

**MINUTES OF THE 115th ANNUAL GENERAL MEETING
OF THE MEMBERS OF
ALTERNA SAVINGS AND CREDIT UNION LIMITED
HELD ON THURSDAY, APRIL 25, 2024
BY WEBCAST**

The Annual General Meeting (“AGM”) of members of Alterna Savings and Credit Union Limited (“Alterna”) was held virtually on Thursday, April 25, 2024, at 6:00 p.m. (Eastern Time).

1.0 WELCOME AND CALL TO ORDER

Ms. Bianca Garofalo, Chair of the Board of Directors acted as chair of the meeting and Mr. Duncan de Chastelain, VP, Legal and Corporate Secretary, acted as secretary of the meeting.

She acknowledged members of the Board of Directors: Ms. Marianne Johnson, Vice-Chair, Mr. Norm Ayoub, Ms. Maria Barrados, Ms. Faren Bogach, Mr. Earl Campbell, Mr. Ken Chan, Ms. Marilyn Conway Jones, Mr. Andy Cragg, and Mr. Richard Neville.

Ms. Adrienne Finlay, Director, Strategy and Corporate Performance provided a land acknowledgment to begin the meeting. She advised that, as confirmed by Mr. de Chastelain, notice of the AGM was properly given, materials had been made available to members, and advance voting on the business matters before the meeting had all been conducted in accordance with Alterna’s By-laws and the *Credit Unions and Caisses Populaires Act, 2020* (the “Act”).

Ms. Finlay further confirmed that, based on the registrations received and those in attendance at the webcast, a quorum was present and therefore declared the meeting to be duly constituted for the transaction of business.

The Chair called the meeting to order and welcomed Alterna members and employees joining via webcast for the 115th AGM.

2.0 WELCOME FROM THE CHAIR OF THE BOARD

The Chair noted that it was a privilege for her to be there representing the Board of Directors and addressing the membership for the first time as Chair.

The Chair stated that, as Directors, the Board took great pride in safeguarding the interests of its members, ensuring the soundness of its financial practices, and charting a course for Alterna that reflects its cooperative values.

The Chair went on to explain the role of the Board, which works to set the strategic direction of the credit union and approves and oversees the implementation of business

plans that align with the needs of our members and the broader community. In addition, the Board supervises the credit union's management and provides oversight to internal audit, risk management, and compliance activities to ensure the credit union's operations and practices align with the highest standards of regulatory compliance, transparency, and integrity.

It makes certain that policies, procedures, and processes are consistent with Alterna's values, ethics, and the Market Conduct Code. And it oversees the credit union's adherence to the Market Conduct Code to ensure that members receive quality products and services and are completely satisfied with the level of services they receive.

The Chair stated that, in its ongoing commitment to the growth and success of Alterna, the Board held several additional meetings of the board to examine opportunities throughout the year. This proactive approach ensured that Alterna remained agile, responsive to the market, and well-positioned to meet the changing needs of its members.

These activities, and many others, collectively contribute to the Board's role in providing effective leadership, stewardship, and direction to the organization and ultimately ensuring its success and sustainability over the years to come.

The Chair noted that, looking back on 2023, it was another year where Alterna's commitment to being there for its members and communities never wavered. In fact, it was a year where we delivered on the commitment to grow stronger together as we successfully executed on some truly significant projects.

Alterna transitioned a record 45,000 new members from the former PACE, Quinte First and Member Savings credit unions so they were able to experience the full breadth of Alterna's products, services, and ways to bank with Alterna. As someone who was herself introduced to Alterna through a merger, the Chair said she knew how daunting it can feel to join something new and different. However, she was glad to hear that our new members, and 150 new employees, felt welcomed and supported by the Alterna team.

The Chair outlined the agenda for the meeting and noted that there will be presentations from Mr. Robert Paterson, President and Chief Executive Officer, Mr. Richard Neville, Chair of the Finance and Audit Committee, Mr. Andy Cragg, Chair of the Nominating Committee, as well as several key members of Alterna's management team.

The Chair advised that the annual report provided in advance of the AGM included both the agenda and the Financial Statements. She noted that, as done last year, all voting on the business of the meeting took place online before the AGM, as permitted under Alterna's By-laws and the Act.

The Chair stated that members voted on two proposals prior to the AGM, namely:

- Adoption of the 2023 AGM Minutes; and
- Appointment of the External Auditor.

She confirmed that no comments or questions were received on the proposals.

The Chair also confirmed that all proposals passed, and that the results will be published on Alterna's website following the conclusion of the meeting. A copy of all proposals is appended to and forms part of these minutes as Appendix A.

The Chair thanked members for their participation in the credit union and stated that it is their trust and engagement that allows Alterna to grow and deliver benefits to members and the local communities Alterna serves. She thanked Alterna's employees who work hard to earn members' business and their commitment to delivering service excellence. The Chair recognized the President and Chief Executive Officer and the members of the Executive Leadership Team for their dedicated focus on the needs of members, employees, and communities in which Alterna operates.

The Chair also extended a very special thank you to our past Chair, Maria Barrados and affirmed how grateful we all were for her guidance during her term as Chair.

The Chair concluded her remarks by noting that serving on a Board is a significant commitment, and that she was grateful for the diversity of perspective and wealth of expertise that each of her fellow directors contributes.

She then handed off to Rob Paterson, President & CEO of Alterna Savings, to report on the business of the meeting.

3.0 CHIEF EXECUTIVE OFFICER'S ADDRESS

Mr. Paterson thanked the Chair and commenced his address by welcoming Alterna members, guests and staff and thanking them for attending the 2024 Annual General Meeting.

He noted that, in a world that often celebrates individual achievements, tonight's theme of "*Better Together*" serves as a reminder that diverse backgrounds, talents, and perspectives contribute to a richer blend of experiences, ideas, and solutions.

He reminded the membership that, at Alterna, we embrace the importance of coming together to build something stronger. We recognize that our strength lies not only in the trust of our valued members but also in the dedication of our passionate employees. It's also rooted in our deep commitment to our communities and our influential role within the credit union system.

He stated that while the past year came with its fair share of challenges related to the economy, throughout it all our team made sure members had the caring advice, and helpful products and services, they needed. This past year also saw an even stronger return to in-person events and community activities. And getting back out in-person post-pandemic has helped us to re-enforce connections, strengthen relationships, raise awareness, gather feedback, and contribute to the overall well-being and vibrancy of the communities we serve.

Mr. Paterson referred to the banking system conversion that brought 45,000 members from incoming credit unions onto Alterna's system. He thanked members for their patience and recognized the massive undertaking that the conversion was and the employees and partners that ensured the transition was a smooth one.

Mr. Paterson noted that in 2023, Alterna evolved and enhanced its digital channels, expanded its Wealth Management capabilities, and supported members during a period of volatile interest rates. Alterna also strengthened its community focus in 2023 building financial resilience for the underserved, supporting affordable housing initiatives, and growing its support for small businesses and entrepreneurs.

Mr. Paterson then welcomed several team members to share the great progress achieved in 2023. He started with Mr. Michael Borrelli, the Branch Manager for our Bay Street branch.

Mr. Borrelli thanked Mr. Paterson and went on to share how members rated their experience with Alterna in 2023:

- 81% of members said banking with Alterna was easy, whether it was through its branches, contact centre or digital channels; and
- Overall member satisfaction rose to 86%.

Mr. Borrelli thanked members and emphasized the ever greater need to keep connected digitally before introducing Ms. Leonora Caruso, Manager, Business Analytics.

Ms. Caruso thanked Mr. Borrelli and said how proud she was to be part of the most extensive banking system integration Alterna had completed to date, which had welcomed members from PACE, Quinte First, and Member Savings Credit unions onto the Alterna banking platform in 2023.

She noted that moving this extraordinary number of members onto our system was incredibly complex and entailed hundreds of training hours for our team, thousands of points of information exchanged, numerous dry-runs, and even gallons of orange paint to bring the Alterna brand to life in our new locations. It took support from every team at Alterna to do it right.

She thanked members for their commitment and patience and added her thanks to her fellow employees and partners before introducing Mr. Ivan Jankovic, VP, Digital Channel Applications to share some advancements to our digital channels experience.

Mr. Ivan Jankovic thanked Leonora and said how pleased he was that more and more members were engaging with Alterna through digital channels. He went on to note some of the digital channel enhancements of the past year including secure video and voice calling through Alterna Chat, a fully digital lending application through Fig Financial as well as the strengthening of digital security through one-time passcodes.

Mr. Jankovic also referenced introducing mobile app capability on tablets and providing a full view of members' Alterna Wealth investments in online banking.

He thanked members for the support and introduced Paul Clemow, VP, Banking Support to review Alterna's commitment to safeguarding member information and remaining cyber secure.

Mr. Clemow reiterated Alterna's commitment to staying on top of the changing cyber security landscape and in so doing keeping members' information safe and secure. He laid out how this was done by regular investments in emerging technologies and proactive measures to strengthen security controls as well as employee training and partnering with other financial institutions to collectively combat threats to consumers.

He then spoke to how members could assist by educating themselves through the practical tips and video tutorials provided on Alterna's website, and passed it over to Shawn Khimji, VP, Wealth Management to provide an update on Alterna Wealth.

Mr. Khimji thanked Paul, members and noted that markets in 2023 were once again challenged as stubborn inflation and an elevated interest rate environment weighed heavily on the minds of investors. But - despite this uncertainty - the Alterna Wealth team supported members with financial plans, assistance in repositioning assets, and generally providing guidance on topics such as estate strategies, and the economy, so that members were prepared and confident to navigate the evolving landscape.

He referred to Wealth Banker teams available in branches across the National Capital Region and the Greater Toronto Area as well as licensed professionals available in our contact centre. Mr. Khimji highlighted the popular Wealth Webinar series which reached a record number of attendees and covered a range of popular topics such as economic updates, tax and estate planning, budgeting, Powers of Attorney, ethical investing and the new First Home Savings Accounts.

He noted that members statements would be updated to reflect the new Aviso Wealth name and brand, representing the final integration of three successful firms: Credential Financial, Qtrade Financial Group, and NEI Investment.

In closing, Mr. Khimji reminded members that, regardless of economic headwinds or changes to members' personal situation, Alterna Wealth's team of advisors were there to support with expert advice and financial management solutions tailored to individual risk tolerance and investment objectives.

He then turned it back to Rob, who thanked Shawn and asked Mr. Bill Boni, Senior Vice President & Chief Financial Officer, to provide an update on Alterna's financial performance in 2023.

2023 ANNUAL FINANCIAL STATEMENTS AND AUDITORS' REPORT

Mr. Boni referenced the Annual Report on the financial results for the year ended December 31, 2023, which was provided in advance of the meeting and commented on Alterna's financial performance including highlights for the period. He stated that the auditors, PricewaterhouseCoopers LLP, have included their independent opinion on the accompanying Consolidated Financial Statements, showing that the financial position of Alterna Savings and its subsidiaries were presented fairly, in all material respects.

Mr. Boni spoke to the shifts in interest rates and how these unprecedented rate increases affected members by increasing mortgage rates. He noted how the team took great care to reach out to impacted members to discuss their specific situation and offer various options on how to navigate the effect of the rate increases on their cash flow. He then turned to the financial statements and discussed, in turn, assets under management, loans to members and other liabilities. On the latter, he spent additional time discussing borrowings and mortgage securitization liabilities, before focusing on income and operating expenses as well as capital and liquidity.

Mr. Boni concluded his remarks by noting that while 2023 was another extraordinarily complex financial year in which Alterna navigated significant economic volatility, the Alterna eams showed amazing resilience and delivered strong member growth, three banking system conversions, digital banking advances, and provided member centric advice to our retail, commercial, and community members.

He then turned to Richard Neville, the Finance and Audit Committee Chair to provide his report.

4.0 FINANCE AND AUDIT COMMITTEE REPORT

Mr. Neville presented the Finance and Audit Committee's report to the membership, noting that the Committee had fulfilled its responsibilities under the Act and regulations, and conducted its affairs in accordance with FSRA's Sound Business and Financial Practices Rule and Alterna's By-Laws and board policies. He noted that the Committee met four times during the year to deliberate on mandated items. The Committee also met regularly *in camera* with the Internal Auditors and External Auditors.

Pursuant to a resolution of the members at the annual meeting held on April 19, 2023, PricewaterhouseCoopers LLP, Chartered Professional Accountants, were engaged to audit the consolidated Financial Statements of Alterna Savings for the fiscal year ended December 31, 2023. During the year, the Committee reviewed and discussed the audit scope and plan with PricewaterhouseCoopers LLP and received reports and explanations regarding matters arising from their work and regarding items in the consolidated Financial Statements for the fiscal year. The Committee also evaluated PricewaterhouseCoopers LLP in September 2023 and found their performance to be satisfactory. PricewaterhouseCoopers LLP's formal report accompanies the English version of the 2023 consolidated Financial Statements.

During 2023, the Committee reviewed the Internal Audit Plan and assessed the Internal Auditors' degree of independence; reviewed the Risk Management Framework and monitored the related risk assessments and reports. The Committee also reviewed the Risk Appetite Framework as well as policies governing risk and assessed the appropriateness of risk limits. All were found to be performing satisfactorily.

The Committee also followed up with management on actions taken in response to audit findings and recommendations and received satisfactory explanations from management on the reports and observations of the Internal and External Auditors. Recommendations from the Internal and External Auditors are being, in the opinion of the Committee, satisfactorily addressed and/or implemented, as applicable, by management.

Mr. Neville concluded his report by noting that there were no matters that the Committee believed should be reported to the membership, nor were there any further matters that were required to be disclosed pursuant to the Act and regulations thereto. He thanked Management, staff, and fellow Committee members for their contribution.

Mr. Paterson thanked Mr. Neville and members of the Finance and Audit Committee and introduced Ms. José Gallant, Senior Vice President and Chief Administrative Officer to provide an update on risk, compliance, people and culture.

Ms. Gallant reiterated the importance of risk management and compliance at Alterna and noted how these elements are embedded within the work done across the entire organization to ensure the ongoing management of risks as well as compliance with all laws, regulations and regulatory guidance. Alterna works hard to nurture a strong risk management and compliance culture to ensure its members have peace of mind that their credit union is safe and sound and always working in members' interests.

Ms. Gallant spoke about Alterna's Risk Appetite Framework and how it laid the foundation for Alterna's approach to risk management and compliance.

She noted that regulatory requirements were not only increasing in sheer volume but were also becoming more complex and multifaceted. As such, addressing these mounting expectations can be a challenge and requires careful planning, investment in technology

and talent, and proactive engagement with regulators to ensure compliance while sustaining operational viability. Ms. Gallant stated that Alterna was well prepared to meet these increasing regulatory requirements by constantly monitoring, anticipating, and aligning our processes and resources.

In addition to its proactive regulatory approach, Ms. Gallant discussed how a top priority at Alterna remained the growth and development on its people. She shared how proud they were that employees helped make Alterna a top employer in the National Capital Region for the 8th consecutive year. She went on to say that every team member at Alterna brings our culture to life and helps to make us an exceptional place to work and their commitment to building a better banking experience for our members, and their desire to have a positive impact in our communities, is commendable. She reminded the membership that employees were members of the credit union too, and they took great pride in their role serving their fellow members.

Ms. Gallant touched on Alterna's annual Employee Engagement survey which netted very strong results with 93% of employees feeling a sense of teamwork, speaking to their ability to work together on behalf of our members and communities. Further, people managers scored an impressive 87% in their effectiveness. This is a full 12 points above the Canadian average and speaks to the strength of our leaders in supporting our teams. She also noted that questions asked in the category of Diversity, Equity, Inclusion and Belonging showed an impressive overall score of 89%. This score is important because it demonstrates we are fostering a culture where our value of respect is at the forefront of all we do.

Ms. Gallant also referenced the banking system conversion that saw the successful onboarding of our colleagues from the former PACE, Quinte, and Member Savings credit unions into new roles, and new processes. She said how truly impressed she was by the way we came together as one team during the integration. The willingness of all our employees to step out of their comfort zones, acquire new skills, support their colleagues, and collaborate effectively was instrumental in driving our collective success.

She recognized several employees who marked career milestones with us, proof positive that Alterna was a fantastic place to build and grow a meaningful career. She congratulated these colleagues and closed by thanking all employees for their dedication and enthusiasm to making our organization stronger, more dynamic, and better equipped to thrive in an ever-evolving landscape.

Ms. Gallant then welcomed Andy Cragg, Chair of the Nominating Committee, to provide the Committee's report.

5.0 NOMINATING COMMITTEE REPORT

Mr. Cragg reported that there were two vacant positions on the Board and a call for nominations and an online information session were held. Nominations were received for

two candidates, Earl Campbell and Ken Chan. Both were incumbent and experienced directors and were recommended. No further nominations were received.

Given there were two qualified candidates to fill two vacancies, an election was not required, and the above recommended candidates were acclaimed at tonight's Annual General Meeting.

Mr. Cragg congratulated each of Earl Campbell and Ken Chan on their re-election to the Board.

Mr. Cragg thanked members for their participation in Alterna's democratic process and for their interest in serving the members of Alterna Savings.

Mr. Paterson thanked Andy for his report and said that before they took questions, he wanted to welcome Fahima Karim, Community Business Banking Advisor, to provide an update on the remarkable work happening in our communities.

Ms. Karim thanked Rob and highlighted Alterna's commitment to strengthening the financial health and well-being of communities in 2023 with the creation of Alterna's Community Financial Education Program, providing specialized financial education programs and resources that are tailored to the unique needs of those we serve.

In 2023, over 100 financial education workshops and events were held, and our Community and Financial Inclusion Granting Programs strengthened the community sector by providing grant funding opportunities that positively impact communities.

Ms. Karim noted that twenty Alterna Savings members were recipients of the Ontario Credit Union Foundation bursary and Alterna was proud to celebrate the achievements of these passionate young people.

She spoke about the partnership with Co-operative Housing Federation of Toronto (CHFT) to award scholarships to young leaders in cooperative housing that are working to strengthen their communities.

Ms. Karim went on to say that Alterna continued to be a leader in the affordable housing space in 2023, as housing affordability continues to pose significant concerns for Ontarians.

Alterna is also a leader when it comes to supporting entrepreneurs and small business owners, and - since its inception over 24 years ago - Alterna's award-winning Community Microfinance Program has provided inclusive access to affordable financial products for entrepreneurs, especially those who are economically disadvantaged and socially marginalized.

Finally, in 2023, Alterna's Community Impact team were recipients of the Canadian Community Economic Development Network "*Stronger Together*" Award. This award celebrates members who have made exceptional contributions to community economic development and who have provided outstanding leadership to the network in achieving their vision of sustainable, equitable and inclusive communities. In closing, Ms. Karim said how thrilled she was to share that Alterna's team was the first from a financial institution to ever receive this award.

Mr. Paterson thanked Fahima and congratulated the Community Impact Team on their "*Stronger Together*" award. He said how proud Alterna was of the meaningful work being done in our community and how we've all come together to help members develop financial resilience, champion inclusion, and empower change for the greater good. That's what being a cooperative is all about.

Mr. Paterson again thanked his Executive Leadership Team and the Board for their hard work and support in 2023. He also personally thanked Ms. Maria Barrados, as she transitioned to the role of past Chair, for her wisdom, guidance, and dedication to Alterna and the credit union movement. On behalf of the entire organization, he thanked her for her service.

He went on to thank Ms. Bianca Garofalo for her leadership as our new Chair appointed in 2023 and her support in shaping Alterna's strategic direction.

6.0 QUESTIONS AND ANSWERS

The Chair declared the meeting open for member questions and Ms. Finlay read questions and comments received in advance and during the meeting. The Chair, the President and Chief Executive Officer, the SVP and Chief Financial Officer, the SVP and Chief Administrative Officer and other members of the Executive Leadership Team responded to questions relating to the Board of Directors' nomination and election process, mergers and acquisitions, the Finance and Audit Committee, branch locations, deposit-taking, cyber security, responsible investing, and ESG.

In conclusion, the President and Chief Executive Officer said that overall, members have expressed their thanks and appreciation to staff through social media, e-mail, and the AGM inbox. He encouraged members to continue to help Alterna grow its member community by referring their family, friends, and neighbours to join Alterna as their endorsement will introduce a new generation to the credit union – one that puts the *good in banking*TM.

7.0 CONCLUDING REMARKS AND WRAP UP

In closing, President and Chief Executive Officer reminded members that Alterna has been here for them for the past 115 years and continues to stand with them during this

challenging economic environment. Alternia is sound, well secured and members' hard-earned assets remain safe with Alternia.

There being no other business to come before the meeting, the same was adjourned at 7:00 p.m.

Bianca Garofalo
Chair

Duncan de Chastelain
Corporate Secretary

APPENDIX A – VOTING RESULTS

**RESOLUTIONS OF THE 115th ANNUAL GENERAL MEETING
OF THE MEMBERS OF
ALTERNA SAVINGS AND CREDIT UNION LIMITED
ADOPTED: APRIL 25, 2024**

The Chair confirmed that: the minutes of the last annual general meeting was approved; and the firm of PricewaterhouseCoopers was appointed as the auditors of Alterna Savings for the ensuing year.

Adoption of the 2023 AGM Minutes

BE IT RESOLVED THAT the Minutes of the Annual General Meeting of Alterna Savings and Credit Union Limited held on April 19, 2023, and included in the meeting materials be approved.

Appointment of External Auditor

BE IT RESOLVED THAT the firm of PricewaterhouseCoopers LLP be appointed as auditors of Alterna Savings and Credit Union Limited for the ensuing year.