

SCOTWEST CREDIT UNION LIMITED
MINUTES OF THE 32nd ANNUAL GENERAL MEETING
Held at 6.30pm on 5 December 2022

The Annual General Meeting (AGM) was held electronically on Attend 2It platform.

CHAIRPERSON'S OPENING REMARKS

The Chairperson, Cathy Jamieson (CJ), opened the meeting by welcoming everyone to Scotwest's 2022 AGM. CJ relayed that the required quorum of 15 members present had been met and the meeting could proceed. She advised members that the format of the meeting would be as per the agenda circulated on the website ahead of time. CJ further advised that with regard to voting, there was an option box provided on screen which would allow for this, as well as to raise any questions that might arise.

1. ASCERTAINMENT OF QUORUM

| | | |
|----------------|---------------------|------------------|
| France McCann | John Magill | Cathy Jamieson |
| John Begg | Scott Craig | Ian Turner |
| Neil Godsman | Ann Welsh | Sarah Watters |
| Justine Carter | Oluwadamilare Aluko | Sharon Bissett |
| Brian Davidson | Alan Deans | Ian Fraser |
| William Maley | Grant Riley | Catriona Scriven |
| Stuart Wallace | Sian McKinnon | George Steele |
| Ian Fraser | Ryan Coppen | |

Also in attendance was Scott Holmes of Johnston Carmichael, Chartered Accountants.

2. MINUTE OF PREVIOUS AGM - 29 NOVEMBER 2021

The minute of the previous AGM was included in the AGM pack that had been available on the website for two weeks prior to this AGM. There were no matters arising, therefore CJ requested that this be proposed and seconded, which was achieved and the minute was approved.

3. CHAIRPERSON'S REPORT

The Chairperson's Report was included in the AGM pack available on the website.

CJ acknowledged that it has been a challenging year for everyone, particularly the credit union sector, while emerging from the COVID-19 pandemic and in the wider economic climate. Scotwest is now in the midst of the 'cost of living crisis', but had attempted throughout the course of the year to maintain a balance between the interests of the Credit Union as a whole while still providing members with the best service possible.

Regulatory Compliance

As per the Prudential Regulation Authority (PRA) Rule Book Part 10.1, Scotwest is required to disclose compliance with the following at its AGM:

- Depositor Protection

Scotwest members are protected by the Financial Services Compensation Scheme. This means it is required to comply with various regulatory requirements in respect of the deposits it holds, specifically the requirements of Depositor Protection 11, and 49 to 51.

- Policy of Insurance

The PRA Credit Union Rule Book Part 2.10 requires credit unions to maintain insurance to protect against any loss suffered or liability incurred by reason of the fraud or other dishonesty of any of its officers or employees

- Additional Activities

The PRA Credit Union Rule Book Part 4 allows a credit union to carry out 'additional activities'. Specified additional activities that Scotwest engages in are Additional Investments, Additional Lending and Mortgages. These additional activities carry further regulatory requirements.

Disclosure of compliance with these regulatory requirements was included in the AGM pack available on the website and CJ further confirmed this compliance verbally.

Summary

CJ expressed her thanks to the members, without who, she said, the Scotwest would not exist, as well as to her fellow Directors and the Credit Union's staff for their continued hard work.

4. CHIEF EXECUTIVE'S REPORT

The Chief Executive's Report was included in the AGM pack available on the website.

Scotwest's Chief Executive Officer (CEO) Frances McCann (FM) thanked CJ for her words and extended a warm welcome to everyone in attendance and reiterated to members to submit any questions they may have as the meeting proceeded.

FM highlighted that Scotwest was commencing the year in the midst of the cost of living crisis, and reminded members that the Credit Union was there and would do everything it could to support them build their savings and provide affordable lending. She also highlighted that a range of information regarding financial support and advice available from a number of organisations was available on the website.

FM stated that Scotwest had continued to work robustly through the pandemic, with loans and savings continuing to grow steadily. However, due to the current financial climate, savings are now beginning to decrease as members start to draw on them.

FM finished by extending her thanks to the Board of Directors who give up their time freely to help run the Credit Union; the staff for their hard work throughout the year, as well as the members who continue to loyally use the credit union's services.

5. QUESTIONS FROM THE MEETING ON THE CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

There were no questions.

6. ELECTION OF DIRECTORS

Prior to the election of those standing, CJ noted that two Directors had recently stood down from the Board for personal reasons and thanked them for their contributions during their service.

The details of those nominated for election had been included in the AGM pack available on the website. After voting for each, and as per the rules of the Credit Union, the following were elected to the Board:

- Justine Carter
- Stephen Wood

and the following were re-elected to the Board:

- Ian Turner
- John Begg
- Alex Ibe

FM then asked the meeting to vote with regard to the re-election of CJ to the Board. CJ was subsequently re-elected.

7. FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The Financial Statements had been available on the website two weeks ahead of the AGM.

Scott Holmes (SH) of the Credit Union's external auditor, Johnston Carmichael, spoke to the paper and advised that he had issued a clean and unqualified audit report on the financial statements and there were no issues arising as a result.

8. QUESTION ON FINANCIAL STATEMENTS

Following SH's statement, one question with regard to this was submitted:

Q Are the corporate bonds held invested in banks or companies which support investment in fossil fuels?

A CJ noted that that this question had been raised previously and that the Credit Union had picked up and acted upon a number of issues in relation to the wider climate change issue. She advised, however, that Scotwest is very limited in where it can invest surplus funds and asked FM to expand.

FM advised that this is under regular review, however, credit unions are very limited by regulation with regard to options available for investments. Historically, investing in

products available from authorised EU based deposit takers was permitted, however, following the UK's departure from the EU this is now limited to authorised deposit takers from this country, which is where most the Credit Union's portfolio sits. She added that there are very few options that would be primarily seen as 'green' investments, but reassured members that the Credit Union pro-actively pursues a green strategy where possible, including via the Credit Union's products as well as the organisations we support.

CJ asked that approval of the Financial Statements and Auditor's Report be proposed and seconded, and this was achieved.

9. APPOINTMENT OF AUDITOR

CJ asked the meeting to vote on the re-election of Johnston Carmichael as external auditor. This resulted in their re-appointment.

CJ placed on the record her thanks to SH and his team for their work and smooth completion of this year's audit.

10. RULE BOOK – PROPOSAL OF AMENDMENTS

The proposed Rule Book amendments were included in the AGM pack available on the website.

CJ referred to the proposed changes and asked members if there were any questions ahead of voting on the proposals. There were no questions and the amendments were approved in full.

11. CLOSE OF MEETING

CJ thanked everyone for their participation in, and support of, the Credit Union over the past year and said she looked forward to working with everyone again in the year ahead. She noted that following the AGM, the Scotwest Lottery AGM would take place and invited any interested parties to remain in situ if they wished to take part. A final thanks was given to those involved in the facilitation of the AGM and the meeting was closed at 7.00pm.