



Board of Directors Mandate

Audience:

All Directors of Coast Capital Savings Federal Credit Union (“Coast Capital”)

Version	Approved by	Date
1.00	Board of Directors	January 2005
1.01	Board of Directors	August 2011
1.02	Board of Directors	February 29, 2012
1.03	Board of Directors	May 7, 2014
1.04	Board of Directors	April 22, 2015
1.05	Board of Directors	June 6, 2016
1.06	Board of Directors	June 7, 2017
1.07	Board of Directors	June 10, 2020
1.08	Board of Directors	September 17, 2021

Property of Coast Capital Savings Federal Credit Union
Owner: Chief Legal, Regulatory & Corporate Affairs Officer
Prepared by: Legal Department

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1. About the Mandate

Purpose The Board of Directors of Coast Capital (the “Board”) has the responsibilities and authority outlined in this Mandate.

Role of the Board The Board is responsible for:

- supervising the management of Coast Capital’s business and affairs;
- appointing and evaluating the Chief Executive Officer (the “CEO”);
- approving significant corporate strategies and policies; and
- reporting Coast Capital’s performance to the members.

2. Responsibilities

Legal and Regulatory Duties

1. Supervise the management of the business and affairs of Coast Capital.
2. Act in accordance with its obligations in relation to the *Bank Act* and associated regulations, the Office of the Superintendent of Financial Institutions (“OSFI”), Coast Capital Savings Federal Credit Union Rules, and any other applicable rules, legislation, or regulation.
3. Communicate with OSFI, including:
 - a) notifying OSFI of the names and relevant background of members of the Board and senior management, including any changes;
 - b) notifying OSFI of any material issues not otherwise reported by management or a Committee of the Board; and
 - c) meeting with OSFI as needed.
4. Respond to the examination of Coast Capital by any regulator, External Auditors and others conducting examinations of Coast Capital and ensure that management addresses any items of concern that have been identified.

Corporate Governance

5. Manage its own affairs, including planning its composition and organization, electing a Board Chair from its number, and approving Board Mandates, policies, and material amendments to the Board Manual.
6. Retain for itself authority not delegated; in particular, all powers legally required to be exercised by the Board.
7. Take such steps necessary to ensure the Board can operate independently from management.
8. Establish committees of the Board (the “Committees”) as legally required or where otherwise prudent to assist the Board in carrying out its roles and responsibilities, delegate responsibility to those Committees, and elect or appoint (as the circumstances require) members to each
9. Engage such internal and external resources as it deems necessary to fulfill its duties and, in particular, the Board may engage, under its sole authority, independent counsel, consultants, and advisors as needed, and has the sole responsibility for approving the fees, terms and conditions, and termination of any such engagement.
10. Approve a program of training and education of directors.



Management Oversight

11. Every two years, evaluate the effectiveness of the directors, Committees, Committee Chairs, Board Chair and the Board as a whole.
12. Ensure that Coast Capital has capable and effective management that acts in the interests of the members and in accordance with ethical and legal standards.
13. Appoint the CEO, evaluate their performance, determine their compensation, and, if necessary, terminate the CEO.
14. Delegate to the CEO sufficient authority to effectively manage day to day operations, implement strategic plans, and ensure compliance with all applicable legal and regulatory requirements, as well as Coast Capital's own policies.
15. Provide advice and counsel to the CEO in the execution of their duties.
16. Approve any changes to the organization of the Executive Committee.
17. Upon the recommendation of Risk Review Committee, approve the appointment and, if necessary, termination of the Chief Risk Officer and Chief Compliance Officer¹.
18. Upon the recommendation of the Audit and Finance Committee, approve the appointment and, if necessary, the termination of the Chief Internal Auditor².
19. Approve the Executive Compensation Philosophy and annual executive incentive plans.
20. Approve the Future CEO Development profile and ensure that adequate succession plans have been developed for all key positions, in particular the CEO.
21. Provide input and advice on Social Purpose initiatives and monitor their implementation through regular reporting.

Strategy

22. Engage with management in reviewing and approving Coast Capital's strategy including considering the impact on key stakeholders and the credit union system.
23. Approve and oversee the strategic plans and priorities of Coast Capital related to the management of capital and liquidity, including annual operating and capital expenditure budgets and operating plans, taking into account the risk impact of strategic decisions and the purpose, mission, vision and values of Coast Capital .
24. Monitor management's implementation of strategic and operating plans and major projects by overseeing progress of such plans against actual results, and approve material amendments or variances to such plans as necessary.
25. Review and approve major business plans and decisions, including proposed acquisitions, merger and divestitures, and transactions.

Risk Management and Internal Controls

26. Review and approve Coast Capital's risk appetite.
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¹ The Chief Compliance Officer is the Chief Legal, Regulatory and Corporate Affairs Officer.

² The Chief Internal Auditor is the Vice-President & Chief Internal Auditor.



Ethics and Compliance

27. Ensure that management has established appropriate policies and procedures to identify, monitor, measure and manage the risks that affect Coast Capital.
 28. Review and approve the internal capital adequacy assessment process.
 29. Ensure that Coast Capital has the capability and culture to support its risk appetite and achieve its strategy.
 30. Set exposure limits and risk taking authority to be delegated to the CEO.
 31. Review and approve the internal control framework.
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32. Satisfy itself of the integrity of the CEO and other executive officers and ensure that they provide a culture of compliance and ethical behavior throughout Coast Capital.
 33. Ensure legal and regulatory requirements have been met, and documents and records have been properly prepared, approved and maintained.
 34. Review and approve all corporate policies which are the responsibility of the Board.
 35. Require management to establish effective and appropriate procedures to ensure compliance with legal requirements and the corporate policies of Coast Capital, and oversee the implementation of these procedures.
 36. Ensure that Internal Audit operates effectively and independently from management.
 37. Review and approve member engagement strategies and monitor their effectiveness.
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Communication and Disclosure

38. Report annually to the members on its stewardship in the preceding year.
 39. Ensure that the financial performance of Coast Capital is accurately and sufficiently reported in accordance with International Financial Reporting Standards to members, other security holders, and regulators on a timely and regular basis.
 40. Recommend the External Auditors to the members for approval at the Annual General Meeting.
 41. Ensure the timely reporting to members of other developments that have a significant or material impact on the operations of Coast Capital.
 42. Recommend director compensation to members for approval.
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Other Responsibilities

43. Approve the issuance of securities of Coast Capital.
 44. Put matters to the members that require their approval, and make such recommendations to the members as the Board deems appropriate.
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3. Mandate Governance

Role	Responsibilities	Cycle
Board of Directors	<ul style="list-style-type: none"> Review and approve this Mandate and any amendments. 	Triennially
Governance & Nominations Committee	<ul style="list-style-type: none"> Review and recommend this Mandate and any amendments to the Board of Directors. 	Triennially
Chief Legal, Regulatory & Corporate Affairs Officer	<ul style="list-style-type: none"> Owens this Mandate. Review and recommend this Mandate and amendments to the Governance & Nominations Committee. 	Triennially
VP, Enterprise & Operational Risk Management	<ul style="list-style-type: none"> Provide review, advisory and effective challenge of the Mandate and related internal controls. 	Triennially
Enterprise Risk Management	<ul style="list-style-type: none"> Ensures the review and approval of the Mandate complies with the Corporate Document Governance Framework. 	Triennially
Internal Audit	<ul style="list-style-type: none"> Review this Mandate when updates resolve an Internal Audit or OSFI finding. At all times, Internal Audit takes precautions to maintain its independence. 	Triennially

Next Review Date

Governance & Nominations Committee: June 2025

Board of Directors: June 2025

Related Documents

Mandates and Charters

- Director Mandate
- Governance & Nominations Committee Charter

Frameworks and Policies

- Director's Code of Conduct and Conflict of Interest Policy

