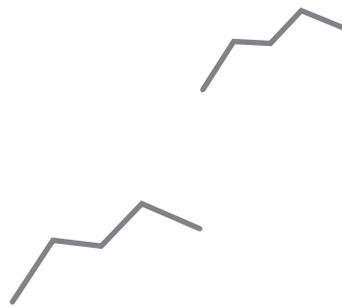


The background is a solid yellow color. It features a large, stylized sunburst graphic in the center, composed of thin white lines radiating from a central point. Below the sunburst, there are several horizontal white lines. In the lower right quadrant, there is a white line-art illustration of a ship. The number '2020' is prominently displayed in the center. The '2' is a dark blue outline, the '0' is a dark blue outline containing the NLCU logo and text, and the '20' is a white outline.

NLCU
ANNUAL
REPORT
2020

2020

YOU'VE GOT THIS. YOU'VE GOT US.



OUR VISION

Newfoundland and Labrador Credit Union will be the superior provider of the ideal financial service experience.

OUR MISSION

Our market will be all who share the ideals of integrity and excellence regardless of demographics or geography.

Our focus will be on gaining the complete trust and confidence of our members, including our employees, in everything we do. We are committed to every member achieving personal financial success as they define it by:



Listening



Providing complete and accurate information



Providing sound advice and personalized solutions



Providing access to financial and related services as members' needs dictate, when members' needs dictate, where members' needs dictate



ANNUAL REPORT

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YOU'VE GOT THIS.
YOU'VE GOT US.



Sometimes the best of ourselves is found in the worst of times. The challenges of 2020 were countless but our efforts and moments of resilience were just as numerous. This is how we overcame these challenges. And it's how we will overcome all that come our way in the future. Our Annual Report cover this year was chosen to be bright, optimistic and reflective of our home and the people who live here. This optimism and hope is part of the collective strategy that helped us weather an unsettled year. **We are here. And the sun still rises and shines on all of us first in Newfoundland and Labrador.**



PRESIDENT'S REPORT

Ray Piercey
President
NLCU



2020 was a memorable year for its responsiveness to local, provincial, national, and international changes and events. On January 17, 2020, eastern Newfoundland experienced its worst blizzard in recorded history. Close to one metre of snow fell, forcing municipalities to impose states of emergency and prompting the dispatch of the Canadian Armed Forces to help dig out residents.

It was a challenging start to 2020, but in true form, we as Newfoundlanders and Labradorians made the best of it. We helped our neighbours and held on to our famous sense of humor.

In March, the novel coronavirus spread to our province, resulting in business shutdowns, school closures, cancelled events, and grounded flights. It was a dramatic change in lifestyle, marked by isolation and daily COVID-19 reports from government leaders.

Throughout 2020, the pandemic crisis tested NLCU's mettle. We responded with determination and resilience, finding innovative solutions to pressing needs and upholding our commitment to provide you, our members, with the ideal financial service experience.

FIDUCIARY OBLIGATIONS OF THE BOARD

Normally, NLCU holds an Annual General Meeting (AGM) every March. Last year, however, the temporary lockdown necessitated a postponement of the AGM to July. That rescheduling gave us time to obtain permission from our Regulator, the Credit Union Deposit Guarantee Corporation (CUDGC), to hold our AGM virtually and to plan for an online event.

Hosting a virtual AGM was a first for us. The virtual format enabled members located anywhere in the province with access to the Internet to attend. As a result of this positive experience, we requested that CUDGC consider allowing credit unions to conduct virtual AGMs in the future, which is not only the safest option during a pandemic, but is a more cost-effective and convenient way for members to attend regardless of physical location.

Another first last year was our introduction of an online voting process for electing our Board of Directors. This new process was a great success, with over 700 of our members exercising their right to vote. By contrast, approximately 100 members a year have voted in past elections, so this is an incredible increase in member participation.

In 2020, we made a concerted effort to encourage a younger demographic of our membership to consider putting forth their names for election to the Board of Directors. As a result, two of our six qualifying nominees were from this younger age bracket. The ensuing election resulted in Ms. Sheena McCrate and Mr. Allan Skanes retaining their seats on the Board of Directors and Ms. Courtney Clarke being welcomed as its newest member.

The Board of Directors is responsible for developing policies and strategic direction at NLCU. In 2020, the Board held six regular Board meetings and numerous committee meetings to fulfill its duties and obligations, including policy reviews, compliance reports to government, and oversight of the credit union's five-year strategic plan. Board members also undertook a Board Self-Assessment, which had very positive results.

We are strong proponents of continuing education and professional development as "Education" is one of our core values. In previous years, a number of Board members would attend national and regional conferences and forums to stay well-informed of the latest developments, research, and learnings pertaining to the financial services industry and any other issues related to the credit union system. The opportunity to attend such events was not possible in 2020 due to travel restrictions

and limitations on public gatherings, so Board members availed of online courses, webinars, and presentations, as well as research and updates provided through credit union system partners like the Canadian Credit Union Association (CCUA) and League Data. Board members also completed annual training that NLCU provides under the Proceeds of Crime, Money Laundering and Terrorist Financing Act and new Board member Courtney Clarke, began online coursework for the Credit Union Director Achievement Program's Level A: Foundations of Governance.

Maintaining a good working relationship and open lines of dialogue with our Regulator are essential to meeting and anticipating members' financial needs. As in past years, we held a Board-on-Board meeting with CUDGC last September, which was conducted in a virtual setting. During that meeting, we discussed several matters related to the credit union system in Newfoundland and Labrador, including credit unions' annual assessments to CUDGC, changes to the Credit Union Act, 2009 and Regulations, and the progress made towards implementing a Provincial Loan Guarantee Program for small and medium-sized businesses. We also reviewed the commendable results of NLCU's examination reports, which are conducted bi-annually by CUDGC.

CREDIT UNION SYSTEM AND INDUSTRY DEVELOPMENTS

When CUDGC signaled that the Credit Union Act, 2009 and Regulations were up for review in 2018, efforts were made to form suggestions for revisions to the Act and Regulations governing Newfoundland and Labrador's credit unions. All credit unions in this province submitted proposed amendments to our Regulator for consideration. Subsequently, the bill to amend the Credit Union Act, 2009 received Royal Assent in the House of Assembly on November 5, 2020.

The Board of Directors continued to stay abreast of the latest developments with Open Banking and to discuss its potential impacts on NLCU services. Open Banking is a framework that aims to increase competition in the financial sector, allowing individuals

and businesses to share their financial transaction data beyond their current financial institution. There is a growing market for these new services, which can help Canadians better manage their finances. The Advisory Committee on Open Banking, formed by the federal Minister of Finance in 2018, completed its second phase of consultations last year. The final output of this committee will be a blueprint for an approach to Open Banking in Canada.

Work on the National Credit Union Market Conduct Code was delayed on the national level due to the pandemic but resumed in late 2020. The Market Conduct Code recognizes the best practice principles that Canada's credit unions pledge to follow for soliciting, promoting, advertising, marketing, selling, or distributing products or services. The code and self-assessment – developed by CCUA in partnership with select credit unions, including NLCU – are near finalization; the majority of provincial regulators have reviewed and signed off on both. Originally scheduled to come into effect by the end of 2020, the target date was postponed to 2021, with NLCU and other credit unions aiming for full implementation within the first half of this year.

For many years, the credit union system in Canada has been experiencing a trend of mergers and acquisitions. In the fourth quarter of 2014, there existed 350 credit unions and caisses populaires outside of Quebec. Six years later, that number had shrunk to 236. Then, as now, NLCU remains the only credit union in this province to appear on Canada's Largest 100 Credit Unions list; in 2020, our rank changed from 66 to 61.

NLCU CHARITABLE FOUNDATION

Despite an economic downturn in a year of uncertainty, the amount of funds raised by the NLCU Charitable Foundation ("the Foundation") in 2020 were on par with previous years.

In early February, the Foundation launched its first-ever Community Heroes 50/50 Draw. This new fundraising campaign featured an Early Bird Bonus Draw offering a cash prize of \$3,000, sponsored by NLCU, and a Community Heroes 50/50 Draw. While the onset of the pandemic impeded the Foundation's ability to attract ticket buyers,

the draw did generate a total of \$6,835 in sales. The 50/50 draw was held virtually on Facebook Live on August 21, 2020. Kids Eat Smart Foundation Newfoundland and Labrador – the charity of choice for this fundraiser – received 50 percent of those proceeds.

After a month-long postponement to establish appropriate health and safety protocols, and a second delay due to Hurricane Teddy, the 19th Annual Rod Benson Memorial Golf Tournament was held at Clovelly golf course in St. John's on September 28, 2020. As one of the two major annual fundraisers of the Foundation, this one-day Tournament raised over \$35,000. Ronald McDonald House Charities Newfoundland and Labrador received a \$10,000 donation as the event's charity of choice.

The 17th Annual Walk-A-Thon – the Foundation's second major fundraiser – was postponed until fall and held as a virtual event. Between September 25 and October 4, 2020, Walk-A-Thon participants were encouraged to walk alone or with their bubble mates at whichever locations and at whatever distances they preferred. To make it virtual, photos taken during the walks were shared on social media. Despite these necessary adjustments, the Annual Walk-A-Thon was successful in raising more than \$28,000, of which \$10,000 was donated to the charity of choice, the Community Food Sharing Association.

In lieu of its traditional Annual Charities Luncheon, the Foundation held an online event called Good Tidings Gathering on December 15, 2020. During the event, attended by representatives of more than 40 registered charities in Newfoundland and Labrador, the Foundation announced its new donation strategy to supply larger donations to a limited number of charities each year. This new approach should provide selected charities with a significant boost to help move forward with important projects, whether they be for programming, services, or infrastructure.

Altogether, 77 charities received donations from the NLCU Charitable Foundation last year equating to \$94,700 in total. The continuing success of the Foundation's efforts is a credit to its dedicated Board of Directors, committed volunteers, and generous corporate sponsors.

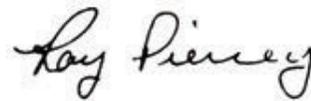
I'm also delighted to mention that NLCU won a 2020 Empowering Your Community Award for its three-way partnership with Stella's Circle and the NLCU Charitable Foundation to pilot a ground-breaking project to address immediate needs for women released from prison. Started in December 2018, "A Fresh Start with Accounts that Count" helps women reduce barriers to obtaining identification, a no-fee chequing account, and a stipend to help them transition back into the community. The award, sponsored by Concentra, was valued at \$10,000.

CONCLUSION

What a year 2020 has been! Though it brought hardship and disappointment to many, we will remember 2020 as well for its breakthroughs. Last year forced us – and many other businesses – to change, and to do so quickly. We had to connect with our membership in new ways and expand the options we had available for accessing our financial services. As we embark on developing a long-term strategic plan this year, the valuable lessons of 2020 will help guide our vision for the future.

In closing, I thank Nancy Healey, who completed a three-year term on the Board in March 2020. I also thank our Board of Directors, committee members, and employees for providing exceptional service in extraordinary times. Finally, I thank you, our valued members, for continuing your financial relationship with NLCU.

Respectfully submitted,



Ray Piercey
PRESIDENT AND BOARD CHAIRMAN
NLCU BOARD OF DIRECTORS

NLCU

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT



ABOVE (L-R):

Ray Piercey – President and Board Chairman

Maureen Singleton – 1st Vice President

Allan Skanes – 2nd Vice President

Patrick Collins

TOP RIGHT (L-R):

Elmer Ryzuk

Courtney Clarke

Sheena McCrate

Barry W. Tucker

James (Jim) Davis

BOTTOM RIGHT (L-R):

Allison Chaytor-Loveys – CEO and Treasurer

Glenn Bolger – COO and Corporate Secretary

Jim Mayo – CFO

Tracy Wells – Recording Secretary



NLCU

MANAGEMENT'S REPORT

TO THE MEMBERS OF NEWFOUNDLAND AND LABRADOR CREDIT UNION LIMITED

The financial statements and other financial information in the Annual Report were prepared by the management team of Newfoundland and Labrador Credit Union Limited and were approved by the Board of Directors.

Management is responsible for the preparation of the financial statements and believes that they fairly present the Credit Union's financial condition in accordance with the requirements of the Credit Union Act and Regulations hereunder and conform in all material aspects with International Financial Reporting Standards. To discharge its responsibilities for financial reporting and safeguarding of assets, management believes that it has established an appropriate system of internal audit and control which provides reasonable assurance at appropriate cost; that the assets are maintained and accounted for in accordance with its policies and procedures; and that transactions are recorded on the Credit Union's books and records.

KPMG LLP, has been appointed by the membership as independent auditors to examine and report on the financial statements. They have had full and free access to the Board of Directors and provide an objective independent review of the fairness of reported operating results and financial position. Their report outlines the scope of their examination and their opinion. Full financial statements are available upon request.



Allison Chaytor-Loveys
CHIEF EXECUTIVE OFFICER AND TREASURER



Jim Mayo
CHIEF FINANCIAL OFFICER



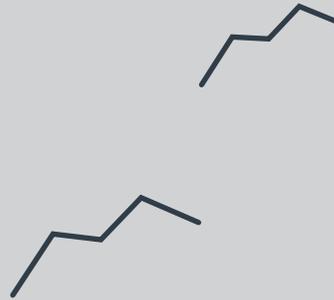
MANAGEMENT TEAM

Back Row, Left to Right: Matthew Norman, Ciaran Grealis, Susan Sheppard, Shawn Parsons, Shannon Goodyear, Craig Penney, Kent Farrell, Cynthia Hawco

2nd Row, Left to Right: Kimberly Hennebury, Dana Thompson, Cathy Mattsson, Michelle Dawe, Bernard Howlett, Tanya Sullivan, Laurie Roberts, Rod French, Tony Young, Shane Flight

Front Row, Left to Right: Gina Squires, Michelle Young, Natasha Canning, Lisa Loveridge, Glenn Bolger, Allison Chaytor-Loveys, Jim Mayo, Jenny Alleway, Janice Kennedy-Humber, JoAnne Ballard

Missing From Photo: Tracy Wells



2020 **AR** ***FINANCIALS***

NLCU

STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS

Year ended December 31, 2020, with comparative information for 2019
(CDN dollars)

	2020	2019
REVENUE		
Interest income	\$ 20,054,127	\$ 20,584,179
Investment income	1,412,871	1,391,251
	21,466,998	21,975,430
FINANCIAL EXPENSES		
Interest on members' deposits	6,580,215	7,038,983
Financial margin	14,886,783	14,936,447
OTHER INCOME		
Service charges	3,544,576	3,675,522
Other	171,085	205,312
Insurance commissions	637,867	900,628
Rental	96,665	135,331
	4,450,193	4,916,793
Financial margin and other income	19,336,976	19,853,240
NON INTEREST EXPENSES		
Personnel	9,979,236	10,120,731
General business	3,434,335	4,141,663
Occupancy	1,439,386	1,544,999
Members' security	1,942,999	1,729,773
Depreciation	1,086,726	1,054,490
	17,882,682	18,591,656
Income before income taxes	1,454,294	1,261,584
Income taxes	393,602	341,997
NET INCOME AND COMPREHENSIVE INCOME FOR THE YEAR	1,060,692	919,587
Retained earnings, beginning of year	22,794,747	22,015,160
Net income and comprehensive income for the year	1,060,692	919,587
Dividends	(146,000)	(140,000)
RETAINED EARNINGS, END OF YEAR	\$ 23,709,439	\$ 22,794,747

NLCU

STATEMENT OF FINANCIAL POSITION

December 31, 2020, with comparative information for 2019
(CDN dollars)

	2020	2019
ASSETS		
Cash and cash equivalents	\$ 16,223,158	\$ 5,865,735
Investments	98,740,099	62,294,347
Loans and mortgages receivable		
Personal loans	91,139,355	93,388,713
Mortgage loans	398,234,220	390,996,185
Commercial loans and mortgages	42,367,851	46,633,027
	531,741,426	531,017,925
Less allowance for impaired loans and mortgages	(3,544,629)	(3,099,043)
	528,196,797	527,918,882
Property and equipment	17,588,898	17,701,456
Derivative financial instruments	1,452,307	1,584,202
Other assets	1,768,191	1,858,503
	\$ 663,969,450	\$ 617,223,125
LIABILITIES AND RETAINED EARNINGS ATTRIBUTED TO MEMBERS		
Liabilities:		
Members' deposits	\$ 634,920,702	\$ 589,179,630
Accounts payable and accrued liabilities	1,875,803	1,710,304
Severance provisions	2,011,199	1,954,242
Derivative financial instruments	1,452,307	1,584,202
	640,260,011	594,428,378
Retained earnings	23,709,439	22,794,747
	\$ 663,969,450	\$ 617,223,125

APPROVED ON BEHALF OF THE BOARD:


Director


Director

NLCU

STATEMENT OF CASH FLOWS

Year ended December 31, 2020, with comparative information for 2019
(CDN dollars)

	2020	2019
CASH PROVIDED BY (USED IN):		
OPERATIONS		
Net income and comprehensive income for the year	\$ 1,060,692	\$ 919,587
Items not involving cash:		
Depreciation	1,086,726	1,054,490
Provision for impaired loans and mortgages	445,586	442,551
Financial margin	(14,886,783)	(14,936,447)
Increase in severance provision	56,957	95,087
Deferred income tax expense (recovery)	(29,107)	160,856
	<u>(12,265,929)</u>	<u>(12,263,876)</u>
Changes in operating assets/liabilities:		
Change in accounts payable and accrued liabilities	(76,056)	(157,470)
Change in members' deposits	46,113,043	22,975,360
Change in note payable	-	(677,784)
Change in loans and mortgages receivable	(1,004,272)	(18,808,288)
Change in other assets	94,063	230,935
Interest received	21,747,769	21,860,891
Interest paid	(6,952,186)	(6,482,676)
Change in income taxes	266,911	(41,351)
	<u>47,923,343</u>	<u>6,635,741</u>
INVESTING ACTIVITIES		
Increase in investments	(36,445,752)	(6,252,941)
Purchase of property and equipment	(974,168)	(1,170,104)
	<u>(37,419,920)</u>	<u>(7,423,045)</u>
FINANCING ACTIVITIES		
Dividends paid on membership shares	(146,000)	(140,000)
Net increase (decrease) in cash and cash equivalents	10,357,423	(927,304)
Cash and cash equivalents, beginning of year	5,865,735	6,793,039
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 16,223,158	\$ 5,865,735



CEO AND TREASURER'S REPORT

Allison Chaytor-Loveys
CEO and Treasurer
NLCU



2020 will certainly go down in history as a year of significant events and changes worldwide and within our own province. When eastern Newfoundland was hit with a major snowstorm that produced a record-breaking snowfall in January 2020, Newfoundland and Labrador Credit Union (NLCU) and other businesses were mandated by municipal councils to shut down. We thought that was the worst that 2020 would throw at us, but we were wrong. The novel coronavirus came to our province two months later, changing life as we knew it all across the globe.

Here at home, our focus remained on our members, who would need financial services and expert advice to help them through a difficult time. Throughout 2020, our number one goal was to safeguard the health of our employees and members on our premises while continuing to serve you with the best financial service and advice we could offer.

OPERATING DURING A CRISIS

When the provincial government ordered the majority of business operations and all social functions to shut down in mid-March 2020 due to the coronavirus, our senior management and executive team worked closely with departments and branches to manage through an ever-evolving situation.

We immediately began equipping our workforce with mobile devices and secure access to NLCU's network so that department and Member Solutions Centre employees could work from home uninterrupted and could reach out to our members to see how we may support you during these unprecedented times. Employees were scheduled on two-week rotations to minimize their risk of exposure to the coronavirus and numerous safety measures were put in place at all premises, from reducing branch hours to installing Plexiglass shields on frontlines. These arrangements enabled us to provide our financial services safely and without disruption.

Communication during the lockdown was vital to keeping our Board of Directors, members, and employees up to date. The management team met daily, and then every second day, for several weeks while we worked through what needed to be done to safely manage operations. For 12 consecutive weeks, I sent regular email updates to employees and we crafted a weekly internal COVID-19 bulletin to provide employees with easy, timely access to critical information. We also communicated with our members in various ways to keep you informed of any changes you could expect in terms of service.

In early April 2020, the federal government began rolling out several financial support programs, including the Canada Emergency Business Account (CEBA) program. The CEBA program was intended to support businesses by providing financing for expenses that could not be avoided or deferred during the period of shutdown, thereby helping to position them for successful relaunch once the economy reopened. When the Federal Government began talking about this program, we worked with the Canadian Credit Union Association (CCUA) and developed a CEBA program for NLCU business members. In 2020, a total of \$8,540,000 in CEBA loans was advanced to NLCU business members.

In addition to administering the CEBA program, NLCU developed its own loan and mortgage payment deferral program for both retail and business members to help those who experienced a loss in income resulting from the economic impacts of the pandemic. There were 778 loan and mortgage deferrals in 2020 valued at \$107,352,258 in total. Finally, we implemented the Canada Revenue Agency (CRA) Direct Deposit for members to easily have emergency and routine benefits or refunds routed into their NLCU chequing account.

When the time was right, we began easing back personnel until all full-time employees were again working on site. We still have measures in place to safeguard employees and members, and continue to monitor those measures and make changes as necessary to adhere to current government health and safety guidelines.

MANAGING RISK

To maintain the integrity of NLCU's information systems, we kept up to speed on the latest technologies and associated risks. The Atlantic Canada Credit Union Cyber Security Program Committee was formed by League Data to implement standards and associated solutions for

protecting Atlantic Canadian credit unions from cyber threats and improve overall credit union security. The Committee developed a standard set of cyber security policies and benchmarks for measuring success. In 2020 we started the work required to implement this framework and expect to complete the implementation in 2021.

We also focused on risk management. An important tool for anticipating and mitigating risk is the business continuity plan. In 2020, we updated our business continuity plans to include a more in-depth pandemic section based on our actual experience. Presently, we are continuing the ongoing review and further development of robust Enterprise Risk Management, which involves identifying and assessing risks to both strategy and operations, determining risk tolerance, and recording proposed plans to adjust risks from current to desired risk levels.

REMAINING COMPETITIVE

After several months of major renovations, our Water Street branch in St. John's was transformed into our first-ever NLCU Business Centre, the existence of which has already increased our profile and awareness in the marketplace. Business owners appreciate a one-stop shop for financial services; the NLCU Business Centre offers retail, commercial, insurance, and wealth management expertise all in one location.

NLCU continued to expand the offerings available on our digital platform, found online at <https://apply.nlcu.com>. Considerable effort was made to create and format the necessary digital applications and forms. With this platform, new and existing members have the convenience of applying online anytime, anywhere for select products and services. By the end of 2020, available product and service options included opening memberships, savings accounts, chequing accounts, term deposits, debentures, unsecured lending, and some secured lending. Additionally, we launched DocuSign, a technology that allows members the convenience of signing necessary documentation electronically, eliminating the need to visit a branch.

The development and anticipated growth of this digital channel also gave rise to the creation of a new Digital Member Solutions Centre. Employees working in this Centre are skilled in the use of this platform to review and monitor online applications, as well as provide support to branches and members. In line with these developments, was the re-naming of the Call Centre to the Member Solutions Centre, which will evolve as technological advances continue to enhance our service options.

When the pandemic reached our province, we shifted bill payments from branches to the Member Solutions Centre and other channels, such as mobile banking and ATM. The Member Solutions Centre saw a large spike in its usage as many of our members were limiting their use of in-person service. This increased demand lengthened the time it took for

members to reach one of our Member Service Advisors. To reduce the impact this had on our members, we introduced a voice messaging system whereby members could leave details concerning their desired transactions or queries. A Member Solutions Advisor completed the transactions or responded to their voicemails within one business day.

In the area of wealth management, NLCU experienced good growth in 2020, increasing its number of Aviso investors by 4.3% and average investor account size by 7.7%. We performed above the regional and national averages in preferred asset solutions, made the top quartile within our Aviso peer group for Private Equity pool uptake and distribution, and made the top quartile within our Aviso peer group for insurance-to-investor revenue.

By mid-year, the province experienced a boom in residential real estate sales due to an upswing in vacation home purchases and first-time home buyers entering the market. In addition, we (along with Quebec) led the country in car sales. To capitalize on these booms, we offered limited-time special mortgage rates, a 1% incentive mortgage product for a new housing purchase or a mortgage switch-in and competitively priced rates for 2020 vehicle loans.

In my last annual report, we'd anticipated that the Provincial Loan Guarantee Program for small and medium-sized businesses would launch in 2020. The onset of the pandemic delayed this initiative, however; the Provincial Government has indicated that this program will proceed and should be ready before the next budget. We, along with our fellow provincial credit unions, will continue to engage with the Province to develop this worthwhile program.

With a total of 20,283 business owners and individuals using our credit union for their financial service needs, NLCU's assets grew by \$46,746,325, totaling \$663,969,450 at year-end. The dollar value of these relationships increased to \$32,735 per member. Off-book assets (members' investments in mutual funds administered by NLCU) grew by approximately \$19 million or 11.5% for a total of \$183 million. Net income after tax of \$1,060,692 was transferred to retained earnings, which resulted in a year-end total of \$23,709,439. A member dividend of 5% was paid on equity shares.

FINDING EFFICIENCIES

As well as mobilizing a work-from-home strategy, the pandemic compelled us to find other ways to conduct meetings. We began using Zoom and Google Meets, both of which are great tools that are more cost-effective and dynamic than our teleconference option. Google Meets can also be used for virtual member appointments. We streamlined back office processes, such as how we report to branches and communicate procedural changes, how we process



overdrafts, and how we audit in the digital environment. In our Accounting and Audit departments, we made the transition to paperless month-end reconciliations, which was implemented during the shutdown.

We continue to see administrative efficiencies and waste reduction through our use of the human resources information system, ADP Workforce Now. In 2020, we rolled out electronic acknowledgement forms through this system. Now, we are preparing to roll out the use of its Performance Management Module. This module will enable employees, managers, and our Human Resources team to be more proactive and timelier in the performance management process and will lessen the amount of manual administration that this process currently entails.

SUPPORTING OUR EMPLOYEES

Before the pandemic arrived in Newfoundland and Labrador, we released an annual, organization-wide Learning & Development Calendar for our employees. This calendar gives a month-by-month snapshot of available training, both internal and external, and across disciplines, making it a convenient one-stop point of reference for employees looking to enhance their skills and knowledge.

In February, we launched NLCU's first Learning & Development Month to place a spotlight on some of the offerings available to employees at NLCU and with our partner organizations. The month included four information sessions that covered some of these training offerings.

We also revitalized and rebranded NLCU's Mentorship Program, which is now called ConNEXTions. This program relaunched in June and relies on Roadmaps to guide the mentorship. Last year, the program supported 10 mentorships, which concluded late last autumn. We also had three employees participate in CCUA's National Mentorship Program.

When the pandemic arrived, the world changed almost overnight and we had to adapt quickly to a new normal. Despite the difficult economic climate, the behavioural changes we had to adopt, the isolation we faced, and the uncertainties of that time, our NLCU team pulled together admirably to be there for our members and for each other.

During those first months of the pandemic, our employees embraced innovations, provided outstanding service and advice to members, and gave reassurance to those who were worried about their futures. When the lockdown was lifted, they showed tremendous support of our local businesses through our "Loyal 2 Local Challenge." NLCU provided funds to every employee so they could make a purchase at a small local business. These stories and photos were then posted on our social media pages to encourage others to shop local.

NLCU's achievements in 2020 have been the result of our team's ability to focus on shared goals and support one another whenever and however they could. We have an incredible team working at your credit union, and their resilience and dedication truly shined during the year. I sincerely thank our employees for all they've done to help our members and each other through a difficult year.

IN CONCLUSION

The people of our province are known for their strength and determination in the face of adversity. Those traits helped us all pull through a challenging year. While the pandemic drastically altered our lives, it was also a catalyst for beneficial changes at NLCU, placing us in a position to create a more digital workplace and expand our digital service options to members. It also gave us an opportunity to reach out to you, our members, to see how we could help.

With 2020 in the rearview mirror, we look eagerly to the road ahead. May 2021 be a year of blessings and abundance for us all.

Respectfully submitted,

Allison Chaytor-Loveys
CHIEF EXECUTIVE OFFICER AND TREASURER

NLCU
AWARDS



KATHERINE SEYMOUR AWARD

Receiving the Katherine Seymour Award in recognition of service excellence is our Carbonear Branch (from left to right): Linda Green, Member Service Advisor, Tanya Sullivan, Assistant Branch Manager, Member Service, Craig Penney, Branch Manager, Member Service, Rae Barnes, Member Service Advisor, Gina White, Member Service Advisor and Cherie Sheppard, Member Service Advisor.

PRIORITY 1 AWARD

From left to right: Chad Norman, Information Systems Consultant, Shane Flight, Chief Information Officer, Susan Sheppard, Manager, Information Systems and Michael Fleming, Information Systems Consultant posing with their Priority 1 Award.

The Priority 1 Award recognizes an individual, a team, or several people from different teams who went above and beyond to provide exceptional service to members and/or colleagues.



INNOVATION AWARD

From left to right: Allison Chaytor-Loveys, Chief Executive Officer and Glenn Bolger, Chief Operating Officer accept the Innovation Award on behalf of all employees for work done on the implementation of the ASAPP Digital Account Opening and Lending Solution. The Innovation Award recognizes teams, departments and branches that have generated and implemented innovative ideas and strategies.

SCHOLARSHIPS

BRIAN F. MCDONALD SCHOLARSHIP

Winner of the 2020 Brian F. McDonald Scholarship, Rowan McCrindle of Holy Heart of Mary High School, St. John's, the daughter of Kelly-Anne Meadus, Communications Specialist, Marketing and Communications.

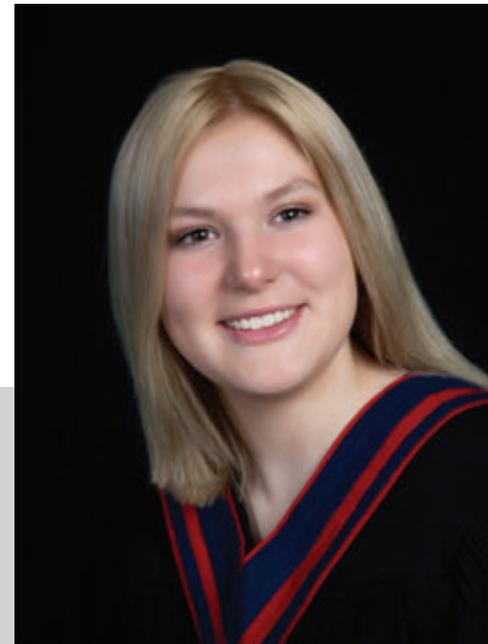


OUTSTANDING SCHOOL AND COMMUNITY INVOLVEMENT SCHOLARSHIP

Winner of the 2020 Outstanding School and Community Involvement Scholarship, Shannon Ivey of Exploits Valley High, Grand Falls-Windsor.

OWEN GRIMES MEMORIAL SCHOLARSHIP

Winner of the 2020 Owen Grimes Memorial Scholarship, Shannon Jones of Prince of Wales Collegiate, St. John's.



NLCU

INTERNATIONAL CREDIT UNION DAY

SPREADING KINDNESS TO CELEBRATE INTERNATIONAL CREDIT UNION DAY

Throughout the week of October 15, 2020 NLCU celebrated International Credit Union Day. Employees performed a credit union-wide Act of Kindness – a Recycling Blitz during which they collected recyclables over several weeks and dropped them off to their local Green Depots during the week of International Credit Union Day. Funds earned from the recyclables were donated to charities across the province. In addition, NLCU's Charitable Foundation (NLCU CFC) participated by donating \$1,000 to 12 non-profit organizations chosen by our local branch communities.



Employees from our Carbonear branch (above) and Clarenville branch (left) with their collection of recyclables for the credit union-wide Act of Kindness.

COMMUNITY EVENTS



19TH ANNUAL ROD BENSON MEMORIAL GOLF TOURNAMENT

The 19th Annual Rod Benson Memorial Golf Tournament finally welcomed players onto the green at Clovelly golf course in St. John's on Monday, September 28, 2020, the one-day tournament raised over \$35,000, with \$10,000 going to the charity of choice: Ronald McDonald House Charities Newfoundland and Labrador.

The Tournament's major sponsors included: Platinum sponsors NLCU and CDL Holdings Ltd., both of who have supported the Tournament since its inception; returning silver sponsors The Co-operators Group, E.C. Boone, and NEI Investments, along with first-time silver sponsor Aviso Wealth; returning bronze sponsors The Cumis Group and Diebold Nixdorf; and new lunch sponsor Reddy Kilowatt Credit Union.

In the past 19 years, the Rod Benson Memorial Golf Tournament has raised over \$630,000.



17TH ANNUAL WALK-A-THON

The 17th Annual Walk-A-Thon was a little different this year, but it came to another successful end, raising over \$28,000. It was the first time this annual fundraiser of the NLCU Charitable Foundation was held in the autumn as a virtual event over a 10-day period. In previous years, the Annual Walk-A-Thon was held in June at specific walk locations across the province where groups of NLCU employees, Board members, and their families walked together. This year, however, the event was postponed by four months due to the coronavirus. To maintain physical distancing and other health and safety protocols, Walk-A-Thon participants were encouraged to walk alone or with their bubble mates between September 25 and October 4. Over the course of those 10 days, participants completed their walks at whichever locations and at whatever distances they preferred. To make it virtual, photos taken during their walks were shared on social media using the hashtag *#NLCUCFCVirtualWalkathon*.



CHARITABLE FOUNDATION

Alzheimer Society of Newfoundland and Labrador Inc.
 Autism Society of Newfoundland and Labrador
 Bay St. George Sick Children's Foundation Inc.
 Big Brothers Big Sisters of Eastern Newfoundland
 Boys and Girls Clubs of Canada - NL Region
 Bridges to Hope Inc.
 Calos Youth Orchestras
 Canadian Cancer Society - NL Division (Daffodil Place)
 Canadian Hard of Hearing Association - NL
 Canadian Liver Foundation NL
 Canadian Red Cross - NL
 Caribou Group of Rotary (Waterford Hospital Initiatives)
 Choices for Youth
 Clarenville SPCA
 CNIB Foundation
 Community Action Group for Adults with
 Developmental Disabilities
 Community Food Sharing Association
 Community Mental Health Initiative Inc.
 Crohn's and Colitis Canada - Eastern Avalon Chapter
 Cystic Fibrosis Canada NL Chapter
 Dr. H. Bliss Murphy Cancer Care Foundation
 Dr. Jack Hand Legacy Foundation
 Easter Seals NL
 Eating Disorder Foundation of Newfoundland and Labrador
 Epilepsy Newfoundland & Labrador
 Foundation of the Rotary Club of St. John's (Food Hampers)
 Gander Goodwill Centre
 Heart & Stroke Foundation of NL
 Home Again Furniture Bank
 Hope Air
 Hope Haven
 Iris Kirby House Foundation, Inc.
 Janeway Children's Hospital Foundation
 Karen's Place
 Kids Eat Smart Foundation
 Kids Help Phone, Atlantic Region
 Kiwanis Music Festival Association of St. John's
 Knights of Columbus Charity Foundation
 Labrador West Ministerial Association & Food Bank

Lady Cove Women's Choir
 Legion Hospital Foundation
 Lionel Kelland Hospice
 MADD Avalon
 Manuels River Heritage Society
 Newfoundland Pony Society
 Newfoundland Symphony Orchestra Association
 NL Association for Community Living
 NL Brain Injury Association
 NL Down Syndrome Society
 Opera on the Avalon
 Parkinson Society Canada, NL Chapter
 Perchance Theatre
 Prostate Cancer Canada
 Quidi Vidi Rennie's River Development
 Rainbow Riders - St. John's Therapeutic Riding Association
 Ronald McDonald House Charities NL
 Single Parent Association of NL
 Special Olympics Newfoundland & Labrador Inc.
 St. John's Women's Centre
 Stella's Circle Community Services
 The Arthritis Society NL Division
 The Candlelighters Association of NL
 The Duke of Edinburgh's Award - NL Division
 The Gathering Place
 The Jimmy Pratt Memorial Outreach Centre Inc.
 The Kidney Foundation of Canada - NL Branch Office
 The Lung Association NL
 The Murphy Centre
 The Pottle Centre
 The Royal Canadian Legion - Grand Falls (NFLD No. 12) Branch Poppy Fund
 Thomas Howe Forest Foundation Inc.
 Toys for Joy
 Trinity-Conception-Placentia Health Foundation
 U-Turn Drop In Addiction Center
 Vera Perlin Society
 Vine Place Community Centre Inc.
 Western Regional Hospital Foundation
 Wooden Boat Museum of NL



**NLCU
CHARITABLE FOUNDATION'S
ANNUAL LUNCHEON**

In December, the NLCU Charitable Foundation held an online event called Good Tidings Gathering.

\$94,700 in donations was given to 77 charities in Newfoundland and Labrador this year.

The event ended merrily, with a random draw for a \$1,000 donation from the NLCU Charitable Foundation. The donation was won by attending charity, Wooden Boat Museum of Newfoundland and Labrador.

OUR CONTACTS AND LOCATIONS

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Raymond Piercey – President* and Board Chairman

Maureen Singleton – 1st Vice President*

Allan Skanes – 2nd Vice President*

Patrick Collins*

Elmer Ryzuk

Courtney Clarke

Sheena McCrate

James (Jim) Davis

Barry W. Tucker

Allison Chaytor-Loveys – CEO and Treasurer[†]

Glenn Bolger – COO and Corporate Secretary[†]

Jim Mayo – CFO[†]

Tracy Wells – Recording Secretary

*Executive Committee

[†]Appointed

MANAGEMENT (Corporate Office)

Allison Chaytor-Loveys – CEO

Glenn Bolger – COO

Jim Mayo – CFO

Shane Flight – CIO

Kent Farrell – Director, Credit

Shannon Goodyear – Director, Marketing and Communications

Bernard Howlett – Director, Risk and Internal Audit

Tony Young – Director, Advice and Service

Michelle McGrath – Director, Branch Operations

Laurie Roberts – Director, Human Resources

Matthew Norman – Manager, Accounting and Finance

Susan Sheppard – Manager, Information Systems

Cathy Mattsson – Manager, Lending Services

Tracy Wells – Executive Assistant

Member Solutions Centre: 1-800-563-3300

Automated Teleservice®: 1-800-963-4848

Website/*MemberDirect*® Online Banking: www.nlcu.com

MemberDirect® Mobile Banking: www.nlcu.com/m

 NLCUHOME  NLCU  NLCUGRAM

  NEWFOUNDLAND AND LABRADOR CREDIT UNION

BRANCH MANAGEMENT

240 Water Street

St. John's, NL A1C 1B7

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722-5824 (Water Street Branch)

Gina Squires

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754-2312

Ciaran Grealis

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634-5341

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489-9051

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944-7701

Natasha Canning

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Sheila Hynes-Brenton ABL
shynes-brenton@nlcu.com

OUR SERVICES



YOUR MONEY

CHEQUING SERVICES

- MasterPlan™ Chequing Packages
- Personal Chequing Accounts
- U.S. Dollar Chequing Accounts
- Self-Serve Electronic Transaction Account Packages
- Seniors Program
- Student Chequing Accounts

SAVINGS

- Advantage Savings
- FAT CAT® Account
- HEADSTART™® Account
- Monthly Savings Plan
- Online Savings Account
- Plan 24® Account

CREDIT CARDS

- NLCU Collabria Cash Back Mastercard®
- NLCU Collabria Centra Gold Mastercard®
- NLCU Collabria Classic Mastercard®
- NLCU Collabria U.S. Dollar Mastercard®
- NLCU Collabria Visa Travel Rewards Gold Card®
- NLCU Collabria World Mastercard®

ELECTRONIC SERVICES

- ACCULINK®
- Automated Funds Transfer
- Automated Teleservice®
- Automated Teller Machines
- ClickSWITCH™
- Credential Direct®* Online Brokerage
- Deposit Anywhere™
- Direct Deposit
- E-Statements
- THE EXCHANGE®
- Interac® Debit
- Interac® e-Transfer
- Interac® Flash
- Interac® Online
- Lock'N'Block™
- MemberDirect® Mobile Banking
- MemberDirect® Online Banking
- Mobile Wallet

ADDITIONAL SERVICES

- | | |
|-------------------|-----------------------|
| Bill Payments | Night Depository |
| Certified Cheques | Payroll Deduction |
| Direct Payments | Safekeeping |
| Grad Package | Safety Deposit Boxes |
| Legal Witnessing | World Currency Centre |
| Money Orders | |



YOUR FUTURE

INVESTMENT PRODUCTS AND SERVICES

Debentures
 Group Registered Retirement Savings Plan
 Monthly Registered Retirement Savings Plans
 Mutual Funds*
 (available through Credential Asset Management Inc.)
 Registered Disability Savings Plans
 Registered Education Savings Plans
 Registered Retirement Income Funds
 Registered Retirement Savings Plans
 S&P/TSX 60 Index Linked Term Deposits
 Self-Directed Registered Retirement Savings Plans
 Tax-Free Savings Accounts
 Term Deposit Receipts

INSURANCE

Credit Life and Disability Insurance
 Credit Term Life Insurance
 Critical Illness Insurance
 Disability Insurance
 Group Benefits
 Group Retirement Services
 Home/Auto Insurance (available through The Co-operators Group Insurance)
 Life Insurance
 Long-Term Care Insurance
 Mortgage Insurance (including job loss, disability and critical illness)
 Personal Health and Dental Insurance
 Travel Insurance

FINANCIAL MANAGEMENT

Income Tax Preparation
 Trust Services
 Wealth Management Financial Planning and Insurance Services



YOUR FINANCING

LOANS AND MORTGAGES

Chequing Overdraft Protection
 Energy-Efficient Mortgages
 Graduate Vehicle Loan Rebate
 Home Equity Loans
 Mortgage Loans
 Personal Lines of Credit
 Personal Loans
 RRSP Lines of Credit
 RRSP Loans
 Student Loans & Education Lines of Credit



YOUR BUSINESS

COMMERCIAL SERVICES

NLCU Collabria Visa Infinite Business Card®
 NLCU Collabria Visa Low Rate Business Card®
 NLCU Collabria Visa No Fee Cash Back Business Card®
 Commercial Leasing through Concentra Financial
 Commercial Lines of Credit
 Commercial Loans
 Commercial Mortgages
 Corporate Accounts
 Fisheries Loan Guarantee Program
 Income Tax Preparation
 MemberDirect® Business
 MEMBERPLAN™ Group Insurance
 Small Business Insurance

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PHOTOGRAPHY



Ned Pratt Photography
nedpratt.com

Paul Daly Photographer
pauldaly.net

Amanda Dinn Photography
f amandadinnphotography

20
50



NLCU



AR

The image features a stylized graphic of the numbers 20 and 50. The number 20 is rendered in a dark grey, thin-lined font. The number 50 is rendered in a bright yellow, thin-lined font. The zero in 20 contains the NLCU logo, which consists of a globe icon above the letters 'NLCU'. The zero in 50 contains the letters 'AR' in a bold, yellow, sans-serif font.

