





“All this change we are experiencing results from our determination to thrive in today’s competitive environment and ultimately, make a difference.”

*Garry Loewen*, CHAIR  
ASSINIBOINE CREDIT UNION  
BOARD OF DIRECTORS

# 2008 highlights

2008 at Assiniboine Credit Union was a successful year – both despite and because of the immense change we experienced.

We continued to invest in the future as was demonstrated through the merger with Buffalo Credit Union, the building of a new, green branch and our conversion to a new banking system. These three major initiatives offer improved member service through our expanded branch network and further our commitment to environmental sustainability and technological enhancements.

During the year, we were very pleased that member and employee satisfaction levels were maintained and that there is continued support for our commitment to corporate social responsibility.

We asked our employees and members if what we do makes a positive difference in the community and environment and if this makes them proud to be a member or employee. This table indicates those who agreed or strongly agreed with the following statements.

	MEMBERS	EMPLOYEES
ACU USES ITS RESOURCES AND EXPERTISE TO MAKE A POSITIVE DIFFERENCE IN THE COMMUNITY.	74%	89%
ACU USES ITS RESOURCES AND EXPERTISE TO BENEFIT THE ENVIRONMENT.	61%	86%
OVERALL, WHAT ACU DOES FOR THE COMMUNITY AND ENVIRONMENT MAKES ME PROUD TO BE A MEMBER/EMPLOYEE.	73%	82%
I TRUST ACU TO MAKE BUSINESS DECISIONS THAT ARE SOCIALLY RESPONSIBLE.	86%	84%
I TRUST ACU TO MAKE BUSINESS DECISIONS THAT ARE ENVIRONMENTALLY RESPONSIBLE.	78%	84%

## Assiniboine Credit Union at-a-Glance

- Approximately 108,000 members
- 571 employees (498 full-time equivalent)
- Member Communication Centre open extended hours, six days a week
- 25 branches
- 2 Business and Community Financial Centres
- Assiniboine Financial Group
- Dealer Finance Division
- Mortgage Specialists
- Outlook Financial

## 2008 Financial Highlights

MEASURE	2008 ACTUAL	GROWTH (%)
ASSETS	\$2.4 BILLION	15.3%
LOANS	\$2.2 BILLION	15.1%
DEPOSITS	\$2.2 BILLION	12.2%
EQUITY	\$129.5 MILLION	16.2%
NET INCOME	\$15.6 MILLION	33.5%
EFFICIENCY RATIO	73.5% — A 2.1% IMPROVEMENT OVER 2007.	

## Our Efforts Were Recognized in 2008

- We received the Diversity in the Workplace Award from the Winnipeg Chamber of Commerce based on a nomination from Manitoba Labour and Immigration.
- We were named one of Canada's Top 100 Employers for the third year in a row and one of Manitoba's Top 15 Employers.
- We received the Winnipeg Arts Council 'Arts Champion' Award for our contribution to the arts based on a nomination from three members: the Winnipeg Folk Festival, West End Cultural Centre and Art City.
- We were acknowledged in the Manitoba Business Magazine's list of the 50 Fastest Growing Companies in Manitoba.
- In 2008, the Assiniboine Credit Union River Trail made the Guinness Book of World Records for the longest, naturally frozen ice skating trail at 8.5 km.



CEO Al Morin and Lisa Anderson, Manager Employment and Diversity, received The Winnipeg Chamber of Commerce Diversity in the Workplace Award.

# Thriving through change



“No sooner did we get the merger of four credit unions behind us, but then we went through a change in CEO and commenced a massive project to convert to a new banking system.”

Human communities crave stability. Uncertainty and disruption make us nervous. They test our coping skills, our ability to keep our systems and relationships strong. At ACU, we feel gratified at how well we thrived through massive change in 2008. Worldwide, 2008 was marked by financial turmoil caused by the economic downturn. But amid the global chaos, Assiniboine Credit Union remained a stable and safe haven for members' deposits and we have been able to continue to provide the loans and other services that our members need to conduct their financial affairs without interruption or concern.

Still, change was a constant feature at Assiniboine this year. No sooner did we get the merger of four credit unions behind us, but then we went through a change in CEO and commenced a massive project to convert to a new banking system. Any one of these would have tested a typical financial institution. Anyone who knows Assiniboine knows we are not a typical financial institution and the board and staff took up the challenge and did not disappoint.

The Board of Directors did our part by renewing our commitment to excellence in the governance of Assiniboine. To that end, we spent many months working on a bold new strategic plan to help us achieve our ambitious growth targets, keep our members front and centre, maximize opportunities for our employees, strengthen our

contribution to our communities, continue to improve our financial performance and maintain our position as a truly distinctive financial institution.

In addition, we acted on our commitments to continuously improve our skills and board practices; attract the right combination of directors for the future; renew and develop a range of important policies; regularly monitor our progress against our financial, service and operational goals; and remain vigilant in our determination to be a leader — financially, socially, environmentally and ethically.

Having a strong board and good plan are important. Having the leadership to implement the plan is equally important. On behalf of the Board of Directors, I would like to acknowledge and thank Michel Audette, who led Assiniboine Credit Union through two mergers, involving four credit unions before stepping down in the summer of 2008. Then President, Al Morin assumed the CEO role and we're very pleased that he has agreed to provide leadership and continuity for the next few years.

Al is supported by an exceptional senior leadership team, managers and employees — all of whom we want to sincerely thank for their hard work and keeping their focus on our members.

And finally, thank you to our members for your patience and loyalty during what has been a challenging and exciting year at Assiniboine.

We are proud of the credit union's performance over the past 12 months. Business growth has been strong, profitability is up and we continue to be recognized for our outstanding employment practices and our contributions to the community as a whole. We are well positioned for the future. Our management has demonstrated its ability to handle the fundamentals during difficult times. We expect the wider economic context to present some challenges, but we are still projecting strong growth. All this change we are experiencing results from our determination to thrive in today's competitive environment and ultimately, make a difference.

*Garry Loewen*  
CHAIR OF THE BOARD  
OF DIRECTORS

# Still one of Canada's best



“I continue to be astounded at and grateful for the level of patience, trust and loyalty shown by members and employees as we build this new organization together.”

I was honoured when the board approached me with the possibility of staying on at Assiniboine in the role of President and CEO. I continue to be passionate about this organization and what it stands for. I am committed to our success and ready to lead Assiniboine through this critical time in our history.

What a remarkable year 2008 was! January 2008 was the official date of our merger with Buffalo Credit Union. I wish to acknowledge that we are a better company for this union as we welcomed many excellent employees and loyal members into the Assiniboine family. The addition of Buffalo brought the number of branches in our network to 25, 23 in Winnipeg and 2 in northern Manitoba, making us the largest Manitoba credit union, both in number of branches and number of members.

But the amount of work to actualize our recent mergers was dwarfed by the magnitude of the banking-system conversion we experienced this year. There wasn't an employee nor a member who was untouched by this project. Dedicated staff worked throughout the year, planning for the fall conversions of ACU and Outlook Financial databases. We weren't the first Manitoba credit union to convert to the new banking system, but we were certainly the largest, which brought its own challenges up to, during and after conversion. In my nearly 40 years in financial services, this is the

fourth conversion I've experienced. They are all challenging, and I am pleased with how we faced the challenges together and the progress we made. The work isn't done yet, and 2009 will see a smaller team continuing to work toward resolution of outstanding issues. We continue to believe that this new technology will enable us to deliver even greater service excellence in the future.

Meantime, we managed to build a new, green branch on Pembina Highway to house the growing membership in the Fort Richmond area. The branch has attracted substantial interest from the media, the building and construction industry as well as environmental organizations who have commended us for our commitment to environmental sustainability. Interestingly, moving day for this branch fell on the same weekend as our banking-system conversion.

Through all of this change, our committed employees worked hard to minimize the impact of the conversion on our members as they continued to provide solid financial advice during unprecedented economic times, process daily transactions, help to build businesses and communities, maintain a strong financial profile, meet legislative requirements, audit risk — in essence — run the day-to-day business of the credit union.

I continue to be astounded at and grateful for the level of patience, trust and loyalty shown by members and employees as we build this new organization together.

There are reasons we've been selected as one of Canada's Top 100 Employers and Manitoba's Top 15 Employers again this year. We continue to build trusted relationships with our members. We continue to be a respectful workplace and an employer of choice. And we continue to help build self reliance in communities that have been underserved or ignored by mainstream financial institutions.

I am proud to be part of the organization we are building.

*Al Morin*

PRESIDENT AND  
CHIEF EXECUTIVE OFFICER

# Our commitment to ethical conduct

We are committed to transparency and to communicating openly and honestly with members, employees and the community.

Our members and employees expect ACU to demonstrate a commitment to ethical business practices. In 2008, 96% of members said this is important.

## Code of Conduct and Business

### Ethics Policy

Assiniboine's policy is to subscribe to high standards of ethical behaviour and conduct business in a manner consistent with these standards, our mission and core values. In 2008, 100% of directors and employees demonstrated this commitment by signing their agreement with and commitment to this policy.

### Whistle Blower Policy

A "Whistle Blower" policy was put in place for the purpose of encouraging and supporting employees and directors of the board to report suspected illegal, unethical or improper conduct and protect individuals from retaliation if they report suspected wrongdoing.

### Related Party Transactions

All directors of the board and senior managers are required to disclose all related parties (e.g. spouse, children under 18 years of age, and organizations in which they have significant control or influence).

The purpose of this disclosure is to ensure transparent and fair decision-making, avoid undue influence and unfair advantage, and protect Assiniboine's assets and reputation.

# Strong financial performance

Allan Godfrey  
EXECUTIVE VICE-PRESIDENT AND  
CHIEF FINANCIAL OFFICER



*“It’s important for members to know that ACU is strong financially and is well positioned to withstand these economic challenges.”*

ACU enjoyed another successful year in 2008. The strong financial performance is even more impressive considering the very unsettled economic times we’re living through and the ongoing changes at Assiniboine. The financial results met or exceeded almost all our financial goals for 2008. Following are some key highlights:

ASSETS	\$2.4 BILLION	15.3% GROWTH
LOANS	\$2.2 BILLION	15.1% GROWTH
DEPOSITS	\$2.2 BILLION	12.2% GROWTH
EQUITY	\$129.5 MILLION	16.2% GROWTH
NET INCOME	\$15.6 MILLION	33.5% INCREASE
EFFICIENCY RATIO	73.5%	2.1% IMPROVEMENT

## Growth

ACU continued to enjoy strong support from the membership in 2008 as both the loan and deposit portfolios realized strong growth.

Consumer loans, mortgages and lines of credit were fueled by the strong housing market that existed for much of the year. In addition, our members really liked the benefits and flexibility offered by our new Home Advantage Plan.

Deposit growth was also very strong in 2008 as we grew more than \$235 million in deposits. As short-term and variable interest rates moved to historically low levels in the latter part of the year, members adjusted their investment behaviour with fixed terms becoming the deposit product of choice. This renewed interest in fixed-term deposits brought new deposits to ACU and saw a shift from savings accounts to GICs.

Outlook Financial, ACU’s virtual division, had a very successful year, appealing to investors who were looking for safe, guaranteed investments as well as some of Canada’s best interest rates.

## Profitability

2008 also saw profitability reach new heights. Net income totaled \$15.6 million which is a 33.5% increase over the prior year. Some of this increase is due to the prior year’s income being lower as a result of the costs incurred in 2007 related to the Assiniboine/Astra/Vantis merger. However, there were also several significant initiatives undertaken in 2008, so our profitability increase truly is impressive. Overall, the higher profitability resulted from higher-than-planned revenues and lower-than-planned operating expenses. The strong revenue and expense performance produced an efficiency ratio of 73.5% which points to improvements in efficiencies and productivity during the year.

## Equity

Strong profitability enabled ACU to build our equity position to \$129.5 million, or 5.36% of assets. Having a strong foundation and financial resiliency to withstand any financial shocks has never been more important. With today’s economic uncertainty, having a strong equity base is of paramount importance. To this end, during their strategic planning process, Assiniboine’s Board of Directors established financial goals with the objective of building ACU’s financial strength over the next five years. With the strong performance in 2008, we took an important first step toward achieving this goal.

## Moving Forward Financially in 2009

We certainly are living in interesting times! The rapidly deteriorating US and world economies are starting to take their toll on Canada. The Canadian economy is now in recession, as are most of the economies around the world. However, it does appear that Canada is well positioned to weather this economic storm better than most countries. And Manitoba and Winnipeg are expected to fare better than most parts of Canada.

Even so, 2009 presents many challenges with recessionary economic conditions and historically low interest rates. It is important for members to know that ACU is strong financially and is well positioned to withstand these challenges. We have a high-quality loan portfolio that has been built using sound and prudent credit-granting practices. In 2009, we will continue to manage our affairs prudently while continuing to invest in the organization to improve processes and ensure we realize the benefits from our investment in new banking-system technology.

# Keeping our member focus

We've asked a lot of our 108,000 members and our 571 employees over the past couple of years. Two mergers, four credit unions, two CEOs, a new banking system, a branch relocation, a branch opening, all the while restating our commitment to quality service and member focus.

## Along Our Path to Excellence

Over the past few years, we've embraced the opportunities and challenges that come with change, always with our members' best interests at heart. Change is inevitable as the Canadian financial services industry continues to be increasingly competitive and credit unions across the country go head-to-head against the big banks. We realize that we can't move forward by standing still, and so have embarked on a path of improvement toward excellence. We set our sights high in 2008 and our ambitious plans had to be accomplished while conducting business as usual, and without member service suffering. So we planned and accomplished a merger, a banking-system conversion, a new branch and introduced new product offerings and some innovative technology. And we conducted business as usual.

Through it all, members remained patient and respectful and loyal, somehow understanding that any short-term inconvenience grew out of our desire to deliver the best, hire the best and be the best financial institution in Manitoba.

## Buffalo Merger

January 1, 2008 was the official merger date between Assiniboine and Buffalo Credit Unions, adding another downtown branch. About 20 employees were welcomed into the Assiniboine family with a promise of no layoffs, and opportunities abounding.



*Craig Giesbrecht*  
BUFFALO BRANCH MANAGER

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*"Members of our branch definitely supported the merger and are especially enjoying having access to Assiniboine's 25 branches — something their former one-branch credit union wasn't able to deliver."*

## Banking-System Conversion

Switching to a new banking system is a massive undertaking and not a decision we made lightly. As our old banking system was heading for obsolescence, we undertook a detailed search for technology that would allow us to better manage member information, deepen member relationships and be more competitive today and in the future. Dozens of ACU employees, under the leadership of project managers, were focused on making the migration to our new system as smooth as possible.

Outlook Financial, Assiniboine's virtual offering, converted to the new system in October, followed by ACU in November. Our conversions were almost as large in scope as the combined conversions of the 28 other prairie credit unions that converted in 2008. This added to the challenge of the conversion itself and the impact on our members. Since then, we have made great strides in problem resolutions and a smaller project team will continue this work well into 2009.

In October, we asked our members how they thought we did in 2008 and we compared the results to the member survey conducted in 2007.

	2008	2007
<b>OVERALL SATISFACTION WITH ACU</b>		
Somewhat satisfied or very satisfied	87%	88%
<b>HOW WELL DOES ACU DO AT PROVIDING EXCEPTIONAL SERVICE TO YOU?</b>		
Good to exceptional service	82%	*
<b>ACU'S PERFORMANCE IN THE LAST 12 MONTHS</b>		
The same or better	88%	86%
<b>PROTECTING MEMBER PRIVACY</b>		
Very important	79%	87%
Performing very well	67%	68%
<b>LIKELY TO RECOMMEND ACU TO A FAMILY MEMBER OR FRIEND</b>		
Somewhat or very likely	90%	93%

\* QUESTION NOT ASKED IN 2007 SURVEY.

We also wanted to know what impact the banking-system conversion had on our members. They agreed or strongly agreed that:

	FALL 2008
I was well informed about the banking-system conversion.	90%
The information I received helped me prepare for the banking system conversion.	89%
Despite limited service on conversion weekend, I was still able to complete my financial transactions.	76%
I was satisfied with the service levels throughout the banking-system conversion.	82%

## New Branch in Fort Richmond

*“Our commitment to going green and staying fiscally responsible started long before we broke ground. When we designed this branch, we made sure that our green features will not only protect our environment, but also reduce our operating costs over the life of the building.”*



*Garry Mitchell*  
VICE-PRESIDENT FACILITIES AND PROCUREMENT

During conversion weekend, our staff were busy relocating to their new home in our greenest branch, a few blocks away.

The 6,400 square foot branch builds on the features of our Rivergrove branch and incorporates an impressive array of green solutions and service features aimed at increasing comfort and lessening our environmental impact. This branch is the new home to employees and members from the much smaller, and hence quite crowded branch further down Pembina.

### New Offerings to Make Life Easier

2008 saw the introduction of some new and innovative products and services that have proven to be popular with our members.



### Home Advantage Plan

Rolled out in time for a very successful mortgage season, the new ACU Home Advantage Plan offers members the convenience of using the equity in their home to consolidate higher interest rate credit cards, finance a vacation, buy a new car, plan for their children’s education and more.

### Tax-Free Savings Account

Staff prepared for the January 1, 2009 rollout of the very popular Tax-Free Savings Account.

### Innovative Technology

*Cash Recyclers* were piloted at the Buffalo and Pembina branches and have been very favourably received. Cash recyclers are units that count cash electronically — especially speeding up deposit verification on commercial deposits, which in turn makes the wait times shorter. They also dispense cash, meaning no need for the Member Service Representative to leave their station to deposit or withdraw cash from a Cash Dispensing Unit. They detect counterfeit bills, thereby reducing the risk to ACU. And by reusing cash already in the branch, we reduce shipping and delivery by armoured trucks, thus reducing operating costs and greenhouse gas emissions. We have plans to install cash recyclers in more branches in 2009.

*Coin Counter.* At the Pembina branch, we also introduced a self-serve coin-counting machine for the convenience of our members, and based on feedback, it’s been well received and well used by our members.

## Business as Usual in Unusual Times

Assiniboine Credit Union delivers service through a network of 25 branches (23 in Winnipeg, one in Thompson and one in Gillam), our Member Communication Centre, CU@HOME Internet banking, CUbyPHONE telephone banking, Assiniboine Financial Group, two business centres, a dealer finance division, mortgage specialists and Assiniboine's virtual division, Outlook Financial.



*Craig Peel and Diane Bourns*  
VICE-PRESIDENTS, RETAIL SALES AND SERVICE

*"Our specialized training emphasizes relationship building. It's not about selling a product, it's understanding our members and finding the right financial solutions for them, whatever stage of life they are in."*

### Just Around the Corner

2008 was a year of innovation and change in our branch network. Many employees were seconded to work on projects related to the merger with Buffalo or the new banking system. As well, with our increased size and commitment to hire from within whenever possible, many staff found new career opportunities over the past two years. Since our 2007 merger, five existing employees have been promoted to branch managers. All branch managers in our network of 25 branches report to one of our Vice-Presidents Retail Sales and Service — Craig Peel for branches in the south and east portion of Winnipeg, and Diane Bourns for branches in north and west Winnipeg and our northern branches in Thompson and Gillam. 2008 saw each branch continue to offer a range of professional member services, and our investment advisors focused on guiding members through the changing economic environment late in the year.

### Just a Call Away

The Member Communication Centre staff were in great demand and provided excellent service throughout 2008. To say they were busy would be an understatement. 46 highly knowledgeable representatives (23 full time, 23 part time) covered extended hours, six days a week. They answered nearly 300,000 calls in 2008, approximately 24,000 per month. Our goal is to answer the majority of calls within 20 seconds and we met this service standard for most of the year. However, in November and December, wait times were predictably longer as calls were heavier due to the banking-system conversion, and each call was more complex as members and employees familiarized themselves with changes. We expect service levels to be returning to normal in early 2009.

*Kelly Milberg*  
DIRECTOR, MEMBER COMMUNICATION CENTRE

*"I am really proud of the job we did in the Member Communication Centre. We have a very positive and talented team dedicated to member service. We asked a lot of our team members this year, and they delivered!"*



## Managing Member Wealth



*Henley Cunnington*

DIRECTOR, ASSINIBOINE FINANCIAL GROUP

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*“The AFG team goal is to build lasting member relationships while working to develop a strategy that matches the member’s goals — within their risk tolerance and time horizon.”*

At Assiniboine Financial Group, seven full-time professional investment advisors manage assets in excess of \$235 million for members with more complex portfolios. This dynamic team of highly trained investment and insurance professionals provides financial planning, investment strategies, tax-optimization plans and personal insurance strategies to meet members’ individual needs. They also offer stocks, bonds, mutual funds, segregated funds and other life insurance products. Like the branch advisors, AFG investment professionals saw a shift in their members’ needs late in the year as members sought advice on how to weather the economic downturn. AFG is also home to our dedicated Socially Responsible Investment (SRI) Specialist, who keeps the team up to date with SRI developments and trends, provides research, works with branch staff and offers presentations to interested groups outside the credit union. Our AFG professionals work in partnership with the member companies of Credential Financial Inc.

## Still Taking Care of Business

Throughout 2008, business expertise was offered from two offices of the Business and Community Financial Centre. While both locations offer traditional commercial lending, the Main Street office also has a unique community lending program which specializes in services to small and micro businesses, co-operatives and non-profit organizations. At year end, centre staff managed nearly \$475 million in loans, mortgages and lines of credit for over 1,500 commercial and non-profit members. Our business members are not immune to changing economic conditions as worldwide, bankruptcies increase and they witness tightening lending standards. Assiniboine members have remained on solid footing for the most part, as our business specialists continue to go above and beyond simple lending to provide business support in the form of training, business-plan reviews and board participation.



(From left) Marcel Rainville, Director, Business and Community Financial Centre, Harrow Street; Nigel Mohammed, Manager, Community Services; Ken Penuita, Director, Business and Community Financial Centre, Main Street.

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*“One unique feature of ACU that our business members comment on is the local decision making. They enjoy how we look for ways to say ‘yes’ instead of ‘no’ and how we understand the local economy — because we live and work here. And that goes for big and small businesses as well as non-profit groups. We exist to support them.”*

### Your Loan on Your Time

In 2008, our Direct Sales division provided two service alternatives to members: Dealer Finance which delivers on-the-lot financing for vehicles at dealerships throughout Manitoba; and the Mortgage Specialist program which provides mortgage services to brokers and real estate agents as well as members after hours. Throughout the year, both sides of the division were kept busy. Car sales in Manitoba bucked the national trend and remained consistent with the previous year. Dealer Finance actually benefited from the economic downturn as Chrysler and General Motors moved out of the leasing business in 2008.



**Dale McMurray**  
DIRECTOR, DIRECT SALES

*“People appreciate being able to get vehicle financing right at the dealership. And the dealers appreciate having Assiniboine’s great rates to offer their clients. It’s win-win.”*

### Supporting the People Who Support our Members

We can’t forget the important service providers who work behind the scenes to support the employees who work with our members every day. Of the 571 people who work at Assiniboine Credit Union, 153 are working behind the scenes to support the people who support our members.

### We Reward Referrals

We believe a member referral is a strong demonstration of member satisfaction and loyalty. In 2008, \$3.9 million of new deposits came from member referrals. All branches showcased 12 monthly winners of a \$500 GIC drawn from the names of our members who made referrals.

### Moving Forward for Our Members in 2009

On our path of continuous improvement and competitiveness, 2009 will see ACU fine tuning our processes and procedures, introducing new products and continuing to offer quality member service. In 2009 we will:

- continue to improve the features of our new banking system and internal processes.
- provide additional safeguarding of our member cards through the introduction of CHIP technology.
- introduce Tax-Free Savings Accounts.

# Being a top employer

Why is Assiniboine Credit Union considered one of Canada's Top 100 Employers? Because we strive to provide a safe and respectful workplace, competitive pay and benefits, opportunities for development and flexible work options.



Val Breakenridge  
VICE-PRESIDENT HUMAN RESOURCES

*"Our employees are our ambassadors; they represent Assiniboine to our members and the community. We are proud when a large majority of our employees say they know, understand and believe in Assiniboine's Mission and Values."*

We view our staff as true partners in our shared success and we understand that employees who are treated well and respectfully are happier, more engaged and more productive. This makes for better member service which, in turn, gives us an advantage in the very competitive financial services industry.

The following policies govern our day to day hiring and employment practices:

**Our Employment Principles Policy** stipulates that ACU will be a fair employer, provide a respectful, safe and healthy workplace, and be compliant with applicable regulatory legislative employment requirements, and that any complaints or allegations of non-compliance with the Employment Principles Policy would be reported to the Board of Directors.

**Our Compensation Philosophy Policy** provides us with clarity and guidance in developing compensation and benefit programs and establishing pay practices. The policy reflects alignment with our values, mission and organizational strategies. It is also consistent with our desire to treat employees equitably, be competitive in the labour market, reward staff for acting in the members' and Assiniboine's best interests, and comply with applicable legislation while considering ACU's ability to pay.

In 2008, 87% of members said our commitment to fair hiring and employment practices is important. This is consistent with the 88% member support in 2007.

In our last employee survey, nearly 90% of our employees indicated they know and believe in what Assiniboine stands for. We are very pleased with this result especially considering the changes we've experienced over the last two years.

## 2008 Employee survey

	AGREE OR STRONGLY AGREE
KNOW AND UNDERSTAND THE MISSION OF ACU	89%
KNOW AND UNDERSTAND THE VALUES OF ACU	88%
BELIEVE IN THE MISSION AND VALUES OF ACU	82%

(From left) Elizalde, Marie Rose and May, ACU employees



## Employee Satisfaction and Engagement

Assiniboine strives for engaged employees — employees who, when they have choices will act in a way that furthers Assiniboine’s interests; who are fully involved in, and enthusiastic about our members, each other and the community. Our employees demonstrated these qualities in 2008 as we integrated Buffalo Credit Union into Assiniboine and converted our banking system to newer technology. Even in these hectic times, we were named one of Canada’s Top 100 Employers and one of Manitoba’s Top 15 Employers. Employee confidence in leadership, having opportunities to advance, empowerment, ACU’s reputation in the community and being a good corporate citizen are just some of the many factors that help drive employee engagement. Our employees told us when we surveyed them last fall, that overall they are satisfied with ACU. Over a year of tremendous change, we managed to maintain levels of satisfaction comparable to 2007, as shown in the table below.

	2008	2007
OVERALL I AM SATISFIED WITH ACU.	72%	69%
ACU PROVIDES OPPORTUNITIES FOR CAREER GROWTH AND PROMOTION.	74%	76%
ACU PROVIDES OPPORTUNITIES AT WORK TO LEARN AND GROW.	72%	76%
I WOULD RECOMMEND ACU TO MY FRIENDS AS A GOOD PLACE TO WORK.	67%	67%

## Learning and Development

Our primary focus on employee learning and development initiatives in 2008 was to prepare our employees for the conversion of our banking system to new technology. Every employee at Assiniboine was impacted by this change. Creating and delivering training to over 500 employees was no small feat! Our training team of six presented 19 different workshops to 2000 attendees (staff attended multiple workshops) for a total of 245 sessions in just under four months.

## Diversity and Inclusion

It has long been a goal at ACU to mirror the community we serve. This benefits both the community and ACU’s bottom line. Further to that, we believe that our future strength lies in our ability to attract and retain the most talented employees.

We want to attract them from the largest pool of talent possible and having a strong commitment to diversity provides us with the opportunity. Once on board, we want all our employees to reach their full potential and offering them an inclusive environment leads to our success in that regard. When asked, 82% of employees agreed that diversity at ACU is valued and respected.

We are very proud of our results in employment for new Canadians and persons of colour. We will focus our energies in 2009 on closing the gap in the areas of Aboriginals and persons with disabilities.

DESIGNATED GROUP	ACU IN 2008	COMMUNITY*
ABORIGINAL	6.0%	10%
PERSONS OF COLOUR	17.3%	15%
PERSONS WITH DISABILITIES	2.5%	6.4%

\*AS PER 2001 MANITOBA CENSUS REPORT

(From left) Shelley, Kelsey and Vanessa, ACU employees



To help us recruit qualified employees while opening the doors to diversity in the workplace, we actively partner with community organizations to offer workplace training opportunities within ACU. In 2008, community partners included:

- Argyle High School
- Employment Projects of Winnipeg
- Urban Circle
- Ka Ni Kanichihk
- Youth Work Experience Initiative
- Labour Market Strategy Initiative
- Aboriginal Integration Program
- Newcomers Employment and Education Development Services (NEEDS)
- Victor Mager Work Re-entry Program

### *Moving Forward as an Employer of Choice in 2009*

After two years of intense focus on mergers and banking-system conversions, we will take time in 2009 to:

- work on building a stronger ACU culture by reinforcing our brand internally.
- create a Leadership Development Program to further develop new and existing leaders, forge career paths and build strong succession plans.
- build and enhance our appreciation for diversity and inclusion.
- close the gap in hiring Aboriginals and persons with disabilities.

### Employee Performance

At Assiniboine we believe the way our employees work will contribute to moving ACU forward. In 2008, we introduced a new employee performance management system to assist in aligning employees' goals with our overall business goals and strategies. An on-line system was implemented to allow employees and their managers to work together to develop and assess performance on a semi-annual and annual basis.

### Compensation Programs

Our employee compensation programs were all revamped and newly introduced following our mergers. We believe them to be fair, competitive and in line with our vision.

### Health and Safety

Employee health and safety is important to ACU. The Manitoba government has implemented legislative guidelines around the establishment and maintenance of health and safety committees and ACU began a process in 2008 to ensure that all ACU locations are compliant with this new legislation.



Throughout the year, hundreds of employees worked on teams to move us closer to our operational objectives. Shown here are the team leaders for multiple projects that were associated with the banking-system conversion. (Back row) Murray Krushel, Member Impact Project; Jodi Chambers, Banking System Project; Sam Baird, Process and Procedures Project; Brian Hansen, Information Technology Project; (Front row) Iona Gruskin, Member Statements Project; Chris Wagner, Bill Payment and Filing Systems Projects; Celina Philpot, Conversion Program Manager; Mona Forsen, Conversion Program Sponsor; Kim Pfeil, Communication Project; Leeann Thompson, Employee Training Project. Inset: Linda Cummings, Internet and Telephone Banking Project.

# Making a difference

## Expanding Access to Financial Services

In 2008, ACU continued to expand services to the underserved — those who have difficulty accessing mainstream financial services, be they individuals, neighbourhoods or marginalized members of our community.

There is strong member and employee support for ACU to continue expanding services to the underserved. In 2008, 79% of members said that this is important.

### Serving the West Broadway Neighbourhood

Our small full service West Broadway branch opened in 2001 to fill the gap when other financial institutions had left the area. West Broadway is an inner-city neighbourhood where 65%

of households and 73% of children live in poverty. Operating successfully in this neighbourhood, the branch has grown from no accounts in 2001 to serving over 2,700 members at the end of 2008.

Our West Broadway branch works closely with a number of community organizations to provide access to financial services. Here is one example.

### Spence Neighbourhood Association (SNA)

SNA approached the manager of our West Broadway branch with a request to provide basic services to six participants of their Jobs for Youth program, which provides training and employment for youth at risk. These youth receive pay through SNA and in the absence of bank accounts were using expensive cheque-cashing outlets in the neighbourhood. ACU met with these youth to discuss basic banking services and the benefits of having a savings account and good credit.

### Community-Based Services in Winnipeg's North End

In 2008, ACU continued to partner with North End Community Renewal Corporation (NECRC) to pilot the Community Financial Services Centre (CFSC) in Winnipeg's North End.

Community partners refer clients to the Centre where they can receive financial counseling on site and be supported to establish a satisfactory relationship with a mainstream financial institution (ACU).

The 2008 referring partners were:

- Aboriginal Visioning for the North End
- B.U.I.L.D.
- Elizabeth Fry Society
- Ma Mawi Wi Chi Itata Centre
- Mount Carmel Clinic
- Native Women's Transition Centre
- North End Community Renewal Corporation
- North End Women's Resource Centre
- North Point Douglas Women's Centre
- Oyate Tipi Cumini Yape



*Brian McIvor*  
MANAGER, WEST BROADWAY BRANCH

*"When we respect and value the people who come to the West Broadway branch, we make a difference in their lives. And in return, they respect and value ACU."*

The centre provides clients with a CFSC card with photo, which they can use as one piece of identification to become ACU members and open a savings or chequing account. As ACU members, they can cash certain cheques at any ACU branch with no fee.

At the end of 2008, 180 CFSC clients were members of ACU, up from 94 at the end of 2007. Of these, 58% were receiving direct deposits to their accounts in December, which provided them with quick and affordable access to cash.

In 2008, the CFSC pilot was evaluated and improvements identified. These will be implemented in 2009 and include exploring a sustainable model for the centre.

### Outreach to Seniors

In 2006, Buffalo Credit Union began providing in-house financial services to 560 residents living in Lion's Place and Lion's Manor, two seniors' housing facilities owned and operated by the Lion's Club of Winnipeg. When Buffalo merged with ACU in 2008, ACU employees continued offering this service. On a weekly basis, an ACU employee travels to Lion's Place and Lion's Manor to open accounts and provide financial services and advice as needed. Improved access to financial services is more than just convenient for seniors. It is empowering, reduces social isolation and fosters a healthy sense of independence.

In 2008, ACU continued to participate on the steering committee for the Manitoba Network for the Prevention

of Abuse of Older Adults and in particular to assist with issues relating to the financial abuse of seniors.

### Home Ownership for Aboriginal Families

Aboriginal households face tremendous challenges in accessing adequate affordable housing in Manitoba. In 2008 ACU assisted the Manitoba Real Estate Association and the Assembly of Manitoba Chiefs as they developed the concept for a pilot project to make affordable home ownership available to 40 modest-income families within the urban Aboriginal community. Affordable home ownership helps to build assets and break the cycle of poverty. It fosters pride of ownership and provides stability for families and their children.

Launched in January 2008, the Manitoba Tipi Mitawa Home Ownership Program pays a portion of the required down payment and provides subsidies to reduce monthly mortgage payments. A mandatory educational program assists homeowners with all the elements of home maintenance, repairs and budgeting. Approved applicants choose the house type and location, and approach the financial institution of their choice for financing. In 2008 ACU was chosen by all five successful applicants approved for the first year of the pilot.

### Helping to Save and Build Assets

In 2008 we continued to participate as a member of the Asset Builders Partnership to support the success and expansion of asset building programs in Winnipeg and beyond. Asset building programs help people living on low income to save and create new opportunities for themselves.



The 2008 Asset Building Program providers were:

- Fort Garry Women’s Resource Centre
- Ma Mawi Wi Chi Itata Centre
- Macdonald Youth Services
- Nor-West Co-op Community Health Centre
- Pluri-elles
- Rossbrook House
- SEED Winnipeg
- SMD Self-Help Clearinghouse
- Urban Circle Training Centre
- Villa Rosa

Program participants receive money management training and save for their personal savings goal using their ACU Matched Savings Account. Every dollar saved is matched three to one with dollars contributed by United Way of Winnipeg and other funders. Once their personal savings goals are reached, their savings and matching funds are used for the purchase of their asset goals.

In 2008, 379 participants of asset building programs used ACU’s Matched Savings Account to save for assets such as education, furniture, business start-up, home purchase or renovation, computer equipment or health needs. Of these, 173 successfully completed the asset building program. During the year, program participants used \$79,242 of their own savings plus \$201,476 of matching funds to make 263 purchases of assets worth \$280,718.

Since 2000, 718 low-income people have completed their asset building program. Over this time, program participants used \$440,000 from their special ACU savings accounts to make 1,369 purchases of assets worth over \$1.5 million.

In 2008, funds to support asset building programs came from a variety of sources, including United Way of Winnipeg and the Province of Manitoba. ACU donated \$63,000 to asset building programs through our employee-led United Way Campaign, up from \$60,000 donated in 2007. This represents 83% of total dollars raised during the campaign at ACU.

### Saving for Assets

	2008	2007
NUMBER OF SAVERS USING ACU MATCHED SAVINGS ACCOUNT	379	398
NUMBER OF GRADUATES (COMPLETED ASSET BUILDING PROGRAM)	173	147
TOTAL SAVINGS USED TO PURCHASE ASSETS	\$79,242	\$60,654
MATCHING FUNDS PROVIDED FOR PURCHASES	\$201,476	\$181,962
TOTAL VALUE OF ASSETS PURCHASED BY SAVERS	\$280,718	\$242,616

### Assets Purchased by Savers

	2008 (NUMBER OF PURCHASES)
EDUCATION	49
FURNITURE/HOUSEHOLD NEEDS	99
BUSINESS START/EXPANSION	40
HOME PURCHASE	14
COMPUTER EQUIPMENT	41
HOME RENOVATIONS	14
ACCESS TO HOUSING	0
HEALTH (SUCH AS DENTAL, EYEGLASSES)	6
EMPLOYMENT SUPPORTS	0
NUMBER OF PURCHASES MADE	263
VALUE OF ASSETS PURCHASED	\$280,718
VALUE OF ASSETS PURCHASED SINCE 2000	\$1,540,495

### Moving Forward on Access to Financial Services in 2009

To continue expanding services to the underserved in 2009 we will:

- work with our community partner to complete Phase Two of the CFSC pilot and grow the number of clients served through the centre.
- explore other options for expanding financial services in the north end of Winnipeg.
- look for ways to further expand services to people who need access to a bank account.
- collaborate with SEED Winnipeg to expand asset building opportunities in Manitoba.

## Investing in Community Leaders

In 2008 we continued to foster sustainable communities by supporting and partnering with community leaders — those enterprises, non-profits and co-operatives working to foster social, economic, and environmental well-being.

We invest in the success of community leaders through the financial services we provide, the purchasing decisions we make, and the dollars, time and expertise we contribute. There is strong member and employee support for ACU to continue contributing to the community. In 2008, 86% of members said that this is important.

In 2008, ACU's Board of Directors set the strategic direction for community investing. Over the next five years, we will invest financial and non-financial resources in, and partner with, community leaders contributing to community renewal, environmental sustainability and co-operative development.

### Special Community Accounts

We offer two accounts designed specifically for community organizations (non-profits and co-operatives) helping to build our communities. Our Community Builder Account has no monthly fee and lower transaction charges and is suitable for community groups with a low volume of transactions. Our High Rate Savings account offers higher interest rates and lower transaction fees for community groups wanting a place to save. At the end of 2008, there were 3,141 Community Builder and 263 High Rate Savings accounts serving community organizations.

### Community Financing

Through our Business and Community Financial Centre, we provide financing and specialized services for small and micro-enterprises, co-operatives and non-profit organizations, and offer unique community financing expertise.

#### Access to Credit

In 2008, ACU provided 86 organizations with access to \$12.2 million in new financing for affordable housing, community facilities, and business start-up and expansion. At the end of 2008, \$35 million was invested in the community for these purposes (\$34.1 million at the end of 2007).

### Community Financing

FOCUS OF INVESTMENT	NEW FINANCING (\$) APPROVED IN 2008 <sup>1</sup>	ORGANIZATIONS FINANCED IN 2008	TOTAL INVESTED AT DECEMBER 31, 2008 <sup>2</sup>
AFFORDABLE HOUSING	\$3.7 MILLION (30 UNITS)	8	\$17.8 MILLION
COMMUNITY FACILITIES	\$7.0 MILLION	27	\$14.0 MILLION
BUSINESS START-UP AND EXPANSION	\$1.5 MILLION	51	\$3.2 MILLION
<b>TOTAL</b>	<b>\$12.2 MILLION</b>	<b>86</b>	<b>\$35.0 MILLION</b>

<sup>1</sup>Includes lines of credit.

<sup>2</sup>Includes outstanding balances plus loans and mortgages approved but not yet disbursed.

### The Value of Partnerships

Partnerships are the key to the success of our community financing efforts.

#### Affordable Housing

Our relationships with partners in the housing sector contribute to community renewal by making financing available for affordable housing that benefits individuals and families with low-to-moderate incomes, including youth, seniors, newcomers, people with disabilities and Aboriginal persons.

In 2008, \$3.7 million in new financing was provided for 30 units of affordable housing. At the end of 2008, \$17.8 million was invested for this purpose.

#### Community Facilities

We partner with others to make financing available to community organizations wanting to purchase, build, renovate, or make leasehold improvements to buildings they own or lease. Examples of community facilities are social service centres, community centres, cultural centres and day-care centres. Community-owned buildings help non-profits and co-operatives build assets for long-term sustainability and provide an important base from which to carry out their social or environmental mission.

In 2008, \$7 million in new financing was provided for community facilities, of which \$6.4 million was for community-owned buildings. At the end of 2008, \$14 million was invested in community facilities.

#### Business Start-Up and Expansion

Through innovative partnerships ACU is able to provide flexible sources of credit for small and micro-enterprises that have a sound business plan but don't meet the criteria for conventional financing. Partners include Western Economic Diversification Canada, Manitoba Business Start and Rural Entrepreneurial Assistance Program.

In 2008, \$1.5 million in new financing was made available for 51 entrepreneurs to start or expand a business. At the end of 2008, \$3.2 million was invested in businesses unable to access conventional financing.

### Special Community Partnerships

Part of the \$35 million invested in the community in the form of credit includes financing provided through two unique community partnerships.

ACU and *The Jubilee Fund* work together to provide access to credit for businesses, social programs, and housing projects that do not qualify for traditional financing. The Jubilee Fund provides the loan guarantee and ACU provides the credit.

ACU employees also contribute financial, community economic development and human resource expertise to support the on-going development and operation of The Jubilee Fund. Our unique partnership with The Jubilee Fund played an important role in the financing of two special co-operative initiatives in 2008.

*Pollock's Hardware Co-op* was formed by loyal friends and customers when word got out that the owners of the store in Winnipeg's north end were retiring and couldn't find a buyer. ACU offered advice and partnered with The Jubilee Fund to provide the financing needed to fill the gap between investment shares raised and the dollars needed to complete the purchase.



*Mike Wolchock*

STORE MANAGER, POLLOCK'S HARDWARE CO-OP LTD.

*"ACU really is making a difference in our community. Their active involvement in helping Pollock's Hardware get up and running was really valuable to us. Beyond that, we have a great account manager, who has been with us since the beginning."*

**River Avenue Co-op Day Nursery** offers quality, affordable child care in one of Winnipeg's most disadvantaged neighbourhoods. ACU partnered with The Jubilee Fund, Province of Manitoba and other funders to help finance the construction of a new green building with enough space to meet the increasing demands for day-care services.



**Corrine Ostertag**  
EXECUTIVE DIRECTOR, RIVER AVENUE CO-OPERATIVE DAY NURSERY INC.

*"We used to deal with a bank but we were a small organization, too small to be important to them. But at ACU we were welcomed immediately. I remember that very clearly even though it was 19 years ago. So when we needed extra financing in order to start construction of our new building, they quickly connected us with foundations in town to help secure funding so we could move ahead. It's always been that way with them, they take their members' situations very seriously and we are so pleased with our relationship with ACU."*

ACU also works with **SEED Winnipeg** to provide access to credit for participants of their Build-A-Business Program. SEED Winnipeg offers business management training for individuals living on low income and supports them to complete a business plan. With a sound business plan, they can access small loans at ACU through a joint credit review process that considers both the strength of the business and the value to the community. ACU employees participate in meet-the-lender sessions, which give participants the opportunity to learn about credit unions and banking and to get to know loan officers.

At the end of 2008, over \$20,000 was invested in five micro-enterprises through our partnership with SEED Winnipeg.

**Advice and Business Planning**

To be successful, community financing often involves advice and assistance with business planning and funding proposals. In 2008, our Business and Community Financial Centre teams contributed financing and business expertise to a number of organizations, including the following:

COMMUNITY ORGANIZATION	EXPERTISE CONTRIBUTED IN 2008
Canadian Youth Business Foundation	Participated on the loan committee and business review panels.
YMCA/YWCA and Meyers Norris Penny Self-Employment Assistance Programs	Presented Understanding Small Business Financing and participated on business review panels.
Junior Achievement Manitoba	Helped students gain business and entrepreneurial skills.
University of Manitoba Curry BizCamp in Entrepreneurship	Helped judge the business plan competition.
Canadian Crossroads International	Hosted delegation from Bolivia to share experiences in microfinance.

### Using Our Purchasing Power

We use our purchasing power to support the success of co-operatives and social enterprises that create jobs while adding social and environmental value to the community. This includes purchasing from businesses participating in Winnipeg's Social Purchasing Portal.

In 2008 we purchased promotional items, gifts, supplies, catering services, courier services, cleaning services, and construction and renovation services from a number of community enterprises. Among these were Aboriginal co-operatives such as Neechi Foods and Northern Star Co-op, inner-city businesses such as Cosmopolitan Florists and Food for Thought, and social enterprise such as Enviro-Safe Cleaning Worker Cooperative, Natural Cycle Courier, Inner City Renovations, West Central Women's Resource Centre's Childminding Program, FortWhyte Farms and Organic Planet Worker Co-op.

In addition, we look for opportunities to purchase socially and environmentally responsible products. For example, in 2008 we worked with Fairware to purchase a number of ethically sourced promotional products, including re-usable lunch bags for all ACU employees.

### Sustainable Community Grants

In its second year, our Sustainable Community Grants program supported projects and programs demonstrating a strong fit with one or more of the following guiding principles: social inclusion, economic self-reliance, ecological responsibility and community building. In 2008 we established an internal Community Grants Committee to involve employees in the review of grant applications. Nine community-minded employees from across the organization used their diverse skills and experiences to evaluate and recommend projects and programs for funding.

ACU's policy is to donate a minimum 2% of pre-tax earnings (averaged over the past three years) annually to the community. In 2008 we donated \$230,000 to 64 community organizations. This includes \$20,000 to the Canadian Museum for Human Rights for the first of five annual contributions totaling \$100,000. The list of community grants for 2008 can be found on page 32.



John Loewen,  
SALES MANAGER, NORTHERN STAR CO-OP

*"Being a co-operative ourselves we appreciate the power that membership in a co-operative provides. There's a level of dignity and high-quality service that we expect of ourselves in our own business dealings and we get and appreciate from ACU. The relationship we have with our account manager, and the attention they give to our business needs — we know we wouldn't get anywhere else."*



Lawrence Peters  
MEMBER, COMMUNITY GRANTS COMMITTEE

*"The most satisfying part of the work is the knowledge that the grants we give out are going toward projects with great community impact."*

One Sustainable Community Grant went to the West Broadway Development Corporation for their Good Food Club. Through the club, community members grow, market and prepare safe and healthy foods. Low-income members have the option of working for sweat equity points or honoraria, which they can use to buy food at reduced rates. Using a capacity-building approach, the Good Food Club works to foster a healthy community, build knowledge about local food systems, provide employment experience and make nutritious foods available to the community.



*Tammy Klos,*  
CO-ORDINATOR, WEST BROADWAY  
DEVELOPMENT CORPORATION'S  
GOOD FOOD CLUB

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*"When all the banks were moving out of the inner city, ACU built a branch in our community. That was a big deal because it gave people in West Broadway a chance to have accounts in their neighbourhood, including us. Thanks to ACU's investment, the Good Food Club builds local capacity and addresses food insecurity. It's a good fit."*

### Community Sponsorships

Through our Community Sponsorship program, ACU supports events that benefit our community while providing ACU with recognition and profile. Community sponsorships support fundraising events and campaigns of ACU members as well as community arts and cultural events and festivals. We also sponsor organizations and individuals to attend community events they would not otherwise be able to afford. In 2008, ACU contributed \$80,000 to support 57 community events through this program.

### Engaging with Community Partners to Make a Difference

We create opportunities for ACU employees to be part of making a difference in the community by participating in initiatives led by our community partners.

In 2008 we sponsored Fair Trade Manitoba's One Month Challenge to raise awareness about the social, economic and environmental benefits of purchasing fairly traded products. We invited employees, as well as members, to take up the challenge and consume only fair trade coffee, tea and chocolate for one month. Sixty-four employees participated in the challenge and many more learned about the positive impact of fair trade on workers, communities and the environment.

We expanded our relationship with Habitat for Humanity Winnipeg by providing 43 Assiniboine employees with paid time off to help build safe, energy-efficient, affordable housing for working, low-income families. This represents a 34% increase over last year's in-kind contribution, and is in addition to ACU's financial contribution to Habitat.



HABITAT HOMEOWNERS SHELLY AND JEFF WITH SON, LUKE AND DAUGHTER, ZOE.

*"It was an awesome experience to work with the ACU team. Building our home has really been a dream come true! Thank you to all the ACU staff who were so happy and eager to give of their time to help our family!"*

We worked with L.I.T.E. (Local Investment Toward Employment) to raise awareness and support for their unique approach to reducing inner-city poverty through employment solutions. We co-hosted a lunch tour for a small group of business leaders, which included stops at two L.I.T.E. partner sites — Resource Assistance for Youth (RaY), home to a youth employment support program in West Broadway, and Neechi Foods, a pioneer inner-city worker co-op in the north end. In addition to sponsoring the 2008 L.I.T.E. Wild Blueberry Pancake Breakfast, seven ACU employees volunteered their time at the event.

We continued our unique partnership with the United Way of Winnipeg to invest in the growing network of asset-building programs designed to reduce poverty. Building on the success of last year's fundraising campaign, 51% of ACU employees participated in the 2008 United Way Campaign and surpassed the ambitious goals set by the employee-led campaign committee. Employee payroll contributions increased 21% over last year, driving our total United Way contribution to \$76,000 (including a corporate donation of \$16,000) — Assiniboine's largest contribution yet! Of this, 83% (\$63,000) was earmarked for the Winnipeg Asset Builders Partnership.

### Employee Fundraising Teams

We also supported several employee teams to raise funds for causes they care about.

- Over 40 Assiniboine employees participated in the 2008 FMG Dragon Boat Festival, raising over \$4,000 for the Canadian Cancer Society.
- A fundraiser led by employees at our Gillam branch raised \$625 from the community, and ACU contributed \$500 to support on-going video production workshops for students of Gillam School.
- Seven ACU employees, along with their children, participated in Amnesty International's Run for Rights in June and raised \$665 in support of Winnipeg organizations working for social justice and human rights.
- Eight ACU employees also volunteered their time at The Jubilee Fund Art and Antique Auction fundraiser.

### Moving Forward with Community Leaders in 2009

To continue moving forward with investing in community leaders in 2009 we will:

- align our community investments, including grants, to support community renewal, environmental sustainability and co-operative development.
- sponsor and participate at the National Community Economic Development Conference to be held in Winnipeg in June 2009.

## Reducing Our Environmental Impact

Working with our employees, our members and the community — we are committed to continuously improving our business practices to make them more environmentally sound. Reducing our impact is a journey with no end — we know that we can always do better, and we are committed to continuous improvement.



In 2008 we took steps to further reduce the environmental impact of our operations. We also supported community leaders working to find positive solutions to environmental concerns.

There is strong member and employee support for ACU to adopt sound environmental practices. In 2008, 88% of members said this is important. This is slightly higher than the 86% member support in 2007.

### Going for LEED – Our New Green Pembina Branch

In November we opened our second green branch at 2659 Pembina Highway to replace two older branches nearby. Improving on the innovative design of our first green Rivergrove branch, our new Pembina location has dozens of environmental features. Like Rivergrove, the branch is highly energy and water efficient, constructed with recycled and green products and has been designed with green-building maintenance in mind. The branch's geo-thermal heating and cooling system is supplemented by a passive solar heating wall for even greater energy efficiency. It was built on the

site of a former gas station thus replacing contaminated 'brown field' site with a new green building. During construction, great care was taken to ensure that the majority of the waste construction materials did not go to a landfill, but were either reused or recycled.

With our Pembina branch we also made the decision to not install a drive-thru ATM and instead provided the first Drive-Up ATM service in Winnipeg. With growing concern about climate change, we wanted to discourage the unnecessary idling of vehicle engines, which leads to the emission of greenhouse gases. The parking lot is a 'no-idle zone' and two well lit exterior ATM terminals are conveniently located at the front of the branch, with dedicated parking spots for members to park, shut off their cars and conduct their business.

In 2008, we submitted our application for LEED (Leadership in Energy and Environmental Design) certification. We expect to know the level of certification achieved in the first half of 2009.

### Advocating for Green Building Practices

With a broad network of 25 branches and five corporate office locations, we realize the importance of reducing the environmental impact of our facilities. In addition to taking steps to improve our own performance, we supported the Manitoba Chapter of the Canada Green Building Council in their efforts to promote green buildings in the province. In addition to providing financial support to the Chapter, we supported the following initiatives:

- Shared ACU's approach to corporate social responsibility and building green at the Better Buildings Conference.
- Co-hosted a tour of our new green Pembina branch to highlight the many green features to invited guests, including the media, construction, engineering and architectural firms, and students from the University of Manitoba architecture program.

### Focusing on Energy Use

Building green is a good business decision — environmentally as well as financially. Our two green branches at Rivergrove and Pembina are enabling us to significantly reduce energy use and achieve cost savings.

While we are proud of the progress we are making with our new green branches, we realize that reducing the energy use at all ACU locations is the key to reducing our overall greenhouse gas emissions contributing to climate change. This is something we will begin to address in 2009.

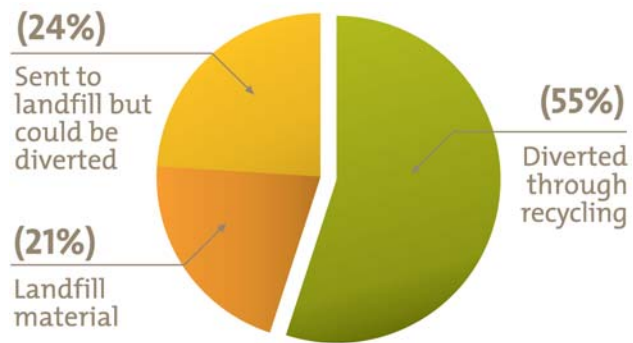
### Improving Waste Management Practices

In 2008 a new multi-product and electronics recycling program was launched in all our Winnipeg branch and office locations. The new system collects a wide variety of materials and combines previously separate confidential paper shredding and recycling programs into one, thus significantly reducing the number of truck pick ups. This means less greenhouse gas emissions and more waste being diverted from the landfill.

At the end of 2008 we conducted a waste audit to find out just how much, and what sort of waste we produced. In 2008 ACU generated 49.6 tonnes of waste, which is an average 99 kilograms of waste per full-time employee (FTE). About 55% of all ACU's waste is currently being diverted from landfill through recycling.

However there is room to improve as 24% of ACU's waste went to the landfill but could have been diverted through recycling or composting; over 70% of ACU's waste stream is paper products — office paper, other fibre (non-office paper) and cardboard; and only 16% of office paper in the waste stream was printed on both sides.

### Distribution of ACU Waste



Based on 2008 results, we set targets to improve waste management practices and reduce greenhouse gas (GHG) emissions over the next 5 years. We will review these targets in 2010.

#### 2008 Waste Measures and Future Targets

MEASURE	2008 BASELINE	INDUSTRY BENCHMARKS	2010 TARGETS	2013 TARGETS
<b>Waste Management</b>				
TOTAL WASTE GENERATED PER FTE (KG/FTE/YR)	99	70 – 120	95	80
% WASTE DIVERTED FROM LANDFILL THROUGH RECYCLING	55%	41% – 62%	59%	62%
% WASTE STREAM OFFICE PAPER PRINTED DOUBLE SIDED	16%	N/A	18%	24%
<b>Greenhouse Gas (GHG) Emissions from Waste Management Practices</b>				
TOTAL GHG GENERATED PER FTE FROM WASTE SENT TO LANDFILL (KG/CO2E/YR)*	22	N/A	18	13
GHG AVOIDED PER FTE THROUGH RECYCLING (KG/CO2E/YR)*	- 247	N/A	- 242	- 209

\* CO2e = "CO2 equivalents", which is the total effect of all greenhouse gases involved, expressed in equivalent amounts of CO2.

Electronics waste is toxic waste and is often shipped to vulnerable communities and developing nations where it contaminates the environment and poses health risks to workers who disassemble units for re-use. In 2008, we delivered our first shipment of electronic waste to Responsible Electronics Recycling for re-use by the Computer Lending Library, or for recycling according to high environmental standards set out by Electronics Product Stewardship Canada. This included 11 CPU units, 14 monitors, 5 printers/scanners/faxes, 1 laptop, 2 televisions, 1 photocopier, and 136 computer peripherals and components (keyboard, mouse, memory stick, etc).

The Computer Lending Library re-uses computer parts collected through Responsible Electronics Recycling and builds decent computer systems which it loans to low-income individuals for two years. As part of the loan, the individual receives 40 hours of computer literacy training and licensed copies of Windows and Microsoft Office. In 2008 ACU provided a grant to purchase software licenses for computer systems lent to low-income people through the International Centre and Aboriginal Centre in Winnipeg.

### Improving the Quality of Paper

When we converted to a new banking system in 2008, we worked with Credit Union Central of Manitoba to design new statements for credit union members in Manitoba. On our recommendation, these new statements will be printed on paper that is Forest Stewardship Council (FSC) certified, made from 100% post-consumer mixed-office waste, and 100% processed chlorine free (PCF) and acid free. Not only will this improve the quality of paper used for ACU members, but it will help to reduce the environmental impact for all credit unions who adopt these standards.

In addition, in 2008, we switched to FSC certified paper for the more than two million envelopes used at ACU annually.

However, these improvements do not address the challenge of reducing the amount of paper used for member statements and overall at ACU. This challenge will be addressed as we move forward with initiatives to reduce waste and greenhouse gas emissions. One such initiative will be realized in 2009 as we move to e-statements.

### Employee Transportation Choices

We look for ways to reduce the environmental impact of our employees commuting to and from work. We are proud to be part of the Winnipeg Transit Eco-Pass Program which encourages ACU employees to take public transit by reducing the cost of an adult monthly bus pass by 30%.

We continue to try and place or relocate employees to branches closer to their homes to reduce the distance they need to travel. This, combined with the installation of shower facilities in our green branches, makes alternative forms of transportation much more convenient options for our staff.

All branches are slated to have bike racks installed in 2009.

### Sustainability Awards for ACU Members

Four ACU business members were recognized for their environmental leadership at the 2008 Manitoba Excellence in Sustainability Awards.

Enviro-Safe Cleaning, a local worker co-operative, was a winner in the business category for “Contributing to a Sustainable, Prosperous Economy and a Green and Healthy Community”. The award recognized Enviro-Safe’s commitment to using only environmentally responsible cleaning products and practices.

ACU members Inner City Renovations, Natural Cycle Courier, and Fresh Option Organic Delivery received honourable mention in the same category.

Inner City Renovations (ICR), Enviro-Safe Cleaning and Natural Cycle Co-op provide services to Assiniboine Credit Union. ICR assisted with construction of ACU’s two green branches, and Enviro-Safe provides cleaning services at the same branches. Natural Cycle Co-op picks up and delivers — by bicycle — hundreds of ACU envelopes and small packages around downtown Winnipeg.

### *Moving Forward to Reduce Our Environmental Impact in 2009*

To move forward with environmentally sound practices in 2009 we will:

- develop a Climate Change Action Plan.
- measure and set targets to reduce our energy use and related greenhouse gas emissions.

## Co-operation Among Co-operatives

As a financial co-operative, we are proud to be part of a broad network of credit unions and other co-operatives working to make a difference locally, nationally and internationally.

In addition to participating actively as a member of the Canadian and Manitoba credit union systems, we took an active role in promoting co-operative development in 2008.

Over the summer and fall, ACU helped to craft the strategy for developing and maintaining Manitoba's co-operative community: *Leading and Making a Difference in Manitoba — the Co-op Way*. The vision is to have a growing and thriving co-operative community that provides a strong leadership role in the social and economic development of Manitoba. To increase the size, strength and impact of Manitoba's co-operative community, the strategy aims to create a more supportive environment for co-ops, foster better public awareness, and provide better supports and services for co-operatives.

To build co-operative development capacity here in Manitoba, we

provided financial support for Manitoba co-op developers to attend the Advanced Co-op Developer Training held in Winnipeg in June.

We also completed our three-year contribution of technical support to establish Collaboration Co-op Development Services, Inc. as the management and development support arm of two beneficiary co-operatives, Neechi Foods and Northern Star. Controlled by the beneficiary co-ops, the business model is designed to accommodate other co-ops in the future.

Nationally, we sponsored the Canadian Co-operative Association Congress held in Winnipeg in June, and the 2008 national conference of the Canadian Worker Co-op Federation held in Winnipeg in November. We also provided funds for the development of the business plan for and the incorporation of a National Co-op

Developers' Network to help build the capacity of those working to develop co-operatives across Canada.

Internationally, we continued to support the work of the Co-operative Development Foundation of Canada with a donation to the International Co-operative Development Fund, which supports the development of credit unions and co-operatives in poor and vulnerable communities around the world. Our donation of \$15,000 was matched 3 to 1 by the Canadian International Development Agency (CIDA), for a total contribution of \$60,000.

We continued to participate on various boards of co-operatives, including the Manitoba Co-operative Association and the Canadian Community Investment Network Co-operative.

### *Moving Forward Co-operatively in 2009*

To continue demonstrating our commitment to the co-operative principles in 2009 we will:

- explore ways to support the success of Manitoba's co-operative strategy.
- continue to support co-operative development and capacity building within the co-operative movement.

## Investing with Impact

Socially responsible investing (SRI) is about choosing to invest in companies that achieve sound financial performance while demonstrating social and environmental responsibility and good governance.



*Cheryl Crowe,*  
SOCIALLY RESPONSIBLE INVESTMENT SPECIALIST

*“Everyone has a passion. We can help members match their passion with their investment choices so they can make a meaningful difference.”*

In 2008, we continued to offer members the opportunity to invest in their financial future while making a positive difference by choosing SRI products.

There is strong member and employee support for ACU to continue offering socially responsible investment choices for members. In 2008, 81% of members said that this is important.

To help us serve our members, our investment advisors receive training in socially responsible investing from our dedicated SRI Specialist, which remains a unique role among credit unions. All new investment advisors receive one-on-one training to introduce them to SRI, and all investment advisors receive a refresher on SRI annually. In addition, our SRI Specialist helps to raise awareness and build knowledge among members and the community. In 2008 she made presentations to 17 organizations (businesses, universities, community organizations) to educate about and advocate for corporate social responsibility and socially responsible investing, and offered a workshop on SRI to ACU members at our West Broadway branch.

During 2008, members invested an additional \$7.9 million in SRI products, bringing total SRI assets managed by ACU to \$35.3 million at year end. SRI products were approximately 28% of total mutual fund assets under management at December 2008.

In addition to offering SRI products to members, ACU provides administrative services to The Jubilee Fund, which sells 3-year and 5-year Jubilee Investment Certificates to social investors. At the end of 2008, the pool of Jubilee investment funds managed by ACU totaled \$454,650. These funds are used for secure loans provided by ACU for housing projects, social programs and micro-businesses that would otherwise have difficulty accessing credit.

ACU is a proud member of the national Social Investment Organization (SIO), which promotes socially responsible investing across Canada. For the second year, our SRI Specialist served as president and chair of the SIO board.

### *Moving Forward on SRI in 2009*

To move forward as advocates for socially responsible investing in 2009 we will:

- make new green funds available to our members and offer presentations on green investing to members and the community.
- be a major sponsor of the national Canadian Responsible Investment Conference to be held in Winnipeg in June 2009.

## 2008 Sustainable Community Grants

Community Organization	Project / Purpose	Amount (\$)
<b>Sustainable Community Grants</b>		
• Age & Opportunity Inc. & Manitoba Society of Seniors	Partnership Towards the Prevention of Abuse of Older Adults — Manitoba Conference	5,000
• Canadian Centre for Policy Alternatives	2008 State of the Inner City Report: “It Takes All Day to be Poor” — Research Project	4,000
• Canadian Muslim Women’s Institute	English Conversation Support Group	3,000
• CKUW 95.9	Radio Camp	3,000
• Community Development Business Association of Winnipeg	Website & Newsletter Development	5,000
• Creative Retirement Manitoba	Storysack Program	2,000
• FortWhyte Alive	FortWhyte Farms	5,000
• Fox Lake Goose Camp Committee	3rd Annual Goose Camp	3,000
• KIDS	Building a Sensory Garden	2,250
• L’Arche Winnipeg Inc	Café/Meeting Place	2,000
• Le Marché St. Norbert Farmers’ Market	2008 Farmers’ Market	3,000
• Marlene Street Resource Centre & Tenant Council	Community Roots	5,000
• Mondragon Bookstore and Coffee House	Retail Local/ Organic Grocery Project	5,000
• Native Women’s Transition Centre	Children’s Summer Program and Annual Pow-Wow	3,000
• North Point Douglas Women’s Centre Inc.	Bus Ticket Loan Fund and Education Upgrading Program	2,000
• ParIT Worker Co-Operative	Free Software for Accounting and Payroll Phase 2	5,000
• Provincial Council of Women of Manitoba	PCWM/DVD Project — “In Our Own Voice”	5,000
• Resource Conservation Manitoba	The Green Leap Forward	2,500
• River Avenue Co-operative Day Nursery Inc.	RADC Stradbrook Avenue Mural	4,000
• Sir Hugh John Macdonald Memorial Hostel	Youth Positively Involved in the Community	4,000
• SSCOPE Incorporated	SSCOPE Cleans Up... Winnipeg	2,790
• The Manitoba Food Charter	Growing Local Food Security Conference	3,000
• The Vasa Cooperative	Feasibility Study for New Products	2,070
• Transcona Trails Inc	Cordite Trail/ Transcona Trails Phase 2	3,000
• West Broadway Development Corporation	Good Food Club	5,000
• West Broadway Youth Outreach Inc.	Bookworms Program	3,000
• West Central Women’s Resource Centre	Childminding Training Program	3,000
• Westland Foundation Inc.	Implementation of Scholarship Awards	3,000
• Winnipeg Aboriginal Film Festival	WAFF Video Camp	4,352
• Winnserv Inc.	Coming of Age — Year 2	2,500
• YMCA-YWCA of Winnipeg	Girlz Jam 2008	3,000
• Zoological Society of Manitoba	Zoo Tour Shuttle	3,000
<b>TOTAL</b>		<b>\$ 110,462</b>

### Other Community Grants

• Canadian Community Investment Network (CCINC)	Core Funding	5,000
• Canadian Museum of Human Rights	Building Fund	20,000
• Canadian Worker Co-op Federation (CWCF)	CWCF Conference	1,500

Community Organization	Project / Purpose	Amount (\$)
• Community Ownership Solutions	World Forum on Social Enterprise	1,076
• Co-operative Development Foundation of Canada	Annual Contribution	15,000
• CoopZone	Development of Business Plan	2,000
• Gillam Freeze Frame Fundraiser	Video Equipment Purchase	500
• Habitat for Humanity Winnipeg	2008 Build Program	10,000
• Local Initiative Toward Employment (L.I.T.E)	Core Funding	5,000
• Ma Mawi Wi Chi Itata Centre	Aboriginal Visioning for the Renewal of the North End	3,700
• Manitoba Chapter, Canada Green Building Council	Core Funding	5,000
• Pluri-elles	Translating the Money Management Participant Handbook & Trainer Guide	3,750
• Run for Rights	Contribution to ACU Employee Fundraising Team	500
• SEED Winnipeg	Core Funding	5,000
• Selkirk and District Community Learning Centre Inc.	Computer Lending Library Program	1,312
• United Way of Winnipeg	2008 Corporate United Way Contribution	16,000
• University of Winnipeg Foundation	Opportunity Fund	10,000
• Wasagaming Foundation	Camp Wannakumbac Summer Camp Program	1,100
• Westminster Housing Society Inc.	Core Funding	1,000
• Winnipeg Housing Rehabilitation Corporation	Housing Training Initiative Program & Funding Summary	5,000
<b>TOTAL</b>		<b>\$ 112,438</b>
<b>Sustainable Neighbourhood Grants</b>		
• Bannerman Neighbourhood Watch	Cankerworm Tree Banding	500
• Muddy Fingers Greening Committee/ Springfield Heights School	Park Greening Project	500
• Prairie Wildlife Rehabilitation Centre	Wildlife Outreach Program	500
• Spence Neighbourhood Association Inc.	Homework Club	500
• St. John's Residents Association Inc.	Community Clean-Up	500
<b>TOTAL</b>		<b>\$ 2,500</b>
<b>Scholastic Awards</b>		
• College St. Norbert Collegiate	Scholastic Award	1,000
• Dakota Collegiate	Scholastic Award	200
• Fort Richmond Collegiate	Scholastic Award	1,000
• Gillam School	Scholastic Award	300
• Linden Christian School	Scholastic Award	1,500
• Miles McDonnell	Scholastic Award	300
• St. James Collegiate	James Parker Scholarship	300
<b>TOTAL</b>		<b>\$ 4,600</b>
<b>TOTAL – ALL GRANTS</b>		<b>\$ 230,000</b>

# Excellence in governance

ACU is a financial co-operative governed by an independent Board of Directors elected by and accountable to the member-owners of the credit union. The board acts to protect and enhance Assiniboine's assets in the interest of members and other stakeholders, establishes policies and sets the direction of the credit union.



## *2008 Board of Directors*

(From left) Dennis Anderson, Nicole Ritchot, Susan Deane, Wilbur Coates (Vice-Chair), Craig Lee, Margaret Day, Garry Loewen (Chair), Donald Sobkow, Rhonda Forgues, Vera Goussaert.

### **Mission and Values**

Assiniboine is guided by our board-approved Mission and Values. In 2008 we reaffirmed our Mission (why we exist), and the behaviours we wish to demonstrate as an organization and as individuals working at ACU (our Values).

### **Our Mission**

Our purpose as a socially responsible and profitable financial co-operative is to provide accessible financial services for the well being of our members, employees and community; offer fair and meaningful employment in a safe and

respectful workplace; and build partnerships that foster self-reliant, sustainable communities.

### **Our Core Values**

**Co-operation**  
Guided by International Co-operative Principles, we build relationships that are fair, equitable and co-operative.

### **Integrity and Respect**

Integrity and respect guide our business practices and our relationships with each other, our employees, our members and our community.

### **Accountability**

We build trust that fosters organizational success and sustainability through our commitment to social and financial accountability.

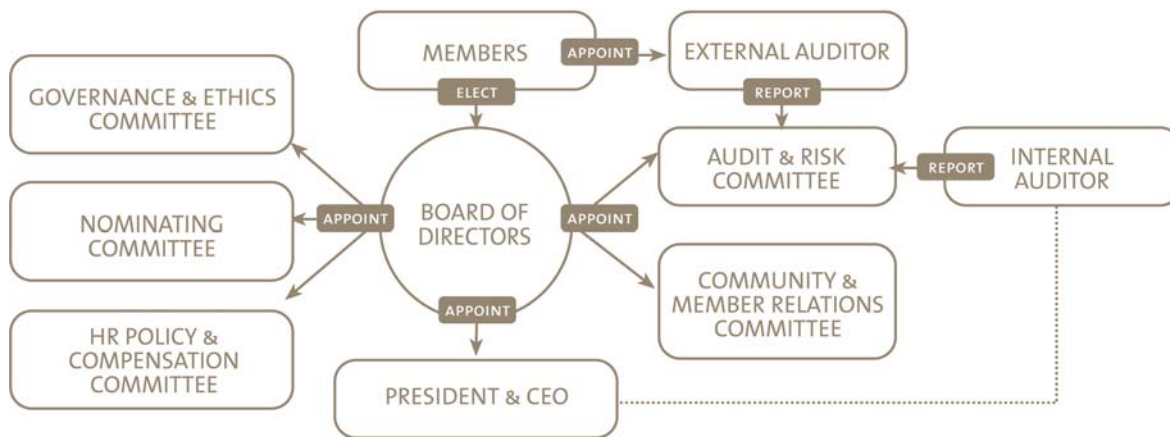
### **Excellence**

We strive for excellence in all we do through innovation, creative thinking and continuous improvement.

## Governance Structure

The board delegates certain responsibilities to management and reserves certain powers for itself. To fulfill its duties, the board delegates some responsibilities to committees of the board.

This diagram provides a simple overview of the governance structure at Assiniboine.



### A Commitment to Strong Governance

The Board of Directors and the management of Assiniboine Credit Union are committed to leadership in governance practices.

### Governing Policy Framework

Governing policies provide management with a framework within which to manage the credit union. In 2008, the board approved two new governing policies, for a total 21 governing policies that guide the credit union. The board has implemented a regular and ongoing review frequency for all governing policies, based on the nature of the governing policy and its importance in relation to strategy and/or operations and expected frequency of change.

The board delegates the following committees to monitor adherence to governing policies:

#### Human Resources Policy and Compensation Committee

- Compensation Philosophy Policy
- Employment Principles Policy

#### Audit and Risk Committee

- Asset Liability Matching Policy
- Capital Adequacy and Sourcing Policy
- Credit Risk Policy
- Derivatives Policy
- Detecting and Deterring Proceeds of Crime Policy
- Enterprise Risk Management Policy
- Foreign Exchange Risk Policy
- Liquidity Investment and Market Risk Policy
- Liquidity Risk Policy
- Expenditure Authorities Policy
- Pricing Policy
- Technology Risk Policy

#### Community and Member Relations Committee

- Community Investment Policy
- External Communications Policy
- Member Feedback Policy

#### Governance and Ethics Committee

- Code of Conduct and Business Ethics Policy
- Member Privacy Policy
- Protected Reporting Policy
- Related Party Transactions Policy

## 2008 Accomplishments

### Strategic Plan and Goal Setting

The board participated in several half-day workshops in late 2007 and early 2008 to hold discussions on strategic topics. These discussions provided the foundation from which the board participated in a strategic planning session that resulted in the creation and approval of Assiniboine's long-term Strategic Plan. This plan articulates ACU's direction over the next five years, the strategies by which ACU will achieve its vision and the goals by which we will know we are successful.

### First Election of Directors

Following the merger of Assiniboine, Astra and Vantis credit unions in 2007, and Assiniboine and Buffalo credit unions in 2008, the first election of directors of the newly merged Assiniboine Credit Union was held by mail ballot, with a voting participation rate of 6%, compared to an average of 5.2% among Canadian credit unions (Strengthening the Dialogue, Canadian Co-operative Association and Mountain Equipment Co-op, 2002).

### First Annual General Meeting

The first Annual General Meeting of the newly merged credit union was held. 268 members and guests attended the meeting.

### Board and Committee Self Assessments

Board and committee assessments were conducted in early 2008, using on-line surveys. The board evaluated the survey results and used them to work toward continuous improvement.

### Buffalo Advisory Committee

The board, through the Community and Member Relations Committee, regularly consulted with the Buffalo Advisory Committee, which was formed to ensure a successful merger transition.

### Governance Workshop

As part of their annual Board Training and Development Program, directors and management participated in a one-day governance workshop held for the purpose of enhancing our understanding of good governance practices.

### Desired Board Composition

The board identified ideal competencies, skills and experience, as well as ideal representation of the members and communities we serve. These will be reviewed regularly to ensure that board composition continues to best represent its members' needs.

### Director Recruitment and Endorsement Process

The board approved a new director recruitment and endorsement process and conducted a gap analysis of the current board to identify the desired board composition. This gap analysis was used to recruit strong candidates to fill vacancies on the board for the 2008 elections.

### Nomination Process

Consistent with our goal of waste reduction at Assiniboine, on-line application forms were developed for the 2009 director nominations. Application forms were posted on our website along with the 2009 Candidate's Guide, which was available for download.

### Meeting of the 10 Largest Canadian Credit Unions

Assiniboine is now the ninth largest credit union in Canada. With our increased size, comes the opportunity to share perspectives with other large credit unions across Canada to the benefit of our members. In August 2008, the board chair and the President and CEO attended the annual meeting of the 10 largest credit unions in Canada.

## *Moving Forward on Good Governance in 2009*

In 2009, the Board of Directors will continue its commitment to strong governance for ACU. Priorities include:

- holding an Enterprise Risk Management (ERM) workshop and approving an ERM framework for Assiniboine that will enhance our ability to identify, monitor and report on potential risk so that it can be mitigated.
- strategic planning in a changing environment.
- reviewing board and committee Terms of Reference and Statements of Responsibility for the board chair, committee chairs and directors, to ensure their continued relevancy.
- developing further governing policies, as needed.
- conducting board chair, committee chair, and director self-assessments to ensure continued good governance.

## Director Accountability

### Attendance

Directors of ACU are expected to participate actively in governing the credit union. One of the indicators of participation is attendance at board and committee meetings. The following table provides an overview of director attendance.

Board Members As at December 31, 2008	Board Meeting Attendance 11 regular 1 special	COMMITTEE MEMBERSHIP AND ATTENDANCE				
		Audit & Risk	Community & Member Relations	Governance & Ethics	Human Resources Policy & Compensation	Nominating
Garry Loewen Chair	12/12			5/5	7/7	
Wilbur Coates Vice-Chair	11/12	7/7			7/7 CHAIR	
Dennis Anderson Director (Elected April 23, 2008)	8/9				4/4 (from June 2008)	5/5 (from September 2008)
Margaret Day Director	11/12		3/4	5/5		
Susan Deane Director	11/12	3/4 (from July 2008)	1/1 (to March 2008)	2/3 (to May 2008)		13/13 CHAIR
Rhonda Forgues Director (Elected April 23, 2008)	9/9		3/3 (from June 2008)			
Vera Goussaert Director (Elected April 23, 2008)	8/9		3/3 (from June 2008)			4/5 (from September 2008)
Craig Lee Director	12/12	7/7		5/5 CHAIR		8/8 (to May 2008)
Nicole Ritchot Director	12/12		3/3 CHAIR (from June 2008)		7/7	8/8 (to May 2008)
Donald Sobkow Director	11/12	7/7 CHAIR		2/2 (from September 2008)	3/3 (to April 2008)	

### Remuneration

Directors receive an annual retainer and are also paid a per diem for attendance at regular and special board and committee meetings and other eligible meetings as agreed to by the board.

In 2008, total remuneration to the Board of Directors was \$196,000. Expenses paid by the credit union on behalf of directors were \$45,000.

### Training

All directors are expected to complete the Credit Union Director's Achievement (CUDA) program within their first three consecutive years as an elected board member. At the end of 2008, six of 10 directors had completed their CUDA training.

## Audit and Risk Committee Report to the Members

The Audit and Risk Committee's primary role is to ensure that an effective enterprise risk management framework is in place and implemented. Within this framework, the committee assists the board in fulfilling its oversight responsibilities regarding financial risks, including efficiency and effectiveness of operations, safeguarding of assets and members' deposits, compliance with laws, reliability of financial reporting and independence of the external and internal audit functions. This report outlines the key areas of responsibility for the committee and the activities undertaken during the year.

### Risk Management

The committee is responsible for gaining assurance that there is effective management and control of specific financial and regulatory risks. Throughout 2008, the committee developed and/or reviewed a number of governing policies and recommended these policies to the board for approval. As well, the committee reviewed management reports related to these governing policies on a quarterly basis to ensure that risk management processes are operating effectively.

### Control Framework

The committee is responsible for gaining assurance that the elements of control, such as resources, systems, processes, structure and tasks are in place to support the achievement of Assiniboine's goals and

objectives. The committee sought assurance that Assiniboine's activities are managed with appropriate care and due diligence, that management has implemented appropriate internal controls, and that regulatory requirements are being met. The committee reviewed reports from the Internal Auditor as to the assessment of internal controls, received reports from management on the corporate insurance program, and received reports from management on Assiniboine's compliance with regulations, including the anti-money laundering and terrorist financing legislation.

### Financial Reporting

Consistent with its responsibility to provide oversight for the reporting of financial results, the committee reviewed and approved the accounting policies used for Assiniboine's financial reporting, gained assurance that an effective process was in place to prepare the annual operating budget and monitor performance to the budget, and gained assurance that effective internal processes were in place to ensure financial information is reliable and fairly presented. On a quarterly basis, the committee reviewed the financial statements, the loan allowances and loan write-offs with management and made recommendations to the board. The committee also received and reviewed the annual audited financial statements and recommended the statements to the board for approval.

### Internal Audit Function

The committee provides oversight to the internal audit function which includes reviewing, updating and recommending to the board the internal audit mandate and approving the annual internal audit work plan. The committee also gained assurance that the internal audit function is using a risk-based approach and that the conduct of internal audit is consistent with professional standards. The committee received and reviewed reports from the Internal Auditor, met in-camera with the Internal Auditor several times during the year and evaluated the performance of the internal audit function.

### External Auditors

The committee provides oversight of the external auditors to provide for the delivery of effective service to Assiniboine. The committee approved the engagement letter and the external auditors' fees to conduct the audit of Assiniboine's financial statements. As well, the committee reviewed the scope and timing of the external auditors' work, reviewed the auditors' independence and met in-camera with the external auditors. The committee evaluated the services provided by the external auditors and recommended the appointment of the external auditors to the board.

### *Moving Forward in 2009*

In 2009, the Audit and Risk Committee will be undertaking additional work in the area of enterprise risk management, including a review of the enterprise risk management framework and the updated risk profile of Assiniboine. As well, the committee will continue to develop and update various governing policies.



## Moving Forward 2009-2013

2008 saw the Board of Directors create a five-year strategic plan, guided by a future vision of Assiniboine Credit Union as The Financial Co-operative of Choice.

This simple statement is built upon a number of factors that tell a compelling story in the lead-up to 2013. The strategic plan recognizes that ACU does business in the financial services sector; it builds upon our co-operative roots; it supports our mission; it recognizes that we offer much more than credit to our members; it aligns with our values; and it expresses our desire that people and organizations will want to do business here; that talented people will choose to work at Assiniboine; and that others will select us as their partner of choice.

### Goals

Our vision is supported by six goals that describe what ACU plans to achieve within the next five years.

#### **Exceptional Member Service**

We will advocate on behalf of our members — making members' lives simpler; looking after their best interests; complying with legislation and regulations, even when we are not required to do so; and openly communicating about our accessible financial services and our business practices.

#### **Employer of Choice**

Being the employer of choice means talented people will want to work at ACU. We will be able to retain and attract employees because ACU provides information and tools, communicates the company's direction,

respects its employees, values diversity and encourages a collegial atmosphere where teamwork is applauded.

#### **Strong Financial Performer**

Strong financial performance means we have the capacity and resources to make strategic investments. It also means ACU has the financial resilience to weather any storm such as an economic downturn. When we are financially strong we have sufficient capital and profitability for sustainable growth. And, it means we are well able to support and evolve our own unique business model.

#### **Influential and Respected Financial Co-operative**

We will be a partner of choice because others believe in what we stand for.

#### **Excellence in Management and Governance**

Our future state exemplifies a company that is well and ethically managed and focused on positive results.

#### **Making a Difference in Our Community**

We are positive agents of change because social responsibility and the co-operative difference are integrated into everything we do.

# Strong leaders, strong future



Executive Management Team (From left): Priscilla Boucher, Audrey Maeren, Al Morin, Allan Godfrey, Mona Forsen, Gerry Campbell

## Executive Management

**Al Morin**  
PRESIDENT AND CHIEF  
EXECUTIVE OFFICER

**Priscilla Boucher**  
VICE-PRESIDENT  
CORPORATE SOCIAL  
RESPONSIBILITY

**Gerry Campbell**  
EXECUTIVE VICE-  
PRESIDENT SALES AND  
SERVICE

**Mona Forsen**  
EXECUTIVE VICE-  
PRESIDENT AND CHIEF  
OPERATING OFFICER

**Allan Godfrey**  
EXECUTIVE VICE-  
PRESIDENT AND CHIEF  
FINANCIAL OFFICER

**Audrey Maeren**  
VICE-PRESIDENT  
STRATEGY AND  
CORPORATE  
GOVERNANCE

## Senior Management

**Jeff Bergal**  
VICE-PRESIDENT FINANCE

**Diane Bourns**  
VICE-PRESIDENT RETAIL  
SALES AND SERVICE  
WINNIPEG NORTH AND  
WEST AND NORTHERN  
BRANCHES

**Val Breakenridge**  
VICE-PRESIDENT HUMAN  
RESOURCES

**Bob Brezden**  
VICE-PRESIDENT  
INFORMATION  
TECHNOLOGY

**Garry Mitchell**  
VICE-PRESIDENT  
FACILITIES AND  
PROCUREMENT

**Craig Peel**  
VICE-PRESIDENT RETAIL  
SALES AND SERVICE  
WINNIPEG SOUTH  
AND EAST

**Randa Stewart**  
VICE-PRESIDENT  
MARKETING AND  
BRAND MANAGEMENT

# At your service

DECEMBER 2008

**Member  
Communication Centre**  
(1.877) 958.8588  
Director: Kelly Milberg

**Assiniboine Financial  
Group**  
103-900 Harrow Street East  
Director: Henley Cunningham

**Business and  
Community Financial  
Centre**  
200 Main Street  
Director: Ken Penuita

202-900 Harrow Street East  
Director: Marcel Rainville

**Direct Sales:  
Dealer Finance and  
Mortgage Specialists**  
Director: Dale McMurray

## Branch Locations

### *Central Winnipeg*

**Buffalo**  
100-275 Broadway  
Managers: Craig Giesbrecht  
Micheline Rocan

**Graham**  
100-200 Graham Avenue  
Managers: Maria Bento  
Steven Bennett

**Main at York**  
200 Main Street  
Managers: Maria Bento  
Marie Delacruz

**Medical Arts**  
233 Kennedy Street  
Managers: Darlene Stewart  
Lisa Nield

**West Broadway**  
640 Broadway  
Managers: Brian McIvor  
Allison Eidse

*West Winnipeg*  
**Charleswood**  
5930 Roblin Boulevard  
Managers: Traci Thomas  
Marilyn Hooper

**Crestview**  
140-3393 Portage Avenue  
Managers: Mladen Bukvic  
Linda Hampton

**Kenaston**  
1855 Grant Avenue  
Managers: Stuart Roche  
Susanne Castell

**Portage at Moray**  
2565 Portage Avenue  
Managers: Brad Komistek  
Crystal Goulart

**Portage at Rutland**  
1907 Portage Avenue  
Managers: Brent Berzuk  
Michelle Biluk Thompson

**St. James**  
694 St. James Street  
Managers: Pete Jonker  
Lori DeVos

*North Winnipeg*  
**Garden City**  
2211 McPhillips Street  
Managers: Ray McMurtry  
Jeanne Gibson

**Keewatin**  
1038 Keewatin Street  
Managers: Ruth Neskar  
Terri Moar

**Rivergrove**  
2567 Main Street  
Managers: Bianca Selby  
Niki Borys

*East Winnipeg*  
**Henderson**  
655 Henderson Highway  
Managers: Barb Laferriere  
Cheryl Pope

**McLeod**  
844-A McLeod Avenue  
Managers: Stephanie Wiens  
Valerie Cook

**Regent**  
1609 Regent Avenue West  
Managers: Nicole Riedle  
Cassandra McTavish

*South Winnipeg*  
**Harrow**  
100-900 Harrow Avenue East  
Managers: Ken Curtis  
Kathy Hnatiw

**Pembina at Bairdmore N.**  
2659 Pembina Highway  
Managers: Cal Berzuk  
Millie Acuna

**St. Mary's**  
1033 St. Mary's Road  
Managers: David Moore  
Stuart Eckert

**St. Norbert**  
3525 Pembina Highway  
Managers: Sandra Charette  
Sandra Hart

**St. Vital**  
10-200 Meadowood Drive  
Managers: Kimberly Sylvester  
Goretti Frias

**Whyte Ridge**  
155 Scurfield Boulevard  
Managers: Chris Miranda  
Aldin Amaca

*Northern Manitoba*  
**Gillam**  
Gillam Shopping Centre  
Managers: Lana Minary  
Lisa Wiwchar

**Thompson**  
300 Mystery Lake Road  
Managers: Avis Johnston  
Chelsea Shaw-Bighetty

**PHOTOGRAPHY**

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Lance Thompson

In keeping with our commitment to environmental sustainability, our 2008 Annual Report was carefully designed to use a minimal amount of recycled paper and vegetable-based inks. All photo images are digital, which eliminates much of the waste associated with traditional film processing. This entire document can be recycled by removing the binding and recycling the binding and paper separately.

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