



{ *Celebrating 70 years* }



Oregon State
Credit Union®

2023 Annual report and community impact

This credit union is federally insured by the National Credit Union Administration.

Credit union cooperative principles

While both credit unions and banks offer similar products and services (checking, credit cards, mortgages, etc.), it is important to understand how credit unions are unique and different and why we remain a necessary and extremely popular financial alternative for millions of Americans.

Not-for-profit

Credit unions are not-for-profit financial cooperatives. We exist to serve our members, not to deliver a profit to stockholders. Unlike other financial institutions, credit unions do not issue stock or pay dividends to outside stockholders. Instead, earnings are returned to members in the form of competitive financial offerings, more service and convenience.

Board of directors

Each credit union is governed by a board of directors, elected by and from the credit union's membership.

Ownership

Credit unions are an economic democracy. Each credit union member has equal ownership — regardless of how much money a member has on deposit. At a credit union, all members are owners.

Social purpose: people helping people

Credit unions exist to serve their members' financial needs, not provide a profit to third-party investors. Members know their credit union will be there for them in bad times, as well as good. The same people-first philosophy is at the heart of why credit unions and our employees get involved in the local community through charitable and other worthwhile causes.

Financial education for members

Credit unions educate their members, helping them become better consumers of financial services.

Membership eligibility

By current statute, credit unions cannot serve the general public. Individuals and businesses/ organizations qualify for a credit union membership through their employer, organizational affiliations, groups or community.

Taxation

Credit unions do pay taxes — payroll taxes, sales taxes and property taxes. Congress exempts credit unions from federal income taxes with the exception of unrelated business income tax. The exemption was established in 1937, affirmed by statute in 1951 and re-affirmed in 1998.



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President's message

Dear Oregon State Credit Union Member-Owner:

On behalf of our team at Oregon State Credit Union, thank you for being a member. I would like to present this annual report as our executive summary of the past year for your local not-for-profit, member-owned financial cooperative. Fiscal year 2023 was another year, of continued growth for your credit union. Membership surpassed 147,000 reaching a healthy \$2.16 billion in assets resulting in a strong 12.02% net worth.

Together we continue our focus on you, the member-owner, and on providing a consistent, unsurpassed member experience with every interaction. Delivering inclusive and unsurpassed service to our diverse and growing membership remains our priority and is built on trust. When news broke last year regarding the collapse of Silicon Valley Bank, members were reassured knowing that their credit union never wavered from our pledge of operating with integrity and maintaining a safe and sound financial condition.

We also recognize that delivering unsurpassed service comes with a responsibility to protect our members against the expanding threats from fraud. With that in mind, we launched our new Trusted Contact form for members to provide a personal contact who can serve as their trusted advocate should we suspect they have fallen victim to fraudulent activity. This program has been well-received since launching last June and is already demonstrating success.

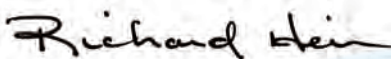
Financial education also remains a priority for your credit union. Through our advocacy efforts in partnership with former Oregon Senator Rick Metsger, the Pac/West Lobby Group and a delegation of Oregon credit unions, we were successful in seeing passage of Senate Bill 3. This legislation closes a long-standing

educational gap regarding financial literacy and will require one-half credit of Personal Financial Education as a high school graduation requirement. Real-world skills including budgeting and building credit will be among the content required to prepare our students for financial well-being in the future.

Founded 70 years ago this year, with \$25 on deposit in a shoebox, our founder Bob Coyle's philosophy is still at work today: "Your credit union is in business for one purpose only – to serve the needs of its members." We remain resolute in our commitment to providing unsurpassed member service and local decisions to serve you.

In closing, I would like to take this opportunity to thank you, our members and our team members for your confidence and support. It has been an honor and a privilege to serve you these past 24 years. Rest assured that the passion for service shared by our new President and CEO Gary Schuette II and our teams will remain focused on creating financial solutions to make lives better, bringing value to the membership and to the communities we serve.

Sincerely,



Richard S. Hein, President/CEO



Community impact



We donated more than **\$262,000** benefiting **135** organizations, schools and non profits. This includes funding **\$23,000** for scholarships supporting students attending Oregon State University, Western Oregon University and our regional community colleges.



We awarded **\$25,000** in scholarships to **10** high school seniors within our field of membership bound for college or university in the state of Oregon through our Tomorrow's Leaders Today (TLT) Scholarship program.



We facilitated **319** in person financial education presentations benefiting more than **13,000** individuals, more than **3,000** of them youth. Additionally, more than **7,000** adults and youth accessed financial education through our sponsored online resource partnership.



Team members' contributions to our United Way campaign raised more than **\$32,000**, surpassing the **\$25,000** goal.



Team members volunteered more than **3,800** hours for the year, more than **89%** of which was on our team's personal time.



Through our advocacy efforts and in partnership with former Oregon Senator Rick Metsger, the Pac/West Lobby Group and a delegation of Oregon credit unions, we were successful in seeing passage of Senate Bill 3.



Through donation matching programs, we donated over **\$88,000** to the Children's Miracle Network to support local children's hospitals in Oregon.



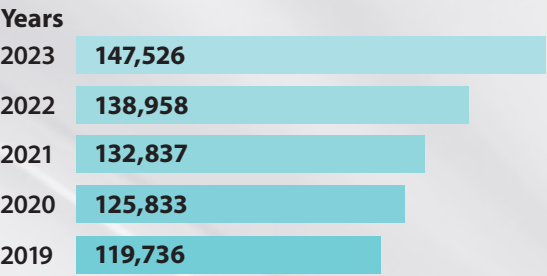
We funded **\$56.8 million** in loans supporting small businesses to meet their needs in this rising rate environment.



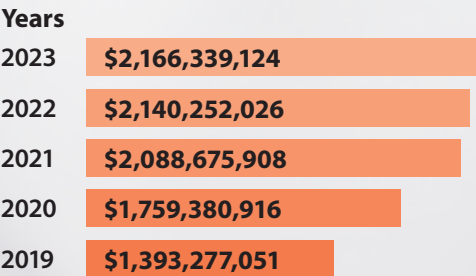
We distributed **57** Teacher Education Grants to Oregon schools, totaling **\$15,000** and benefiting **8,338** youth.

Financial review

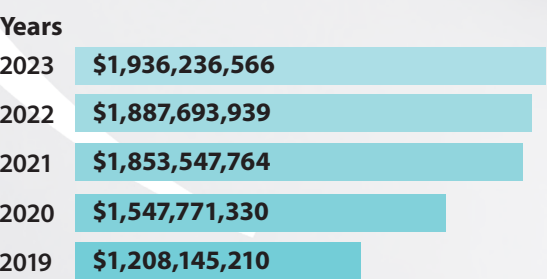
Membership (Total)



Total assets



Total shares



Total capital



Total loans



Financial statements

| Years | 2023 | 2022 |
|--|---------------------|---------------------|
| Statement of income and expense | | |
| Total operating income | \$113,836,863 | \$94,264,213 |
| Total operating expense | 73,188,954 | 59,496,758 |
| Dividend expense | 21,320,182 | 3,370,064 |
| Non-operating income (expense) | 57,686 | 72,043 |
| Net income | \$19,385,412 | \$31,469,435 |

Statement of financial condition

Assets

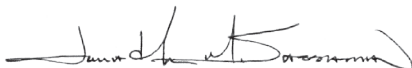
| | | |
|--------------|------------------------|------------------------|
| Total loans | \$1,437,198,136 | \$1,377,115,980 |
| Investments | 619,100,189 | 610,207,513 |
| Other assets | 63,678,436 | 152,928,533 |
| Total | \$2,166,339,124 | \$2,140,252,026 |

Liabilities and member equity

| | | |
|---------------------|------------------------|------------------------|
| Total liabilities | \$30,831,776 | \$29,776,333 |
| Total notes payable | 0 | 43,355,967 |
| Total shares | 1,936,236,566 | 1,887,693,939 |
| Total equity | 199,270,782 | 179,425,787 |
| Total | \$2,166,339,124 | \$2,140,252,026 |

Supervisory Committee report

In 2024, the auditing firm of Doeren Mayhew, CPAs and Advisors, was retained by the Supervisory Committee to perform the annual opinion audit of Oregon State Credit Union. The credit union received a clean opinion. It is the Committee's judgment that the credit union is being operated efficiently and the members' interests are being protected.



Jon Sassaman
Chairman, Supervisory Committee

Values



Oregon State
Credit Union®

Member focus

We commit to providing individual attention and solutions that are balanced with overall membership needs.

Integrity

We believe that integrity and confidentiality are the foundation of our success. We are committed to building trust and taking ownership in all we do.

Passion

We choose attitudes and behaviors that demonstrate our passionate commitment to creating financial solutions.

Education

We encourage advocacy for the credit union movement, promote financial literacy for our members and provide education for our team.

Cooperative spirit

We are a member-owned financial cooperative. The credit union difference unites us in common purpose, partnering member needs and resources for better solutions.

Social responsibility

We are part of a larger community. We promote stewardship through sustainable business practices, volunteerism and a commitment to serve.

To find out more, call 800-732-0173 or visit any of our branches.

oregonstatecu.com

