

Information kit

FOR CANDIDATES INTERESTED
IN A POSITION ON A DESJARDINS
CAISSE BOARD



Table of contents



Are you eligible?..... **4**



How to apply **6**



What are the expectations of the board and what are the duties of a director? **7**



What are the responsibilities of the board of directors? **9**



What kind of time commitment is involved in being a board member? **11**

APPENDIX

Excerpt from the *Act Respecting Financial Services Cooperatives* **12**

Excerpt from the *Civil Code of Québec* **12**

Excerpt from the *Caisse Bylaws*..... **13**



Thank you for your interest!

We're glad you want to find out more about a position on your caisse's board of directors.

The board of directors plays a central role in caisse development. It addresses the needs of members and clients, of the caisse and of Desjardins Group, while working for the long-term development of the organization within legal and regulatory frameworks. Board members generally serve 3-year terms.

This information kit includes eligibility requirements, the expectations and duties of a director, and a summary of the responsibilities of caisse boards of directors and committees. More information is available on the [Desjardins website](#).



Are you eligible?

To be eligible, **as of the date of the annual general meeting**, you must:

- Be 18 years or older
- Have been a caisse member for at least 90 days
- Live, work or have a permanent address in Quebec or belong to one of the groups defined by the caisse

You must also meet the eligibility requirements set out in the *Act Respecting Financial Services Cooperatives* and the *Caisse Bylaws* (see the Appendix). You must also consent to having Desjardins conduct a background and credit check so we can confirm that you're eligible to sit on the caisse board of directors.

PROVISIONS FROM THE CODE OF PROFESSIONAL CONDUCT

The *Code of Professional Conduct* (the Code) includes provisions to limit the risk of conflicts of interest and breaches of confidentiality related to certain situations.

Incompatible duties

One of the provisions in the Code states that a candidate who performs activities for or holds a position or job with one of Desjardins Group's competitors may be considered ineligible due to incompatible duties.

It's also important to note that you're responsible for making sure that being a caisse board member won't conflict with any legal frameworks (such as laws, bylaws or codes of professional conduct) that apply to your current job or position (for example, as a board member of an organization or city councillor).

Ineligibility of former employees

If you're a former employee of the caisse where you want to apply or a caisse that merged with it, you're not eligible to sit on the board of directors there.

If you're a former employee of a Desjardins component (caisse, centre, Federation or other component), you're not eligible to sit on the board of directors of a caisse for 5 years following the effective date of the end of your employment. This condition does not apply if you worked 720 hours or less per year for a Desjardins component.

Ineligibility due to family ties

If your spouse or a member of your immediate family works at or sits on the board of directors of the caisse where you want to apply, you're not eligible to sit on the board of directors there.

The Code defines "immediate family" as follows: a director's or employee's father, mother, brother, sister, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, sister-in-law, adult child, spouse's adult child, as well as anyone else with family ties living with the director or employee. For the purposes of this rule, "immediate family" includes grandchildren and "spouse" means either of 2 parties, of the same or different sex, who present themselves publicly as a couple.



How to apply?

During the third week of January, Desjardins caisses launch a **call for nominations** to fill the seats that will be up for election at their next annual general meeting (AGM). To run for a spot on the board, you must complete the following steps:

- 1** Complete the online version of the nomination form available on your caisse's website during the call for nominations. The nomination form includes the following sections:
 - a. Confirmation of your eligibility and integrity
 - b. Nomination signed by an adult who has been a member of the same caisse as you for at least 90 days
 - c. Reasons you want to be a board member (400 words approximately in the space on the nomination form)
- 2** Attach your résumé.
- 3** Send your documents to the caisse by email by the date and time listed in the call for nominations. You can only apply to one Desjardins caisse at a time.

You'll receive an email confirmation a few days after the caisse receives your nomination. If you meet the eligibility requirements, you'll need to follow the caisse's rules on campaigning.



What are the expectations of the board and the duties of a director?

To contribute fully to governance that serves the best interests of members, of the caisse and of Desjardins Group, every caisse director must fulfill certain requirements and meet certain expectations with respect to their duty.

Directors must:

- Demonstrate integrity, loyalty and the ability to form opinions on the information presented to them
- Listen to members to better understand their needs and expectations
- Ensure the sound and prudent administration of the caisse in accordance with the responsibilities of the board of directors and of Desjardins Group, and within legal and regulatory frameworks
- Understand and promote the caisse's and Desjardins Group's vision, uphold cooperative principles and Desjardins's values, and commit to always doing what's best for current and future members of the caisse and the Groupe coopératif Desjardins;
- Act ethically by fostering harmonious relationships and open, constructive dialogue, and ensuring that discussions, decisions and actions reflect Desjardins's values



Directors must also:

- Prepare for and attend meetings to meaningfully contribute to deliberations and decisions
- Demonstrate their ability to share their opinion during meetings
- Show support for the board's decisions
- Be self-sufficient in using the technological tools provided by Desjardins to read documentation, communicate electronically, and when necessary, attend online meetings.

Lastly, directors must:

- Read the Desjardins Group *Code of Professional Conduct* and uphold its principles and rules
- Help establish the enhanced group profile and complete the mandatory training that will contribute to work on the board and to any board committees on which they sit
- Use the software and IT tools provided by Desjardins to fulfill responsibilities
- Protect Desjardins's information security and participate in meetings in a way that protects confidentiality
- Participate fully in the democratic and associative life of the caisse
- Do a significant amount of business with Desjardins, which means using the products and services provided by the caisse and Desjardins Group components



What are the responsibilities of the board of directors?

The board of directors assesses, monitors and makes decisions about the caisse's affairs in keeping with Desjardins's values and based on what's best for current and future members, for the caisse and for Desjardins Group. The board takes the necessary steps to understand members' needs and to ensure member satisfaction. The board ensures that the caisse contributes to responsible and sustainable development in the community. The board makes sure that the caisse is managed in a sound and prudent manner according to governance documents to protect the caisse's long-term sustainability.

Specifically, the board:

- Ensures that Desjardins's mission, values and distinctive nature are reflected in the caisse's practices and activities, including member education and community development.
- Strives to meet the needs of current and future members and ensure member satisfaction. The board consults members and gets them involved in deciding the caisse's priorities. The board bases its decisions on what is best for members, keeping in mind the caisse's and the Groupe coopératif Desjardins's long-term sustainability and Desjardins Group's priorities.
- Approves and monitors the business plan and budget.
- Ensures that the caisse is managed in a sound and prudent manner in accordance with risk management and compliance governance documents.
- Appoints the caisse general manager, evaluates their performance and ensures that governance documents and HR management programs are strictly followed.
- Assesses its performance, ensures that the enhanced group profile is updated and its criteria met, and reports on its activities at the general meeting. The board oversees compliance with Desjardins's *Code of Professional Conduct* and other governance documents and guidelines.



To foster deeper discussions and enhance its effectiveness, the board can entrust mandates to committees, including the following:

Audit and Professional Conduct Committee

The mandate of the Audit and Professional Conduct Committee is to review monitoring and financial reports, as well as reports on risk, compliance, and internal controls. It also oversees compliance with professional conduct rules and principles.

Governance and Ethics Committee

The Governance and Ethics Committee is charged with helping the board review and implement governance practices in line with governance documents and Desjardins's values.

Cooperation Committee

The Cooperation Committee helps the board gather feedback from members and the community. It also helps review cooperation initiatives and develop the board's community involvement and representation plan.



What kind of time commitment is involved in being a board member?

The board generally meets 10 to 12 times per year and the committees meet quarterly or as needed. Meetings can be held online, so directors need to have a reliable internet connection.

Before each meeting, directors are expected to read the materials made available by the caisse. Preparation time will vary by person, but you should plan to set aside a few hours per meeting.

In addition to board and committee meetings, directors are expected to take part in various Desjardins Group meetings, such as online meetings with the President and CEO and, if acting as a delegate for the board, the annual general meeting of the Fédération des caisses Desjardins du Québec and other collaboration groups.

The caisse provides directors with compensation in recognition of the importance of their caisse governance duties and responsibilities. The compensation directors receive is taxable as personal income.

Excerpt from the *Act Respecting Financial Services Cooperatives*

ELIGIBILITY REQUIREMENTS

Section 227

227. A natural person who is a member of the credit union may be a member of its board of directors and of its board of supervision, unless that person is disqualified for office as a member of such boards.

In addition to persons disqualified for office as directors under the Civil Code, and persons convicted of an offence or an indictable offence involving fraud or dishonesty who have not obtained a pardon, the following persons are disqualified for office as members of a board:

- 1° a member who has been a member for less than 90 days, unless he or she is a founder;
- 2° an auxiliary member;
- 3° the chief manager of the credit union or another of its employees, or an employee of the federation, where applicable, or of another legal person or partnership belonging to the financial group;
- 4° a member of another board of the credit union;
- 5° an officer or employee of another credit union; and
- 6° a person dismissed in the past five years under section 118, 118.2 or 335

Excerpt from the *Civil Code of Québec*

Section 327

327. Minors, persons of full age under tutorship or curatorship, bankrupts and persons prohibited by the court from holding such office are disqualified for office as directors.

Excerpt from the *Caisse Bylaws*

BOARD MEMBER QUALIFICATIONS

- 6.1** Subject to the exceptions provided in the Act, natural persons who are caisse members can hold office as members of the board if:
- a. they are a Canadian citizen or permanent resident;
 - b. they have never been expelled from a caisse belonging to the Groupe coopératif Desjardins; and
 - c. they are a director who has served a three-year term and they have completed the mandatory training available as of December 31 of the year preceding the general meeting during which their term will end.

For questions about director eligibility criteria, please contact the caisse's general manager.