

# Together, let's do great things.

It's why we're here



**2021 Annual Report**



**COASTAL COMMUNITY  
CREDIT UNION**

TOGETHER, LET'S DO GREAT THINGS

Born here, brought here, retired here, or always dreamed of being here. We're all here because we want to be. From Victoria to Port Hardy, whether we're catching a fish or grabbing fish and chips at the wharf.

**We're all here because we love it here.**

And we're here to live our life: to turn an idea into a business, to find a home and make it our own, and to grow our families in a green place that's never far from the sea.

**That's why we're here.**

And since money is part of life, people want to see the money they earn and save put back to work here. Because it makes all of us stronger.

For over 75 years, we've helped the people of Vancouver Island and the Gulf Islands take care of their money, build their communities and reach their dreams.

It's why we're here

**OUR VISION**

We will be the leaders in building relationships that improve financial health, enrich people's lives and build healthier communities.

**OUR VALUES**

Accountability | Co-operation | Excellence | Innovation  
| Integrity | Responsiveness | Social Responsibility

**OUR PURPOSE**

**Member and Client Experience**

We will be the leaders in building strong relationships by being more helpful and caring, and improving financial health.

**Community Experience**

We will be the leaders in making a visible and meaningful difference in building healthier communities. Our communities are our home.

**Employee Experience**

We will be the leaders in creating an environment where we say great things, do great things, and where we want to stay.



COASTAL COMMUNITY  
CREDIT UNION



COASTAL COMMUNITY  
INSURANCE SERVICES



COASTAL COMMUNITY  
FINANCIAL MANAGEMENT INC

References to "Coastal Community" in this Annual Report mean "Coastal Community Credit Union." References to "insurance" in this Annual Report refer to the insurance services provided through Coastal Community Insurance Services (2007) Ltd., an affiliate of Coastal Community Credit Union. References to "wealth management," "financial planning," and "investments" in this Annual Report refer to the financial planning and investment services provided through Coastal Community Private Wealth Group, a division of Coastal Community Financial Management Inc.



## BOARD CHAIR REPORT

The words of our Vision, along with our Purpose and Values, guide each one of our actions here at Coastal Community. During another year of significant change and uncertainties in the world around us, you can be assured that Coastal Community adapted in ways that stayed true to our core focuses—because transformation works best if it’s connected to something deeper.

### BEING THERE FOR OUR COMMUNITIES

All of us at Coastal Community are very proud of what was achieved in 2021 and the greater implications these accomplishments will have for you and our communities. For example, our commercial services team achieved record-setting loan growth in 2021, which means we’ve been able to help many businesses become more financially resilient, in turn strengthening local economies. We also helped build healthier communities to make them strong and thriving for us all by donating funds for flood relief efforts, supporting change-makers like the Indigenous Perspectives Society, and partnering with the Children’s Health Foundation of Vancouver Island, to name a few.

### OUR EMPLOYEES ARE OUR GREATEST STRENGTH

Our employees are the ones who bring our Vision to life and continue to guide the culture of our organization. They do this by participating in initiatives through internal committees such as our Wellness Committee and our Diversity, Equity and Inclusion Committee. Employees continued to spend time engaging with their co-workers, enjoying some fun and laughter with their work family—often while raising funds or supporting community organizations they’re

passionate about. Employees were creative in how they shared their time and expertise to help build healthier communities during the continued pandemic. I was heartened by the amount of volunteer hours they contributed and the funds they raised this past year. In 2021, Coastal Community once again made the list of Best Workplaces in BC, all thanks to our employees. This recognition confirms that we have a high trust, supportive workplace, which is essential to a company like ours that sees its employees as its greatest strength.

### PROUD TO BE STEWARDS OF YOUR FINANCES

The Board works hard to steer Coastal Community in ways that are fair, transparent and responsive. I would like to recognize my fellow Directors for setting a strong leadership example. Just as our employees strengthen important skillsets regularly, so too does the Board. This past year, both groups involved themselves in the activities of our new Diversity, Equity & Inclusion Committee. Our Board of Directors also began work on a comprehensive Rules review that addresses governance while considering the current regulatory environment and best practices. We follow all governance and regulatory policies with the utmost

**“The Board works hard to steer Coastal Community in ways that are fair, transparent and responsive.”**

rigour. It is a huge asset to our company that the Board consists of trained and experienced Board members. We are continually strengthening our practices to advance our role as stewards of our members' finances and in response to increasing regulatory obligations. To my Director colleagues—thank you for your dedication, commitment and the expertise you bring. I appreciate the opportunity and privilege of working alongside each of you.

**“In 2021, Coastal Community once again made the list of Best Workplaces in BC, all thanks to our employees.”**

## **THANK YOU FOR YOUR TRUST, SUPPORT AND FEEDBACK**

Finally, I'd like to thank the members and clients we have the honour of serving. It's deeply rewarding to have your trust in our advice, services and expertise and to hear that we're helping to strengthen your financial health and get you on the best path forward. It's been another year of pandemic-related ups and downs, yet we continue on with courage and determination. We look forward to brighter days ahead and to helping you achieve your dreams by remaining responsive and focused on giving you the best possible advice to improve your financial health.



A handwritten signature in black ink, appearing to read 'E. Clark'.

Evelyn Clark  
*Chair, Board of Directors,  
Coastal Community Credit Union*

**“We will be the leaders in building relationships that improve financial health, enrich peoples lives and build healthier communities.” These words, along with our Purpose and Values, guide each one of our actions and decisions.”**



## MESSAGE FROM THE PRESIDENT AND CEO

Helping you become financially resilient, healthy and confident so that you can navigate through today and enjoy tomorrow remained a top focus of ours in 2021. You came to us with your dreams and concerns: managing inflation, saving for retirement, starting a business. This is a true marker of trust, so in response we strove to provide the right services and expertise—across our credit union, insurance and wealth management business lines—to meet your needs and get you to where you want to be.

### MAKING THINGS SIMPLER AND SAFER FOR YOU

To support our efforts, in 2021 we added new enhancements across all our business lines. Many of them were digitally based to help make your financial life easier and simpler. For example, we introduced our Interactive Teller Machine technology to the West Coast, which means more banking options beyond regular business hours for the region. We also launched a new digital insurance service to give policy holders 24/7 access to their information. Our mobile banking app was also enhanced. Now, it's faster, simpler and more streamlined. The educational financial webinars our Wealth Management team hosted throughout the year continued to be a huge success, drawing hundreds of attendees.

### KNOWING MORE IS THE START OF DOING MORE

The high attendance levels at our webinars, the increasing amount of traffic to [cccu.ca](http://cccu.ca)'s Learning Centre page, the amount of people engaging in tools like our Financial Health and Retire Ready online quizzes, all speak to the following: knowing more is the start of doing more.

With your new insights and learnings in hand, you turned to us to help you act on them. It's for this reason that our employees continued to deepen their knowledge, skills and leadership through a variety of professional development opportunities available at Coastal Community. Meanwhile, our member and client satisfaction surveys from 2021 indicate that what we're doing is working. You continue to approve of the ways we're supporting and furthering your financial health.

**“With your new insights and learnings in hand, you turned to us to help you act on them.”**

“Coastal Community now has over \$4 billion in Assets Under Administration (a number that’s grown by \$1 billion in just four years).”

## WHAT SETS US APART...

My deep appreciation goes out to our employees for continuing to give it your all—whether you’re strengthening a relationship with a member or client, supporting your colleagues, or making a difference in our communities. Your leadership and care for others is what sets us apart and contributes to our award-winning culture. I’d also like to recognize the committed efforts of Coastal Community’s Board. Along with a commitment to excel in corporate governance, each one also brings a wealth of knowledge, experience and expertise. All of this is helping your Credit Union navigate today’s financial landscape while preparing us well for the future.

## CREATING POSITIVE CHANGE

To help build strong and healthy communities for us all, we’ll continue our work in improving financial literacy and economic development. We made some excellent progress in 2021, despite—and inspired by—the challenges of the ongoing pandemic. We’ve been able to create positive change locally thanks in part to our solid financial footing. Coastal Community now has over \$4 billion in Assets Under Administration (a number that’s grown by \$1 billion in just four years). This milestone truly reflects your trust in us.


Coastal Community has been helping to make a difference in Islanders’ financial lives for 75 years now. Looking forward, many big developments are underway in financial services both globally and nationally—from Open Banking to digital IDs, from payments modernization to cryptocurrencies. You can be sure that Coastal Community will continue to learn, grow and embrace the right kinds of opportunities—all while keeping *your* evolving needs and *your* interests at the forefront. I’d like to thank our members and clients for keeping our momentum going, and for the continued opportunity and privilege to serve you, your family and your community.



*Adrian Legin*

Adrian Legin  
President and CEO,  
Coastal Community Credit Union

“The ways we worked to enrich lives, build healthier communities and improve financial health are also yours to celebrate as a valued member of ours...”



**For you  
and for your  
financial health.**

It's why we're here



## OUR MEMBER AND CLIENT EXPERIENCE

2021 continued to serve up constant change, from the ongoing pandemic and market fluctuations to a record-breaking heat dome and unprecedented floods. Through these enormous challenges, our priority was to ensure we were there for you and your financial health. Whether we were innovating to meet your evolving needs or helping you through uncertain times, our focus was supporting you now and over the long term. Here are some of the ways we helped:

### IMPROVING SERVICE DELIVERY

The last year continued to highlight the importance of being responsive as the world evolves. To help you manage your financial life, in 2021 we:

- Launched **Insurance Connect** to give you 24/7 access to the features you need
- Expanded self-serve **appointment booking options** for your convenience and added **automated loan booking**
- Launched **CeeCee**, our new digital concierge to answer simple questions online
- Brought **Interactive Teller Machines** to Tofino and Ucluelet
- Redesigned our **Quadra location**, relocated our **Gabriola Insurance** office and moved the Nanaimo Business Centre to our **Harbourfront location** to offer more efficient integrated services
- Launched a **fully refreshed website** for our Wealth Management division

“Overall, we are very happy with CCCU. We are actually in the process of working with CCCU to update our mortgage and a 2nd product to consolidate some debt and make an investment. We want to move more of our business over to CCCU, would love to see some tech updates to site, app, and Apple Pay. I would also like to have the CCCU financial advisors or account managers be proactive in helping us achieve our financial goals.”

Quote taken verbatim from Coastal Community's 2021 Member and Client Experience survey



## PROVIDING INNOVATION, EXPERTISE AND ADVICE TO MEET YOUR NEEDS

Through another year of continued challenges and opportunities, we stepped up to help our members, clients and communities recover and grow. Our Coastal team:

- Worked closely with local businesses to help them **manage cashflow through the uncertain times**, while maintaining a sound and stable commercial loan portfolio and robust growth rates
- Helped over **100** clients recover from unprecedented floods in fall of 2021
- Hosted **10** Virtual **Member Education** events to improve financial health
- Launched our **Retire Ready** quiz on everythingretirement.com
- Helped approximately **2,000** people last year get a personalized snapshot of their financial health through our **Financial Health Quiz**
- Continued to publish **financial education** articles for cccu.ca, such as “Managing risk in a sea of change”
- Approved **74** new Canada Emergency Business Account loans and upsized **502** more, injecting more than **\$14 million** into our regional economy

## LISTENING TO YOU

What matters to you matters to us. Thank you for giving us feedback on how we are doing in our quarterly surveys. Your input helps us know how to strengthen our approach to better meet your needs. Here are some areas you’ve let us know are stable, some that have improved and some that we can address going forward.

### Stable results:

Eight-in-ten continue to give the Credit Union high scores on member experience

### Improving results:

Both Insurance and Wealth Management saw great improvements across their key metrics

### Areas to address:

Scores for our digital channels have decreased, highlighting our need to continue to modernize these touchpoints

Here are some of the top results from Coastal Community’s 2021 Member and Client Experience Surveys.

#### Coastal Community Member Survey

# 95%

of respondents served in branch said we helped with their banking

#### Coastal Community Insurance Services Client Survey

# 90%

of insurance respondents found us easy to use

#### Coastal Community Private Wealth Group Client Survey

# 98%

of respondents gave favorable ratings about their advisor providing advice that improves financial well-being

## KEEPING YOU INFORMED

One of the ways to navigate stressful times is regular and clear communication. Here’s how we kept you updated last year:

- Shared updates from our CEO on what’s happening at Coastal Community, such as new financial milestones, community support, or how we are moving forward on diversity, equity and inclusion goals
- Regular updates to our website about flood relief and pandemic support
- Email invitations to our virtual financial education events
- Virtual AGM to safely update you on the accomplishments of your Credit Union

## KEEPING YOUR MONEY AND YOUR INFORMATION SAFE

One of the results of the pandemic is spending more time than ever online. Unfortunately, fraudsters never sleep, so to help keep your information safe and secure, we:

- Introduced a highly effective security measure called 2-Step Verification (or authentication via an auto-generated code) to help safeguard your accounts online
- Used our social media channels and our website to give you tips on avoiding scams, including setting up account and security alerts

Helping our people  
do their best for you.

It's why we're here





## EMPLOYEE EXPERIENCE

This past year, employees once again demonstrated that our difference is our people. To give our employees optimal conditions to excel, we worked hard to enhance our award-winning workplace culture while intensifying our efforts in some key areas. The financial landscape will continue to change and so will people's needs. Our employees were able to deepen respective skillsets, learn new insights and grow their leadership. All of this will strengthen their ability to make real and lasting differences in people's financial lives and in our communities.

### ASKING, LISTENING & INVOLVING

- Employees participated in the independently reviewed Great Place to Work survey. In 2021, Coastal Community was once again named one of the Best Workplaces in BC by Great Place to Work®
- Launched an internal financial health survey to better understand employees' feelings regarding their own financial situation and knowledge base
- Employees continued to participate in the crowd-sourcing feedback tool, ThoughtExchange, to help inform a range of corporate and departmental initiatives

## SPOTLIGHT

Meaningful recognition is an important part of our culture at Coastal Community. We know it is important to find fresh ways to help our employees feel appreciated and valued. In 2021 we launched **Bucketlist Rewards**, a platform for celebrating the work our team does each day. Everyone across the organization can recognize a fellow employee by posting their kudos on the Bucketlist newsfeed. Here's what our team has been saying about one another:

**“You have a talent at creating true relationships with our members and creating memorable interactions.”**

***Thank you for your innovative leadership and a focus on the engagement of your team and wellness of each individual staff member.”***

***You are such a great team to work with! I appreciate all the trust that we have in one another.”***

***Thank you for all those extra curricular volunteer activities that help people to achieve their financial goals.”***

**“The rich and diverse communities that we live in should be reflected in our employee base so that we have a common ground to build relationships.**

***In 2021, one of the things I am most proud of is the support for the DEI Committee at all levels and from all divisions of Coastal Community. It speaks volumes that we are welcomed. We have achieved some wonderful things, with more planned for the future. Although it's unfortunate that, as a society we need this kind of committee, I'm proud that we're planning, growing, and learning with all of our peers.”***

Morganna Clarkson, Senior Operations Service Representative and Coastal Community Diversity, Equity & Inclusion Committee member

## **PROVIDING LEARNING & GROWTH OPPORTUNITIES**

- Employee pilot and preview of an interactive online learning tool focused on helping users improve their financial health through highly personalized and user-friendly content
- Employees continued to participate in professional development programs including Harvard-designed business courses and those through our own internal education platform, *Coastal Academy*
- Ever since it was first formed, our Diversity, Equity & Inclusion Committee has focused on supporting topics and initiatives that are important to employees and the communities they're a part of. In 2021, the Committee helped inform both Coastal Community's Indigenous Land Acknowledgement and the greater conversation surrounding Canada's first ever National Day for Truth and Reconciliation

## **SHARING OUR WEALTH OF EXPERTISE**

- Experts from our Wealth Management team helped lead our highly successful virtual education events created for members and clients
- Employees continued to showcase their financial expertise in our guest column featured in the *Business Examiner*

- In the fall, we launched a campaign aimed at helping employees share their financial health success stories, using our internal newsfeed to increase engagement. In just a few short months, the campaign generated huge social momentum, and some of our employees' stories were spotlighted on our new internal podcast, *Taking Care of Business*

## **BUILDING AN ENGAGING, FUN & HEALTHY WORKPLACE**

- Launched a new employee-to-employee recognition program called BucketList, which is helping to inspire even more positivity and gratitude—important qualities for good mental health and a thriving workplace. In the course of a few weeks following its launch, employees logged over 2,400 peer recognitions
- Despite the constraints of the pandemic, Coastal Community celebrated its 75th year in business with an extra special token of appreciation given to all employees
- Continued to ensure a safe and healthy working environment, while encouraging employees to use the extensive resources of our Employee Assistance Program, HumanaCare, to strengthen their own resiliency



# Putting our values into action.

It's why we're here





## OUR COMMUNITY EXPERIENCE

At Coastal Community, providing socially responsive and values-driven community programs is an integral part of who we are and what we do. In 2021, Islanders weathered the heat dome, record-breaking storms, fires and the ongoing pandemic. We stepped up to invest over half a million dollars to help support people, not-for profit organizations and businesses in need, helping to unite and strengthen our communities. As a responsible corporate citizen, our focus is making a meaningful difference in the communities we serve. Last year we concentrated our efforts on social issues like financial literacy, economic development and recovery, disaster relief, and supporting children and youth. You can also read about the steps we took toward building Indigenous relationships in our HeroWork Victoria spotlight on page 24. And every year, our amazing employees volunteer their expertise and leadership on a wide range of issues they are passionate about. Thank you to all our members and clients for supporting our efforts to help our communities recover, rebuild and thrive.

**“CCCU deeply cares about our Island communities, and we want to thank them for their incredible \$15,000 donation in this time of need. Their contribution to flood relief will help us address important social needs like shelter, food assistance, trauma and mental health supports, and the rebuilding of social infrastructure—and will stay right here on Vancouver Island.”**

Signy Madden, Regional Director, United Way British Columbia—Central & Northern Vancouver Island

## FINANCIAL LITERACY

We helped build financial skills in the community by:

- Delivering our financial literacy workshops, **Each One Teach One**, through a virtual format



- Helping over **1,000** students participate in the **Young Entrepreneurs** program, a real-world business program where elementary school students learn important business, financial, and money management skills



## SUPPORTING ECONOMIC DEVELOPMENT AND RECOVERY

We supported the work of a number of community organizations that play a key role in strengthening our Island economies, such as:

- The Vancouver Island Economic Alliance
- The South Island Prosperity Partnership
- Chambers of Commerce
- British Columbia Co-op Association

## DISASTER RELIEF

### Flood Relief for Island Communities

Last year, Coastal Community donated \$25,000 in total to help British Columbians impacted by flooding, mudslides and power outages. We gave:

- \$15,000 to the United Way British Columbia—Central & Northern Vancouver Island Region to support much needed community building and recovery services across the Islands
- \$10,000 to the Canadian Red Cross to help them provide humanitarian assistance to all affected areas in BC

## COMMUNITY HIGHLIGHTS

Over  
**\$500,000**  
given to **hundreds** of community organizations, including:

**\$90,000**  
awarded to  
**26** community organizations through the **Relief and Resiliency Fund**

**\$10,000**  
given to **HeroWork Victoria** to support the renovation of an Indigenous non-profit's building

**\$25,000**  
in total given in flood relief to **United Way British Columbia** and the **Canadian Red Cross**

Over  
**\$100,000**  
given in corporate sponsorships to benefit communities across the islands

Our employees volunteered  
**thousands**  
of hours of time and expertise to causes they care about

## SUPPORTING CHILDREN AND YOUTH

With deep roots in local communities, it's important for Coastal Community to ensure we help Islanders young and old where they need it most. Here's how we helped:

- Continuing to support **Toy Drives** and the **Back to School** campaign providing much needed supplies to island students
- **\$17,000** in scholarships awarded to **local students** for post-secondary study
- Over **\$7,000** raised for the **Children's Health Foundation** through drive-in movie nights in 5 communities

# Taking action on Environmental, Social and Governance principles.

It's why we're here







## ENVIRONMENTAL, SOCIAL, GOVERNANCE HIGHLIGHTS

As a local and regional Credit Union and financial cooperative, Coastal Community has been connected with our communities—and made decisions and taken action to help strengthen our broader communities—for decades.

Our Vision is to be leaders in building relationships that improve financial health, enrich people’s lives and build healthier communities. Social responsibility is the core value that most directly speaks to our commitment to our broader community, although all our core values of accountability, co-operation, excellence, innovation, integrity, responsiveness and social responsibility are relevant.

**“ESG can be defined as the inclusion of Environmental, Social, and Governance criteria in business or investment decisions for the long-lasting benefit of clients, partners, stakeholders, and society at large.”**

Forrester, Feb 2021

Over the years, Coastal Community has delivered and supported many initiatives under the Environmental, Social and Governance (ESG) areas, as well as made decisions based on these factors. As captured in other areas of this Annual Report and our Corporate Governance Report, we continued to deliver on a wide range of ESG areas over 2021. We understand, however, that there remains much to be done in these areas.

In 2021, the Board of Directors and senior management began work on ESG more specifically and formally. We embedded our commitment to ESG in our 2022-2025 Three-year Corporate Strategy, which involves

formalizing our commitment, focusing our efforts, and increasing our measurement and reporting on ESG. Some of the many topics covered included Indigenous relations, climate disclosure, affordable housing, as well as financial health, protection and inclusion.

As part of the 2022 annual plan, we are committed to start developing a formal ESG strategy. This work will involve important and valuable engagement with our members and employees, while being rooted in our Vision, Purpose, Values and key strategies.

The following is a snapshot of some of our current initiatives and activities relating to ESG.

### ENVIRONMENTAL HIGHLIGHTS:

- Reducing carbon emissions through the elimination of data couriers, implementing digital processes like electronic scanning of documents, and holding virtual meetings
- Reducing the use of paper through e-Statements, paperless electronic onboarding, and application processes with digital options
- Ensuring our building renovations include energy efficient upgrades and responsibly sourced products
- Membership with Modo carshare co-operative to help reduce auto emissions
- Recycling our electronics and using cloud-based solutions for many platforms

### SOCIAL HIGHLIGHTS:

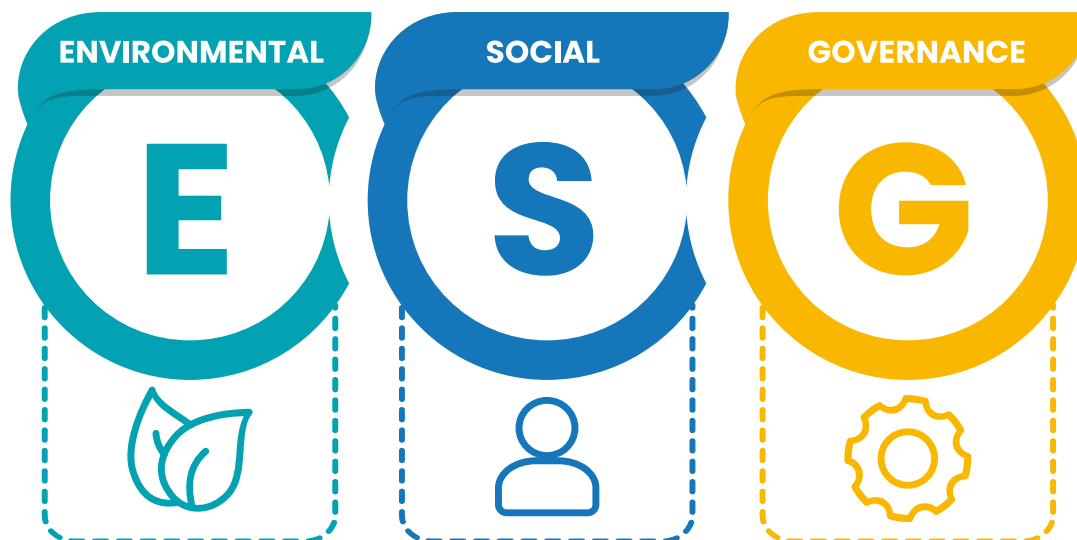
- Improving financial health through education, products, services, programs, advice and tools
- Strengthening island economies through support for small businesses
- Supporting our Diversity, Equity and Inclusion Committee, made up of employees from throughout our organization, with initiatives like developing land acknowledgements
- Ongoing community engagement including sponsorships, donations, scholarships, fundraising efforts and employee volunteerism
- Supporting disaster relief efforts and community organizations facing pandemic-related challenges

- Addressing local issues through support for initiatives like Ready to Rent BC, which helps with affordable housing
- Ensuring all our Financial Consultants and Private Wealth Advisors are certified as Responsible Investment Specialists
- Offering our clients and members access to Canada's leading provider of Responsible Investment solutions through our partnership with NEI Investments\*

### GOVERNANCE HIGHLIGHTS:

- Continuing to strengthen Board Governance in all areas of oversight, and adhering to all legal and regulatory requirements (see separate Corporate Governance Report for more)
- Implementing a Board Succession Policy incorporating Diversity, Equity and Inclusion guidance
- Progressing Coastal Community's diversity and inclusion practices within our organization
- Rigorous compliance with reporting, disclosure and transparency requirements through corporate reporting, and product and service disclosures and consents
- Ensuring we have policies, procedures and training in place to comply with Privacy, Anti-Money Laundering and Canada's Anti-Spam Legislation
- Ensuring we have comprehensive cybersecurity measures in place

Coastal Community's place and relationship within our broader community is reflected in and driven by our corporate Vision and Values. We will continue to find ways to deliver on our commitment to ESG areas and practices. Stay tuned to [ccu.ca](http://ccu.ca) to learn more.



\*NEI Investments is wholly owned by Aviso Wealth, Canada's cooperatively owned investment provider.

# Listening, learning, and progressing.

It's why we're here





## ADVANCING THE JOURNEY OF RECONCILIATION

On September 30th, we joined organizations across the country in observing the National Day for Truth and Reconciliation. As a step forward on this path, Coastal Community donated \$10,000 last year to HeroWork Victoria to support their renovation project with Indigenous Perspectives Society (IPS). HeroWork's renovation of IPS' building will help the Society deliver their important mandate of deepening reconciliation. It's the kind of work we want to support on every level, so a group of Coastal volunteers also rolled up their sleeves for a day of painting, flooring and whatever else needed doing to help turn the building into a culturally relevant and safe space.

**“When I think of the work to create culturally inclusive reconciliatory spaces, I am reminded that the work cannot be done by Indigenous peoples alone. I am honoured to have Coastal Community Credit Union and HeroWork walk alongside our work.”**

Rachelle Dallaire, Indigenous Perspectives Society Executive Director

**“I love that end big reveal when we're standing there with our team and our volunteers and our partner charity to really celebrate what this community has accomplished.”**

Trevor Botkin, HeroWork Victoria Executive Director

Through our relationship with IPS, we also arranged to offer organization-wide training around Indigenous perspectives in early 2022. It's all part of our commitment to action and to keeping our conversation moving forward.

**“It was just an honour to spend a day with the Indigenous Perspectives Society, and HeroWork. As an enthusiastic member of our DE&I committee, this was a huge win for us! We’ve been working diligently behind the scenes to help promote and develop a strong culture of equitable inclusiveness.”**

Jesse Rach-Sharpe, Coastal Community Credit Union Senior Account Manager



**Coastal Community volunteer day at Indigenous Perspectives Society in November.**

To remain a strong,  
growing and socially  
responsible  
organization.

It's why we're here





## OUR CORPORATE PERFORMANCE

During a time of sustained uncertainty, we're happy to share Coastal Community continued to strengthen its financial position in 2021. We did that by relying on our core Vision: helping our members and clients improve their financial health and building healthier communities. Our solid financial footing allowed us to be there for you when and where you needed us.

Helping you thrive is what helps us thrive. Last year, Coastal Community ended the year with over \$3.2 billion in Credit Union on-book assets. We hit a new milestone of \$4.25 billion in total assets under management. We remain the largest financial services organization based on Vancouver Island and the Gulf Islands, and among the top 10% of credit unions in Canada based on asset size. This is a reflection of the trust you have placed in us—thank you for the privilege of serving you.

### HOW WE DID

**\$3.27 BILLION**  
in on-book assets

**\$4.25 BILLION**  
in Assets Under Management

**0.56% RETURN**  
on Average Assets

Although 2021 remained a time of challenge and complexity, Coastal Community ended the year with \$3.27 billion in total on-book assets, up from \$3.08 billion in 2020. The number increases to a new milestone of \$4.25 billion in total assets under management when we include off-book assets managed through our wealth management subsidiary, Coastal Community Financial Management Inc. (CCFMI).

CCFMI and its division, Coastal Community Private Wealth Group, ended the year with \$978 million in assets under administration, a record breaking 19%

growth. Over 7,000 members and clients relied on CCFMI's expertise as a trusted financial partner to support them through challenging times. Thanks to its strong revenue and asset growth year over year, CCFMI remains well-positioned both financially and operationally. It continues to be a leader in Canada for the way the team provides a fully integrated holistic approach that includes investment management as well as trust and estate services.\*

\*Trust and estate services provided through Concentra Trust, a wholly-owned subsidiary of Concentra Bank

For Coastal Community Insurance Services (2007) Ltd. (CCIS), 2021 was all about engaging people in protecting financial health through human and digital experiences. CCIS optimized its system and processes to create capacity so our insurance experts can spend more time providing advice and less time producing paperwork. This set a solid foundation for CCIS to add diversified income to our bottom line, including record breaking growth in our commercial lines.

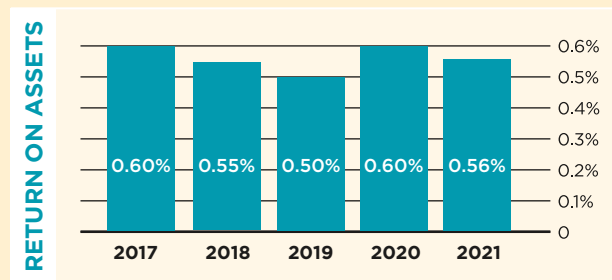
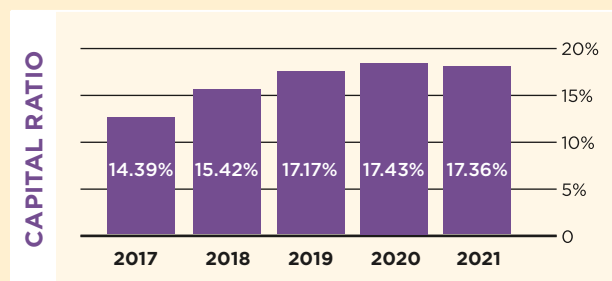
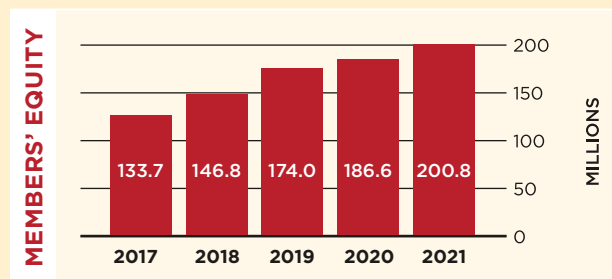
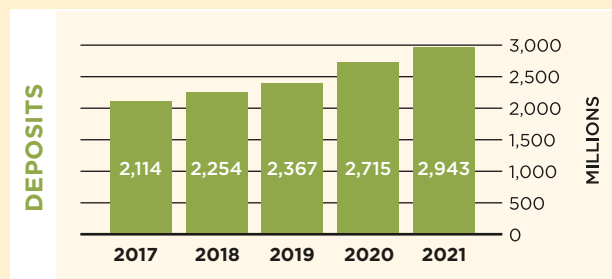
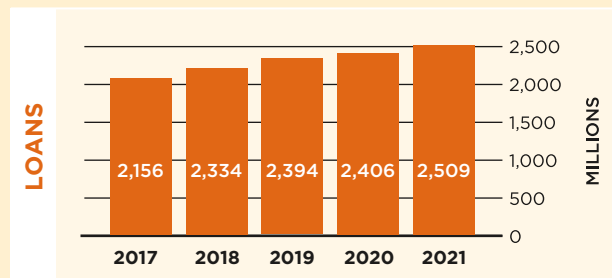
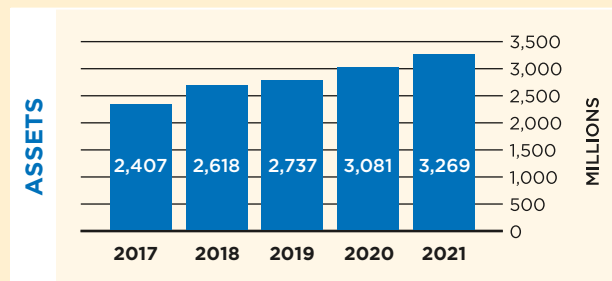
Canadians continued to navigate the pandemic in 2021 by building up their savings as a buffer against uncertainty. Coastal Community's deposit growth remained elevated, though it was lower than the record level in 2020. Our depositors can rely on being 100% protected by the Credit Union Deposit Insurance Corporation of British Columbia.

Our Return on Average Assets, a common marker of financial performance in the credit union industry, decreased from 0.60% last year to 0.56%. This reduction is primarily because expenses returned to pre-pandemic levels. Net Income ended the year slightly higher than the previous year. Our financial margin increased from \$57.01 million to a robust \$61.31 million. Members' Equity, or what we like to call Coastal Community's savings account, grew by \$14.21 million to end the year at \$200.76 million. Our capital adequacy ratio had a small decrease from 17.43% to a still very strong 17.36%. All of these numbers are a sign of Coastal Community's continued strength and secure financial foundation.

## STRONG, STABLE AND SOCIALLY RESPONSIBLE

Through all of the disruptions of the last year, Coastal Community remains well-positioned for the future with a robust balance sheet and solid earnings. These achievements are a reflection of our focus on your goals, dreams and constantly evolving challenges. We worked closely with our members, clients and businesses to be there when and how you needed us. As a co-operative, it's important to us to work toward positive change, so we always consider how we can give back to the broader community. It's all part of our commitment to making a meaningful difference in the places we call home.

There's light on the horizon, and we're all looking forward to a better tomorrow. Thank you to our members, clients and communities for your trust in us and allowing us to serve your needs for the past 75 years.





## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The 2021 Annual Report, including the summarized consolidated financial statements, is the responsibility of the management of Coastal Community Credit Union (the Credit Union).

These summarized consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and include, where appropriate, estimates based on the best judgment of management.

As part of its responsibilities, the Credit Union maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate, and that the Credit Union's assets are appropriately accounted for and adequately safeguarded.

The Board of the Credit Union carries out its responsibilities with regard to the consolidated financial statements mainly through its Audit and Risk Committee (the Committee). The Committee reviews the annual consolidated financial statements and recommends them to the Board for approval. The Committee meets periodically with management, internal auditors and the external auditors. Following these meetings, the Committee meets privately with the auditors to ensure free and open discussion of any subject the Committee or the auditors wish to pursue. The Committee also recommends the engagement or reappointment of the external auditors, reviews the scope of the audit and approves the fees of the external auditors for audit and non-audit services.

These summarized consolidated financial statements, audited by KPMG LLP, have been approved by the Board, on the recommendation of the Audit and Risk Committee.



Adrian Legin, MBA, ICD.D  
President and  
Chief Executive Officer



Barbara Coe, CPA, CGA  
Chief Financial and  
Risk Officer

## REPORT OF THE INDEPENDENT AUDITORS ON THE SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

The summarized consolidated financial statements of Coastal Community Credit Union ("the Credit Union"), which comprise:

- the summarized consolidated statement of financial position as at December 31, 2021
- the summarized consolidated statement of income and retained earnings for the year then ended
- and related note

are derived from the audited consolidated financial statements of Coastal Community Credit Union as at and for the year ended December 31, 2021.

In our opinion, the accompanying summarized consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the criteria disclosed in note 1 in the summarized consolidated financial statements.

### Summarized Consolidated Financial Statements

The summarized consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summarized consolidated financial statements and the auditors' report thereon, therefore, is not a substitute for reading the Credit Union's audited consolidated financial statements and the auditors' report thereon.

The summarized consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

### Management's Responsibility for the Summarized Consolidated Financial Statements

Management is responsible for the preparation of the summarized consolidated financial statements in accordance with the criteria disclosed in note 1 in the summarized consolidated financial statements.

### Auditors' Responsibility

Our responsibility is to express an opinion on whether the summarized consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, based on our procedures, which were conducted in accordance with Canadian Auditing Standard 810, *Engagements to Report on Summary Financial Statements*.



Chartered Professional Accountants  
March 23, 2022  
Vancouver, Canada

**SUMMARIZED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

December 31, 2021, with comparative figures for 2020

	2021 (\$'000)	2020 (\$'000)
<b>Assets</b>		
Cash and cash equivalents	\$ 74,905	\$ 289,383
Investments	618,879	318,866
Investment in joint venture	30,153	29,887
Loans to members	2,509,308	2,406,494
Premises and equipment	22,761	23,054
Intangible assets	1,581	1,632
Deferred income tax asset	2,086	1,327
Income taxes receivable	-	418
Other assets	8,959	9,513
	<b>\$ 3,268,632</b>	<b>\$ 3,080,574</b>
<b>Liabilities and Members' Equity</b>		
Member deposits	\$ 2,943,115	\$ 2,714,937
Borrowings	81,771	131,983
Other liabilities	35,441	38,061
Derivative financial instruments	2,325	5,501
Income tax payable	1,797	-
Members' shares	3,420	3,539
	<b>3,067,869</b>	<b>2,894,021</b>
<b>Members' equity</b>		
Retained earnings	204,443	189,461
Accumulated other comprehensive loss	(3,680)	(2,908)
	<b>200,763</b>	<b>186,553</b>
	<b>\$ 3,268,632</b>	<b>\$ 3,080,574</b>

**SUMMARIZED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

Year ended December 31, 2021, with comparative figures for 2020

	2021 (\$'000)	2020 (\$'000)
Interest income	\$ 83,338	\$ 86,152
Interest expense	22,029	29,139
Net interest income	61,309	57,013
Loan impairment expense (recovery)	(351)	1,805
Other income	23,577	25,051
Operating expenses	67,397	62,913
Income before income taxes	17,840	17,346
Provision for income taxes	2,858	2,459
Net income	14,982	14,887
Other comprehensive loss, net of tax	(772)	(2,297)
Comprehensive income	<b>\$ 14,210</b>	<b>\$ 12,590</b>

## SUMMARIZED CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' EQUITY

Year ended December 31, 2021, with comparative figures for 2020

(\$'000)	Investments held at FVOCI	Cash flow hedges	Accumulated other comprehensive loss	Retained earnings	Total
Balance at December 31, 2019	\$ -	\$ (611)	\$ (611)	\$ 174,574	\$ 173,963
Net income	-	-	-	14,887	14,887
Other comprehensive loss	-	(2,297)	(2,297)	-	(2,297)
Balance at December 31, 2020	-	(2,908)	(2,908)	189,461	186,553
Net income	-	-	-	14,982	14,982
Other comprehensive gain (loss)	(1,856)	1,084	(772)	-	(772)
<b>Balance at December 31, 2021</b>	<b>\$ (1,856)</b>	<b>\$ (1,824)</b>	<b>\$ (3,680)</b>	<b>\$ 204,443</b>	<b>\$ 200,763</b>

### NOTE 1 - BASIS OF PRESENTATION:

These summarized consolidated financial statements have been prepared in accordance with Section 128(4) of the Financial Institutions Act and are derived from the audited consolidated financial statements, prepared in accordance with International Financial Reporting Standards, as at and for the year ended December 31, 2021. Those audited consolidated financial statements were approved by the Credit Union's Board of Directors on March 23, 2022 and can be obtained at any of our branches.

Approved on behalf of the Board:



Evelyn Clark  
Chair, Board of Directors



Lynne Fraser  
Chair, Audit and Risk Committee

In addition to this 2021 Annual Report, the following 2021 annual reporting documents are available to members and clients at [cccu.ca](http://cccu.ca):

- Complete audited Consolidated Financial Statements
- Corporate Governance Report
- Management Discussion and Analysis





COASTAL COMMUNITY  
CREDIT UNION

## HEAD OFFICE

220-59 Wharf Street  
Nanaimo, BC V9R 2X3

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[cccu.ca](http://cccu.ca)

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## GENERAL INQUIRIES

1.888.741.1010  
[service@cccu.ca](mailto:service@cccu.ca)

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