



A CHANGE IN PERSPECTIVE

 **NLCU**
ANNUAL REPORT 2021



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, where members' needs dictate.



TM

Getting older often means a change in perspective; it's part of getting wiser too. Priorities change, new goals are set. At NLCU, we are changing too, to meet the needs of our members.

Familiar faces are moving on while new ones bring their own new perspectives to our business and your success. As they say, there's no change in the weather, but you'll see changes in us – for you.

WEST COAST, NEWFOUNDLAND



SALVAGE, NEWFOUNDLAND

Annual Report 2021

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Message from the President

Maureen Singleton
President

With each passing year, it becomes more evident to me that NLCU is a financial institution that welcomes change. Not all organizations can make the same claim. It gives your credit union a distinct advantage in an industry grappling with profound and sweeping changes, including key shifts in consumer behaviours.

In 2021, NLCU experienced changes in leadership, planning, policy, and more, charging your Board of Directors with important decisions. In these and all other governance matters, the Board has always endeavoured to remain true to the credit union's vision, mission, and values, which keep members' best interests at the forefront. I am confident that the direction set by your Board has NLCU advancing on a solid evolutionary path that continues to put members first.

EXECUTIVE SEARCH

Perhaps your Board's most important undertaking in 2021 was the hiring of a new Chief Executive Officer to succeed Allison Chaytor-Loveys, who gave notice of her retirement effective December 31. Replacing Allison's 48 years of experience, acumen, and sheer breadth of knowledge of the credit union system from a provincial, national and international scope, was a major challenge.

The search for our next CEO was the responsibility of the Board's Executive Committee. The Board engaged Boyden Canada to guide us through the process, which took several months. Their extensive experience in conducting searches for senior executives in the Canadian credit union system proved invaluable. As you are aware, our Chief Operating Officer, Glenn Bolger, was the successful candidate and assumed his duties on January 1, 2022. We offer him our heartiest congratulations and look forward to many successful years working with Glenn as our CEO.

I would like to acknowledge fellow Executive Committee members Allan Skanes, Patrick Collins, and Raymond Piercey for their unwavering commitment to the search process. Thanks are also due to the entire Board of Directors for its support of the Committee's work and recommendation. Several staff also provided assistance to the Board during this process and we are grateful for their contributions.

STRATEGIC PLANNING

One of the key responsibilities of your Board of Directors is long-term strategic planning. However, with the CEO’s retirement effective December 31, 2021, the Board decided the best course of action would be to defer the in-depth process to the following year. Doing so enables the Board to work with the new CEO and the management team to develop a plan that will shape the future direction of NLCU. In the interim, the existing plan was updated and formed the basis for the 2022 Business Plan.

NLCU recently conducted market research with our retail and business members and with bank customers. This research will provide important information on consumers’ financial priorities and will help guide us through our strategic planning process in 2022.

FAIRNESS, DIVERSITY, AND INCLUSION

For more than two years, NLCU participated on a national committee focused on developing a Market Conduct Code for credit unions in Canada. The Market Conduct Code recognizes the best practice principles that credit unions pledge to follow in soliciting, promoting, advertising, marketing, selling, or distributing our products or services. The Code was finalized early in 2021; in April, the Board adopted a policy affirming NLCU’s promise to adhere to the principles of this Code.

In January 2021, the Board of Directors adopted a diversity and inclusion policy as part of its Human Resources policies. This policy was implemented to reinforce NLCU’s commitment to offering a diverse and inclusive work environment – putting into policy what had already been our practice.

Last year, the federal government passed legislation to make September 30th a federal statutory holiday called the National Day for Truth and Reconciliation. This day provides an opportunity for Canadians to recognize and reflect on the tragic legacy of residential schools. While NLCU is provincially regulated and September 30th was not declared a statutory holiday by the province, recognizing the significance of this day is very much in line with NLCU’s core values. In the Fall of 2021, the Board approved the observance of the National Day for Truth and Reconciliation as an annual holiday.

AMENDED ACT AND REGULATIONS

In 2018, our Regulator, the Credit Union Deposit Guarantee Corporation (CUDGC), initiated a review process for the Credit Union Act, 2009 and Regulations. All credit unions in this province submitted proposed amendments for consideration and participated in subsequent dialogues with CUDGC to provide insights on their potential impacts.

The majority of the amendments included in the legislation were administrative in nature. Some of the amendments related to structural changes at CUDGC, resulting in governance changes at its Board level. One notable example is the role of Superintendent of Credit Unions – previously held by the CEO of CUDGC – which is now the responsibility of the Assistant Deputy Minister of Regulatory Affairs, Digital Government and Service NL. These amendments to the Credit Union Act, 2009 and Regulations came into force on December 1, 2021.

MODERNIZED DESIGN MARK

Another change in 2021 relates to NLCU’s logo. The HANDS & GLOBE Design Mark in NLCU’s logo is owned by the World Council of Credit Unions (WOCCU), and used under license. This design mark is a symbol, certifying affiliation with the credit union movement, demonstrating the movement’s worldwide scope, and symbolizing commitment to member service and social responsibility. Adopted in the 1960s, this design mark includes a silhouetted image of a traditional nuclear family.

In 2019, Canadian Credit Union Association (CCUA) unveiled the GLOBE IN HANDS Design Mark. An evolution of the original HANDS & GLOBE, the new design modernizes the logo while preserving its symbolism and the principles it stands for. (Note that the new design trademark is not a replacement for the original mark. Both marks are available for use.) NLCU has chosen to adopt the GLOBE IN HANDS Design Mark for its logo and has already begun the process of incorporating the modernized version in its marketing materials.

PREPARING FOR THE FUTURE

Two topics that have been on your Board’s radar for quite some time are open banking and payments modernization.

Open banking is a secure way for consumers to share their financial information with a number of financial institutions or financial technology companies (often called fintechs or fintech apps). The benefits of open banking for consumers include availability of a wider range of financial products and services, real-time access, personalized tools and products to improve financial health, and the ability to more easily demonstrate creditworthiness to loan providers.

Open banking is not yet available in Canada, but the federal government is developing standards to enable its safe introduction. The Canadian Credit Union Association (CCUA) is providing legislative input so that the interests of Canada’s credit unions are considered. Meanwhile, NLCU is staying informed of developments and working with credit union system partners in preparation for the move to open banking.

NLCU is also preparing for the phased implementation of payments modernization. This modernization initiative is happening worldwide and Canada is making progress on some of its goals in that regard. For consumers, payments modernization will result in faster and more efficient payments. Canadians will have more instant payment options and less wait times for sending or receiving funds.

MEMBER REPRESENTATION

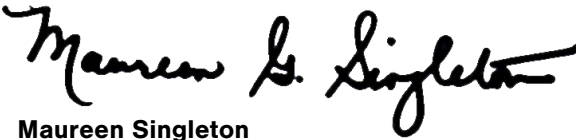
I have volunteered on NLCU’s Board of Directors since 1986. In that time, I have gained a profound appreciation for the credit union system and the people who work and volunteer within it. It is deeply gratifying to bank with a financial institution that you know has your best interests at heart, which supports local businesses, and cares about our communities.

Last year was my first serving as NLCU’s President and Board Chairperson. When I accepted the appointment, I did so with an abiding respect for the position. It is truly an honor to represent NLCU’s membership in this capacity. I would like to thank Raymond Piercey for his leadership and commitment during his four years in this role. His many years of voluntary service on behalf of NLCU’s members are to be commended.

I thank Jim Davis, who completed his term on the Board in March 2021. Thank you, as well, to the Board of Directors and Committee members for their commitment to providing excellent governance to your credit union and to NLCU’s wonderful team of employees for their dedication to providing exceptional service. I would also like to once again thank Allison Chaytor-Loveys for her 48 years of steadfast loyalty to this organization and for her visionary leadership in her 17 years as CEO.

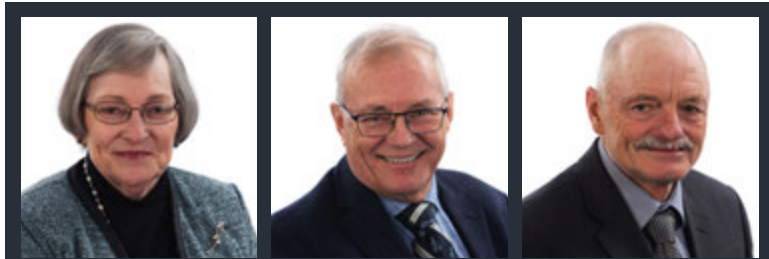
Finally, a sincere thank you goes to you, our members, for your continued support.

Respectfully submitted,

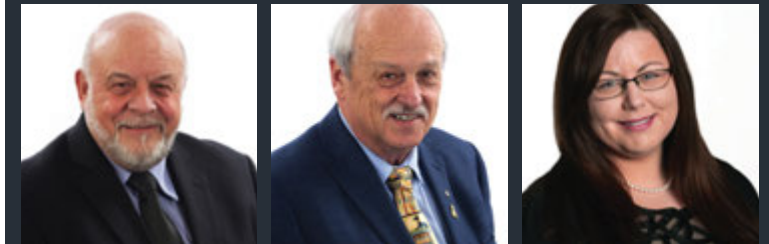


Maureen Singleton
PRESIDENT

Board of Directors & Executive Management



(L-R):
Maureen Singleton – President and Board Chairperson
Allan Skanes – 1st Vice President
Patrick Collins – 2nd Vice President

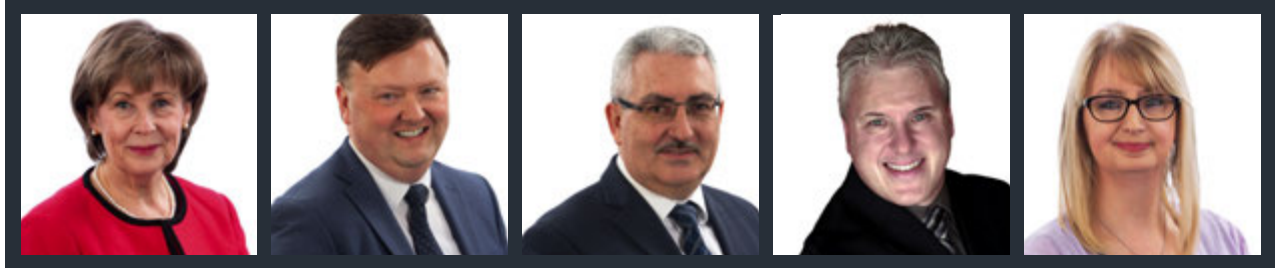


(L-R):
Ray Piercey
Elmer Ryzuk
Courtney Clarke



(L-R):
Sheena McCrate
Barry W. Tucker
John Dyll

Last Row (L-R):
Allison Chaytor-Loveys – CEO and Treasurer
Glenn Bolger – COO and Corporate Secretary
Jim Mayo – CFO
Shane Flight – CIO
Tracy Wells – Recording Secretary



COASTAL LABRADOR

Management's Report

TO THE MEMBERS OF NLCU

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
Allison Chaytor-Loveys
 CHIEF EXECUTIVE OFFICER AND TREASURER

Jim Mayo
Jim Mayo
 CHIEF FINANCIAL OFFICER

Management Team





2021 FINANCIALS

Statement of Comprehensive Income and Retained Earnings

Year ended December 31, 2021, with comparative information for 2020
(CDN dollars)

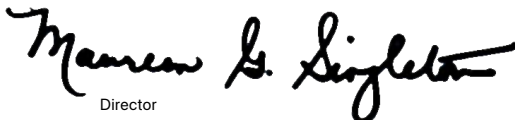
	2021	2020
REVENUE		
Interest income	\$ 19,231,180	\$ 20,054,127
Investment income	1,226,039	1,412,871
	20,457,219	21,466,998
FINANCIAL EXPENSES		
Provision for credit losses	974,215	765,395
Interest on members' deposits	4,891,816	6,580,215
	5,866,031	7,345,610
Financial margin	14,591,188	14,121,388
OTHER INCOME		
Service charges	3,782,256	3,544,576
Other	147,420	171,085
Insurance commissions	637,078	637,867
Rental	83,564	96,665
	4,650,318	4,450,193
Financial margin and other income	19,241,506	18,571,581
NON INTEREST EXPENSES		
Personnel	9,982,865	9,979,236
General business	3,759,413	3,434,335
Occupancy	1,410,996	1,439,386
Members' security	1,245,535	1,177,604
Depreciation	1,125,460	1,086,726
	17,524,269	17,117,287
Income before income taxes	1,717,237	1,454,294
Income taxes	482,022	393,602
NET INCOME AND COMPREHENSIVE INCOME FOR THE YEAR	1,235,215	1,060,692
Retained earnings, beginning of year	23,709,439	22,794,747
Net income and comprehensive income for the year	1,235,215	1,060,692
Dividends	(152,496)	(146,000)
RETAINED EARNINGS, END OF YEAR	\$ 24,792,158	\$ 23,709,439

Statement of Financial Position

December 31, 2021, with comparative information for 2020
(CDN dollars)

	2021	2020
ASSETS		
Cash and cash equivalents	\$ 6,894,489	\$ 16,223,158
Investments	93,519,997	98,740,099
Loans and mortgages receivable		
Personal loans	86,473,224	91,139,355
Mortgage loans	437,424,373	398,234,220
Commercial loans and mortgages	38,205,243	42,367,851
	562,102,840	531,741,426
Less allowance for impaired loans and mortgages	(4,355,099)	(3,544,629)
	557,747,741	528,196,797
Property and equipment	16,987,225	17,588,898
Derivative financial instruments	2,562,823	1,452,307
Other assets	3,166,379	1,768,191
	\$ 680,878,654	\$ 663,969,450
LIABILITIES AND RETAINED EARNINGS		
Liabilities:		
Members' deposits	\$ 649,569,288	\$ 634,920,702
Accounts payable and accrued liabilities	1,837,025	1,875,803
Severance provisions	2,117,360	2,011,199
Derivative financial instruments	2,562,823	1,452,307
	656,086,496	640,260,011
Retained earnings	24,792,158	23,709,439
	\$ 680,878,654	\$ 663,969,450

APPROVED ON BEHALF OF THE BOARD:


Director


Director

Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020
(CDN dollars)

	2021	2020
CASH PROVIDED BY (USED IN):		
OPERATIONS		
Net income and comprehensive income for the year	\$ 1,235,215	\$ 1,060,692
Items not involving cash:		
Depreciation	1,125,460	1,086,726
Provision for impaired loans and mortgages	810,470	445,586
Financial margin, excluding provision for credit losses	(15,565,403)	(14,886,783)
Increase in severance provision	106,161	56,957
Deferred income tax expense (recovery)	(49,322)	(29,107)
	(12,337,419)	(12,265,929)
Changes in operating assets/liabilities:		
Change in accounts payable and accrued liabilities	94,920	(76,056)
Change in members' deposits	15,267,666	46,113,043
Change in loans and mortgages receivable	(30,356,126)	(1,004,272)
Change in other assets	(1,348,866)	94,063
Interest received	20,451,931	21,747,769
Interest paid	(5,510,896)	(6,952,186)
Change in income taxes	(133,698)	266,911
	(13,872,488)	47,923,343
INVESTING ACTIVITIES		
Purchases/sales of investments (net)	5,220,102	(36,445,752)
Purchase of property and equipment	(523,787)	(974,168)
	4,696,315	(37,419,920)
FINANCING ACTIVITIES		
Dividends paid on membership shares	(152,496)	(146,000)
Net (decrease) increase in cash and cash equivalents	(9,328,669)	10,357,423
Cash and cash equivalents, beginning of year	16,223,158	5,865,735
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 6,894,489	\$ 16,223,158



Message from the CEO/Treasurer

Allison Chaytor-Loveys
Outgoing Chief Executive Officer/Treasurer

2021 continued to be significantly impacted by the worldwide pandemic. When the Government of Canada began distributing vaccinations for COVID-19 in December 2020, the country gave a collective sigh of relief, but it wasn't over. In 2021, we weathered through second, third, and fourth waves of outbreaks. We saw businesses open and close and open again. We watched our children switch to online schooling, and all of us endured sustained periods of social isolation. We managed all the nuances and found solutions to pivot in our work and personal lives.

Every person, organization, and community has been faced with their own set of challenges throughout this pandemic. NLCU is no different in that regard. Changing circumstances required changes in safety protocols, business procedures, staffing, and service. NLCU employees proved their resilience; they swiftly transitioned from onsite to remote work when necessary, learned new procedures, and adapted to additional security features, while continuing to meet high standards for service delivery.

NLCU members have also persevered through these changes. When visiting one of NLCU's branches, you respected the safety measures we put in place to protect you and employees. Many of you opted for ways other than visiting a branch to conduct your transactions, whether that was MemberDirect Online Banking, the NLCU Mobile App, ATMs, Teleservice, the Member Solutions Centre, or a combination thereof. You exhibited patience and kindness during a year fraught with uncertainty.

Through all the ups and downs, NLCU continued to provide service to its membership in the safest manner possible. A lot of positive things happened at your credit union in 2021 despite the pandemic.

ENHANCING THE MEMBER EXPERIENCE

NLCU started the year by going live with Interac® Mobile Wallet. This service allows members to load your Interac debit card to your Apple, Samsung Galaxy, or Android mobile device for secure and easy purchases at any retailer that displays the Interac Flash logo or Mobile Wallet logo. Mobile Wallet payments are authorized by the mobile device’s security features and it doesn’t share your actual card number so your information stays secure.

The Canada Emergency Business Account (CEBA) program continued to support businesses affected by the pandemic. NLCU developed a CEBA program for our business members and advanced a total of \$3.3 million in CEBA loans in 2021. These loans are financed by the federal government. Also, last January, the federal government launched the Highly Affected Sectors Credit Availability Program (HASCAP) Guarantee. With this Program, businesses heavily impacted by COVID-19 could access guaranteed, low-interest loans between \$25,000 to \$1 million to cover operational cash flow needs. The HASCAP loans are different from CEBA loans in that they are financed by financial institutions like NLCU and therefore, are included in our loan portfolio. In 2021, we approved a total value of \$1 million in HASCAP loans.

In May 2021, all commercial members using CAFT (Customer Automated Funds Transfer), which is a Self Service Online Payroll and Pre-Authorized Debit Platform, were migrated to a new platform called Paymentstream. Paymentstream is used mainly for processing settlements for all debits and credits. Most commercial members use it for payroll and some also use it to receive payments from clients (e.g. rental income). This platform provides a better user experience and allows NLCU to approve and set up users directly.

For more than a decade NLCU has offered an Eco-Friendly Vehicle Loan Rebate for members who purchase a hybrid or electric vehicle that is three years old or less. Over the summer, NLCU added a new eco-friendly loan to its product suite. With the Greener Home Loan, members can borrow funds to make energy efficient upgrades to their home, thus lessening their carbon footprint and reducing their energy costs.

Work continued last year with the Small Business Loan Guarantee Program, a program that we have been lobbying for since 2017. A productive meeting was held last fall between NLCU, other credit unions in Newfoundland and Labrador, and the provincial government. Just before the holidays, the provincial government supplied NLCU with a second draft of the Collaboration Agreement, which has been shared with other credit unions in Newfoundland and Labrador. Once reviewed, a collective response will be provided back to the provincial government.

Last fall, NLCU started a vehicle leasing program pilot at Freshwater Road branch in St. John’s. The program offers leasing for new and used vehicles. It is an opportune time to offer leasing for used vehicles, as plant closures and production slowdowns that occurred during this pandemic have made it very difficult to get new vehicles. Members in the market for a vehicle now have an additional option to consider.

Last October, NLCU introduced 2-Step Verification, a new security feature for MemberDirect Online Banking. It is a two-factor verification process to increase security on MemberDirect. It also provides a Self-Service function (for retail members only) who want to reset their MemberDirect passwords.

Last year, NLCU began work on development of a new website and a chatbot feature. The new website will be member-centric, providing content that is easy to locate, access, and digest. The chatbot feature will serve as a 24/7 assistant on the website, providing preprogrammed responses to general inquiries. Both the new website and chatbot feature will be launched in 2022.

IMPROVING OPERATIONS

In addition to the changes that members saw and experienced, a lot happened behind the scenes to improve NLCU’s operations, with an eye to providing a better service experience for you.

Part of those changes involved employing the right people in the right roles at NLCU. To respond to growing service demands, several new positions were created in 2021. A Business Services Advisor role and a Commercial Business Advisor role for the Western/Central region of the island were established. The Director, Information Systems was promoted to Chief Information Officer, and a new position in the Information Systems department was created to focus on developing an Intranet for the organization. As well, three positions in the Internal Audit department were modified to satisfy evolving skillset and role requirements: Two Internal Auditors’ roles and one Compliance Officer role.

New procedures were introduced to accommodate changing times and needs. NLCU drafted an internal audit mandate to outline the purpose, role, authority, independence, objectivity, professionalism, responsibilities, and reporting structure of the Internal Audit function. Work also continued on enhancements to the privacy breach process, which outlines how NLCU would respond to a privacy breach and employee responsibilities. Finally, a crisis communications plan was drafted to provide guidance and steps for managing communications during a crisis, enabling the credit union to reach targeted audiences through the most efficient, expedient channels.

Updates were made to Business Continuity Plans to account for what was experienced in real practice through the pandemic planning and response. Plans for two departments were also enhanced, incorporating new sections that will be added to plans that are under development for other departments.

Progress also continued with NLCU’s Enterprise Risk Management Plan. Strategic risks and solutions were identified and assigned to risk owners, who met with the Risk Management team to review the process and provide input on prioritizing risk solutions. The next step will be to develop an action plan for the highest priority risk solutions.

Cyber security is another critical area the credit union continuously enhances. NLCU made progress in working through the implementation of the National Institute Standards and Technology Cyber Security Framework in conjunction with League Data and CGI. This framework was recommended by the Atlantic Credit Union Cyber Security Program and will be implemented by all Atlantic Canada credit unions. NLCU expects to have this framework fully implemented by the end of 2022.

With the knowledge that NLCU's current core banking system, HORIZON, is approaching end of life in 2024, preliminary work began last year to prepare for a new system. The goal of this project, which is being led by League Data, is to migrate every credit union in Atlantic Canada to a new platform that will provide an ecosystem for future growth and optimization. This large-scale project requires significant collaboration between credit unions and partners, with the end result being a new core banking system that allows the region’s credit unions to be faster and more responsive, creating experiences and developing products that members need.

In the fall of 2021, NLCU hired a consultant and embarked on a research project to better understand what members and bank customers want, need, and expect from their financial institution. Data collected will provide insight for your credit union to continue to deliver on the vision to be the superior provider of the ideal financial service experience. Findings from this research project will also provide critical insights in preparation for the strategic planning that is to occur in 2022.

SUPPORTING OUR PROFESSIONALS

For NLCU to deliver the level of service that members have come to expect, it was essential to ensure the employee team was afforded ample opportunities to enhance their skills and knowledge.

Training has always been a major component of work life at NLCU. In 2021, employees were provided with several learning sessions and refreshers on cybersecurity, Market Conduct Code, retirement planning, relationship management, estates, account opening compliance, and other topics. NLCU has also been working on creating an online learning library for employees. The learning library will provide all employees with access to training, learning plans, videos, manuals, guides, and job aides, and will include a search feature to ensure that material is easy to find.

The Performance Management Module in ADP Workforce Now, NLCU’s human resources information system, was rolled out for branch employees in the first quarter of 2021 and received extremely positive feedback. This new module streamlines the performance management process for managers, employees, and the human resources team, and stores all documentation electronically.

The Biennial Employee Service Awards is a very special occasion at NLCU, giving employees who have reached a milestone year of service some well-deserved recognition for their contributions over the years. Traditionally, awards night has been an evening of fine

dining and celebration. The pandemic put a wrench in those plans for 2021, however; personalized gifts were bestowed and a fun virtual celebration was held in early December that received much praise from awards recipients. In total, 52 employees were recognized for their dedication to NLCU and its members.

FINANCIAL GROWTH

At year-end, NLCU’s assets were \$680,878,654 and 20,398 business owners and individuals were using our credit union for their financial service needs. The dollar value of these relationships increased to \$33,380 per member. Loan portfolios grew by 5.6% or \$29,550,944 and deposit balances grew by 2.3% or \$14,648,586. Off-book assets (members’ investments in mutual funds administered by NLCU) grew by approximately \$33 million or 18% for a total of \$216 million. Net income after tax of \$1,235,215 was transferred to retained earnings, which resulted in a year-end total of \$24,792,158. A member dividend of 5% was paid on equity shares.

HELPING THE NLCU CHARITABLE FOUNDATION

NLCU employees are the heart of the NLCU Charitable Foundation (the “Foundation”). As in previous years, they volunteered to organize and assist with the Foundation’s major fundraisers, the Annual Walk-A-Thon and the Annual Rod Benson Memorial Golf Tournament, both of which were successful events.

NLCU employees also supported a new internal fundraiser for the Foundation that was launched last April. Chase The Ace has been a wildly popular fundraiser across the province, so we thought NLCU employees would enjoy a chance to play the game with colleagues while at the same time supporting the Foundation. Many employees participate in the game, which has raised \$8,305 for the Foundation as of the end of December 2021.

The Foundation also held its 2nd Community Heroes 50/50 Draw. Ticket sales began at the end of September and ran until the first week in December. NLCU sponsored the early bird draw prize of a Scuff ‘n Scoff culinary weekend getaway. A total of \$17,730 worth of tickets were sold, which was almost three times as much as the first draw. The final draw was held on December 22. The Foundation’s Board anticipates that this fundraiser will continue to grow by leaps and bounds in the coming years.

The Foundation ended its year with a virtual Glad Tidings Gathering in December. Held in lieu of the traditional Annual Charities Luncheon, this gathering was an opportunity to review the Foundation’s successes of this past year with the charities it supported, as well as to give a \$1,000 donation to one lucky charity in attendance.

CHANGING PERSPECTIVE

NLCU was successful in 2021 because we – Board Directors, employees and members – demonstrated the very values that are at the core of this credit union: Trust, integrity, innovation, excellence, empowerment, education, and social responsibility. With cooperation, understanding, and a willingness to embrace change, we stood together and came through for one another. As difficult as the pandemic has been, it has not frayed the strong, mutually beneficial relationships that this credit union has with its members and communities – a fact that has been accentuated by NLCU’s success in 2021.

It is hard to believe that this is my last annual report to NLCU’s membership. I have had an incredible and rewarding lifelong career at this credit union. Although I am ready to move on and I look forward to new adventures in retirement, I will miss NLCU dearly. It does, however, give me great comfort to know that the credit union is being left in good hands. Incoming CEO Glenn Bolger

and I have worked together for over 20 years. He knows NLCU inside and out, and he shares my passion for providing exceptional financial advice and service. I am confident that this credit union will thrive under Glenn’s leadership.

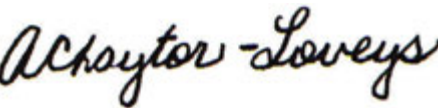
I would like to thank past and present members of NLCU’s Board of Directors with whom I have had the pleasure of working with. Together we envisioned a prosperous, innovative future for this credit union and successfully steered NLCU through a period of strong growth. Thank you for the opportunity to lead this extraordinary organization.

To NLCU’s employees, I give my most heartfelt thanks. I have always praised the credit union’s team and rightly so, as NLCU can boast to having the best and brightest among its ranks. Thank you for supporting me and for going above and beyond for your colleagues and NLCU’s members. The credit union is a special place to bank and work because of you.

Finally, I express my deep and humble thanks to NLCU’s members. Truly, it has been my honour, to serve you.

I wish you all great joy, good health, and much prosperity.

Respectfully submitted



Allison Chaytor-Loveys
CEO/TREASURER



Message from the Incoming CEO/Treasurer

Glenn Bolger
Chief Executive Officer/Treasurer

For more than two decades, I have been a member and an employee of NLCU. In those intervening years, our credit union kept pace with the myriad of changes and technological innovations that have occurred in the financial services industry. Impressive strides were taken to strengthen member service, improve and broaden the product line, enhance digital systems, develop award-winning marketing campaigns, and cultivate a “member first” workplace culture with our outstanding team of employees.

These significant achievements were made possible because of the Board’s visionary direction and the hard work of employees like outgoing CEO Allison Chaytor-Loveys, who dedicated her entire career to NLCU. I am in awe of Allison for her celebrated accomplishments as CEO these past 17 years and congratulate her on her well-deserved retirement after an impressive 48 years of service.

History has shown NLCU to be adaptable and innovative. As the dynamics of the financial services industry continue to shift, NLCU must build on its strengths to be ready for the changes of tomorrow. Those strengths – locations, services, products, partnerships, systems, marketing, community involvement, innovation and more – are fueled by one fundamental source: NLCU’s people.

That source of strength is where I aim to focus as a leader. Our team has the work ethic, dedication, knowledge, and ability to deliver a great experience for our members. To bring financial service to the next level, NLCU employees must remain united as a team and in our goals. It is my duty to ensure employees feel prepared for and excited about the future.

I look forward to serving our membership as CEO and to working alongside your dedicated Board representatives and our talented employees to elevate your member experience.

Glenn Bolger
INCOMING CEO/TREASURER



Scholarships

OWEN GRIMES MEMORIAL SCHOLARSHIP
Winner of the 2021 Owen Grimes Memorial Scholarship,
Callie Boyde of Eric G. Lambert, Churchill Falls.



BRIAN F. MCDONALD SCHOLARSHIP
Winner of the 2021 Brian F. McDonald Scholarship,
Aiden Farrell of Holy Heart of Mary High School,
St. John's, the son of Kent Farrell, Director, Credit.

OUTSTANDING SCHOOL & COMMUNITY INVOLVEMENT SCHOLARSHIP
Winner of the 2021 Outstanding School and Community
Involvement Scholarship, Rachel Moss of
Prince of Wales Collegiate, St. John's.



COASTAL LABRADOR

Awards

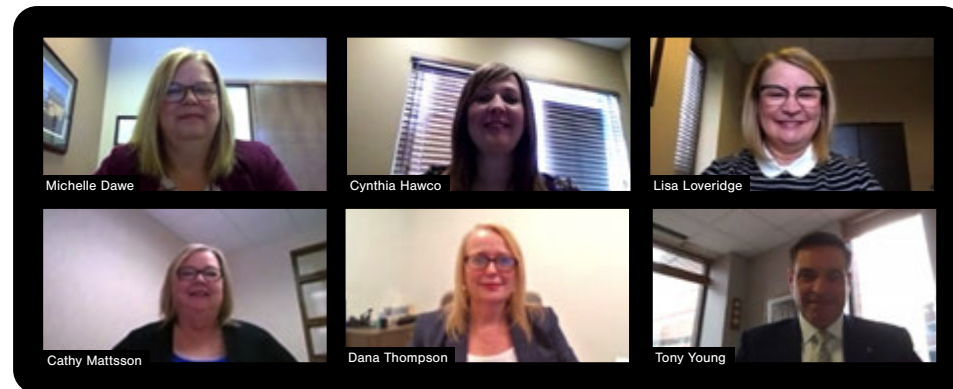
KATHERINE SEYMOUR AWARD ▶

Receiving the Katherine Seymour Award in recognition of service excellence is our Corner Brook Branch – *from left to right:* Sara Young, Assistant Branch Manager, Member Service, Janice Kennedy-Humber, Branch Manager, Member Service, Katlyn Roberts, Member Service Advisor, Stephanie Osborne, Member Service Advisor, Tina Skinner, Wealth Management Advisor, Jennifer Wheeler, Member Service Advisor, and Heather Osmond, Member Service Advisor.



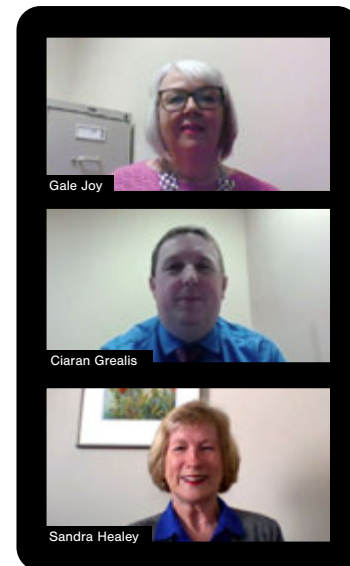
INNOVATION AWARD

From left to right: Michelle Dawe, Branch Manager, Member Service, Cynthia Hawco, Branch Manager, Member Service, Lisa Loveridge, Branch Manager, Member Service, Cathy Mattsson, Manager, Lending Services, Dana Thompson, Branch Manager, Member Service, and Tony Young, Director, Advice and Service accept the Innovation Award for work done on NLCU's Mortgage Broker Program. The Innovation Award recognizes teams, departments and branches that have generated and implemented innovative ideas and strategies.



PRIORITY 1 AWARD ▶

From top to bottom: Gale Joy, Supervisor, Member Solutions Centre, Ciaran Grealis, Branch Manager, Member Service and Sandra Healey, Retail Lending Trainer. 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.



International Credit Union Day

SPREADING KINDNESS TO CELEBRATE INTERNATIONAL CREDIT UNION DAY

Throughout the week of October 21, 2021, NLCU celebrated International Credit Union Day. As an Act of Kindness, NLCU's 120 employees collected over a 250 coats and winter accessories in support of Coats for Kids. In addition, NLCU's Charitable Foundation (NLCU CFC) participated by donating \$1,000 to 12 non-profit organizations chosen by our local branch communities.



CLARENVILLE



CORNER BROOK



GRAND FALLS-WINDSOR



ST. JOHN'S



Community Events

20TH ANNUAL ROD BENSON MEMORIAL GOLF TOURNAMENT



20TH ANNUAL ROD BENSON MEMORIAL GOLF TOURNAMENT

The 20th Annual Rod Benson Memorial Golf Tournament welcomed players onto the green at Clovelly golf course in St. John's on Wednesday, September 29, 2021. The one-day tournament raised over \$42,000, with \$10,000 going to the charity of choice: Kids Help Phone Newfoundland and Labrador.

The Tournament's major sponsors include: Platinum sponsors NLCU and CDL Holdings Ltd., both of whom have supported the Tournament since its inception; returning silver sponsors E.C. Boone, NEI Investments, and Aviso Wealth; and first-time silver sponsor Reddy Kilowatt Credit Union.

In the past 20 years, the Rod Benson Memorial Golf Tournament has raised over \$672,000.

18TH ANNUAL WALK-A-THON

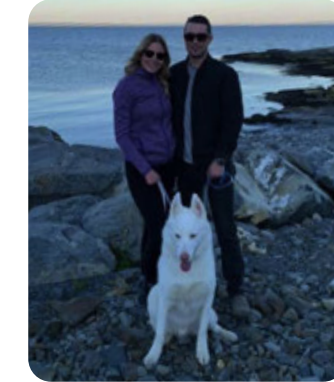
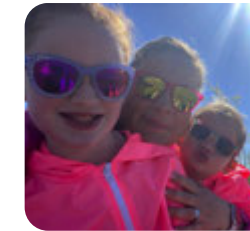
LINDA BURSEY
GANDER BRANCH



CECILEE HERBER
FALL RIVER PLAZA BRANCH



KATIE THORNHILL
GANDER BRANCH



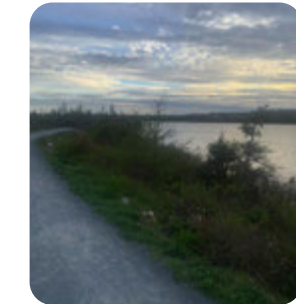
VICTORIA BISHOP
ACCOUNTING DEPARTMENT



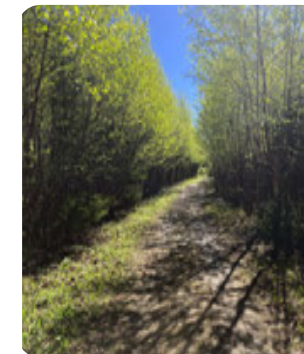
ALLISON CHAYTOR-LOVEYS
CORPORATE OFFICE



RAY PIERCEY
CORPORATE OFFICE



JUSTIN O'KEEFE
CBS BRANCH



JULIE DEVLIN-HISCOCK
GANDER BRANCH

18TH ANNUAL WALK-A-THON

The 18th Annual Walk-A-Thon raised over \$28,000, in support of the The Canadian Red Cross *HELP* Program. It was the second time this annual fundraiser of the NLCU Charitable Foundation was held as a virtual event. Walk-A-Thon participants were encouraged to walk alone or with their bubble mates between May 30 and June 6. Over the course of those 7 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**.



NLCU CHARITABLE FOUNDATION'S ANNUAL LUNCHEON

In December 2021, the NLCU Charitable Foundation held its second virtual luncheon called the Glad Tidings Gathering. \$95,850 in donations was given to 76 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 the Rotary Club of St. John's.

NLCU Charitable Foundation

2021 DONEES

A Dollar A Day Foundation
Agnes Pratt Home Foundation
Association for New Canadians
Autism Society of NL
Baccalieu Trail SPCA
Bay St. George Sick Children's Foundation
Beagle Paws Inc.
Big Brothers Big Sisters of Eastern Newfoundland
Bishop's Falls Community Food Bank Inc.
Bridges to Hope Inc.
Canadian Cancer Society
Canadian Council on Rehabilitation and Work
Canadian Diabetes Association – NL Division
Canadian Hard of Hearing Association NL
Canadian Liver Foundation NL
Canadian Mental Health Association
Canadian Red Cross – NL
Cara Transition House
Children's Wish Foundation – Labrador Chapter
Choices for Youth
CNIB Foundation
Community Food Sharing Association
Crohn's and Colitis Canada – Trinity Conception Chapter
Cystic Fibrosis Canada – NL Chapter
Dr. H. Bliss Murphy Cancer Care Foundation
Dr. Jack Hand Legacy Foundation
Easter Seals NL
Epilepsy NL
Faith's Haven Animal Shelter
First Light Friendship Centre
Foundation of the Rotary Club of St. John's
Gander SPCA
Gander & Area Food Bank
Gander Heritage Trails Inc.
Heart and Stoke Foundation of NL
Heart's Content Community Development Corp.
Hope Haven Women's Shelter
Iris Kirby House Foundation Inc.

Janeway Children's Hospital Foundation
Karen's Place
Kids Eat Smart Foundation NL
Kids Help Phone – NL
Kidsport Canada – NL Division
Knights of Columbus Charity Foundation
Lady Cove Women's Choir
MADD – Exploits Valley Chapter
Manuel's River Heritage Society
Memorial University of Newfoundland and Labrador
Newfoundland Symphony Orchestra Association
NL Down Syndrome Society
Open Door Community Youth Network Inc.
Opera on the Avalon
Perchance Theatre
Peter Barry Duff Memorial Park Commission
Rainbow Riders – St. John's Therapeutic Riding Association
Ronald McDonald House Charities NL
Seniors NL
Single Parent Association of NL
Southwest Coast SPCA
Special Olympics NL Inc. – Corner Brook Chapter and Tri Con Gentle Giants
St. John's Women's Centre
Stella's Circle
Stephenville Search and Rescue
The Alzheimer's Society of NL
The Arthritis Society – NL Division
The Boys and Girls Club of St. John's
The Candlelighters Association of NL
The Duke of Edinburgh Awards - NL Division
The Gathering Place
The Kidney Foundation of Canada – Atlantic Canada Chapter NL
The Lion Max Simms Memorial Camp Foundation
The Murphy Centre
The Salvation Army – NL Division and Clarenville Food Bank
The Vera Perlin Foundation of NL
Trinity Conception Placentia Health Care Foundation
Wooden Boat Museum of NL

Contacts and Locations

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Maureen Singleton – President* and Board Chairperson
Allan Skanes – 1st Vice President*
Patrick Collins – 2nd Vice President*
Raymond Piercey*
Elmer Ryzuk
Sheena McCrate
Barry W. Tucker
Courtney Clarke
John Dyll
Glenn Bolger – CEO and Treasurer†
Jim Mayo – CFO
Shane Flight – CIO
Tracy Wells – Recording Secretary

*Executive Committee

MANAGEMENT (Corporate Office)

Glenn Bolger – CEO
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 Young – 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**

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Lisa Loveridge

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Natasha Canning

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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 Travel Rewards Gold Card®
NLCU Collabria World Mastercard®

ELECTRONIC SERVICES

ACCULINK®
Automated Funds Transfer
Automated Teleservice®
Automated Teller Machines
ClickSWITCH™
Qtrade®* 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

YOUR FUTURE

INVESTMENT PRODUCTS AND SERVICES

Debentures
Group Registered Retirement Savings Plans
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 life, 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
Greener Home Loan
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 Low Rate Visa Business Card®
NLCU Collabria No Fee Cash Back Visa 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

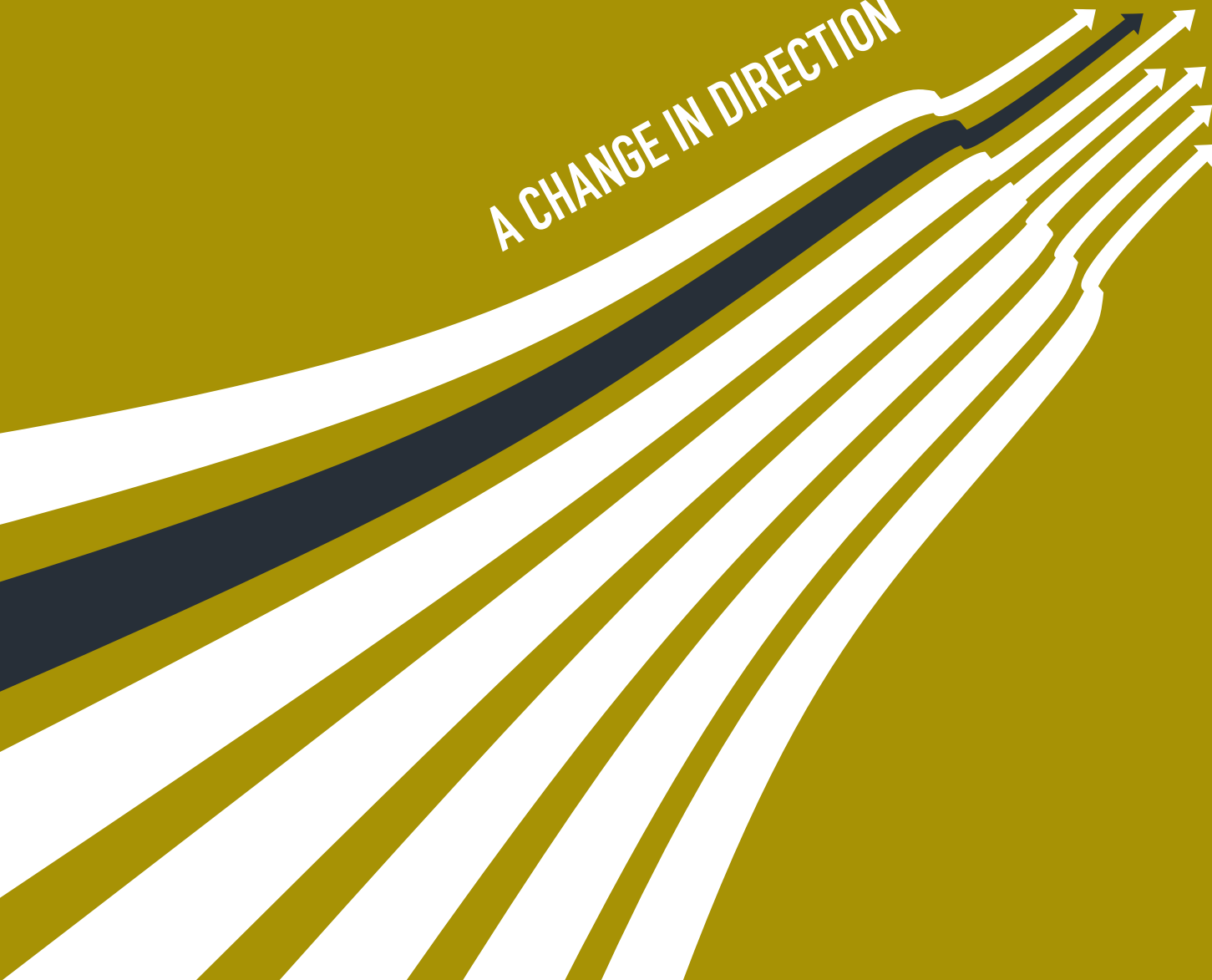
SPECIAL THANKS

Peter Drysdale, Michael Fantuzand, Will Gill, Scott Goudie, Kym Greeley, Jonathon Howse, Ned Pratt

Photo Credit: Ned Pratt

Courtesy of **Christina Parker Gallery** christinaparkergallery.com

A CHANGE IN DIRECTION





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