



2023 ANNUAL REPORT



Ascend
Hotel & Conference Center



Mission

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

Vision

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

Promise

Educate and help members become effective financial stewards.



Matt Jernigan

PRESIDENT & CEO

Reflecting on the past year, I am delighted to share some of the successes and milestones achieved by our credit union.

Our commitment to members' financial well-being has driven innovative solutions, from tailored financial products to investments in technology that create a seamless banking experience. Ascend continues to be a top auto and mortgage lender across Middle Tennessee, and the introduction of new checking accounts has allowed us to put more money back into the pockets of our members, maintaining our unwavering focus on helping them achieve their financial goals.

Ascend proudly remains the largest credit union in Middle Tennessee, serving over 230,000 members. This year saw us open a new branch in Lebanon, Tennessee, which is our second location in Wilson County. Looking ahead, we are thrilled to extend our reach further with the planned opening of two new branches in 2024.

For the eighth consecutive year, Ascend is honored to be recognized as one of the top 70 Best Credit Unions to Work For by American Banker as well as nationally ranked for the ninth year by APEX Magazine for our employee training. We were also voted Finest Bank

68.45

Net Promoter Score (NPS)

by Tullahoma News, Best Credit Union by The Tennessean's Best of Music City Awards, and we received a Daily News Journal Ruthie Award for Favorite Credit Union in Rutherford County, to name a few. We are honored to be recognized as not only a top credit union in Middle Tennessee, but as an organization that embodies trust and stability, providing a reliable foundation for our members.

Beyond our organizational milestones, our impact on the community is equally impressive. In 2023, we donated over \$500,000 to various nonprofits, charitable organizations, and educational

institutions. We further supported our members' educational aspirations by awarding ten \$2,500 scholarships, making our total awarded over \$250,000 since 2003. I believe it is this commitment to bettering the lives of our members and fellow Tennesseans that sets Ascend apart from other financial institutions.

I invite you to explore the detailed insights within this annual report, showing the collective achievement and positive impact we've made together. Thank you for being an integral part of Ascend and I look forward to seeing the heights our credit union will soar to this year.

The Net Promotor Score is an index ranging from -100 to +100, which is used to gauge the customer's overall satisfaction with a company's product or service and the customer's loyalty to the brand. Generally, a score of 50 or more is considered excellent. NPS scores vary widely by industry, with 33* as the industry average for consumer banking.

*Source: Bain & Company



Mark Rigney

CHAIRMAN

This year marks an exciting chapter for our credit union – a year of growth and resilience, with our assets now exceeding \$4 billion. I am pleased to share that Ascend remains a secure, stable, and financially strong institution.

As a member-owned financial cooperative, we take pride in sharing our success with our members in the form of interest rates, bonus dividends, and loan interest refunds.

In 2023, Ascend's Board of Directors elected to return \$5 million to our members. Thanks to growing membership and prudent management, members have received a return for the last 19 years.

Helping our members become effective financial stewards is at the heart of our mission, and I extend my gratitude to each of you for continuing to place your trust in us as your credit union of choice.





Andy Flatt

TREASURER

Ascend's assets increased by more than \$379 million last year and more than \$500 million in the last two years.

The credit union demonstrated strong financial performance with a return on assets of 1% and a net worth of \$544.5 million. Additionally, Ascend proudly maintains capital reserves nearly twice the regulatory requirement, showcasing our robust financial position. If you would like to review more specific financial

details from 2023, please refer to the "Statement of Condition" and "Financial Performance" sections.

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.

Thank you for your membership with Ascend Federal Credit Union!



Board of Directors

One of the foundational strengths of a credit union is its all-volunteer Board of Directors. These individuals, elected by the membership at each year's annual meeting, are not just unpaid volunteers; they are passionate advocates for our mission to make a positive impact on the communities and the members we serve.

Tasked with governance and strategic planning, the Board plays a pivotal role in shaping the direction of the credit union, always with the best interest of our members in mind. Their leadership and insightful decision-making have been integral to making Ascend a steadfast pillar of the community for over 70 years.

92

Combined Years
of Experience

3.88%

Member Growth
Year-Over-Year



Mark Rigney
Chairman



Janet Marshall
Vice Chairman



David Elrod
Secretary



Pat Eagan
Board Member



Valerie Molette
Board Member



Tonya Quarles
Board Member

Supervisory Committee



Andy Flatt
Treasurer



Ray Guzman
Board Member



Anthony Taylor
Board Member

Ascend's Supervisory Committee, appointed by the Board of Directors, ensures financial statements are accurate, that Ascend's financial condition is fairly presented, and that practices and procedures adequately protect member assets. The Committee oversees internal auditors in addition to contracting with an external audit firm. The National Credit Union Administration (NCUA), Ascend's regulator, conducts additional reviews.

We are 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.



Joshua Johns
Chairman



Charlie Dillingham
Vice Chairman



Anthony Taylor
Member

Executive Leadership

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.



Matt Jernigan
President & CEO



David Feldhaus
Chief Financial Officer



Peggy Stubblefield
Chief Human Resources Officer



Josh Sudbury
Chief Legal Officer



Leslie Copeland
Chief Strategy Officer



Jason Powers
SVP of Administration



Josiah Leverich
SVP of Deposits and Payments



Trevor Williams
SVP of Lending



Rik Reitmaier
SVP/Chief Information Officer



Clockwise, beginning with the upper left photo: 1. Ascend leaders volunteer with The Nature Conservancy of Tennessee. 2. The Senior Leadership Team participates in a monarch butterfly tagging event with The Nature Conservancy of Tennessee. 3. David Feldhaus, CFO, and Matt Jernigan, President & CEO, volunteer with Second Harvest Food Bank of Middle Tennessee. 4. Matt Jernigan, Ascend President & CEO, participates in the annual River of Hope Radiothon benefitting The Monroe Carell Jr. Children's Hospital at Vanderbilt. 5. Ascend Senior Leadership Team serve employees a Thanksgiving lunch. 6. Matt Jernigan, Ascend President & CEO, featured on iHeart Media's "CEOs You Should Know" podcast.

Neighborhood Report

At Ascend, we care about the communities we serve and are proud to offer free and accessible educational content to the Middle Tennessee community. We also host a suite of free financial literacy tools on our website and partner with local educators to provide a premium financial literacy program, Banzai, to over 20,000 students free of charge.



\$4.2B
Assets

68.45
Net Promoter Score

\$3B
Loans Originated

\$109M
Returned Since 2005

635
Employees

236K
Members

In the Community

\$933K

Community Support
and Development

\$379K

Education Support
and Development

\$9K

Employee
Fundraising

120

Schools Supported
In Middle Tennessee

2,181

Participants of Free
Financial Education

154+

Non-Profits
Supported

13K

Items Donated to
Second Harvest

CONTACT CENTER

486K

Total Calls
Answered

75.2%

Answered
Within 120
Seconds

80.22

Net
Promoter
Score

TELLER SERVICES

811K

Total ATM
Sessions

79.3%

Answered
Within 40
Seconds

76.37

Net
Promoter
Score

Statement of Condition

INCOME

| | |
|--------------------------------|-----------------------|
| Interest of Loans | \$ 144,821,119 |
| Income from Investments | \$ 29,289,864 |
| Miscellaneous Operating Income | \$ 52,428,125 |
| Non-Operating Gains (Losses) | (\$ 200,908) |
| Total Income | \$ 226,338,200 |

OPERATING EXPENSES

| | |
|---------------------------------|-----------------------|
| Office Operations | \$ 117,932,011 |
| Fed Supervision & Examination | \$ 444,084 |
| Annual Meeting | \$ 4,064 |
| Provision for Loan Losses | \$ 13,689,388 |
| Total Operating Expenses | \$ 132,069,547 |



\$3B
Total Loans



\$3.3B
Shares



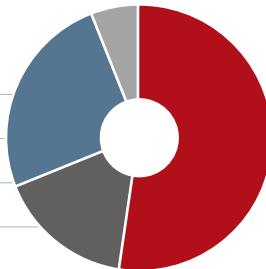
\$4.2B
Assets



\$56M
Dividends

DISTRIBUTION OF INCOME

| | |
|-----------------------|----------------|
| Operating Expense | \$ 118,380,159 |
| Net Retained Earnings | \$ 37,513,594 |
| Dividend Expense | \$ 56,755,059 |
| Reserve | \$ 13,689,388 |



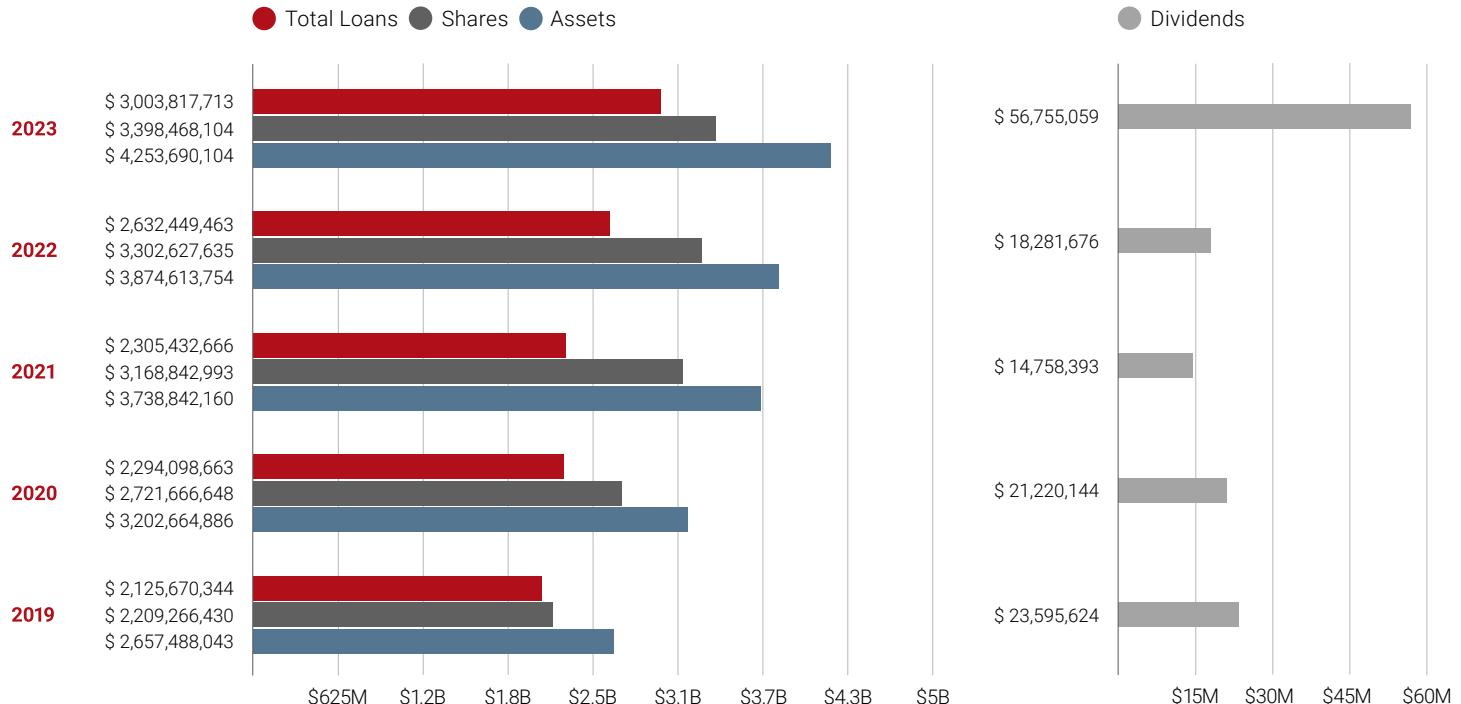
ASSETS

| | |
|------------------------------|-------------------------|
| Total Loans | \$ 3,003,817,713 |
| Less Allowance for Loan Loss | (\$ 16,176,510) |
| Net Loans | \$ 2,987,641,203 |
| Cash & Receivables | \$ 274,842,390 |
| Investments | \$ 783,403,276 |
| Accrued Income | \$ 12,664,828 |
| Prepaid & Deferred Expenses | \$ 4,507,422 |
| Fixed Assets (Net) | \$ 93,803,601 |
| NCUSIF Deposit | \$ 30,079,125 |
| Other Assets | \$ 66,748,260 |
| Total Assets | \$ 4,253,690,104 |

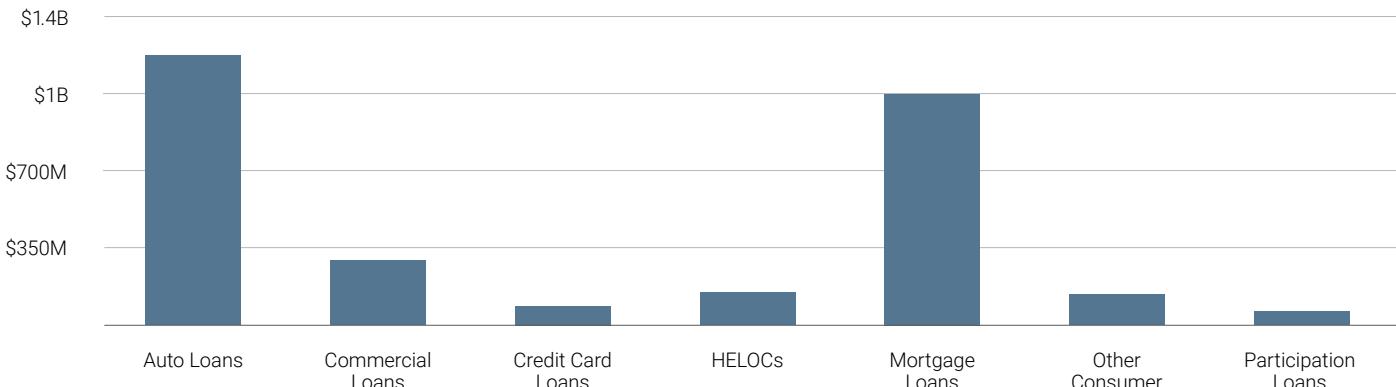
LIABILITIES & EQUITY

| | |
|--|-------------------------|
| Payables & Accrued Expenses | \$ 66,173,499 |
| Borrowings | \$ 327,800,000 |
| Share Accounts | \$ 1,071,885,265 |
| Money Market Accounts | \$ 471,419,868 |
| Share Certificate Accounts | \$ 1,000,485,751 |
| Health Savings Accounts | \$ 3,843,612 |
| Share Draft Accounts | \$ 512,348,148 |
| Individual Retirement Accounts | \$ 332,789,460 |
| Non-Member Deposits | \$ 5,696,000 |
| Regular Reserve | \$ 26,620,701 |
| Undivided Earnings | \$ 509,617,636 |
| Equity Acquired in Merger | \$ 8,266,844 |
| Accumulated Unrealized Gains/(Losses) on Available-for-Sale Securities | (\$ 120,770,273) |
| Net Income (Loss) | \$ 37,513,594 |
| Total Equity | \$ 3,859,716,606 |
| Total Liabilities & Equity | \$ 4,253,690,104 |

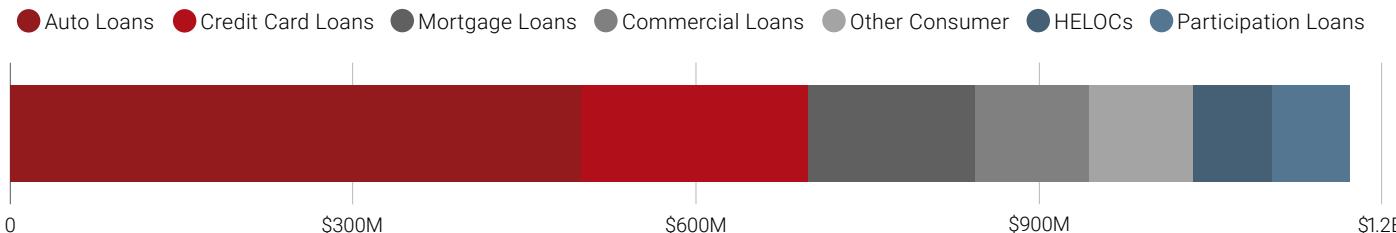
Financial Performance



YEAR END LOAN BALANCE



TOTAL NEW LOAN PRODUCTION



Community Impact

In 2023, Ascend gave over \$500,000 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.

7 Key Focuses

1 Education & Financial Literacy

- Member Scholarships
- National Credit Union Foundation
- MTSU Foundation
- Motlow College Foundation
- Online Financial Education
- K-12 Financial Education Programs

2 Fight Against Hunger

- Second Harvest Food Bank of Middle Tennessee
- Nourish Food Bank
- Hands of Mercy

3 The Well-being of Children

- Monroe Carell Jr. Children's Hospital at Vanderbilt
- Special Kids Therapy & Nursing Center

4 Supporting Diverse Communities

- TSU Foundation
- Fisk University Fund
- Girl Scouts of Middle Tennessee
- The Table
- Big Brothers Big Sisters of Middle Tennessee

5 Veteran Care & Support

- Operation Stand Down Tennessee
- Gary Sinise Foundation
- Arnold Community Council

6 Environment & Natural Resources

- The Nature Conservancy in Tennessee
- American Red Cross Tennessee Region

7 Mental & Physical Health

- American Cancer Society in Tennessee
- Leukemia and Lymphoma Society, Tennessee- Alabama Region
- Susan G. Komen Tennessee
- Alzheimer's Association - Tennessee Chapter



Clockwise, beginning with the upper left photo: 1. Employees attend the Ascend-sponsored Tullahoma Chamber Coffee, an event that connects local businesses. 2. Ascend volunteers help distribute 22,000 pounds of food with Second Harvest Food Bank of Middle Tennessee. 3. Ascend donates \$60,000 to Second Harvest to purchase a refrigerated trailer used for food distribution across the state. 4. Ascend donates \$10,000 to Partners for Healing, an organization that provides free healthcare for the working uninsured. 5. Employees participate in the annual "Costumed for a Cure" Halloween fundraiser benefiting the Leukemia & Lymphoma Society (LLS). 6. Groundbreaking ceremony for the new McMinnville Branch. 7. Employees wear pink to raise funds for the Susan G. Komen Breast Cancer Foundation.

Service Recognition

In 2023, we were honored to receive the following recognition for our commitment to both members and employees:

Named to Forbes **Best-In-State Credit Unions List**

Ranked 35th by S&P Global Market Intelligence for **Best Performing Credit Unions**

CUNA Diamond Awards for Marketing & Business Dev. – Cutting Edge Category

American Banker – **Voted Best Credit Union to Work For** – For 8th Consecutive Year

Training Magazine's APEX Awards – Placed in Top 70 for 9th Consecutive Year

The Financial Brand – Placed in **Top 100 Banks & Credit Unions Using Social Media**

Daily News Journal Ruthies Award – **Voted Favorite Credit Union**

Best of Music City Awards – **Voted Best Credit Union**

Tullahoma News – **Voted Finest Bank in Tullahoma**

Rutherford County Main Street Award – **Voted Best Credit Union**

Spring Hill Main Street Award – **Voted Best Credit Union**

Maury County Main Street Award – **Voted Best Credit Union**



CUNA DIAMOND AWARDS

MARKETING & BUSINESS DEVELOPMENT



APEX AWARDS

HUMAN RESOURCES & TRAINING



AMERICAN BANKER

BEST CREDIT UNION TO WORK FOR

Employees

\$1.6M

Matched in Employee
401(k) Accounts

97%

Of Employees
Eligible for Full
Benefits

90%

Of Employees Used
Company-Paid
Health Insurance

42%

Of Open Positions
Were Filled by
Promotion

Milestones

118

Employees
Added in 2023

4.6K+

Training Hours
Conducted

136

Employee
Promotions

42

5 Year
Anniversaries

20

15 Year
Anniversaries

7

25+ Year
Anniversaries

TRAINING MAGAZINE'S APEX AWARDS

9TH CONSECUTIVE YEAR FOR BEST-IN-CLASS TRAINING AND DEVELOPMENT

1. *The Haskell Company* 5. *Paychex, Inc.* 9. *AAA Northeast* **10. *Ascend Federal Credit Union***
14. *Edward Jones* 37. *Guardian Life Insurance* 44. *CarMax* 79. *Johns Hopkins Medicine* 98. *Kraft Heinz*

Contact Us

We welcome the opportunity to assist you with your financial needs. Visit one of our 28 Middle Tennessee locations or call us at 800-342-3086. You can also schedule a virtual appointment at ascend.org to meet with an Ascend representative.

Join Our Team

Ascend offers a variety of roles and career paths that allow you to make a difference and achieve your full potential. Whether you're just starting your career or looking for new opportunities, we have something for you. Discover how you can be a part of our mission to empower others by building a better future. Get started at ascend.org/careers.



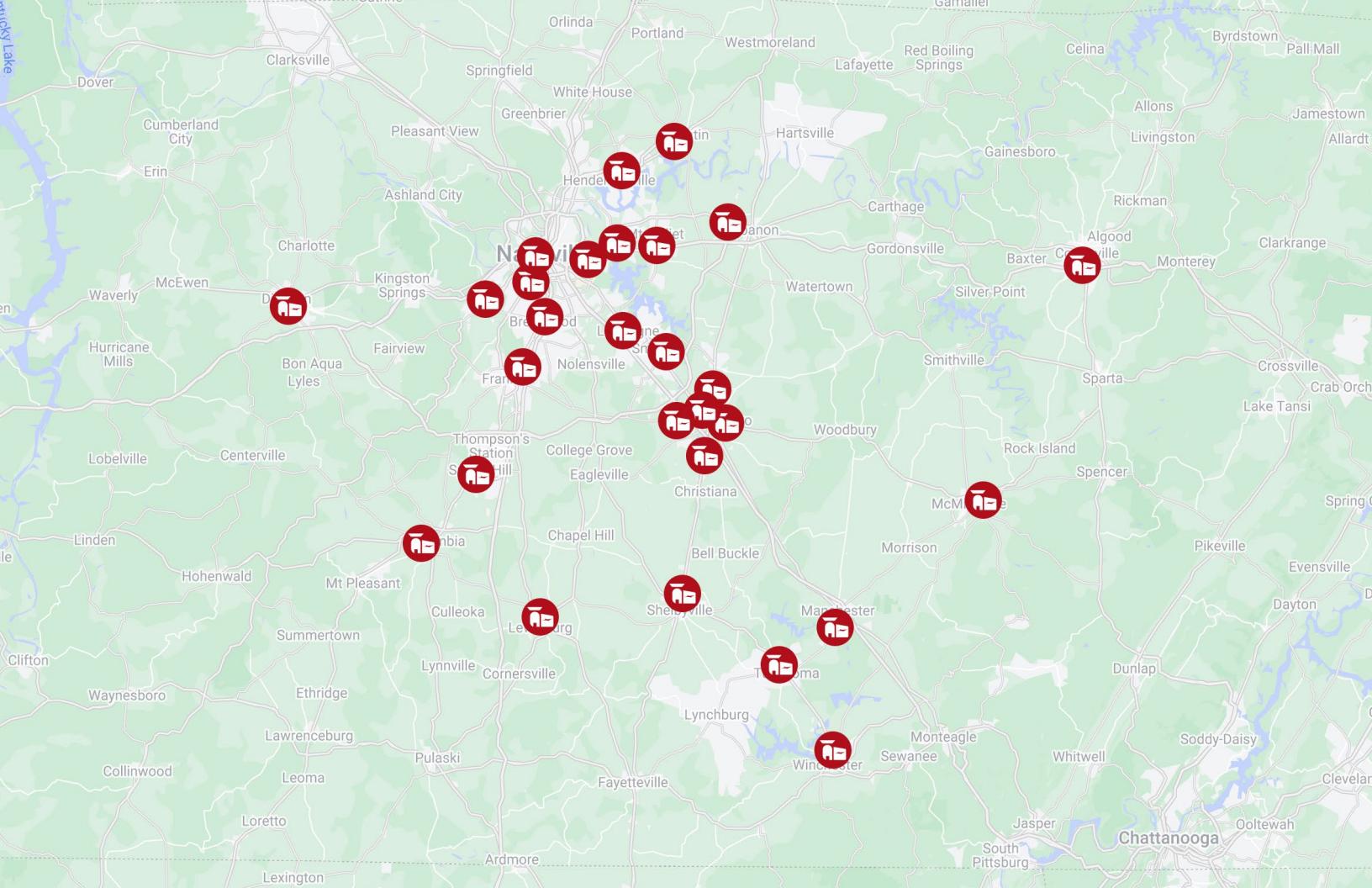
ascend.org

Federally insured by NCUA.

Branches

Ascend has 28 branches located across Middle Tennessee, ensuring our 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 - Savannah Ridge |
| Dickson | Murfreesboro - Victory Station |
| Franklin Co. | Nashville - Bellevue |
| Gallatin | Nashville - Charlotte Ave. |
| Hendersonville | Nashville - Elm Hill Pike |
| La Vergne | Nashville - Green Hills |
| Lebanon | Nashville - Hermitage |
| Lewisburg | Shelbyville |
| Manchester | Smyrna |
| McMinnville | Spring Hill |
| Mt. Juliet | Tullahoma |



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Ascend[®]
Federal Credit Union