

## CEO's Message

2018 was a transformational year for Coast Capital as we expanded our services for our members and our reach in Canada while remaining steadfastly committed to our cooperative roots. Our total assets increased by 15.1%, enabling us to end the year at \$19.6 billion, and retained earnings—the primary source of capital for a credit union—grew by 8.7%. We continued to invest in supporting our employees' growth and development within a culture that acknowledges that the strength of our organization is in our people. And, as always, we remained true to our members' financial well-being and purpose: *Together, we help empower you to achieve what's important in your life.*

### Expanding our horizons and innovating through digital developments

Receiving approval to become a federal credit union in 2018 was a testament to the strength of our organization, the foresight of our members and a reflection of the contribution Coast Capital is making in the Canadian financial services industry. With a thoughtful and prudent approach, our efforts in 2018 provided a foundation from which we will continue to grow within British Columbia while looking ahead to reaching more Canadians through our digital offerings and by forging strategic brick-and-mortar partnerships.

Recognizing the opportunities afforded by expanding our digital services, we introduced new ways for members to manage and analyze their financial health. Specifically, the *Take Charge Money Manager™* gives members the opportunity to gain a big-picture understanding of their financial health, provides the opportunity to view spending activity in a dynamic, visual format and analyze their daily transactions, create monthly budgets and aggregate account information from other financial institutions. It is available across three channels—Coast Online Banking, Coast Online Banking for Small Business and Mobile Banking.

### Maintaining strong and stable financial growth while investing in our people and values

Increasing our membership to 572,000 (from 555,000 in 2017) was a significant achievement for Coast Capital, indicating the strong trust we have earned from British Columbians. In addition to holding assets under administration over \$23 billion (up from \$21 billion in 2017), we obtained a long-term debt rating of BBB High from international bond rating agency DBRS. This, along with our DBRS-designated strong investment grade rating of R-1 Low, enabled Coast Capital to raise funding through the capital markets for terms longer than one year, issue \$300 million in subordinate notes and offer an additional \$175 million in senior deposit notes in 2018.

Helping our members achieve financial well-being is only possible if there is a strong commitment among all 1,800 of our employees to fulfilling that mission and linking it to our larger purpose to empower our members to achieve what's important in their lives. To this end, our staff engaged in a process to identify five key values that unite us: Inspire, Connect, Challenge, Simplify and Deliver capture the essence of our purpose-driven culture and will be considered with every step we take as we move forward strategically, including in the development of our people, and the products and services we provide our members.

### Expressing gratitude

Giving thanks to our staff is something our leadership team strives to do regularly because without them we couldn't achieve the successes we have so far. While a simple "thank you" is often enough, we also employ a number of initiatives throughout the year to recognize employees who do their job in an exemplary fashion. And in this, I would like to take this opportunity to thank all 1,800 of our employees for embracing our purpose and values and working in the best interest of our members every day.

Joining the leadership team of Coast Capital has introduced me to a group of dedicated leaders, passionate about the people they work with and our organization. The executive team and Board of Directors are tireless in their commitment to enhancing member experience and employee growth in innovative and highly effective ways. I extend congratulations and thanks to them for positioning Coast Capital so well for the next phase of our evolution. I also extend my appreciation to Bruce Schouten for leading Coast Capital through 2018 with a sense of purpose, integrity and passion for what we do.

It is an exciting time in the financial services industry, and Coast Capital will continue to be a leader, both in British Columbia and across Canada, as we share our unique ways of doing business. At the heart of everything we do are our members, whom I thank for your continued trust and support. I promise that in every step we take moving forward, protecting and enhancing your financial well-being will be the guiding consideration behind each decision we make.



A handwritten signature in black ink, appearing to read 'Calvin MacInnis', written in a cursive style.

Calvin MacInnis  
President and  
Chief Executive Officer