

2022

ANNUAL REPORT



Our promise is to educate
and help you effectively
manage your finances.

We deliver this promise by asking you questions and offering our full, undivided attention to understand your current life situation and future plans before offering solutions.



PRESIDENT & CEO

Caren Gabriel

At Ascend, our “why” is very simple — we strive to improve the lives of our members and positively impact the communities we serve. In 2022, we made enhancements to the member experience, including adding more Interactive Teller Machines and ATMs to our network and investing in new technology that helps protect member information in our ever-increasingly digital world. In June, we launched our upgraded digital banking platform that allows members to monitor their overall financial health and conduct transactions conveniently from their phone or computer.

Ascend made a substantial contribution to our local community by donating over \$1.5M through partnerships with organizations such as Second Harvest Food Bank of Middle Tennessee, Girl Scouts of Middle Tennessee and the Susan G. Komen Foundation. Furthermore, through our scholarship program, we awarded \$2,500 each to 10 students pursuing higher education. I am very proud to be

2004

Caren becomes President & CEO

2006

Name Changed to Ascend Federal Credit Union

2010

Opening of new corporate headquarters in Tullahoma

2015

Naming rights are secured for Ascend Amphitheater

2021

Opening of Murfreesboro Regional Operations Center

2022

Launch of new digital banking platform

a part of a team that actively supports Tennessee students and assists our neighbors in need.

Although 2022 was an exciting year for our credit union, it was also my final year as President and CEO. As I prepare to retire, I look forward to spending time with my family and continuing my involvement with various community and industry organizations. I treasure the memories I made during my tenure at Ascend and will greatly miss the daily interactions with credit union staff and members.

As I reflect on the past, I am in awe of the progress our credit union has made. In 2006, we rebranded from AEDC Federal Credit Union to Ascend Federal Credit Union. In 2010, we opened our new Corporate Headquarters in Tullahoma and our Murfreesboro Regional Operations Center in 2021. Additionally, in 2015, Ascend acquired the name sponsorship rights to Nashville's outdoor concert venue, Ascend Amphitheater. The impressive growth that Ascend

has experienced is largely due to the efforts of our volunteer Board of Directors and hardworking employees, and I extend my heartfelt thanks to both.

I am very pleased that the Board has appointed Matt Jernigan, Ascend's current Executive Vice President, to be my successor. Matt has been working under my guidance for the past 17 years and has demonstrated exceptional leadership in managing many of the credit union's critical functions including internal audit, operations, lending, deposits, payments, and information technology. I have every confidence that I am leaving the credit union in capable hands, and I wish him the best of luck in his new role.

To our valued members — thank you for the support and loyalty you have shown Ascend over the years. It has been a pleasure to serve you and I look forward to seeing our credit union continue to thrive under Matt's leadership.

\$3.8B

Assets

255K

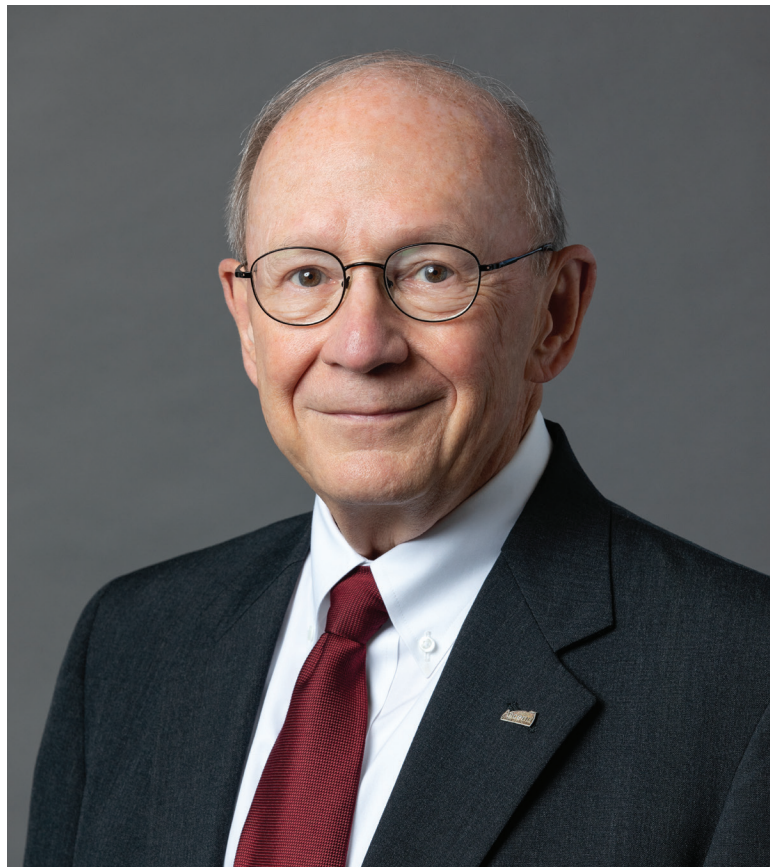
Ascend Members

627

**Tennesseans
Employed**

CHAIRMAN

Pat Eagan



Ascend has continued to see exciting growth in 2022, and we are proud to be recognized as Middle Tennessee's largest credit union, with membership now surpassing 255,000.

As a member-owned financial cooperative, our mission is to provide superior products that are delivered with service excellence. With Middle Tennessee growing at a rapid pace, we recognize that we must also expand our services to offer more convenient banking locations for our members. Consequently, we've broadened our service area and opened a new branch location in Lebanon, our second branch in Wilson County. I am pleased to share that we can look forward to continued growth as we plan to open more convenient locations across Middle Tennessee in 2023.

This past year has been an especially challenging economic year for our country, and many of our members have felt the financial burden. In addition to ensuring our members enjoy the best possible rates on our savings and loan products, I am pleased to report that in

2022, Ascend's Board of Directors elected to put money back into the pockets of our members in the form of a \$5 million member return. While a return is never guaranteed, since 2005, Ascend has returned over \$104 million to our members, a testament to the financial strength of our credit union and the trust our members place in us.

If you read Caren's letter in this annual report, then you are aware that she has announced her retirement after 38 years of service, and Matt Jernigan, our current Executive Vice President, will be succeeding Caren as President and CEO. We are deeply grateful for all that Caren has accomplished during her tenure, and we will miss her leadership and guidance. I speak on behalf of the entire Board when I say that we wish her a very happy retirement.

Under Caren's leadership, the credit union achieved tremendous success. Assets grew from \$960.3 million to \$3.8 billion, 20 new branches were established in Middle Tennessee and significant investments were made in

cutting-edge technologies to improve both in-person and digital banking safety and accessibility for members.

We owe Caren much gratitude for her service to Ascend, and we are excited to welcome Matt to his new role as CEO. He is a lifelong Middle Tennessee resident and has a deep understanding of our market and the needs of our members. The Board takes the succession plan of the CEO very seriously, and the leadership Matt has shown over the past 17 years has given us great confidence that he is qualified and ready to assume the position. We look forward to working with Matt as he continues the momentum Caren created - furthering Ascend's mission to help more members reach their financial goals.

Please join me in congratulating and wishing both Caren and Matt well as they move into the next chapter of their lives. Thank you all for choosing to be part of the Ascend Federal Credit Union family.

TREASURER

Andy Flatt

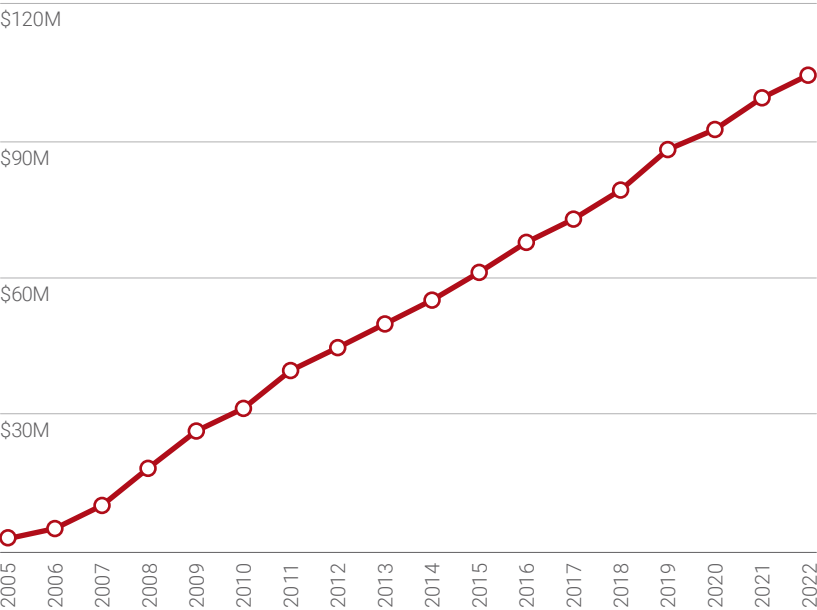


In 2022, Ascend’s Board of Directors voted to return \$5 million in bonus dividends and loan interest refunds to members. Over the past 18 years, the volunteer board has returned over \$104 million to members.

Additionally, Ascend’s assets increased by \$135 million last year and more than \$671 million in the last two years. The credit union demonstrated strong financial performance with a return on assets of 1.34 percent and a net worth of \$547.5 million. If you would like to review more specific financial details from 2022, please refer to the Statement of Condition.

We are grateful for the trust and loyalty of our members, which has allowed us to thrive during a time of uncertainty and continue to be a secure and sound financial institution.

Cumulative Amount of 18 Years of Bonus Dividends and Loan Interest Refunds



Board of Directors

One of the foundational strengths of a credit union is its all-volunteer Board of Directors. Our unpaid volunteers are elected by the membership at each year's annual meeting. They are invested in our credit union because they believe in the positive impact we make on our communities and the members we serve. They are tasked with the role of governance and planning the direction of the credit union, as well as ensuring the best interests of members. The Board serves members with the dedication, leadership and insight that has made Ascend a pillar of the community for over 70 years.



CHAIRMAN

Patrick Eagan



VICE CHAIRMAN

Lucy Matthews



Ray Guzman



Janet Marshall



TREASURER

Andy Flatt



SECRETARY

David Elrod



Valerie Molette



Mark Rigney



Anthony Taylor

67

Combined Years
of Service

Supervisory Committee

The Supervisory Committee is appointed by Ascend's Board of Directors, who task it with several objectives:

- Ensuring sound financial practices are followed
- Accurate and timely financial reporting
- Effective internal control procedures
- Practices and procedures that protect member assets

The Committee oversees Ascend's internal auditors in addition to contracting with an external audit firm. The National Credit Union Administration (NCUA), which is Ascend's regulator, conducts additional reviews on the credit union's financial condition, quality of management, and risk of loss to member capital and the National Credit Union Share Insurance Fund (NCUSIF).

I am pleased to report that the results of the audits, evaluations and observations by the Committee indicate that Ascend is a well-managed financial institution that remains stable and reliable.



CHAIRMAN
SUPERVISORY COMMITTEE

Joshua Johns



VICE CHAIRMAN
SUPERVISORY COMMITTEE

Charlie Dillingham



MEMBER
SUPERVISORY COMMITTEE

Anthony Taylor

Executive Leadership

The Executive Leadership team boasts a wealth of diverse experience and is dedicated to offering superior products and services that address the needs of the communities we serve.

The Executive Team manages daily operations and leads a team of over 600 talented employees in delivering financial products aimed at enhancing the lives of our members. Their expertise and collective knowledge are crucial for maintaining success and ensuring the credit union's stability and strength.

At Ascend, our goal is to assist our members in achieving their financial objectives while also providing our employees with the resources to offer exceptional service. In 2022, we were honored to receive the following recognition for our commitment to both our members and employees:

Nashville Post InCharge Spring Issue CEOs of the Year – Caren Gabriel

CUNA Diamond Awards for Marketing & Business Development – Cutting Edge Category

American Banker – Voted Best Credit Union to Work For, 7th Consecutive Year

Training Magazine's APEX Awards – Placed on the Top 40 List, 8th Consecutive Year

Daily News Journal Ruthies Award – Voted Favorite Credit Union

Rutherford County Main Street Award – Voted Best Credit Union

Tallahoma News – Voted Finest Bank in Tallahoma



Caren Gabriel

President & CEO



Peggy Stubblefield

Chief Human Resources Officer



Matt Jernigan

Executive Vice President



Jill Cook

Chief Legal & Compliance Officer



Leslie Copeland

Chief Strategy Officer



David Feldhaus

Chief Financial Officer



Josiah Leverich

Senior Vice President
of Deposits and Payments



Jason Powers

Senior Vice President
of Administration



Rik Reitmaier

Senior Vice President
of Information Technology



Trevor Williams

Senior Vice President of Lending



Statement of Condition

INCOME

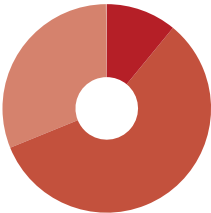
Interest of Loans	\$ 100,171,986
Income from Investments	\$ 16,202,121
Miscellaneous Operating Income	\$ 50,011,939
Non-Operating Gains	\$ 487,178
Total Income	\$ 166,873,224

OPERATING EXPENSES

Office Operations	\$ 96,191,576
Fed Supervision & Examination	\$ 410,820
Annual Meeting	\$ 200
Provision for Loan Losses	\$ 217,271
Total Operating Expenses	\$ 96,819,867

DISTRIBUTION OF INCOME

● Dividend Expense	\$ 18,281,676
● Operating Expense	\$ 96,602,596
● Net Retained Earnings	\$ 51,771,680
● Provision Expense	\$ 217,271



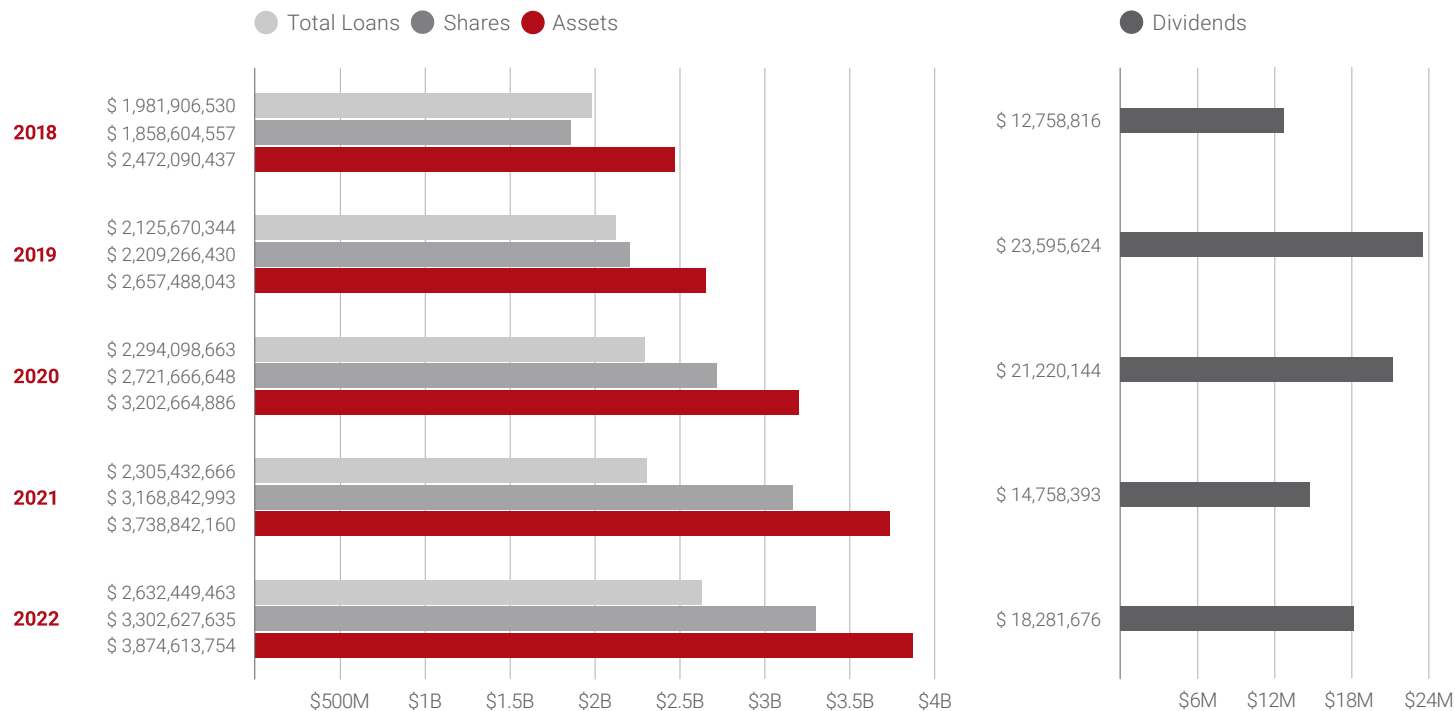
ASSETS

Total Loans	\$ 2,632,449,463
Less Allowance for Loan Loss	(\$ 6,552,257)
Net Loans	\$ 2,625,897,206
Cash & Receivables	\$ 234,792,343
Investments	\$ 815,304,104
Accrued Income	\$ 10,133,666
Prepaid & Deferred Expenses	\$ 4,389,958
Fixed Assets (Net)	\$ 84,721,874
NCUSIF Deposit	\$ 28,889,227
Other Assets	\$ 70,485,376
Total Assets	\$ 3,874,613,754

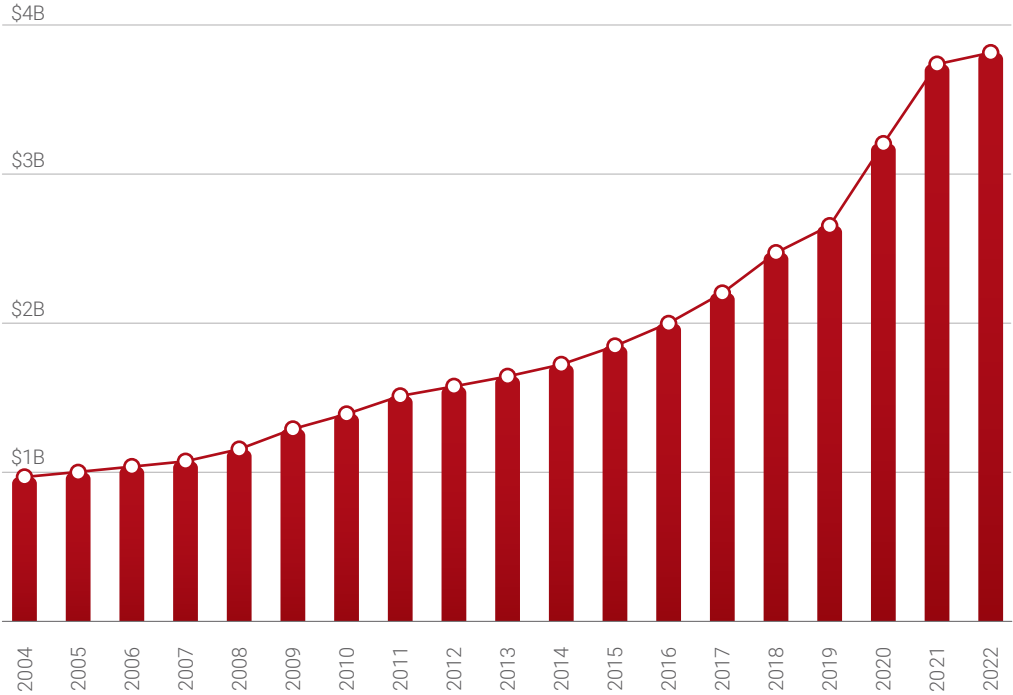
LIABILITIES & EQUITY

Payables & Accrued Expenses	\$ 52,387,730
Borrowings	\$ 115,000,000
Share Accounts	\$1,241,460,283
Money Market Accounts	\$ 651,673,921
Share Certificate Accounts	\$ 611,052,074
Health Savings Accounts	\$ 3,585,275
Share Draft Accounts	\$ 506,360,154
Individual Retirement Accounts	\$ 288,495,928
Regular Reserve	\$ 26,620,701
Undivided Earnings	\$ 460,940,750
Equity Acquired in Merger	\$ 8,266,844
Accumulated Unrealized Gains/(Losses) on Available-for-Sale Securities	(\$ 143,001,586)
Net Income	\$ 51,771,680
Total Equity	\$ 3,707,226,024
Total Liabilities & Equity	\$ 3,874,613,754

Financial Performance



407% Growth Over the Last 19 Years, Total Assets



7th

**Largest Financial
Institution (Bank
or Credit Union)
Headquartered in the
State of Tennessee**

4th

**Largest Financial
Institution (Bank
or Credit Union)
Headquartered in
Our Defined Market**

2nd

**Largest Credit Union
Headquartered in
Tennessee**

Community Impact

7 Key Focuses

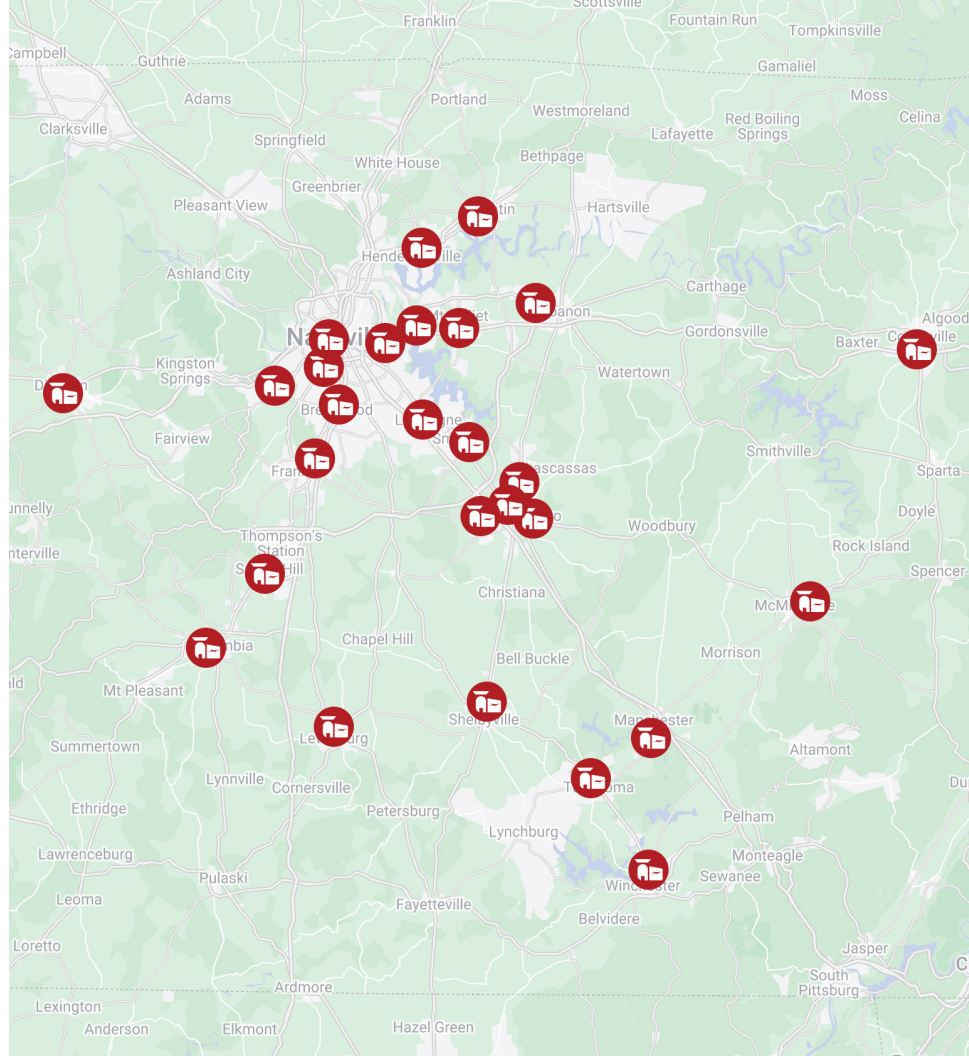
In 2022, Ascend gave over \$1.5M back to our community through partnerships with local organizations, non-profits and educational institutions. Ascend is committed to bettering the lives of our members and positively impacting the communities we serve. Our overall giveback includes monetary, in-kind and volunteer contributions. Ascend supports organizations and community initiatives that align with seven key focuses, detailed below, that are foundational to a healthy community.

Education & Financial Literacy 1	Fight Against Hunger 2	The Well-being of Children 3	Diversity, Equity & Inclusion 4	Veteran Care and Support 5	Environment and Natural Resources 6	Mental & Physical Health 7
<ul style="list-style-type: none">• Member Scholarships• National Credit Union Foundation• MTSU and Motlow College Foundations• Online Financial Education & Interactive Workshops• K-12 Financial Education programs	<ul style="list-style-type: none">• Second Harvest Food Bank of Middle Tennessee	<ul style="list-style-type: none">• Monroe Carell Jr. Children's Hospital at Vanderbilt• Special Kids Therapy & Nursing Center	<ul style="list-style-type: none">• TSU & Fisk Foundations• Girl Scouts of Middle Tennessee• The Table• Big Brothers Big Sisters of Middle Tennessee• National Museum of African American Music	<ul style="list-style-type: none">• Operation Stand Down Tennessee• Gary Sinise Foundation	<ul style="list-style-type: none">• The Nature Conservancy in Tennessee• American Red Cross	<ul style="list-style-type: none">• American Cancer Society• Leukemia and Lymphoma Society• Susan G. Komen Foundation• Partners for Healing• Alzheimer's Association

Branches

Ascend has 27 branches located throughout Middle Tennessee, ensuring members have easy access to the banking solutions they need, no matter where they are.

Brentwood	Murfreesboro - Clark Blvd.
Columbia	Murfreesboro - Main St.
Cookeville	Murfreesboro - Memorial Blvd.
Cool Springs	Murfreesboro - Victory Station
Dickson	Nashville - Bellevue
Franklin Co.	Nashville - Charlotte Ave.
Gallatin	Nashville - Elm Hill Pike
Hendersonville	Nashville - Green Hills
La Vergne	Nashville - Hermitage
Lebanon	Shelbyville
Lewisburg	Smyrna
Manchester	Spring Hill
McMinnville	Tullahoma
Mt. Juliet	



Promise

Educate and help members become effective financial stewards.

Mission

Enhance members' lives with superior products delivered with service excellence.

Vision

Elevate members' trust to establish Ascend as their primary financial institution.

ascend.org

Federally insured by NCUA.

