



2023 MISSION REPORT

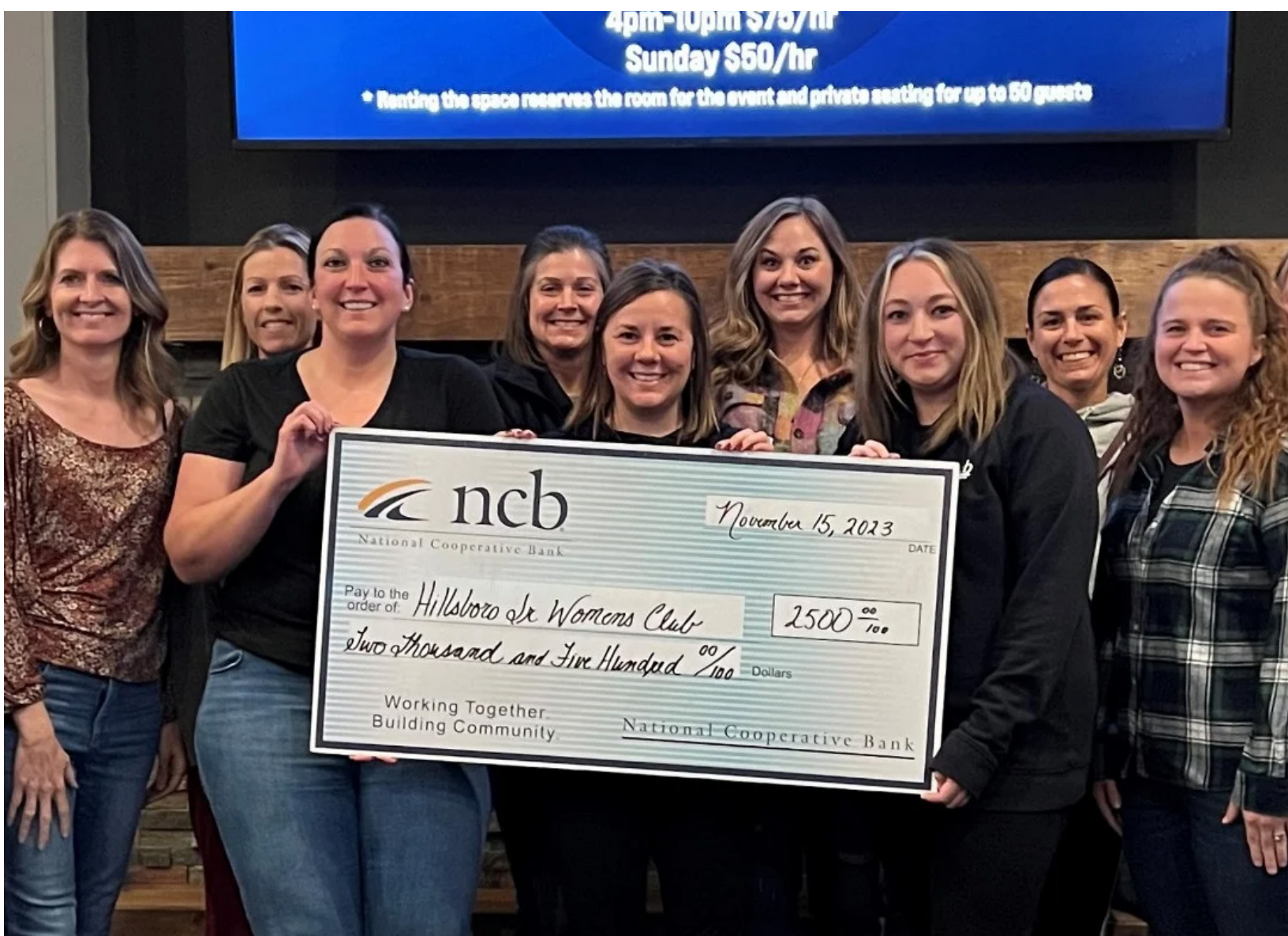


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ABOUT US



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 2023, NCB made loans and investments of \$383,838,861 to benefit low-and moderate-income families and communities.

40.6% of NCB's portfolio is comprised of loans serving low-and moderate-income communities and co-op development.

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



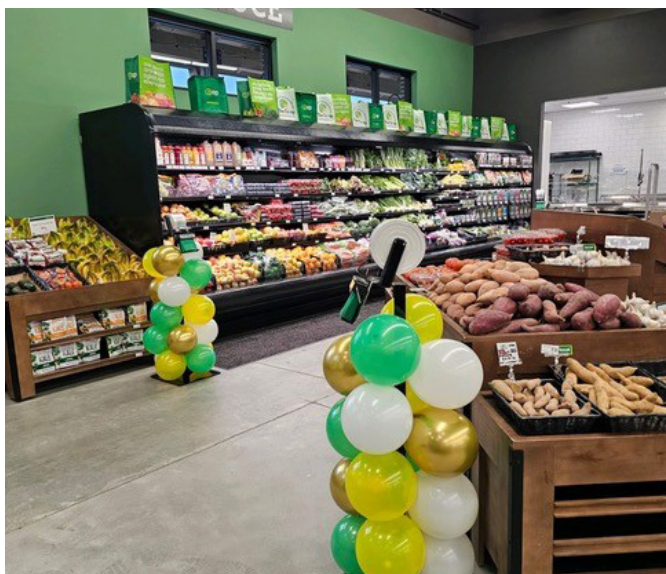
2023 National Cooperative Bank Mission-Related Activities

Co-op & community development loans	\$342,061,961
Low/moderate income mortgage loans	\$34,535,100
Contributions, Investments & Grants	\$7,241,800
Grand Total	\$383,838,861

2023 CO-OP & COMMUNITY DEVELOPMENT SECTORS

Affordable Housing	\$69,167,300
Credit Union	\$93,641,729
Food	\$24,636,000
Hardware	\$9,149,000
Health Care	\$31,740,000
Non-profit & Community Development	\$16,892,500
Renewable Energy	\$89,835,432
Small Business	\$7,000,000
Grand Total	\$342,061,961

Deal Highlights



Lovettsville Cooperative Market

NCB provided a \$950,000 SBA 7(a) loan to Lovettsville Cooperative Market, a member-owned food co-op in Lovettsville, VA. The Lovettsville Cooperative Market which now has over 1,200 owners opened to serve the community on November 1, 2023. The co-op will purchase from local farmers as much as possible, implement environmental best practices, work to build an inclusive community that welcomes all while sharing information about the link between food and health.



Encourage Financial Network Credit Union

NCB provided a \$2.5 million subordinated debt loan to Encourage Financial Network Credit Union (EFNCU). EFNCU is a low-income designated credit union, headquartered in Chicago, Illinois and currently serves over 13,500 members in the Chicagoland area. The subordinated debt provided by NCB will be used to enhance the website, mobile app, and online member enrollment platform along with an investment in a new suite of business products to expand the credit union membership.

"We couldn't be more thankful for NCB's partnership throughout the process," says Michael T. Abraham, President & CEO. Abraham continues, "This investment will allow us to support our recent growth by making critical investments in infrastructure to improve and expand service delivery to our members in the channel that they prefer. The future is encouraging, indeed!"



Turner Healthcare Facilities Fund II

NCB provided a \$9.34 million non-revolving line of credit to partially fund the acquisition and construction of a new Program of All-Inclusive Care for the Elderly (PACE) facility in San Bernardino, CA., for WelbeHealth San Bernardino PACE as the tenant. WelbeHealth is a physician-led, mission-driven, for-profit company founded in 2015 to serve vulnerable seniors with quality healthcare through the operation of PACE facilities. PACE is a community-based program focused on dual eligible Medicaid and Medicare seniors who are having trouble accomplishing activities of daily living. The project includes the ground-up construction of a 16,434-square foot, single-story PACE facility that will include a primary care medical clinician area to provide behavioral health and rehabilitation services, adult day activities space, and other core PACE elements.



Fox Ridge Cooperative Townhouse Topeka, Kansas

NCB provided a \$4.1 million first mortgage to Fox Ridge Cooperative Townhouse to refinance existing debt and provide funds for capital repairs. Fox Ridge is a 200-unit limited equity, affordable housing cooperative with 44 two-story buildings and a one-story clubhouse.

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, advocating for worker and food co-ops to access the Small Business Administration loan programs.

Sustainability



NCB committed up to \$46 million for the installation of up to 50 solar projects totaling 25.1 MWdc in Maryland. Working with Solar Landscape, each project is a rooftop solar project mounted on Public Storage facilities and will serve nearly 2,600 homes, many of them low-moderate income families, making it the largest portfolio of projects from a single company in the Maryland Community Solar Pilot Program's LMI subcategory. These projects will save Maryland residents nearly \$1,000,000 per year on their energy bills.

Subscribers will receive discounted electricity, often with additional savings for LMI households. Community solar expands access to renewable energy for those who are unable to install solar panels for reasons such as high costs, lack of roof control, or insufficient sunlight. Public Storage's rooftop projects will lower energy bills for subscribers, saving residents millions of dollars per year on electricity costs.

2023 CO-OP INNOVATION AWARDS



Four innovative organizations in four cities received a combined \$170,000 in catalytic grant funding from the 2023 Co-op Innovation Awards, which aim to increase cooperative development in communities living with low incomes and/or communities of color.

This year's awards, issued by National Cooperative Bank and Capital Impact Partners, are funding projects such as a composting company owned and staffed by formerly incarcerated individuals; a collaborative effort to convert multi-family housing into resident-owned co-ops; a training program for queer, trans, and BIPOC farmers; and professional development for maternal health workers who serve historically disinvested communities.

This year, the award pool was expanded through the participation of additional sponsors Rochdale Capital, Wells Fargo, Ford & Paulekas, LLC; National Co-op Grocers; and TruStage.



The Compost Cooperative was awarded \$50,000 to develop a new line of compost to increase revenue and sustainability, creating additional job opportunities. The Compost Cooperative, which turns food waste into compost, was developed inside a county jail by incarcerated people and provides job training and ownership opportunities to formerly incarcerated individuals.



Northwest Cooperative Development Center—an organization based in Washington state that supports cooperatives in that region and beyond — was awarded \$45,000. The grant will support its work alongside three other co-op development centers to design a process for buying and converting multi-family properties into resident-owned housing cooperatives.



Rock Steady Farm was awarded \$40,000 to develop and launch an immersive paid apprenticeship program for queer and trans farmers, and farmers of color. The program, Pollinate, is for new farmers who practice or are planning to practice cooperative farming models at a scale that can support the wider community. Rock Steady Farm sustainably grows high-quality produce and makes it available to historically marginalized communities in the Hudson Valley and New York City. The farm seeks to disrupt and address the interconnected systemic barriers for queer and trans farmers, and farmers of color, in a way that supports the prosperity of the communities they serve.



Birthmark Doula Collective was awarded \$35,000 to provide professional development support and education to its members. The collective, which operates as New Orleans Breastfeeding Center, centers and uplifts the experiences of people of color, families living with low incomes, and LGBTQ families, who experience systemic inequities in maternal and reproductive health care. The organization is currently owned by seven birth workers, lactation counselors, and community health care workers, who are 75 percent Black, majority working class, or from backgrounds of poverty, and 30 percent LGBTQ.

OUR MISSION



WHO WE ARE

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.

Company Awards

NCB was awarded number six on the large companies list for the 2023 Best Employers in Ohio. The annual list of the Best Employers in Ohio was created by Crain's Cleveland Business and Best Companies Group.

CORE VALUES



EMPLOYEE DEMOGRAPHICS*

314 EMPLOYEES



63% WOMEN



31% MINORITY



*As of March 2024

Diversity, Equity, and Inclusion



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.

Our Commitment to Learning

In 2023, our Executive Council members and DEI Fellows enrolled in and completed eCornell's Diversity, Equity, and Inclusion (DEI) certificate program, which provided a comprehensive framework for promoting a more diverse and inclusive workplace. By completing the eCornell program, they have taken proactive steps to enhance their understanding of crucial DEI concepts. The program's four modules focused on Improving Engagement, Counteracting Unconscious Bias, Diversity, Equity & Inclusion at Work, and Fostering an Inclusive Climate.

Our Commitment to Learning was also met at an organizational level with the establishment of our DEI Training Program and the launch of six DEI courses in 2023. All employees were invited to engage in DEI focused learning opportunities, such as webinars, book club discussions, and sessions facilitated by our DEI fellows. Over 65% of our employees voluntarily engaged in and completed at least one of these learning opportunities.

"As I have spent time diving into the study of DEI, I realize it is all about creating a space where EVERYBODY is included. All groups perform best when members trust and respect each other. In turn, trust and respect lead to sharing of ideas and supporting each other's work. DEI lifts everybody."

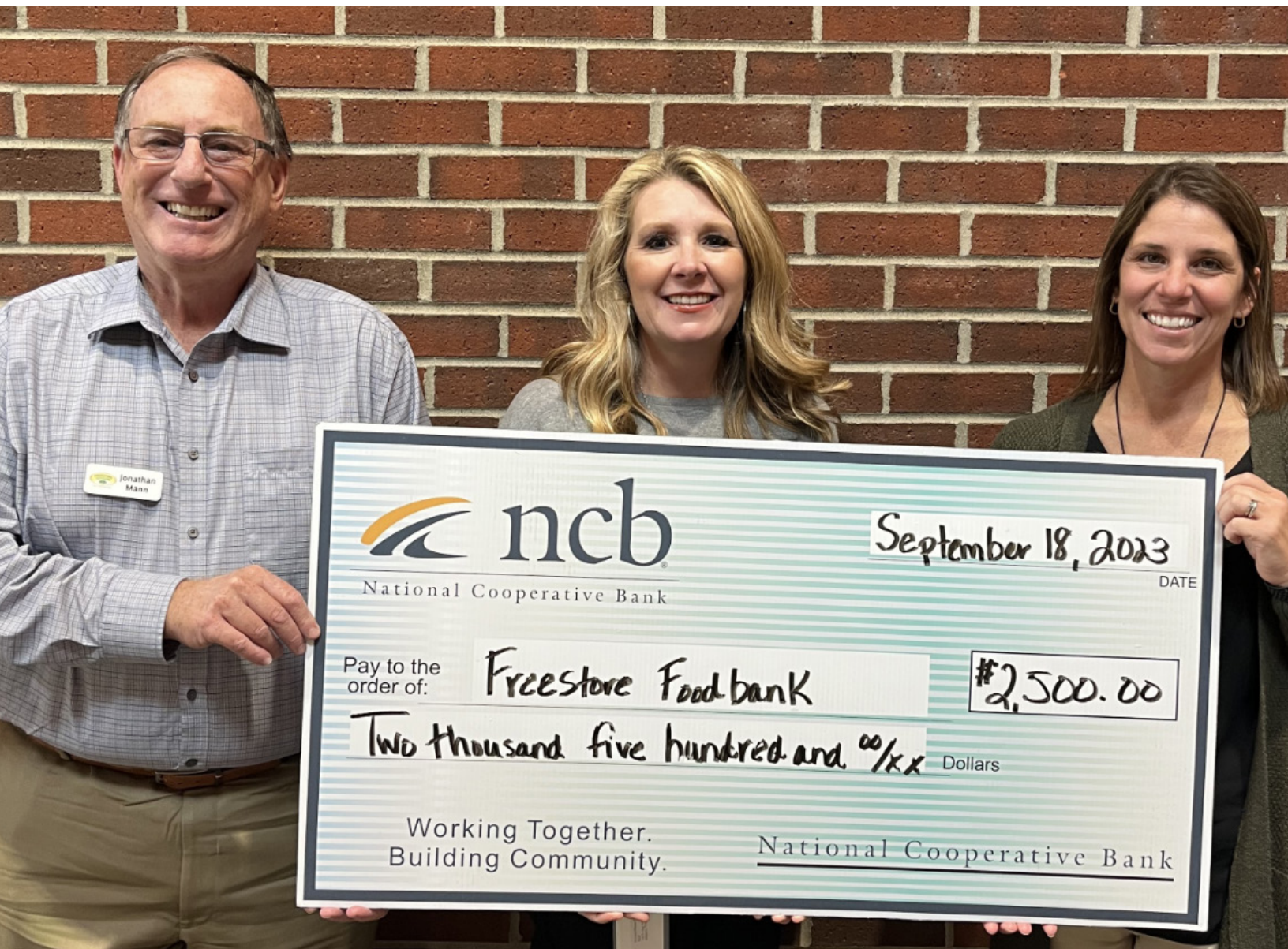
- Casey Fannon,
President and CEO, National Cooperative Bank

Building Community

At National Cooperative Bank, our people are our greatest asset. We are proud to offer a friendly and engaging environment where employees' voices are valued and respected. We practice our core values by hosting annual volunteer days in Ohio and Virginia where employees gather to give back to the local community, regular team-building events that offer opportunities for connecting with new employees and familiar faces, and more.



Investments, Grants, and Corporate Contributions



In 2023, NCB made investment, grants and donations totaling \$7.2 million to support local non-profits and co-op organizations to expand their work in low- and moderate-income communities.

NCB's employee-driven corporate contributions committee distributed \$129,000 to 71 non-profit organizations. Funds for this committee are made possible by a dollar-for-dollar match from NCB's employee-giving campaign.

Financial Education & Student Savings Programs



ONLINE FINANCIAL LITERACY

NCB provides free online financial education to high school students. In the 2022/2023 school year, 247 students completed 1,171 hours of learning.

To promote youth savings, NCB offers a Money Matters Student Saving and Checking account. As of December 31, 2023, NCB has 491 student bank accounts totaling \$1.1 million.



ADULT FINANCIAL LITERACY TRAINING PROGRAMS

NCB's adult online financial education program is free to anyone and in 2023, 275 adults accessed the online platform.

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**