



National Cooperative Bank

MISSION REPORT 2022



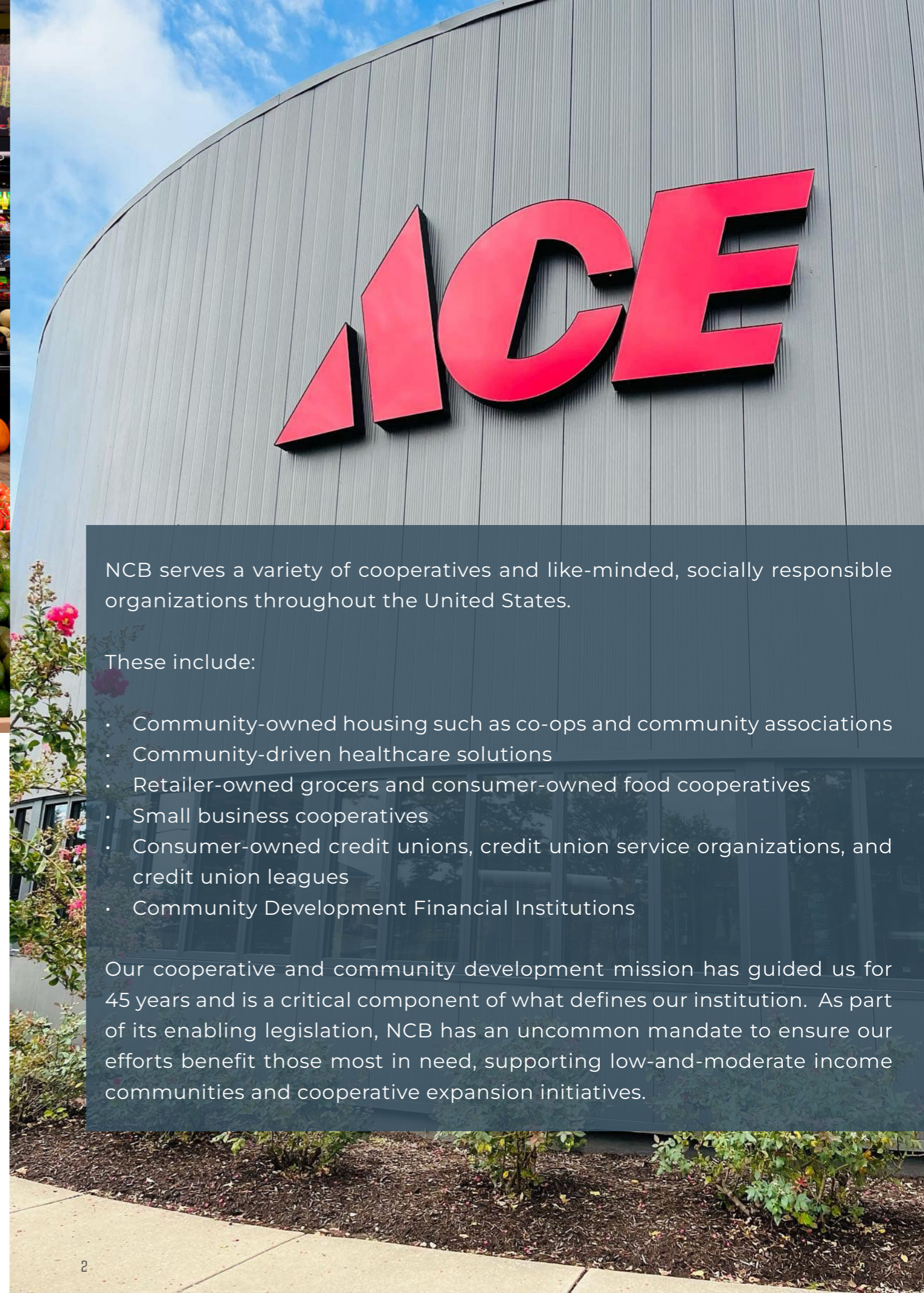
WORKING TOGETHER.
BUILDING COMMUNITY.



ABOUT US

National Cooperative Bank is the only bank in the United States dedicated to delivering nationwide banking products and solutions to cooperatives and other member-owned organizations to help communities thrive.

We operate for the benefit of our cooperative members—not outside investors. This allows us to focus on our commitment to support affordable housing, healthy food, renewable energy, small businesses, community-driven health care, and non-profit organizations.



NCB serves a variety of cooperatives and like-minded, socially responsible organizations throughout the United States.

These include:

- Community-owned housing such as co-ops and community associations
- Community-driven healthcare solutions
- Retailer-owned grocers and consumer-owned food cooperatives
- Small business cooperatives
- Consumer-owned credit unions, credit union service organizations, and credit union leagues
- Community Development Financial Institutions

Our cooperative and community development mission has guided us for 45 years and is a critical component of what defines our institution. As part of its enabling legislation, NCB has an uncommon mandate to ensure our efforts benefit those most in need, supporting low-and-moderate income communities and cooperative expansion initiatives.

Your Choices Reflect Your Values. Your Bank Should Too.



MISSION BANKING ACTIVITIES

In 2022, NCB made loans and investments of \$475,145,811 to benefit low-and-moderate-income families and communities.

39%* of NCB's portfolio is comprised of loans serving low-and-moderate income communities and co-op development.

2022 NATIONAL COOPERATIVE BANK MISSION-RELATED ACTIVITIES

Co-op & community development loans	\$413,468,198
Low/moderate income mortgage loans	\$46,771,357
Contributions, Investments & Grants	\$2,906,256
Facilitated Transactions	\$12,000,000
Grand Total	\$475,145,811

2022 CO-OP & COMMUNITY DEVELOPMENT SECTORS

Affordable Housing	\$128,886,124
Credit Union	\$80,796,395
Food	\$8,001,430
Hardware	\$8,215,100
Health Care	\$53,955,123
Non-profit & Community Development	\$43,450,000
Renewable Energy	\$89,739,026
Small Business	\$425,000
Grand Total	\$413,468,198

*This excludes cooperative share, single-family mortgage, consumer, home equity line of credit, and lease transactions.

DEAL HIGHLIGHTS



Detroit Food Commons

NCB was the direct lender in the nearly \$20-million project spearheaded by nonprofits Detroit Black Community Food Security Network (DBCFSN) and Develop Detroit in part with \$7 million in New Markets Tax Credits allocated from Michigan Community Capital to develop Detroit Food Commons. Located within a CDFI-qualified severely distressed census tract, the project will directly address a severe lack of access to fresh food in the North End neighborhood of Detroit.

NCB provided \$5 million subordinated debt to EFCU Financial



EFCU Financial, a low-income designated credit union with over 55,000 members is headquartered in Baton Rouge, LA, and was the 13th chartered credit union in the United States. The subordinated debt provided by NCB will be used to support the future growth of EFCU in its geographic footprint and provide tools and resources to bolster its resiliency exiting the COVID-19 pandemic.



San Ysidro Health Inc.

NCB provided four loans totaling \$39.7 million to San Ysidro Health, Inc. for the development of a new healthcare facility located in National City, CA. San Ysidro, a Federally Qualified Health Center will utilize the funding for the acquisition, construction, and build-out of a new ground-up multi-story 38,000 sq. ft. building. The building will house a Federally Qualified Healthcare Clinic, a PACE (Program of All-Inclusive Care for the Elderly) center, and a 311-space underground garage.



Fenner Ridge Apartments: \$5.5 million, Hillsboro, Ohio

NCB provided the loan to Ohio Capital Finance Corporation (OCFC), which was formed in 2002 as the nonprofit lending affiliate of Ohio Capital Corporation for housing. Fenner Ridge Apartments, is a 56-unit, new-construction, mixed-income development in Hillsboro, Ohio. The development will include 12 one-bedroom, 28 two-bedroom and 16 three-bedroom apartments, in three residential buildings and one community building.



2022 Co-op Innovation Awards

The cooperative development model creates opportunities for economic mobility and for financial and community resilience, including during times of crisis. In 2022, in partnership with Capital Impact Partners, five innovative ideas in five cities received a combined \$170,000 in early-stage grant funding from the 2022 Co-op Innovation Awards.

“Since 1978, National Cooperative Bank has had a mission to serve cooperative development and is proud to once again sponsor the Co-op Innovation Awards,” stated Casey Fannon, President and CEO. “The co-op model works in a wide range of sectors, as you can see from this year’s recipients, but what they all have in common is a commitment to improving the lives of their community and members.”

This year, the award pool was expanded through the participation of additional sponsors including: Rochdale Capital, CUNA Mutual Group, Local Government Federal Credit Union, and National Co-op Grocers, helping augment the award opportunities by \$50,000.



Northside Residents Redevelopment Council was awarded \$50,000 to create a state-certified Community Safety Specialist apprenticeship program, formalizing and professionalizing a community-led patrol program that has existed in North Minneapolis for decades. These patrols aim to generate community wealth through cooperative ownership and by cultivating safe, supportive, and economically vibrant neighborhoods where families can thrive.



North American Students of Cooperation (NASCO) was awarded \$35,000 to establish a group-equity cooperative for a 209-unit complex in Stockton, California, that primarily houses Cambodian refugees and their families. The complex is owned by the Asian Pacific Self-Development and Residential Association.



The Industrial Commons was awarded \$30,000 toward a project called Seat at the Table, which takes the need for skilled labor and turns it into a multi-layered business that trains workers to become upholsterers, one of the highest paid jobs in furniture. Seat at the Table’s short-term goal is to create a training program in Morganton, North Carolina, where young people in the community can learn the skill of furniture production while fulfilling contracts for other local furniture companies.



Pilsen Housing Cooperative (PIHCO) was awarded \$30,000 to pay a temporary project manager to oversee fundraising efforts and the expansion to its third property, a “generator building” that will help make the co-op’s ongoing growth sustainable. Through PIHCO, owner families can secure affordable homes in a neighborhood that many consider to be the heart of Mexican Chicago. They earn equity and build wealth, build leadership skills, increase democratic participation in civic life, and take a pragmatic stand against displacement.



Beloved Community Incubator was awarded \$25,000 to support the Vendors United Food Cooperative, a group of street food vendors in Washington, D.C. The vendors started an online, cooperatively-owned marketplace to sell their food. Building on the success of its pilot program, Beloved Community Incubator will scale Vendors United Food Cooperative, help build the foundation of the cooperative, and strengthen its team, which will result in higher incomes and more democratic control.



Advocacy

NCB is a strong advocate of co-ops and government programs that can benefit co-op organizations. These include working with the Department of Agriculture and the rural cooperative development centers for grant funding for co-op organizations, and advocating for worker and food co-ops to access the Small Business Administration loan programs.

Sustainability

In 2022, NCB financed approximately 132 MW of power for solar projects nationwide.

In 2022, NCB closed a \$55 million loan facility to fund the construction and permanent financing of 20 community solar projects with United States Solar Corporation (US Solar) totaling approximately 37 MW.

The portfolio of assets includes community solar projects in Colorado and Minnesota that will benefit local commercial businesses and community residents, including low-to-moderate income subscribers.

“We are thrilled to be working with NCB, a bank investing in the clean energy transition,” said Brian Lantz, Chief Financial Officer of US Solar. “This impactful investment will accelerate our solar project deployment and provide clean, renewable energy benefits to our project communities and subscribers.”





CORE VALUES

- Customer Focus
- Accountability
- Collaboration
- Empowerment
- Diversity
- Inspiration
- Integrity

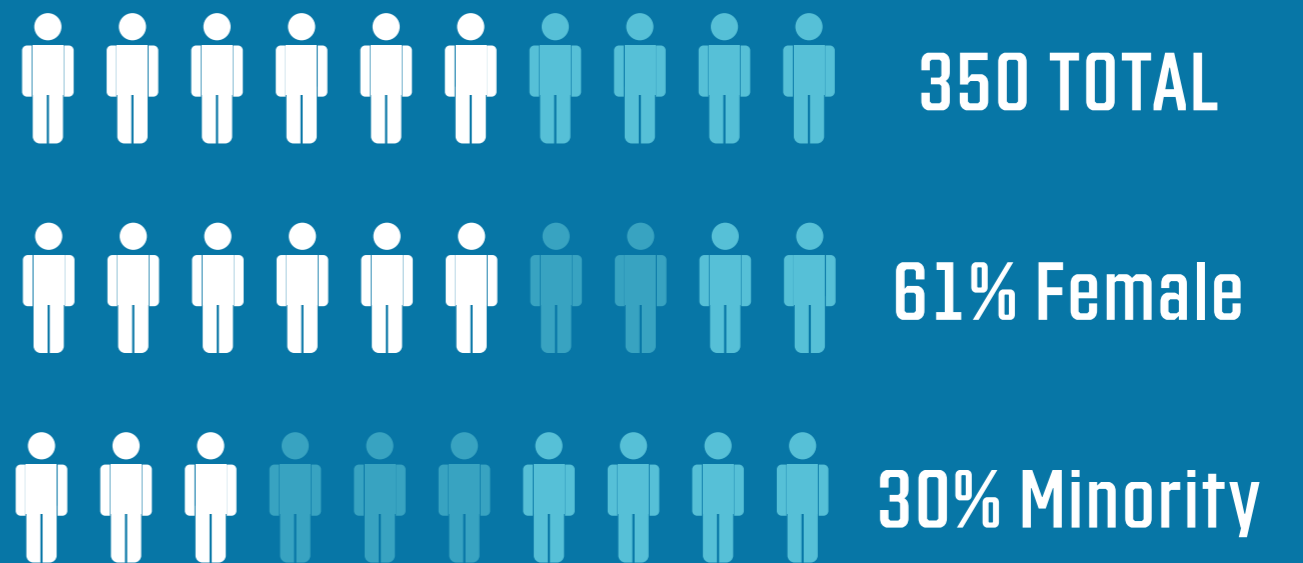


WHO WE ARE

Mission

NCB's mission is to support and be an advocate for America's cooperatives and their members, especially in low-income communities, by providing innovative financial and related services.

EMPLOYEE DEMOGRAPHICS



NCB's Commitment to **Diversity, Equity, and Inclusion (DEI)**



Our People. Our Work. Our Community.

We are dedicated to attracting, developing, and retaining the most diverse talent. We offer an inclusive environment where employees are respected, challenged, and rewarded for their contributions to our success. We integrate the diversity of experiences, opinions, thoughts, and skills into our business decisions to ensure that we are reaching all communities where we live and work. Our commitment to cooperatives and community development has guided us since our inception and is critical to building stronger links among our customers to help all communities accumulate wealth, fuel local economies, and provide homeownership.

Company **Awards**

NCB was named on the 2022 Top Workplaces USA list.

The national award program recognizes organizations across the country that have exceeded key facets of workplace culture. Recipients of the 2022 Top Workplaces USA award were selected based on results from Energage's anonymous, research-based employee engagement survey that is powered by findings from 16 years of research and data from over 27 million employees across 70,000 organizations.

NCB was also awarded number six on the large companies list for the 2022 Best Employers in Ohio. The annual list of the Best Employers in Ohio was created by Crain's Cleveland Business and Best Companies Group.



Investments, Grants and Corporate Contributions

In 2022, NCB made grants, donations, and investments totaling \$2.9 million to support local non-profits and co-op organizations to expand their work in low-and-moderate income communities and cooperative development.

NCB's employee-driven corporate contributions committee distributed \$150,000 to 69 non-profit organizations. Funds for this committee are made possible by a dollar-for-dollar match from NCB's employee-giving campaign.

Rochdale Capital

NCB is proud to be the founding and strategic partner of Rochdale Capital, an emerging community development financial institution committed to the promotion of cooperatives and community ownership.

Rochdale achieves this by providing equitable access to capital and technical assistance to minority-owned entrepreneurs, small businesses, and community-based organizations nationwide that have been historically underserved by conventional lenders. Building upon our initial start-up contribution, NCB provided Rochdale Capital with a strategic contribution of \$1.5 million in 2022.



Financial Education & Student Savings Programs



Online Financial Literacy

NCB provides free online financial education to high school students. In the 2021/2022 school year, 334 students completed 2,218 financial education modules.

To promote youth savings, NCB offers a Money Matters Student Saving and Checking account. As of December 31, 2022, NCB had 560 student bank accounts totaling \$1.2 million.

Adult Financial Literacy Training Programs

NCB offers a free online adult financial education program covering topics from budgets to homebuying. In 2022, 640 adults accessed the online financial education platform.

Volunteer Days

NCB held several volunteer days in Virginia and Ohio, where employees gathered to give back to the local community. Employees participated in activities that catered to the different needs of the community through organizations such as:



Be The Good Project

Comfort Cases

Women Giving Back



Food & Friends

Hillsboro High School Concession Stand

Highland County Humane Society

Because He Lives Food Pantry

Area 937 Community Outreach, Inc.

Hillsboro City Schools Power Packs



GLOBAL ALLIANCE FOR BANKING ON VALUES

National Cooperative Bank is a member of the Global Alliance for Banking on Values (GABV). GABV is a network of the world's leading banks and credit unions with a shared mission: To use finance to develop sustainable economic, social, and environmental development, with a focus on helping individuals fulfill their potential and build stronger communities.



Global Alliance for
Banking on Values

