

## GOVERNANCE AND NOMINATIONS COMMITTEE CHARTER

---

**Committee purpose**

The Board of Directors (the “Board”) of First West Credit Union (“First West” or the “Credit Union”) has delegated to the Governance and Nominations Committee (the “Committee”) the responsibilities and authority outlined in this Charter. The Committee exists to oversee key elements of the Boards’ operations, including:

- corporate governance principles, practices and oversight
  - Board assessment, evaluation and renewal
  - Director recruitment, nominations and elections
  - Director orientation, education and development
- 

**Appointment and composition**

The Committee consists of a minimum of five (5) members elected by the Board on the recommendation of the Board Chair. Committee members elect a Chair from amongst themselves. Ideally each Committee member will also be a member of at least one other committee to ensure informed governance discussions.

The Board Vice-Chair will be a member of the Committee and may serve as Committee Chair.

The Board Chair, if not a member, is an ex-officio member of the Committee and in that instance is not counted in establishing quorum and does not vote.

---

**Meetings**

The Committee will meet as required, but not less than quarterly.

Additional meetings may be held as deemed necessary by the Committee Chair or at the call of any three members of the Committee, the Board Chair or the Chief Executive Officer (“CEO”).

Only the members of the Committee have the right to attend and vote at Committee meetings.

---

**Quorum**

Quorum is a majority of the Committee members.

---

**Accountability** The Committee is accountable to the Board.

Except where the Board has authorized the Committee to act by resolution or through the Committee's Charter, the Committee has no authority to direct management or to commit First West.

**Duties and responsibilities – governance**

The Committee's duties and responsibilities related to governance include:

**Corporate governance oversight**

- annually reviewing the Credit Union's Rules to ensure they are appropriate and preparing any resolutions required to be placed before the membership
- annually reviewing First West's compliance with regulatory requirements related to corporate governance
- annually reviewing First West's governance framework and advising the Board regarding areas of concern, best practices and recommended changes
- reporting annually to the Board on elements of equity, diversity and inclusion with respect to the Board and its committees
- advising the Board on environmental, social and governance best practices and ensuring the Credit Union's business is conducted and advanced to meet high standards of corporate responsibility
- annually obtaining assurance that each committee has reviewed and made necessary amendments to its respective charter within the past year
- as required, advising the Board, Board committees and/or Board and committee Chairs on matters of process related to their functioning
- annually reviewing and, when necessary, recommending to the Board amendments to: (i) the Board Charter; (ii) the Credit Union's Rules; (iii) the size and structure of Board committees; (iv) the responsibilities, functions and compensation of Directors; and (v) operational policies of the Board

**Board assessment, evaluation and renewal**

- annually preparing a Board skills, competencies and attributes matrix that outlines desired Director skills and experience, optimal Board composition and diversity and gaps to be filled through election and/or appointment of new Directors
- annually preparing for the Board's approval a Director recruitment profile that outlines the key attributes sought to fill Director positions coming vacant
- recommending the process and supporting the annual effectiveness evaluation of the Board, Board committees, Board Chair, committee Chairs and Directors with consideration for skills, experience, independence, equity, diversity and inclusion

**Director orientation, education and development**

- assist the Board with Board Chair succession
- obtaining assurance that programs are in place for new Director orientation and ongoing Director professional development
- Monitoring Directors' completion of mandatory Credit Union Development Association ("CUDA") sessions
- Approving Director participation at conferences and education sessions that fall within their education allowance and support their role as Directors

**Communication**

- periodically reviewing and assessing First West's communication to members, stakeholders and the public with respect to its corporate governance policies and practices, including the information on First West's website
  - annually approving a report to members on First West's governance practices
- 
-

**Duties and responsibilities – nominations and elections**

As detailed in the Credit Union's Rules, the Committee's duties and responsibilities related to nominations and elections include:

- appointing not less than three (3) members of the Credit Union (the "Nominations Task Force"), who shall be individuals and not junior members, and who may, but need not be Directors, provided however, that no Director whose term of office is expiring at the annual general meeting next following the appointment of the Nominations Task Force may serve as a member of the Nominations Task Force, except where the Director is not seeking re-election, to serve as members of the Nominations Task Force for the current election cycle.
- soliciting member expressions of interest in serving as part of the Nominations Task Force; as detailed in the Nominations Task Force Charter, the Nominations Task Force's duties include, but are not limited to:
  - leading a search for eligible candidates who meet the desired criteria
  - participating in information and interview sessions with potential candidates
  - reviewing the nominations of potential candidates to ensure eligibility and place in nomination the names of qualified candidates at least equal to the number of vacancies to be filled in the election
  - with reference to attributes detailed in the Director recruitment profile, insights gained through interviews and reference checks, the Board's Equity, Diversity and Inclusion Policy and the approach to endorsement determined from time to time by the Board, endorsing candidates who would bring the most overall value to the Board if elected
  - overseeing the Director election process, including approving the Notice of AGM and Election and reporting election results to members
- recommending voting method(s) to the Board
- with reference to the Board-approved Director recruitment profile, review and approve the call for nominations prepared annually to notify members of the Board of Director's election, the attributes sought in candidates, the nomination process and campaign regulations
- approving and issuing the ballot and Notice of AGM and Election
- engaging a returning officer to oversee the voting process and ballot count

**Evergreen list**

The Committee will maintain and regularly review an evergreen list of members who have indicated an interest in standing for election to the Board.

|                              |  |
|------------------------------|--|
| <b>Returning officer</b>     | The Committee shall authorize the returning officer to engage such staff and to utilize such procedures as necessary to effectively fulfil his or her responsibilities.  |
| <b>Reporting</b>             | <p>The Corporate Secretariat will prepare draft minutes for review by the Committee Chair. Minutes are approved by the Committee and are then provided to the Board.</p> <p>Any director may examine supporting schedules and information reviewed by the Committee upon request to the Corporate Secretary.</p> |
| <b>Decision making</b>       | <p>Committee decisions are made by consensus.</p> <p>The Committee has no power to bind First West or the Board.</p>   |
| <b>Support</b>               | The Corporate Secretary or their designate will provide staff support to the Committee and will be secretary to the Committee.   |
| <b>Policy responsibility</b> | Policies and related documents the Committee is responsible for reviewing, and the frequency of review for such policies, is included in the Committee work plan appended to this Charter.   |
| <b>Work plan</b>             | A timetable of the Committee's activities is reflected in the attached work plan.  |
| <b>Review cycle</b>          | This Charter will be reviewed annually by the Committee  |

## GOVERNANCE AND NOMINATIONS COMMITTEE WORKPLAN

|  | Q1 | Q2 | Q3 | Q4 |
|--|----|----|----|----|
| Review Committee composition   | √  |    |    |    |
| Elect Committee Vice-Chair   |    | √  |    |    |
| Review composition of committees   |    | √  |    |    |
| Report to the Board on Board and committee diversity   |    |    | √  |    |
| Receive assessment of governance practices against BCFSa Governance Guideline  |    |    | √  |    |
| Review and recommend changes to Credit Union's Rules   |    |    | √  |    |
| Review resolutions to go before membership   |    |    | √  |    |
| Review Committee structure, identify changes needed  |    |    |    | √  |
| Obtain assurance that committees have reviewed their charters and amended as necessary within the past year              |    |    |    | √  |
| Review and, if necessary, update Board competency matrix   |    | √  |    |    |
| Review of director competencies biennially   |    | √  |    |    |
| Recommend to the Board the form/approach for annual assessment process and develop/update assessment tool as appropriate |    | √  |    |    |
| Prepare for Board approval a director recruitment profile outlining key attributes sought to fill Board positions        |    |    | √  |    |
| Administer annual assessment process   |    |    | √  |    |
| Appoint Governance and Nominations Committee members to Nominations Task Force   |    | √  |    |    |
| Invite expressions of interest for Nominations Task Force members  |    | √  |    |    |
| Review rules pertaining to director nomination and election  |    | √  |    |    |
| Appoint at-large Nominations Task Force members  |    | √  |    |    |
| Poll incumbents whose terms are expiring at next AGM about re-election intentions  |    | √  |    |    |
| Recommend method of voting to the Board  |    |    | √  |    |
| Engage the returning officer   |    |    | √  |    |
| Review and approve the call for nominations package  |    |    | √  |    |
| Approve and issue ballot and Notice of AGM and Election  |    |    |    | √  |
| Review and, if necessary, update orientation program for new directors   | √  |    |    |    |
| Review director attendance at CUDa sessions and determine follow up  |    | √  |    |    |
| Assist the Board with Board Chair succession   |    |    | √  |    |
| Determine Board education program for current year   |    |    |    | √  |
| Approve and support director conference and education participation  | √  | √  | √  | √  |
| Approve annual governance report to stakeholders   |    |    |    | √  |

| Policy/Document Reviews                         | Frequency | Q1 | Q2 | Q3 | Q4 |
|---|-----------|----|----|----|----|
| <b>Board Processes</b>                          |           |    |    |    |    |
| Board and Committee Meetings                    | Biennial  |    |    |    | √  |
| Board Equity, Diversity and Inclusion Policy    | Annual    |    |    | √  |    |
| Board Effectiveness and Renewal                 | Annual    |    | √  |    |    |
| Board Service Recognition and Emeritus Program  | Biennial  |    |    | √  |    |
| Board Structure                                 | Biennial  |    | √  |    |    |
| Director Compensation and Expense               | Annual    | √  |    |    |    |
| Director Orientation, Education and Development | Biennial  |    |    | √  |    |
| Process for Obtaining Legal Advice              | Biennial  |    |    |    | √  |
| <b>Board and Committee Charters</b>             |           |    |    |    |    |
| Board Charter                                   | Annual    |    | √  |    |    |
| Governance and Nominations Committee Charter    | Annual    |    | √  |    |    |
| Nominations Task Force Charter                  | Annual    |    | √  |    |    |
| <b>Policies</b>                                 |           |    |    |    |    |
| First West Foundation Support                   | Biennial  |    |    |    | √  |
| Membership Approvals and Terminations           | Biennial  | √  |    |    |    |
| Political Relationships and Activities          | Biennial  |    |    |    | √  |
| <b>Position Descriptions</b>                    |           |    |    |    |    |
| Board Chair                                     | Biennial  |    |    | √  |    |
| Committee Chair                                 | Biennial  |    | √  |    |    |
| Corporate Secretary                             | Biennial  |    | √  |    |    |
| Individual Director                             | Biennial  |    |    | √  |    |
| Vice-Chair                                      | Biennial  |    |    |    | √  |