

Ramir, ESL customer
N. Winton Village



2023 ESL IN THE COMMUNITY REPORT

PROGRESS TOGETHER



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"I DON'T FEEL LIKE A NUMBER.
I FEEL LIKE EVERYONE ACTUALLY
CARES ABOUT WHAT'S GOING ON."

Debbie, ESL customer
Penfield

PROGRESS TOGETHER

We're thrilled to share our latest ESL in the Community Report with you, highlighting activities from our ongoing business and key moments from 2023.

In the past year, we have achieved remarkable milestones to bolster the strengths of our organization and have made significant strides in living our Purpose to help our community thrive and prosper. The enclosed report provides a comprehensive overview of the key activities and initiatives we undertook during this period.

Several key moments in 2023 include:

- Distribution of \$25 million to members in the 27th year of our Owners' Dividend program.
- A ribbon cutting of our Goodman Street branch in the City of Rochester's Beechwood neighborhood.
- Reduction of our insufficient fund fees (NSF) to \$0, effectively returning more than \$2.4 million in income to our members.
- Reinvestment of \$24 million in philanthropic grants to organizations across our Greater Rochester region.
- Distribution of \$4 million of ESL Equity Grants to Black and Latino organizations to support the development of the nonprofit sector.

One of the cornerstones of our success is the unwavering support we receive from you, our customer and partner, in growing Greater Rochester. Your trust and commitment in us have enabled our organization to extend our reach and make a positive impact on the lives of many. By being a member with us, you help enable our ability to uplift individuals and families, providing them with financial stability and the resources to create a brighter future.

The power of community is undeniable, as well as the collective strength that follows when we focus on a central cause. We are steadfast in our commitment to serving our Greater Rochester community, and your support furthers our efforts.

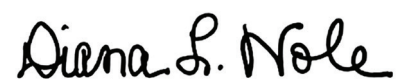
We encourage you to explore the full report to gain insights into the various initiatives we've embarked on this past year, showcasing the difference we have collectively made in the lives of Greater Rochester residents.

Once again, we extend our heartfelt gratitude for your unwavering support. Together, we are providing the resources and solutions to build a better tomorrow for everyone.

WARM REGARDS,



Faheem Masood
President & CEO
ESL Federal Credit Union



Diana Nole
Chair of the Board of Directors
ESL Federal Credit Union

2023 HIGHLIGHTS

TOTAL ASSETS

\$9.2 BILLION

VALUE OF MORTGAGES SERVICED

\$1.3 BILLION

TOTAL LOANS

\$3.78 BILLION

PERSONAL MEMBERS SERVED

413,000

CONSUMER LOANS

\$2.9 BILLION

BUSINESSES SERVED

16,100

BUSINESS LOANS

\$841 MILLION

EMPLOYEES

950

MEMBERS' SHARE ACCOUNTS

\$5.47 BILLION

BRANCHES

24

WEALTH MANAGEMENT
TOTAL INVESTED ASSETS

\$3.3 BILLION

ATMS

103

Across more than 40 locations

OUR PURPOSE

We help our community thrive and prosper.

OUR MISSION

Provide financial guidance and solutions.

Deliver superior experiences to people and businesses
connected to the Greater Rochester Area.

Commit to an equitable and resilient community.

Share our financial success with members
and reinvest in our community.

OUR CORE VALUES

INTEGRITY

Being truthful, trustworthy, and transparent at all times

INITIATIVE

Stepping up, helping out, and continuously improving

ACCOUNTABILITY

Owning all opportunities and challenges

TEAMWORK

Working well with all, energizing each other
and embracing the power of collaboration

CARING ABOUT PEOPLE

Showing that others' lives, financial health, and success matter



EMPLOYEE EXPERIENCE

With more than 900 employees at ESL, the priority of providing a superior employee experience continues to evolve to ensure we are meeting the needs of our growing and diverse workforce.

ESL employees make ESL a great place to work. In 2023, ESL was recognized as a **Great Place To Work®** in New York State and as a **Best Workplace** in Financial Services and Insurance.



The top responses employees shared when asked, *“Is there anything unique or unusual about this company that makes it a great place to work?”*

1. BENEFITS AND PAY
2. COMMITMENT TO THE COMMUNITY/PURPOSE
3. OUR PEOPLE
4. OUR CULTURE
5. WORK-LIFE BALANCE & FLEXIBILITY

**“THE PEOPLE I WORK WITH
GENUINELY CARE ABOUT YOU
AND THE COMMUNITY WE SERVE.”**

Comment received in annual employee survey

<p>EMPLOYEES 950 <i>As of December 31, 2023</i></p> <p>TOTAL PAYROLL \$88.9 MILLION <i>As of December 31, 2023</i></p>		
DEI STATISTICS		
	WOMEN	RACIALLY/ ETHNICALLY DIVERSE
EMPLOYEES	66%	28%
FRONTLINE	77%	42%
EARLY CAREER PROFESSIONALS	69%	24%
MID-LEVEL PROFESSIONALS	63%	17%
SENIOR-LEVEL PROFESSIONALS/ FIRST-LEVEL MANAGERS	46%	9%
SECOND-LEVEL MANAGERS	12.5%	0%
SALES WORKERS	40%	13%
EXECUTIVES	36%	16%
BOARD OF DIRECTORS	70%	40%

EMPLOYEE EXPERIENCE

“ESL has helped me shape a unique path and discover more about myself as a young professional. I give a huge thanks to the talent management team because I would not be where I am if it was not for their guidance, and managers who have helped me grow and discover more of my own unique career path.”

JULISA

Talent Acquisition Coordinator

Employees are also given the opportunity to participate in the ESL Pulse Survey, an annual survey where employees provide candid feedback about the employee experience at ESL. This feedback is instrumental in helping us learn more about our employees and how we can all continue to provide a positive workplace culture. In 2023, we:

- Continued to offer a hybrid schedule for positions that allow remote work.
- Moved all employees to at least the market point of their pay range ensuring market competitiveness and demonstrating our commitment to being a great place to work.

“MY FAVORITE THING ABOUT ESL IS THE COMMUNITY ESL HAS BUILT INTERNALLY AND EXTERNALLY. NO MATTER WHERE YOU GO IN THE BRANCH AND HEADQUARTERS, YOU’RE ALWAYS TREATED WITH RESPECT AND KINDNESS.”

Kelvin, Financial Services
Representative Development Program

VolunCare

Another benefit that ESL employees enjoy is our VolunCare volunteer program where employees can use up to eight work hours per year to volunteer for a nonprofit of their choice. Whether it’s for their child’s school, a house of worship, or another organization important to them, ESL supports our employees giving back to our community. In 2023, 422 employees participated in this popular ESL benefit.



“VolunCare shows we are truly dedicated to making our community thrive and prosper and also the fact that we have an entire health and wellness team that cares about our health, because health is truly wealth.”

EMPLOYEE



"YOU CAN DO WHATEVER YOU PUT YOUR MIND TO. JUST KEEP PUTTING ONE FOOT IN FRONT OF THE OTHER, ALWAYS MOVING FORWARD."

Kamilla, ESL customer
Henrietta

Diversity, Equity, and Inclusion (DEI)

2023 marked the five-year anniversary of ESL's Diversity, Equity, and Inclusion Program. DEI and the DEI Program at ESL are focused on hiring, developing, retaining, and promoting diverse talent at all levels of the organization, fostering an inclusive workplace environment where the unique strengths, skills, and perspectives of all employees produce innovative business solutions, and acting as Diversity Ambassadors by modeling supportive and inclusive behaviors.

Employee Resource Groups (ERGs) are a key part of our culture at ESL. They are created in order to:

- Attract, recruit, and retain diverse employees.
- Promote diversity, cultural awareness, and an inclusive work environment.
- Increase employee job satisfaction, morale, and productivity.
- Foster professional development and learning through mentoring, networking, open dialogue, and the exchange of ideas.

In 2023, we launched Latinos for Engagement, Advancement, and Development (LEAD). This new ERG joins the growing list at ESL:

- African American Women
- ESL Young Professionals
- LGBTQ+ Pride
- People with Disabilities

DEI Events in 2023

It's important to provide time and space for all employees to meet, connect, and learn about one another and our community at large. The following are some of the initiatives and events that provided these opportunities in 2023:

- Completion of our Equitable & Inclusive Leadership Academy, a pilot program with senior management, and the launch of the official program with a new group of managers.
- Multiple editions of our internal ESL Diversity, Equity, and Inclusion electronic newsletter, *DEI Digest*, with updates about DEI initiatives, programs, opportunities, and events.
- Celebration of Diversity Awareness Month.
- Recognition of Black History Month, Asian-American and Pacific-Islander Awareness Month, Hispanic Heritage Month, and Disability Pride Month.

"EMPLOYEE RESOURCE GROUPS SERVE AS A RESOURCE FOR ALL AT ESL AND AS CONNECTORS TO THE DIVERSE COMMUNITIES THAT MAKE UP THE GREATER ROCHESTER AREA AS WE CONTINUE TO PURSUE OUR PURPOSE OF HELPING OUR COMMUNITY THRIVE AND PROSPER."

ESL employee

OWNERS' DIVIDEND



Stephen, ESL customer
Webster

2023 PAYOUT IN JANUARY 2024

\$25 MILLION

TOTAL AMOUNT PAID TO
MEMBERS SINCE OWNERS'
DIVIDEND WAS CREATED IN 1996

\$290 MILLION

Now in its 27th year, the ESL Owners' Dividend is an extraordinary way we give back to our members each year. As part of our mission, we commit to sharing our financial success with members and have returned more than \$290 million in Owners' Dividend payouts through the years. Our success would not be possible without the ongoing trust and loyalty of our members, and one way we can share our earnings with those who help impact it.

We are in a fortunate situation at ESL where we do not have shareholders or investors. Our employees at ESL, our loyal members (you), businesses, community partners, vendor partners, community members, and more are all stakeholders whose best interests we keep close to heart. As a member-owned organization

inspired by the cooperative principles, we work for the benefit and prosperity of the Greater Rochester community.

Again this year, our payout criteria were designed to ensure that all members shared the same starting point to earning an Owners' Dividend by providing \$10 to all eligible members. The \$10 starter payout elevates the Owners' Dividend payout for a significant portion of our members and supplements the earnings members can accumulate based on their partnership with ESL, including loan and deposit balances, debit and credit card transaction volumes, and Wealth Management relationship.

OWNERS' DIVIDEND STORIES

Naomi, ESL personal and business banking member

Naomi has been an ESL member for more than 10 years—for both personal banking and business banking. She's a lifelong Rochesterian and the proud owner of Xstravagance Designs, a clothing and resort-wear boutique with a mission of allowing your beauty to exude inside.

Like many, Naomi's work as a small business owner can be a rollercoaster of ups and downs—including finances. A few years ago, after COVID hit, she wasn't sure how to make ends meet. Until she logged into the ESL Mobile Banking app and saw surprise money in one of her accounts. That Owners' Dividend, she said, brought her to tears. "It gave me a little bit of hope."

Many business owners start without a business degree and haven't taken formal money management courses. Over the years, Naomi has grown through her own "eye opening" moments. Today, she uses more wisdom when

making financial decisions. Her theory today is to "be like the ant": they're always storing up food, constantly working, making a surplus, and saving away. That's what she does with her Owners' Dividend payouts. Having unexpected money in her account supported her through a tough period, and she's stored it away since "for a rainy day."

As a small business owner, Naomi feels like herself. "You feel like you," she said. "Especially for women and their identity, if you have a family or are married, you don't want to lose your sense of individuality. Once I started pursuing entrepreneurship, I felt like me for once."

When the Owners' Dividend first appeared in her account—right when she needed some light and hope—it gave her an opportunity to catch up, and then to get ahead.

"ESL AWAKENED SOMETHING
IN ME. I'VE BECOME MORE
MINDFUL OF WHAT I DO WITH
MY INCOME, AND THAT'S
GOING TO MAKE ME A
BETTER BUSINESSWOMAN."

Naomi, ESL customer
Irondequoit



OWNERS' DIVIDEND STORIES

Debbie, ESL personal banking member of 28 years (and counting)

Debbie has been an ESL member for 28 years. Her father was hired by Kodak in 1964 and was an ESL member from day one. When Debbie graduated from college and moved home, she did what her parents did—she joined ESL, too. And she's stayed with ESL ever since, and for good reason.

Debbie's first Owners Dividend wasn't a lot, because as a recent college graduate at the time, she didn't have a lot. But she remembers it coming right after Christmas, which is exactly what she needed to pay for gifts.

Debbie was so surprised and thrilled that a bank would even be able to do something like the Owners' Dividend for its members. One of the things she appreciates most

about ESL is that the team calls, emails, and checks in with her about her accounts, investments, and more.

Finances can be confusing, but ESL coaches her on where to keep her money—whether in investments, savings, retirement, or other accounts. Debbie recently worked with Jessica from the ESL Chili Office. "She was fantastic!" Debbie said. "We're working on an investment, and it has me nervous, but she is counseling me. Every time I walk away from the branch, I feel better."

"When I think about belonging, it's important to human nature and ESL is doing it."



"WHEN I THINK
ABOUT BELONGING,
IT'S IMPORTANT TO
HUMAN NATURE AND
ESL IS DOING IT."

Debbie, ESL customer
Churchville

OWNERS' DIVIDEND STORIES

Mike, ESL Senior Home Equity Underwriter

Mike celebrated his 12th work anniversary with ESL Federal Credit Union in December. He started as a part-time teller at the ESL Webster branch and was promoted to full-time within a few months. From there, he moved to relationship banker at the Chili branch and, after a year and a half, landed in the Home Equity Department.

Today, Mike is in his fifth year as a senior home equity underwriter based on Chestnut Street, where he makes an incredible impact on customers by supporting lending for individuals and families in our community.

"It's not like we're giving someone \$500 to go on vacation," Mike said. "We're giving them substantial money to refinance debt or improve their home. It's life-changing money."

His work with home equity loans is closely connected to the ESL Owners' Dividend program, a payout for members that's based on banking balances and savings accounts, loan amounts, and more. When Mike works with an ESL member on a home-equity loan, that influences part of their Owners' Dividend—meaning more money could show up in their account.

One of Mike's happiest memories of working with an ESL member came early in his career as a teller, when a woman in her 20s came in to make a payment on her auto loan. As they talked, Mike realized she had enough money in her account to pay off her loan that day. Because of the Owners' Dividend payouts that had collected in her account—that she didn't even know were there—she was able to pay off her loan early. Today, she's a proud ESL member, and Mike set her up with a personal banking account.

**"ESL HAS GIVEN ME
OPPORTUNITIES FOR
ADVANCEMENT. I
WOULDN'T HAVE MY
HOUSE OR EVERYTHING I
HAVE TODAY IF IT WASN'T
FOR THEIR SUPPORT."**

Michael (left), ESL employee,
with his partner



2023 COMMUNITY IMPACT

\$24 MILLION

COMMITTED TO GREATER ROCHESTER
ORGANIZATIONS IN 2023

EXPANDING INDIVIDUAL OPPORTUNITY
(EDUCATION, EMPLOYMENT, AND INCOME)

\$9.9 MILLION

BUILDING STRONG NEIGHBORHOODS
(AFFORDABLE HOUSING AND CONNECTED NEIGHBORHOODS)

\$6.7 MILLION

STRENGTHENING ORGANIZATIONS AND SYSTEMS
(CAPACITY BUILDING)

\$2.3 MILLION

COMMUNITY BASIC NEEDS
(ARTS AND CULTURE, FOOD SECURITY, HEALTH)

\$4.9 MILLION

TOTAL NUMBER OF
GRANTS IN 2023

468

COMMUNITY IMPACT GRANTS

In 2023, ESL reinvested more than \$24 million in grants throughout our community. These grants support nonprofits whose missions align with the strategic framework of ESL Community Impact that include Expanding Individual Opportunity (education and employment/income), Building Strong Neighborhoods (affordable housing and connected neighborhoods), Strengthening Organizations and Systems (collaboration, data, and human capital), and sharing Lifting Up Stories (underlying narratives about Greater Rochester that inspire the population).

“ESL has been an excellent partner. ESL is sensitive to the barriers faced by certain sectors of our community and is intentional in identifying and partnering with organizations that have a track record of providing direct and impactful support to diverse populations.”

JOEL FRATER

President, Rochester Jamaican Organization

SELECTION OF GRANTS PROVIDED IN 2023

FOCUS AREA	ORGANIZATION	PROGRAM	GRANT AMOUNT
Strengthening Organizations and Systems	Department of Pediatrics (Fiduciary: University of Rochester)	School Based Access to Behavioral Health and Medical Care for All Rochester City School District Students	\$1,200,000
Expanding Individual Opportunity	Wayne County Action Program Inc.	STEADY Work for Wayne County Youth Expansion Program	\$950,000
Building Strong Neighborhoods	Rochester Housing Development Fund Corporation	HOME Rochester and Make Monroe Home 2023	\$400,000
Strengthening Organizations and Systems	Children’s Institute	Enhanced Parent Engagement and Longitudinal Evaluation to Promote the Wellbeing of Young Children	\$375,000
Expanding Individual Opportunity	Encompass Resources for Learning	The Youth Workforce Consortium	\$375,000
Building Strong Neighborhoods	Sheen Housing/Bishop Sheen Ecumenical Housing Foundation Inc	Making a Big Impact on Family Stability	\$275,000

(Continued on next page)

COMMUNITY IMPACT

SELECTION OF GRANTS PROVIDED IN 2023 (CONTINUED)

FOCUS AREA	ORGANIZATION	PROGRAM	GRANT AMOUNT
Strengthening Organizations and Systems	The Center for Youth Services	RCSD Family Engagement	\$242,000
Expanding Individual Opportunity	Monroe 2-Orleans BOCES	Redesigning Adult CTE Programs for Quality & Sustainability	\$200,000
Expanding Individual Opportunity	Center for Community Alternatives	Reentry Advocacy Collaboration	\$120,715
Expanding Individual Opportunity	Urban League of Rochester NY, Inc.	Black Scholars Program	\$111,700
Building Strong Neighborhoods	The Center for Teen Empowerment	Organizing Youth Stakeholders for Neighborhood Well-being	\$100,000
Expanding Individual Opportunity	Finger Lakes Community College	FLCC Student Emergency Services Grant	\$100,000
Strengthening Organizations and Systems	Young Men's Christian Association of Geneva	Geneva YMCA "Building What Matters" Capital Improvement Project	\$75,000
Building Strong Neighborhoods	Father Tracy Advocacy Center	Walk-In Community-Based Information and Referral Center	\$50,000
Expanding Individual Opportunity	Clyde-Savannah Central School District	Growing and Thriving Outside of School Program	\$25,000
Expanding Individual Opportunity	Wood Library Association	The Reading Garden at Wood Library	\$10,000
Building Strong Neighborhoods	19th Ward Community Association of Rochester	19th Ward Annual Square Fair	\$2,500

"ESL Charitable Foundation is a grant funder that values trust-based philanthropy and prioritizes building genuine relationships with grantees, which has allowed for effective collaboration and communication in addressing community needs. Their flexibility and responsiveness have resulted in a meaningful and lasting impact on their programs, making it an inspiring experience to partner with an organization striving to make a difference in the community."

SHAWNA GAREAU-KURTZ

Monroe 2-Orleans BOCES Center for Workforce Development Director

Additional giving commitments in 2023 included:

Lifting Up Stories

Through Lifting Up Stories, we hope to inspire and create optimism through the positive, impactful work being done throughout Greater Rochester. We all too often see and hear news that focuses on the negative rather than the achievements and successes being made every day. At ESL, we want to help create a positive shift in the narrative around education, employment, housing, neighborhoods, collaboration, data, human capital, and more, by seeing examples of real success.

Reconnect Rochester

This nonprofit advocates for a safe and equitable transportation network. In partnership with residents and community groups, Reconnect Rochester creates and implements a design that benefits both pedestrians and motorists. The Complete Streets Makeover improves access and quality of community mobility to help make strong neighborhoods a reality.

97.1 Poder

The only dual-language (English/Spanish) radio station to launch and serve the City of Rochester and the expanding Latino population in 2015, is another example of community success. Poder is owned and operated by the Ibero American Action League. The radio station serves as an educational resource for the Spanish-speaking and bilingual community and brings people and organizations together through music and programming. As the Latino community continues to grow, evolve, and expand, Poder 97.1 adapts to these changes to help support the growth of the local Latino community.



"Hinge is making people aware not only that there is a community here, but that we have a voice, and we are strong."

NANCY HERNANDEZ MACIUSKA
Marketview Heights Resident

Hinge Neighbors

Established in 2018, the leaders of Hinge Neighbors are dedicated to making sure the needs of residents are heard and included in future development. The nonprofit is guiding community discussions among residents about the Inner Loop North Project with the goal of eventually connecting the Grove Place and Marketview Heights neighborhoods that have been disconnected by the inner loop for decades. Hinge Neighbors works with residents and others, whether it's a business, a government agency, or another organization, to develop and implement initiatives and projects that bring people together to achieve the intended results for everyone.

Equity Grants

In 2023, the second round of equity grants concluded with 125 grants approved totaling \$4,030,532. ESL received 218 requests within our service area. To date, the total number of equity grants provided to Black and Latino-led local organizations is 200 grants at \$6,826,200.

GOODMAN BRANCH

We continued to expand access to our services in the City of Rochester in 2023 with the opening of our 24th branch at 786 North Goodman Street in the Beechwood neighborhood.

The Goodman Branch offers full-service personal, business banking, and wealth management services to meet the financial needs of residents. The branch employs eight people, with bilingual staff members to meet the needs of Spanish-speaking members.

The Goodman Branch is the second of three new branch builds in the City of Rochester by ESL. The first was the Lake Ave. Branch in the Edgerton neighborhood that opened at the end of 2021. The third location is still being determined.

“It is very important for our citizens to have access to banking within a walkable distance from where they reside. It is also our hope that ESL helps anchor neighborhood revitalization along the North Goodman corridor.”

KYLE CRANDALL

Beechwood Neighborhood Coalition President

“We are excited to have a committed community partner, such as ESL, opening a branch in our neighborhood. It’s not just a bank; it’s a sign that this neighborhood matters and an indication that change is on the horizon. This new branch represents hope for those who want to bank in their community, hope for those who want to open businesses and purchase homes.”

LASHUNDA LESLIE-SMITH

Connected Communities
Executive Director



MORTGAGE SOLUTIONS

ESL offers a full suite of options for all homebuyers to help meet their homebuying goals.

In 2023, we marked the third year since the launch of our ESL First-Time Homebuyer Grant, seeking to address homeownership disparities among Black and Latino residents. While the competitive housing market has stretched out the timeline for many homebuyers, the grant program continues to see high interest from the community and we continue to grow the number of houses closed on, allowing first-time homebuyers to make their dreams a reality.

Additional mortgage actions in 2023 included:

State of New York Mortgage Agency (SONYMA) Loans

ESL launched a partnership with SONYMA to offer two primary mortgage programs designed to allow first-time homebuyers another option for home financing with low down payment requirements. This offering also allowed us to expand our lending capability to support homebuyers working with Greater Rochester Habitat for Humanity.

Mortgage Origination Development Program

This year we also created our first cohort of our Mortgage Origination Development Program. This 13-month program will expose participants to a career in mortgage origination and sales, working to grow their awareness, understanding, and skills through all aspects of the mortgage lending process.

Expanding to Larger New York State Market

Members across New York State can now enjoy the benefits of an ESL mortgage solution, as we've extended our mortgage lending to more than 50 counties. This includes all NYS counties except for Bronx, Dutchess, Kings, Nassau, New York (Manhattan), Orange, Putnam, Queens, Richmond (Staten Island), Rockland, Suffolk, Sullivan, Ulster, and Westchester.

2023 MORTGAGE TOTALS
\$113 MILLION
623 LOANS

2023 HOMEBUYER DREAM
GRANTS PROVIDED

49

ESL FIRST-TIME HOMEBUYER
GRANT PARTICIPANTS

305

Since the program launched in August 2021

BUSINESS BANKING

Our Business Banking members continue to grow with more than 16,100 at the end of 2023.

Representing diverse industries and varying in size, ESL Business Banking members are proud to name Rochester as their headquarters as many of them expand and receive national and global recognition for their innovation and quality of work.

While 2023 was a volatile year for the economy, our annual Small Business Climate Survey showed that businesses are continuing to adapt and grow, regardless

of stressful and unpredictable conditions. The survey revealed that 75 percent of businesses in the Greater Rochester region met or exceeded their 2023 financial expectations. Some of the key factors listed for meeting or surpassing business goals were an increase in customer demand, successful business expansion, and fewer supply chain issues. Nearly one third of businesses added new products or service lines or planned to add them.

TOTAL BUSINESS BANKING ASSETS

\$1.7 BILLION

BUSINESS BANKING LOANS

\$840 MILLION

BUSINESS BANKING SHARE ACCOUNTS

\$550 MILLION

SBA7(A) LOANS IN 2023

46

VALUE OF SBA7(A) LOANS

\$7.2 MILLION

BUSINESS CUSTOMERS THROUGHOUT GREATER ROCHESTER

16,100

NEW BUSINESS LOANS

\$159.5 MILLION
999 LOANS

NEW COMMERCIAL REAL ESTATE LENDING

\$102.9 MILLION

NEW BUSINESS TERM LOANS & BUSINESS CREDIT CARDS

\$16.9 MILLION

NEW BUSINESS SHARES

\$114.4 MILLION

BUSINESS BANKING MEMBER STORIES

Helping businesses and organizations grow and thrive.

Homesteads for Hope

Homesteads for Hope is a nonprofit community farm that fills a critical need for adults with intellectual and development disabilities. The organization provides an inclusive space to learn, work, live, and grow in nature's classroom. ESL provided a mortgage to help founder and CEO, Jennyrae Brongo, purchase the property back in 2016. With support from John Felice, ESL Business Banking Relationship Manager, Jennyrae plans to expand the property to include living spaces for apprentices on the farm.

ID Signsystems

ID Signsystems is a women-owned architectural sign and lighting business. Its reputation through word of mouth has helped ID Signsystems secure new contracts with a major hospital in New York City and a university campus in New Jersey, in addition to existing work in cities that include Rochester, Syracuse, and Baltimore.

"ESL has supported us every step of the way, always supporting our requests for additional financing when we took on larger and larger projects," said ID Signsystems President Paul Dudley. "We see ESL as an integral part of the ID Signsystems strategic team, quietly supporting us as we have grown, and giving advice and support when needed."



Homesteads for Hope

Leo J Roth Corporation

Leo J Roth Corporation celebrated its 75th anniversary in 2023. Initially set up as a roofing company, today Leo J Roth Corporation is a full-service company in areas of construction, maintenance, roofing systems, and more.

"We originally were introduced to ESL through our work at their branches and headquarters," said Leo J Roth Corporation President Kaitlin Hildebrandt. "We have a tremendous amount of respect for the individuals in facilities, and the banking relationship has truly blossomed out of that base. We hadn't experienced this level of personal involvement with banking before, and we are very much looking forward to what the future holds."

ESL INVESTMENT SERVICES

ESL Investment Services was founded in 1997, and has grown to oversee more than \$879 million assets under management and \$1.8 billion in total assets invested through a dedicated team of more than 50 professionals. The team at ESL Investment Services uses a tailored planning approach with all clients and prospects to help them work toward their financial goals. We understand everyone's path is different, and our focus is to build a plan for where you are now and where you'd like to go.

In September 2023, ESL announced the expansion of its Retirement Plans Group to further enhance offerings for business owners, corporations, and nonprofit organizations. The team includes Retirement Plan Consultants and a Retirement Specialist who will provide employee education, fiduciary governance support, and retirement plan education services to individuals and businesses. With the recent passage of the Setting Every Community Up for Retirement Enhancement 2.0 (SECURE 2.0), the services provided by the Retirement Plans Group are all the more necessary to help businesses with access to suitable retirement plan offerings.



Investment
ServicesSM

ESL INVESTMENT SERVICES

\$879 MILLION

Assets under management as of December 31, 2023

TOTAL ASSETS INVESTED

\$1.8 BILLION

as of December 31, 2023

Securities and advisory services are offered through UPL Financial (UPL), a registered investment adviser and broker-dealer (member FINRA/SIPC). Insurance products may be offered through UPL or its licensed affiliates or ESL Investment Services, LLC. ESL Investment Services, LLC, member FINRA/SIPC, provides referrals to UPL and its affiliates. Neither ESL Investment Services, LLC, a subsidiary of ESL Federal Credit Union, nor ESL Federal Credit Union are affiliated with UPL or its affiliates. ESL Federal Credit Union is not registered as a broker-dealer or investment adviser. Products and services are offered through UPL or its affiliates by UPL registered representatives doing business as ESL Investment Services. Representations are duly registered with ESL Investment Services, LLC and UPL and may also be employees of ESL Federal Credit Union. Securities and insurance offered through UPL or its affiliates are:

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NOT FDIC-INSURED

COOPER/HAIMS ADVISORS, AN ESL COMPANY

October marked the four-year anniversary of the ESL Investment Services, LLC acquisition of Cooper/Haims Advisors (Cooper/Haims). This marked a significant expansion of wealth management capabilities at ESL, providing fee-based services including tax planning guidance, and personalized financial advice to individuals with more complex needs. The Cooper/Haims team of 13 has grown to support \$1 billion in assets under management.



ESL TRUST SERVICES

Trust and estate planning is essential for financial security and peace of mind. Established in 2017, ESL Trust Services partners with you to manage your life's work, your legacy, and your beneficiaries' future. Services include corporate trustee, corporate executor, estate planning assistance as well as financial and investment support for families, foundations, and nonprofits.





"I'M A PRIME EXAMPLE OF WHAT ESL IS
DOING FOR THE LOCAL COMMUNITY."

Jean, ESL customer
Northland-Lyceum Neighborhood

PRODUCT & SERVICE ENHANCEMENTS

At ESL, we strive to provide a superior experience to all our customers that carries itself seamlessly through all our channels, whether it be our branches, Contact Center, or digital channels.

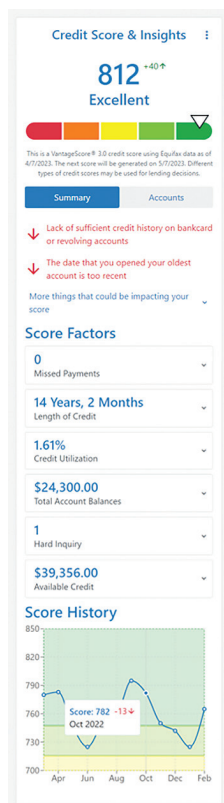
ESL took the following actions in 2023 to help customers with their financial health:

Reduced Overdraft Fees

We recognize the effect overdraft fees have on members, serving as an additional hurdle for customers to achieve financial wellness. In 2023, we made the decision to eliminate several of our overdraft fees, including Insufficient Fund Fees (NSF) and Uncollected Funds Fees (UCF). The removal of these fees is estimated to return more than \$2.7 million to members over three years.

Credit Score & Insights

We are thrilled to have launched new functionality within ESL Online and Mobile Banking allowing members to view their credit score at any time. Checking your score is as easy as checking your account balance. Additionally, the Credit Score & Insights provide a simple-to-understand explanation of the score factors, including number of missed payments, length of credit history, credit utilization rate, total loan account balances, number of hard inquiries, total available credit, and credit history.



Digital User Onboarding Program

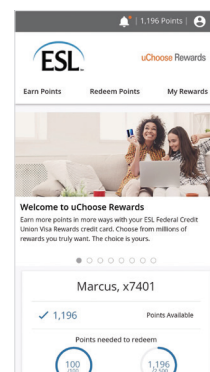
We strive to provide superior experiences to all our customers in all the ways they interact with us. This new onboarding program targets members who are new digital banking users, and within the first 90 days of their relationship, helps them adopt some of our most popular digital solutions such as Bill Pay, Alerts & Notifications, and Mobile Deposit.

Debit Card Spending Reports

New this year, members can now view spending reports for their ESL debit and HSA cards via ESL Online and Mobile Banking. Users can view their spending behaviors by category or merchant by a weekly or monthly breakdown to help track trends and manage budgets.

New uChoose Rewards® program

A new credit card rewards program for our Rewards Visa Signature® Credit Card launched this past year. The program allows cardholders to earn more points for things they buy most such as dining out, gas, groceries, and travel.



New Loan Payment Option

Members are able to pay their ESL loan with a non-ESL debit card through an ESL Contact Center representative or a self-service digital solution conveniently available on esl.org and within Online and Mobile Banking. This is another fast and easy way to make payments from anywhere.

SCHOLARSHIPS

10 ESL SCHOLARSHIPS

\$20,000

4 ESL/MCC SCHOLARS

\$8,000

12 URBAN LEAGUE OF
ROCHESTER BLACK SCHOLARS

\$30,000

28 IBERO-AMERICAN ACTION
LEAGUE SCHOLARS

\$15,000

ESL'S COLLEGE SCHOLARSHIP PROGRAM

Our ESL College Scholarship award recognizes exemplary student success and service to our community. Individuals who apply must demonstrate one of ESL's core values: accountability, caring about people,

initiative, integrity, and teamwork, in their lives AND showcase how they help their community thrive and prosper. Our congratulations to this year's scholarship winners:



Madison Anderson,
Irondequoit High School



Mamadou Barry,
Rush-Henrietta Senior
High School



Abby Belec,
Penfield High School



Gabriella Carballo,
Odyssey Academy



Lilah Harvey,
Penfield High School



Eli Jeffery,
Penfield High School



Brendan Mariano,
Brighton High School



Hayden McCue,
Fairport High School



Naronin Pena-Jimenez,
Eastridge Senior High

NOT PICTURED:
Olivia Dibble,
Honeoye Middle/
High School

SCHOLARSHIPS

ESL/MCC Scholars Program

ESL partners with Monroe Community College for the ESL/MCC Scholars program. The scholarship program is open to all students who are interested in earning scholarship dollars, internship credit, and part-time employment with ESL, while earning their associate's degree, to apply. Named in December 2023, the 2024 cohort is:

Leonardo Nunez
Nasmere Johnson
Sujan Dhakal

Urban League of Rochester

ESL is also a supporter of the Urban League Black Scholars of Rochester program that identifies Black Scholars from school districts in Genesee, Livingston, Monroe, Ontario, Orleans, and Wayne counties. Workshops are hosted every fall and spring to prepare college-bound students and their parents for college selection, admissions testing, applications, financial aid, and navigating college. ESL provided twelve \$2,500 scholarships to the following Black Scholars in 2023:

Caydence Hadley,
Bishop Kearney High School
Chelsea Maynard,
Rush-Henrietta Senior High School
Emanuel Griffin,
Vertus Charter School for Young Men
Jayda Daymon,
Brighton High School

Kimora Jones,
Bishop Kearney High School
Salina Salters,
Churchville-Chili Senior High School
Shabrien Brook, Rochester Early
College International High School
Zaccheus Green,
Rochester Prep High School

Ibero American Action League

ESL is a supporter and sponsor of Ibero Scholars through the Ibero American Action League. The organization's Hispanic Scholarship Program provides merit-based college scholarships to local high school seniors in Genesee, Livingston, Monroe, Ontario, Wayne, and Yates counties. Each year, the program supports more than 90 Latino scholars in the Greater Rochester area. The scholarships are merit-based and provide financial support in the range of \$500 to \$2,000. In 2023, ESL provided \$15,000 to the Ibero Scholars program. The 2023 Ibero Scholars are:

Alexa Friel,
Canandaigua Academy
Alexsandra Soto,
Rochester Preparatory
High School
Alyssia Pérez,
Canandaigua Academy
Angel González,
Rochester Preparatory
High School
Bryan Jesús Ortiz Pérez,
Edison Technology High School
Christopher Morillo,
Eastridge Senior High School
Covadonga Vázquez Serra,
Pittsford Sutherland High School

Eliana Rogers,
Webster Thomas High School
Emma Santiago,
Greece Athena High School
Enzo De Jesús,
Victor Senior High School
Gina Marie De Jesús,
Our Lady of Mercy High School
Giovanni González,
Aquinas Institute
Jainelys Alvarez,
Eugenio Maria de Hostos
Charter School
Joel Maldonado,
School of the Arts

Jorimar Cosme,
Pittsford Sutherland High School
Leilani Monegro,
Caledonia Mumford High School
Lilah Harvey,
Penfield High School
Lyannie Pagán,
Eugenio Maria de Hostos
Charter School
Mallory Rice,
Geneseo Central School
Mikael Peña,
Greece Athena High School
Narcelin Peña Jiménez,
Eastridge Senior High School

Narolin Peña Jiménez,
Eastridge Senior High School
Natalea Román,
Hilton High School
Sofia Rodríguez,
Dansville High School
Vanessa Martínez,
Penn Yan Academy
Yeshua Alba,
McQuaid Jesuit High School
Yuleizi Zoe Maysonet,
Eugenio Maria de Hostos
Charter School
Zachary T. Wise,
Bishop Kearney High School

SPONSORSHIPS

TOTAL 2023 SPONSORSHIPS

\$566,146

TOTAL ORGANIZATIONS SUPPORTED

81

ESL sponsors organizations, projects, and initiatives that strengthen our community and help it grow. Organizations are chosen based on their alignment with ESL's purpose, mission, and core values. Their work or project helps inspire people to reach their true potential, promote positive change, provide positive community impact, support, and service to enhance learning around diversity, equity, and inclusion, and help create vibrancy in our community. In 2023, ESL provided sponsorships to the following organizations:



Grand opening of the ESL Digital Worlds Gallery at National Museum Strong of Play

Strong National Museum of Play, ESL Digital Worlds Gallery – a 24,000-square-foot gallery dedicated to the history of electronic games (ESL Digital Worlds: High Score) and changing technologies (ESL Digital Worlds: Level Up) that will be part of a 90,000-square-foot new museum wing, phase two in the museum's larger Neighborhood of Play project.

SPONSORSHIPS

Geva Theater Main Stage Theater Sponsor – supports the education and enhancement of quality of life for individuals and families.

Greater Rochester Chamber of Commerce Rochester Top 100 Awards – recognizes the TOP 100 fastest growing businesses in the Greater Rochester region.



ROC Pride Festival and ROC Pride Parade

Urban League of Rochester Interrupt Racism Summit – an annual event and training program that brings together individuals, businesses, and organizations to learn more about systemic racism and how to address it.

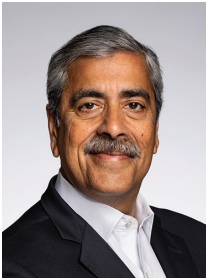
Rochester Red Wings and Rochester Amerks

2023 Corn Hill Arts Festival

ROC Pride Festival and ROC Pride Parade

SENIOR LEADERSHIP

SENIOR MANAGEMENT



Faheem A. Masood
President & CEO,
ESL Federal Credit Union



Joseph S. Buscaglia
Executive Vice President,
Chief Information Officer,
Director, Systems and
Technology



Celeste A. Kier
Executive Vice President/
Director, Marketing and
Customer Experience



Thomas J. Rogers
CPA, Executive Vice
President, Chief Financial
Officer/Director,
Marketplace



**Arline L. Bayó
Santiago**
Executive Vice President,
Chief Administrative
Officer, General Counsel



Maureen R. Wolfe
Executive Vice
President/Director,
Human Resources and
Community Impact



Caytie Bowser
Senior Vice President/
Director, Product &
Customer Experience



Keith E. Cleary
Senior Vice President/
Director, Business
Banking



**Marcelina Nobrega
Courtney**
Senior Vice President,
Director, Retail Banking



James Darcy
Senior Vice President/
Director, Treasury



Edward French
Senior Vice President/
Director, Systems &
Technology



Ajamu Kitwana
Senior Vice President/
Director, Community
Impact



Tina M. Knapp
CPA, Senior Vice
President/Director,
Payments and Branch
Service Support



Leo Iacobelli
Senior Vice President/
Director, Wealth
Management



Mehul Makwana
Chief Lending Officer/
Senior Vice President/
Director, Risk
Management

SENIOR LEADERSHIP

SENIOR MANAGEMENT



Jennifer B. Shoemaker
Senior Vice President/
Director, Corporate
Strategy and Analytics



Julie Ahrens
Vice President/
Director, Organizational
Development & Culture



Matthew Davis
Vice President/Director,
Chief Information
Security Officer



Nada Debbaghi
CPA, Vice President/
Director, Controller



Theodore T. Heinrich
CPA, Vice President/
Director, Audit



James Miller
Vice President/Director,
Mortgage Lending



Jeremy Newman
Vice President/Director,
Deputy General Counsel



Michael Prince
Vice President/Director,
Branch & Contact Center



Richard G. Pulvino
APR, Vice President/
Director, Marketing



Brian Walsh
Vice President/Director,
Assistant Treasurer

**"OUR PURPOSE IS WHY ESL EXISTS, AND IT SERVES
AS OUR NORTH STAR, GUIDING OUR ACTIONS FOR
THE BENEFIT OF OUR MEMBERS, OUR EMPLOYEES,
AND THE GREATER ROCHESTER COMMUNITY."**

Faheem Masood
President & CEO, ESL



THE BOARD OF DIRECTORS

The Board of Directors for ESL Federal Credit Union consists of a diverse group of influential and successful leaders from a broad spectrum of disciplines. This distinguished group oversees the various activities of ESL and helps ensure our organization's long-term profitability and sustainability. Their individual and collective expertise is essential to the achievement of our vision to become the premier provider of community banking services.



Diana L. Nole
Chair of the ESL Board of Directors, Executive Vice President and General Manager, Nuance Healthcare Division



Julie Camardo
Owner and CEO, Zweigle's Inc.



Flor M. Colón
Deputy General Counsel, Corporate Secretary and Chief Ethics Officer of Xerox Corporation



David L. Fiedler
Former CEO, ESL Federal Credit Union



Warren Hern
President and CEO, East Bay Ventures



Victoria G. Hines
Chief Operating Officer, University of Rochester Medical Faculty Group



Faheem A. Masood
President and CEO, ESL Federal Credit Union



Cynthia Langston
Senior Vice President and Chief Information Officer, Excellus Health Plan Blue Cross Blue Shield



Jaime Saunders
President and CEO, United Way of Greater Rochester and Finger Lakes



Erin M. Tolefree
President and CEO, Baldwin Richardson Foods

THE ESL SUPERVISORY COMMITTEE

The ESL Supervisory Committee consists of four community volunteers and one board member. The committee is responsible for ensuring that the board of directors and management of the credit union meet required financial reporting objectives and establish practices and procedures sufficient to safeguard members' assets.



Karen Lejman
Supervisory Committee
Chairperson



Flor M. Colón
Supervisory Committee
Member



Mary Alice Liotta
Supervisory Committee
Member



Donald W. Reeve
Supervisory Committee
Member



Louise Walsh
Supervisory Committee
Member

"I DO EVERYTHING
FOR MY SON,
WHICH MEANS
HAVING TO BE
FINANCIALLY
SMARTER. I'M VERY
BLESSED THAT I
HAVE A GOOD
SUPPORT SYSTEM."

Brittany, ESL customer
Maplewood Neighborhood





"I'VE HAD A GREAT EXPERIENCE WITH ESL.
FROM CONVENIENT SERVICE TO SMART GUIDANCE,
IT'S EASY TO ACCESS EVERYTHING YOU NEED."

Sandie, ESL customer
Webster

WE CONTINUE TO PROGRESS TOGETHER

As we begin 2024, we look forward with anticipation and enthusiasm for what lies ahead in the new year. We look to build on our 2023 accomplishments and bolster our ongoing efforts to live up to our Purpose of helping our community thrive and prosper.

Our focus continues to support a healthy, resilient, and equitable Greater Rochester where all residents have access to the services and opportunities to live their best financially healthy lives.

TO HELP US MEET THIS VISION, WE COMMIT TO THE FOLLOWING ACTIVITIES IN 2024:

Expand Our Branch Services within the City of Rochester

We are committed to ensure banking services are accessible to all Greater Rochester residents and are committed to continuing our efforts for a third new branch build in the City of Rochester. This will mark our fifth branch in the city, and 25th location throughout Greater Rochester.

Continue Our Reinvestment in Greater Rochester through Philanthropic Grants and Sharing Our Financial Success with Our Members

These are key tenets of our mission at ESL. We will continue to partner with organizations throughout the community, reinvest in the programs that expand individual opportunity, build strong neighborhoods, strengthen organizations and systems, and share stories that lift us up. As ESL succeeds, so too will our members as we work to share our financial success with them through a multitude of ways, the most visible being our Owners' Dividend.

Deliver Superior Experiences to Customers and Employees

Building on our strong practices, we are set to further enhance our framework around delivering superior experiences in the coming year. Our proven commitment to efficient processes has laid a strong foundation from which we can expand. By actively engaging with our customers' input, we will work to ensure satisfaction remains at the core of our interactions and further solidify our position as leaders in exceptional service.

Evolve with Today's Rate of Change

We recognize to continue to meet the needs of our entire community, we must structure our business to be nimble. Our work will continue to align our capabilities to ensure we are meeting our members where and how they want to bank.

We've grown to more than **413,000 members**, and we are steadfast in our commitment to provide a superior experience to all our customers, and ensuring we provide the necessary resources and tools to help empower a financially healthy foundation.

THANK YOU FOR YOUR CONTINUED TRUST IN AND COLLABORATION WITH US.
We look forward to making 2024 a year of impactful change for our entire Greater Rochester community.



YOU'RE OUR PARTNER IN
GROWING GREATER ROCHESTER.

Aline, ESL customer
Pittsford



¹ESL Federal Credit Union and its subsidiaries encourage diversity in the workplace; we are an Equal Opportunity Employer. Minority/Female/Disability/ Veteran. We affirm the right of every person to participate in all aspects of employment without regard to race, religion, color, national origin, citizenship, sex, sexual orientation, gender identity, age, veteran status, disability, genetic information or any other protected characteristic. ²Payment of a Dividend is not guaranteed. Qualification for the Owners' Dividend is subject to eligibility requirements. The maximum Owners' Dividend payout is \$3,000. ESL IOLA Checking accounts and VA Loans excluded. Membership subject to eligibility. ESL is a registered service mark of ESL Federal Credit Union. Equal Housing Lender. Federally insured by the NCUA.