Credit Union *of* Southern California
BUILDING BETTER LIVES ®

HAVASU COMMUNITY
Credit Union
A DIVISION OF CU SoCal

2025 ANNUAL REPORT

MISSION

Build Better Lives Through Exceptional Member Experiences, Every Time

VALUES

Everybody Counts, Everybody Cares, Everybody Delivers, Every Day

PURPOSE

Exceed Members' and Team Members' Expectations, Inspiring Them to Achieve Their Financial Goals and Dreams

There are many ways to qualify for Membership. Visit CUSoCal.org to learn more.

JOINT REPORT OF THE CHAIRPERSON AND PRESIDENT/CEO

In 2025, everything we did centered on one purpose: serving our Members. Your continued trust and commitment to building a stronger financial future inspired our efforts, and we were honored to support you along the way.

Guided by the credit union philosophy of People Helping People, Credit Union of Southern California (CU SoCal) delivered practical financial solutions designed to help Members save more, access affordable credit, and move forward with confidence. From competitive loan rates and strong savings returns to personalized service and trusted guidance, our focus remained on creating real, everyday value for the people we serve.

When the devastating Los Angeles wildfires impacted our community, many of our Members were directly affected. CU SoCal responded with immediate relief—donating $10,000 and providing $1.25 million in interest-free loans to help impacted Members rebuild and recover. Supporting our Members in moments that matter most reflects who we are as a cooperative.

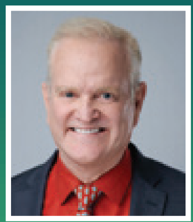
This year also marked meaningful growth. Through our partnership with LA Financial Credit Union, we proudly welcomed Members from LA Financial and Havasu Community Credit Union, a division of CU SoCal. With four additional branch locations, we expanded access to in-person banking across Southern California and in Lake Havasu, Arizona—strengthening our ability to serve more Members, more personally, and conveniently.

Our commitment to Members is strengthened by a highly engaged team. In 2025, CU SoCal once again received the Gallup Exceptional Workplace Award, recognizing a culture that fosters engagement, development, and collaboration. That strong internal culture translates directly into knowledgeable, responsive service—ensuring Members receive the care and expertise they deserve.

While this report highlights financial performance, our true success is measured by the impact in our Members' lives—lower loan rates, higher returns on savings, expanded access to services, and meaningful support when it was needed most.

We extend our sincere gratitude to our Members, Board of Directors, Supervisory Committee, and dedicated team members for your continued trust, loyalty, and commitment. Together, we are building better lives.

Christopher George
Board Chairperson



Dave Gunderson
President/CEO

Distributed

$30.5 million

to Members in direct financial benefits[1]

$380

Average annual savings per Member household[1]

Members earned

$39.2 million

in dividends

2025: A YEAR OF MOMENTUM, IMPACT, AND MEMBER COMMITMENT

In 2025, building better lives meant expanding high-rate savings options, offering affordable loans, enhancing digital tools, and providing personalized support designed to improve everyday financial outcomes.

Driven by strong financial growth and a strategic partnership, some of the year's financial highlights include:

At year end:

- Our Membership increased to more than 184,000.
- Our total loans increased by $425.6 million, a 25% increase.
- Our assets reached $3.84 billion, a 33% increase.
- Our net worth ratio was 11.3%, exceeding the industry standard where 7.0% is considered "well capitalized."
- Our net income of $35 million exceeded our previous high of $33.7 million in 2024.
- Our return on assets reached 1.0%.
- We earned a superior 5-star financial stability rating from BauerFinancial.
- Our Members earned $30.5 million in direct financial benefits.[1]
- Our Members earned $39.2 million in dividends.
- Our Members saved $12.4 million from lower interest rates on loans.[1]
- Our Members received an average of $380 in household savings.[1]

1. Source: America's Credit Unions' Membership Benefits Report, September 2024-September 2025. These figures represent the average benefits and savings that credit union Members receive compared to those at other banking institutions in the region.

EMPOWERING MEMBERS WITH FINANCIAL CONFIDENCE

We empower our Members with the knowledge and support to make informed financial decisions. In 2025, we expanded access to financial education and community support through programs that made a meaningful impact on our Members and the communities we serve.

Highlights include:

- Hosted 110 free financial workshops, including five community presentations delivered entirely in Spanish.
- Expanded CU F.L.Y. (Credit Union Financial Literacy for Youth) through 21 Bite of Reality events, offering students hands-on financial simulations in partnership with local schools and community organizations.

EXCEPTIONAL MEMBER EXPERIENCES

Delivering consistent, high-quality experiences shaped by Member feedback and continuous improvement remains one of our top priorities. In 2025, CU SoCal ranked in the 85th percentile among peers for the Relationship Net Promoter Score (NPS)[2], which measures the likelihood that Members would recommend the credit union to friends, family, and colleagues—reflecting strong Member loyalty. Members also rated CU SoCal 9.1 out of 10 for Quality Service,[2] placing us in the 85th–90th percentile among peer institutions.

That same focus on service excellence resulted in top 5 Overall Satisfaction rankings[2] among peers across several key areas, including:

- Digital Banking: Ranked #2
- Branches: Ranked #4
- Call Center: Ranked #4
- New Products: Ranked #5

2. Figures provided by Member Loyalty Group (MLG), a Credit Union Service Organization dedicated to measuring Member feedback. Rankings are among credit unions in our peer group.

110

Free financial education classes and webinars

Members saved nearly

$12.4 million

from lower interest rates on loans[1]

Quality Service

9.1/10

among the highest rated

5-star
superior rating

by BauerFinancial

$878,757
donated to CU SoCal Helping Hands and other non-profit organizations

954 hours
volunteered in our communities by CU SoCal team members and loved ones

COMMITTED TO OUR COMMUNITIES

Giving back is at the heart of who we are, and for seven decades, CU SoCal has remained deeply committed to strengthening the communities we serve. In 2025, that dedication continued as our team members invested their time, energy, and resources to support local charities and foundations, including CU SoCal Helping Hands, our employee-driven charity.

Highlights include:

- Team members and their families enthusiastically volunteered 954 hours to local schools and charities.
- Donated $878,757 to various local charities, including CU SoCal Helping Hands.
- Expanded our CU Cares initiative—charitable pop-up events designed to support and connect with local communities—by hosting six events throughout the year.

MEMBER-FOCUSED SOLUTIONS TO BUILD BETTER LIVES

In 2025, we delivered the everyday tools, access points, and financial opportunities Members rely on to manage their money with confidence. Through special certificate promotions, competitive loan options, and meaningful support during times of need, we continued to Build Better Lives for our Members.

Highlights include:

- Added three branches in Los Angeles County and one in Lake Havasu, Arizona through our partnership with LA Financial Credit Union and Havasu Community Credit Union.
- Converted to a federal charter, expanding our field of Membership.
- Launched “Summer of Savings,” featuring a $500 Rewards Checking bonus and exclusive auto loan and certificate rates.
- Revamped the Rewards+ Loyalty Program to offer exclusive Money Market and Share Certificate rates for qualifying Rewards+ Members.
- Launched an updated CUSoCal.org website, improving usability and access to information across devices.
- Provided direct relief following the Los Angeles wildfires by donating $10,000 and offering $1.25 million in interest-free loans to support Members during recovery.
- Supported Members who worked for the federal government with emergency loans and loan deferral options during the government shutdown.

2026 VISION

As we look ahead to 2026, our focus is on enhancing the tools, products, and digital experiences our Members rely on every day. Guided by Member feedback, we will continue to invest in improvements that strengthen our products and services, simplify how Members upgrade and access benefits through Digital Banking, and expand product offerings to better support Members at every stage of life.

Planned initiatives include:

- Enhancing Rewards Checking to feature Better Life Benefits, offering greater protection, added convenience, and valuable services such as telehealth, cell phone protection, and roadside assistance.
- Expanding our capabilities with emerging technologies to improve processes and enhance convenience and efficiency for Members.

Recent initiatives include:

- Updated the Rewards+ Loyalty Program widget in Digital Banking, enabling Members to seamlessly upgrade from Classic to Rewards Checking and gain immediate access to enhanced rewards benefits.

$190

Average annual interest saved financing a $30,000 car for 60 months[1]

Digital Banking Overall Satisfaction score ranked

#2

among peers

Increased Membership by

19%

from prior year

BOARD OF DIRECTORS

Credit Union of Southern California's Board of Directors generously volunteer their time throughout the year to ensure the continued strength, security, and value of your credit union.

ROW 1 (L-R):
Christopher George, Board Chairperson
Robyn Bjorklund
Elizabeth Camp

ROW 2
Doug Carden
Dawnna Lawrence
Gail Legros

ROW 3
Paul Moore
Gil Rodriguez
John Rosenberger

ROW 4
Christopher Stone
Connie Zappone

ROW 5
Stephanie Cuevas, Corporate Advisory Board Member
Nai-Len Ishikawa, Corporate Advisory Board Member

SUPERVISORY COMMITTEE

The Supervisory Committee members volunteer their time and expertise. They meet regularly to review financial statements along with internal and external audit reports and controls. Their task is to ensure that CU SoCal is both fiscally sound and effectively serving the many different financial needs of its Members.

The certified public accounting firm of Turner, Warren, Hwang & Conrad was engaged to perform the annual audit for the fiscal year ending June 30, 2025.

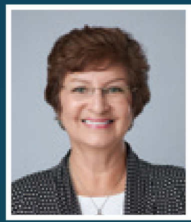
After reviewing the audit report, along with other reports and records, it was the unanimous opinion of the Supervisory Committee that CU SoCal is financially solid and being operated in a safe and sound manner.

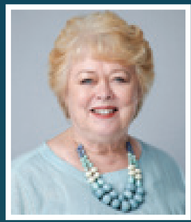
Rosie Robinson, Supervisory Committee Chairperson

ROW 1 (L-R):
Rosie Robinson, Chairperson
Greg Kelley

ROW 2:
Judy Miller
David Yamashita

ROW 3:
Andre Woods, Advisory Supervisory Committee Member

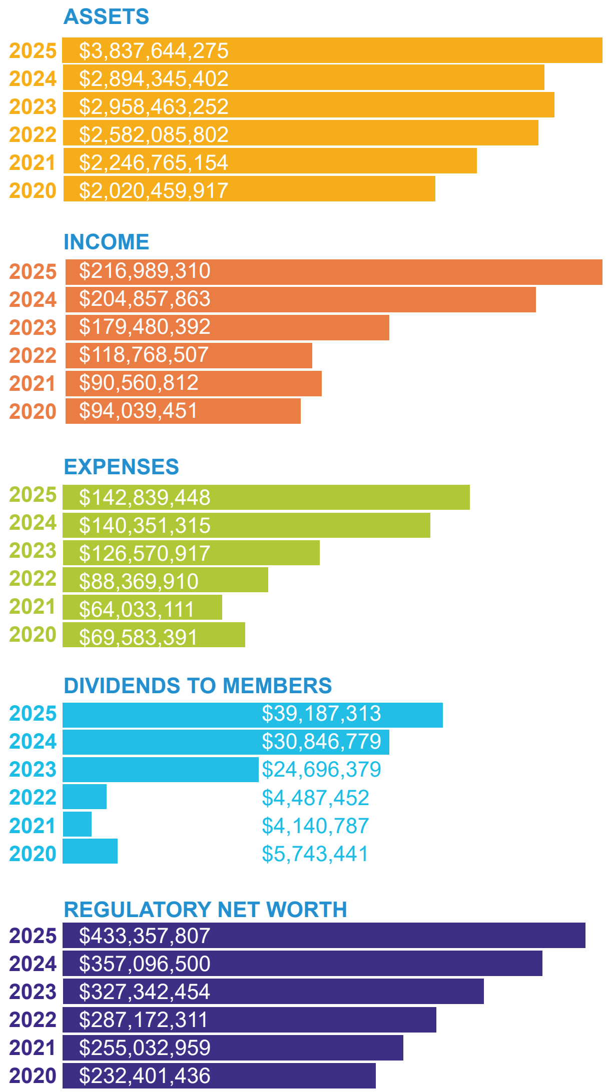




FINANCIAL STATEMENTS

	At December 31, 2025	At December 31, 2024
ASSETS		
Cash and cash equivalents	$213,328,708	$172,204,755
Investments	1,380,833,389	947,494,545
Loans to Members	2,101,092,812	1,675,538,108
Allowance for credit losses	(26,883,225)	(26,470,485)
Fixed assets	29,626,553	19,945,419
Other assets	139,646,038	105,633,060
Total assets	**$3,837,644,275**	**$2,894,345,402**
LIABILITIES AND MEMBERS' EQUITY		
LIABILITIES:		
Members' share accounts	$2,975,510,376	$2,284,764,658
Borrowed funds	540,000,000	375,000,000
Accrued expenses & other liabilities	51,068,199	45,544,622
Total liabilities	3,566,578,575	2,705,309,280
MEMBERS' EQUITY:		
Retained earnings and capital acquired	359,167,115	320,204,566
Accumulated other comprehensive income (loss)	(88,101,415)	(131,168,444)
Total Members' equity	271,065,700	189,036,122
Total liabilities and Members' equity	**$3,837,644,275**	**$2,894,345,402**

	Years Ended December 31, 2025	Years Ended December 31, 2024
INTEREST INCOME		
Interest on loans	$119,143,900	$94,509,291
Interest on investments	50,802,161	63,211,372
Total interest income	169,946,061	157,720,663
INTEREST EXPENSE		
Members' share accounts	39,187,313	30,846,779
Borrowed funds	19,347,656	40,314,725
Total interest expense	58,534,969	71,161,504
NET INTEREST INCOME	111,411,092	86,559,159
PROVISION FOR CREDIT LOSSES	13,048,794	12,819,309
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	98,362,298	73,739,850
NON-INTEREST INCOME		
Fees and charges	17,062,466	14,989,808
Gain on bargain acquisitions of various credit unions	2,691,526	-
Interchange and other	27,289,257	32,147,392
Total non-interest income	47,043,249	47,137,200
NON-INTEREST EXPENSE		
Compensation and benefits	63,025,669	49,583,752
Office operations	15,139,085	11,292,709
Office occupancy	6,633,750	5,711,065
Other	25,644,494	20,629,755
Total non-interest expense	110,442,998	87,217,281
NET INCOME	$34,962,549	$33,659,769



BUILDING BETTER LIVES

Our industry is filled with **people who can count.**

At CU SoCal, you'll find **people you can count on.**

MEMBER CARE CENTER

562.698.8326 | 866 CU SoCal (866.287.6225) toll-free
Monday–Friday: 9 a.m.–6 p.m. | Saturday: 9 a.m.–1 p.m.

25 BRANCHES

Alhambra | Anaheim | Brea | City of Industry | Colton
Costa Mesa | Covina | El Monte | Fontana | Fullerton
Gardena | La Habra | Lake Havasu | Los Angeles (3) | Norwalk
Ontario | Orange | Pasadena | Pomona | Riverside | Whittier (3)

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WEBSITE/CHAT

Visit CUSoCal.org to use Cali, our 24/7 chat feature

MOBILE BANKING

Download free Mobile Banking app at CUSoCal.org

FREE ATMs & SHARED BRANCHES

Text | 91989 with your zip code (ATMs only)
Download free app | CUSoCal.org
Visit | CUSoCal.org

Credit Union of Southern California
BUILDING BETTER LIVES®

Your savings federally insured to at least $250,000 and backed by the full faith and credit of the United States Government
NCUA
National Credit Union Administration, a U.S. Government Agency

FEDERALLY INSURED BY NCUA

CO-OP ATM℠

CO-OP SHARED BRANCH℠

EQUAL HOUSING LENDER

GALLUP EXCEPTIONAL WORKPLACE AWARD