chair or the Compliance Officer, please be aware that the cost of such advice is the responsibility of the Director.

Appendix III: Procedures for Filing a Complaint

Any suspected or alleged breach of the Code (a “breach”) that is under investigation must be treated with the utmost confidentiality. If you suspect that a breach has or is about to be committed by another Director or an Employee or by your own actions, you must promptly and confidentially follow the procedures set out in this Appendix. A breach may include, but is not limited to, the following: accounting, auditing or other financial reporting fraud; violations of any federal or provincial law that could result in fines, penalties or harm to reputation; unethical business conduct; Discrimination or Harassment; or any danger to the health or the safety of Directors/Employees or the general public.

You have a responsibility to use your best judgment and to decide if the breach is of the nature that you yourself can deal with, or if a Report should be filed. For example:

- If appropriate, minor irregularities or infractions should be addressed by you directly with the Individual concerned;
- all other matters should be reported to the Chair of the Board, the Vice-Chair, or the Compliance Officer; and,
- Irregularities with financial statements should involve a filed Report and be investigated; and,
- Situations of a personal nature that make you uncomfortable (or if you fear retaliation) should be reported to your Board Chair, or any individual listed in the Key Contact List of [Appendix II](#).

Whenever you are in doubt about what to do regarding a breach, you should report and/or seek advice from your Board Chair, the Vice-Chair, or the Compliance Officer.

All breaches (other than very minor infractions that will be addressed directly with the Individual concerned) must be reported to your Board Chair or involve filing a Report with the Compliance Officer (or in certain cases as indicated in this Code, to the Vice-Chair).

It is the responsibility and obligation of every Director to report any breach or suspected breach, whether you directly or indirectly witnessed or became aware of a breach. It is the responsibility of the Compliance Officer to determine if it is a valid breach or not.

Reports to the Compliance Officer (or in certain cases as indicated in this Code, your Board Chair or the Vice-Chair should be made in writing or by using the fillable PDF form attached as [Appendix V: Report to Compliance Officer](#) and emailed to the appropriate contact below:

Compliance Officer
<p>Compliance Officer: Karen MacNeil 40 Peter Street, Howie Centre NS B1L 1H1 E-mail: kmacneil@sydneycreditunion.com Phone: Home 902-539-1349, Work 902-567-6527, Cell 902-578-4558</p>
Chair of the Board of Directors of the Credit Union
<p>Chair of the Board of Directors: Mary Jane Morrison 35 Strathcona St, Sydney NS B1R 1X7</p>

Credit Union Contact Line: 902-562-5301
Vice-Chair of the Board Of Directors Of Credit Union
Vice-Chair of the Board of Directors of Credit Union: Sarah MacEachern 1526 Mira Bay Dr. Bateston, NS B1C 2A8 E-mail: sarah5maceachern@gmail.com Phone: Home 902-733-3781, Cell 902-565-8052

How the Report will be Handled

REPORTS IMPLICATING:	FILE REPORT TO:
Board Director; President & CEO; Compliance Officer	Chair of the Board of the Credit Union
Board Chair	Vice-Chair of the Credit Union or the Compliance Officer
All other Reports	Compliance Officer

i. Reports that Implicate a Director, the President & CEO or the Compliance Officer

Reports that implicate a Director, the President & CEO or the Compliance Officer should be made to the Chair of the Board.

If the Report involves the Chair of the Board, reports should be made to the Vice-Chair of the Credit Union or the Compliance Officer.

The Chair of the Board or the Vice-Chair may initiate or have the Compliance Officer or the President & CEO, if the complaint involves the Compliance Officer, initiate and oversee an investigation of the matter with the advice and assistance of such Individuals as appropriate.

ii. All Other Reports

All other Reports regarding a breach of the Code made to the Compliance Officer will also be reported to the President & CEO and Internal Audit, unless such individuals are involved in the suspected activity.

The Compliance Officer will initiate and oversee an investigation of the matter, with the advice and assistance of such other senior management as appropriate.

iii. Anonymous Reporting

You may choose to remain anonymous when reporting a breach or filing a Report. If you wish to remain anonymous, please use the [Integrity in Action](#) anonymous hotline service.

However, please note that in order to allow for a better investigation of a complaint, you should consider identifying yourself by giving your name, telephone number and other contact information when filing a

Report. Be assured that even if such contact information is provided, the substance of the Report will be treated with utmost confidentiality except to the minimum extent necessary to conduct a complete and fair investigation.

Whether you choose to identify yourself or not, you should give as much information as possible on the suspected breach of this Code so that the information is sufficient to enable a full investigation. Such information should include details as to where and when the incident(s) occurred, the names and titles of the Individuals involved and as much other relevant details as the reporting Individual can provide.

iv. How the Report will be Handled

During the investigation of a complaint, the person(s) implicated in the complaint will be notified of the nature of the complaint and be given an opportunity to respond to the complaint, except where it is the Compliance Officer's opinion that the integrity of the investigation could be compromised by such disclosure.

Where the complaint involves a Director, the Director will be notified by the Chair of the Board, or the Vice-Chair as appropriate.

In the event that no breach of the Code is found to have occurred, no action will be taken against the Individuals concerned. If a breach is found to have occurred, disciplinary action may be taken which could include termination of employment. The Credit Union may also have an obligation to contact appropriate law enforcement authorities because, in some cases, a violation of this Code is also a violation of the law.

v. Audit and Application of the Code

Compliance with the Code will be monitored by the Compliance Officer and reported to the Board of Directors. Reviews may also be completed from time to time by the Credit Union's Internal Audit Department as part of an annual audit plan. You are required to co-operate fully with any such audits and to provide truthful and accurate information.

Unless otherwise provided in the Code, the Compliance Officer is responsible for overseeing the investigation and for the determination of any recommendation for discipline, where appropriate, in respect of all violations of this Code. The Compliance Officer will be responsible for maintaining a complete record of all inquiries regarding to the Code, and the disposition of such inquiries.

The Compliance Officer will provide semi-annual Reports to the Board of Directors as to every Report made and the summary results of any investigations.

Appendix IV: Sydney Credit Union Hotline Procedures

i. Introduction

Objective:

To provide Sydney Credit Union Employees and Directors with a hotline service in order to provide them with an anonymous method for reporting dishonest or unethical acts.

Service Provider:

CUMIS has contracted with “The Network” to provide this service.

The call centre operates on a 24/7 basis with a toll free number that can be accessed anywhere in North America.

Services in languages other than English are supplied through available translation services.

Further information about “The Network” is available in the attached [Report Line](#) brochure.

Sydney Credit Union Employee/Director Hotline: 877-571-1152

ii. Communication & Employee Awareness

The credit union employee hotline is funded by the policyholders of *The Credit Union Bonding Program* (TCUBP). Credit unions that are not currently insured through TCUBP may participate in this program in exchange for reimbursement of our direct expenses.

Awareness programs will include ongoing communications and education materials in order to keep reinforcing the key message.

TCUBP master policyholders have agreed to support this important initiative by:

- distributing the ‘Employee awareness’ materials to all Employees and Directors;
- collecting any feedback received from Employees and Directors;
- making presentations to all Employees and Directors; and
- creating in-office awareness materials (e.g. staff room posters or displays).

Integrity In Action communications materials will be supplied in both English and French language versions.

iii. Communications and Branding

The hotline service is branded as “Integrity In Action” and is provided by the independent service provider “The Network”.

The service is administered by *The Credit Union Bonding Program* (TCUBP) and is brought to the credit union

by TCUBP, the master policyholder.

iv. Best Practices – Employee/Director Hotlines

Procedures for this program have been developed utilizing “best practices” for an effective Employee/Director hotline.

These practices can be found in the attached [Best Practices in Ethics Hotlines](#) document.

v. Incident Reporting

All calls will be logged at the call centre. Callers may remain anonymous and the call centre will not use caller ID or other means to identify callers who do not wish to disclose their name.

Anonymous callers will be given a password to allow them to follow up on their initial call. This process will also allow us to communicate back to the caller.

All incidents will be reported directly to TCUBP.

Basic information about each incident will be provided to the master policyholder (if applicable to the insurance program).

TCUBP will review the type of incident with the master policyholder to determine the level of communication with the credit union. Normally, the Compliance Officer would be the appropriate contact.

Incident Reports are confidential and detailed Reports will not be distributed outside of TCUBP or the credit union, except with appropriate consent. TCUBP will not direct any information to police or other agencies and credit unions will be responsible for reporting to authorities.

Notwithstanding the confidential nature of incident Reports and investigations, TCUBP will comply with any valid court order to disclose information. Such order may be subject to appeal by TCUBP if appropriate.

A [Sample Incident Report](#) is attached.

vi. Investigations

All incident Reports will be sent to TCUBP for review by designated individuals.

TCUBP will provide an overview of the Report to the credit union Compliance Officer in order to determine the most appropriate course of action.

Investigations will follow standard TCUBP procedures.

In cases where insurance coverage is not involved, the incident may be referred back to the appropriate credit union contact for investigation and resolution. Incident Reports that will not lead to further investigation by TCUBP include:

- Discrimination or Harassment;
- workplace safety or violence issues; and
- any issues related to a union agreement or collective bargaining.

Any information collected will be held confidential. Results of investigations will only be shared with the appropriate parties.

Detailed investigation results will not be stored in the call centre database for privacy reasons.

TCUBP will determine what information will be shared and will be responsible for the confidentiality of investigation Reports.

TCUBP will collect statistics on a program basis and provide the results to the *National Risk Management Committee* (NRMC).

Appendix V: Report to Compliance Officer

All Reports of suspected or alleged breach of this Code should be reported to the Board Chair (or in certain cases as indicated in this Code, to the Vice-Chair, or the Compliance Officer).

This may include but is not limited to accounting, auditing or other financial reporting fraud, violations of any federal or provincial law that could result in fines, penalties or harm to reputation, unethical business conduct, Harassment or any danger to health or the safety of Directors, Employees or the general public.

Please provide details of the incident or alleged breach of the Code including: where and when incident(s) occurred, the names and titles of the Individuals involved, and any other relevant details (add additional pages and supporting material as required):

Who is/are the person(s) involved in the possible breach?

What are the circumstances of the possible breach (be as specific as possible)?

When did the possible breach occur?

Have you discussed this matter with your Board Chair?

*Name: _____

Date: _____

*Please note that a complaint may be made anonymously, but if you choose to remain anonymous, you must still provide sufficient information to enable an investigation to be undertaken.

Appendix VI: Acknowledgement of the Code**Appendix VI(A) - New Director Code of Conduct Compliance**

To: Compliance Officer
Sydney Credit Union
Po Box 1386
95 Townsend Street
Sydney, NS
B1P 6K3

I, _____, hereby certify and attest to the best of my knowledge, that I have read and understand the Code of Corporate Ethics and Business Conduct applicable to all Directors of the Credit Union.

For the coming year, I hereby agree that I will conduct myself in accordance with the Code, and understand that my agreement hereto is a condition of my directorship with the Credit Union. I understand and agree that disciplinary action for violation of this Code may include, but is not limited to, termination, suspension or transfer. In cases involving a less serious violation, disciplinary action may consist of a warning, reprimand, or revocation of system(s) or area access. Remedial action may also include counseling, changes in work assignment, or other measures designed to prevent future misconduct. I understand and agree that the measure of discipline will correspond with the gravity of the offence when weighed against the potential effect on the Credit Union and fellow Employees, and that the Credit Union retains the right to take disciplinary action as described above, depending on the severity of the infraction.

Signature

Date

Appendix VI(B) - Annual Director Disclosure Statement

To: Compliance Officer
Sydney Credit Union
Po Box 1386, 95 Townsend Street
Sydney, NS B1P 6K3

I, _____, hereby certify and attest to the best of my knowledge, by accessing this Disclosure Statement using my personal email access and password and making my selection below and by my typewritten electronic signature, that I have read and understand the subject Code applicable to all Directors of the Credit Union.

Please place a check mark beside the statement that applies to you:

- I attest that in the past year I have not breached any aspect of the Code.
- I attest that in the past year I have committed the following Code infraction(s). (Code breach details should be included below and include the section of the Code breached, date, time and nature of the breach, as well as an explanation.)
- I attest that in the past year I have committed certain Code infractions, all of which I have reported in accordance with the Code as appropriate.

Code Section: _____

Date: _____

Time: _____

Nature of Breach (including explanation):

For the coming year, I hereby agree that I will conduct myself in accordance with the Code, and understand that my agreement hereto is a condition of my directorship with the Credit Union. I understand and agree that disciplinary action for violation of this Code may include, but is not limited to, removal from the Board. In cases involving a less serious violation, disciplinary action may consist of a warning. Remedial action may also include counseling or other measures designed to prevent future misconduct. I understand and agree that the measure of discipline will correspond with the gravity of the offence when weighed against the potential effect on the Credit Union and fellow Directors, and that the Credit Union retains the right to take disciplinary action as described above, depending on the severity of the infraction.

Name: _____

Date: _____



SCHEDULE A

Policy # 11600

on

Orientation, Training and Development for Directors

Policy Statement

The Board recognizes the importance of ensuring there is a reasonable representation of relevant financial industry, credit union system, governance, strategy, and risk management experience on the Board.

Directors appreciate and benefit from effective orientation and on-going development in their role as Directors.

Effective orientation and continual development helps Directors understand the mission of Sydney Credit Union, its major activities and issues and how the Board does and should operate, and ensures the continuation of relevant skills and experience on the Board (i.e. succession planning). Effective development enables all Directors to make decisions and to take actions from the same base of information.

Sydney Credit union is committed to providing Directors with appropriate orientation, training, and development to ensure that Directors understand, meet, and maintain appropriate competency levels in order to effectively contribute to the viability and success of the Sydney Credit Union.

Application of Policy

- Directors will ensure they receive sufficient orientation to help them understand the structure and operation of the credit union and their roles, and to encourage fulfillment of Board responsibilities. The Board will provide new Directors with orientation to the credit union's By-laws and policies, training materials, reference information and such other documentation and mentoring that would assist new Directors in discharging their obligations as Directors. In addition, all Directors will be provided an orientation session that provides an overview of the credit union's key functions and responsibilities.
- Directors will ensure they receive the appropriate training to fulfill their Board duties.
- All Directors will complete Director training as required by the Superintendent of Credit Unions and as determined by the Board.
- Training and development sessions may be provided to Directors as part of a regular Board meeting or as a special training and development session. The Governance Committee will determine the training sessions to be provided to Directors at such meetings based on needs identified in the Board evaluation process or to respond to other business or learning needs.

Policy Manual

- In order to achieve an understanding of the system regionally, each Director will be eligible to attend at least one provincial or regional conference or development session within their first term on the Board. In addition, on an on-going basis, Directors will be provided opportunities to gain knowledge provided by CuSource and through the CUDA Program of developments in the credit union and co-operative movement, financial management, risk management, corporate governance, strategic planning and analysis, sound business practices, financial literacy, change management, human resources, government relations, co-operative social responsibility, and other areas of interest regionally, as appropriate for the effective oversight of the credit union. Any Director attending such forums or training / development sessions, *excluding the CUDA program*, will provide a *brief report* to the Board which summarizes and evaluates the learning opportunity.
- The Governance Committee will recommend to the Board an annual budget for the purpose of on-going training and development and will recommend possible training and development opportunities. The budget will include an amount for Board training and development (as a group) and an amount for individual development opportunities. The budget for delegate representation at affiliated organizations is covered in a separate policy and will be determined separately.
- Every Director will make the best effort to attend all training and development sessions recommended by the Board. Individual Directors are encouraged to consider their own development needs and if not covered by the training provided, request further development opportunities from the Chair. Such additional training and development is at the discretion of the Executive and will be paid for out of the annual budget determined by the Board.
- The Corporate Secretary will maintain a log of training and development programs taken by each Director to assist the Chair and Governance Committee in identifying training and development needs.
- Directors may request a mentor if deemed appropriate.

The Board will endeavor to ensure that Directors receive appropriate training and experience in order to guarantee that there will be a reasonable representation of relevant financial industry, credit union system, governance, and risk management experience on the Board at all times.

SCHEDULE B

Required Regional Director Training Schematic

Required Regional Director Training

Effective January 1, 2014 (Updated 2022)

COURSE NAME:	Delivery channels	TIMELINE (within the first)
Foundations of Governance – Level A		
1. Overview of the Credit Union System 2. The Board's Roles and Responsibilities 3. A Director's Roles and Responsibilities 4. Financial Statements 5. Asset-Liability Management 6. Monitoring Credit Union Performance	E-Learning: 6 Online Modules	18 months
Foundations of Governance in Theory & Action	Workshop or webinars	18 months
Governance in Action – Level B		
Risk Oversight	Workshop or webinars	36 months
Strategy: Planning and Oversight	Workshop or webinars	36 months
Board Performance, Development and Evaluation	Workshop or webinars	36 months
HR Governance	Workshop or webinars	36 months

For course descriptions on these offerings, please refer to CUSource's [CUDA Course Catalogue](#)

Required Regional Director Training is legislated in NS & PE and policy recommended in NB & NL.



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