



REPORT OF THE CHAIR & PRESIDENT

2021: A Year of Progress & Growth

Although the second year of the pandemic presented many unique challenges, the perseverance of our members, employees, and credit union made 2021 a year of progress and growth.

By choosing Advantis over big banks, members realized \$23 million in collective savings over the previous year. That's an average of \$322 per member, per year! With lower fees, better rates, and more free services, our members not only saved more - but also achieved more - thanks to our cooperative business model.

Advantis helped 961 members refinance and buy new homes, including 97 first time homebuyers. We also helped members purchase a new car, pay down debt, and complete home improvements by funding 9,919 auto loans, 1,420 personal loans, and 594 home equity loans.

Members Helped Us Grow Even Stronger

Already in a solid financial position entering 2021, the credit union experienced meaningful growth as members turned to and trusted Advantis to help move their financial lives forward. We achieved strong loan growth of 15.7%, deposit growth of 10.0%, and member growth of 7.9%, welcoming 6,200 new members.

Advantis produced net income of \$15.3 million, a strong return of 0.81% on average assets. We concluded 2021 with a net worth ratio of 10.2%, well above the regulatory standard for well-capitalized credit unions. We also continued to carefully manage our operational expenses, which were 21% lower than peer average, returning greater value to our members.

Named #1 Credit Union in Oregon

Thanks to our members and employees, 2021 brought some exciting recognition as well. Advantis was named the #1 credit union in Oregon by Forbes Magazine, based on a survey of nearly 25,000 customers and members on their current and former banking relationships. We thank our members for this honor and remain committed to delivering excellence.

Improved Products & Services

We are committed to providing the technology and products that make it easy for our members to bank with us. Advantis introduced id-go™ in early 2021, providing a safer and faster way for members to verify their identity when contacting us by phone. Instead of sharing excessive personal information, members can authenticate their identity using their smartphone's secure biometrics, saving considerable time and aligning with our promise to make it easy.

The credit union launched Zelle® in August, providing members with a quick and easy way to send and receive money, all within the Advantis Mobile Banking app. As of March 2022, over 2,800 members have used Zelle® to securely exchange funds with friends and family. Advantis also introduced contactless debit and credit cards, allowing members to tap to pay in seconds at participating merchants. We also launched card controls in 2021, allowing members to freeze and unfreeze their cards and set important alerts on specific activities. These enhancements provide members with more control over their finances 24/7.

In October, we redesigned and refreshed our entire suite of credit cards. Thanks to member feedback, there's now an Advantis card for everyone. We were proud to

introduce a new unlimited cashback card for both consumers and small businesses, paying one of the highest cashback rates nationwide. In addition, we now offer a Secured credit card to rebuild credit, a Start credit card to establish credit, and a Platinum card that's ideal for paying off higher-rate debt. Within the first five months of introduction, over 1,100 members have opened one of our new credit cards.

Diversity, Equity, & Inclusion (DEI)

Rooted in our founding principle of "people helping people," Advantis continued its commitment to DEI with several significant initiatives and programs. Through our newly founded Allies for Good Community fund and other initiatives, we provided \$112,500 to support communities that have faced underrepresentation and exclusion. We also formed an all-employee DEI Council that advocates for furthering DEI within Advantis and our community. We've forged new partnerships with local nonprofits serving minority populations – including the Urban League of Portland – to create greater opportunity and representation for these communities. There's much more work ahead on our DEI journey, and we'll share updates on our website.

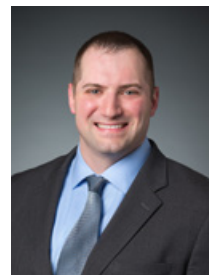
Looking Ahead

Advantis will continue to introduce innovative products and services in the months ahead. Inspired by member feedback, we'll be introducing early paycheck direct deposit services, allowing members with a checking account to get paid up to two days early. We're working to make additional improvements to our checking accounts later this year, providing more value and convenience for members.

We'll provide more tech-forward ways for you to engage with us, including an instant messaging feature on our website. Members can chat with a member advisor for whatever they need, without a phone call. You'll also be able to schedule appointments with our staff with just a few clicks. Additional enhancements to Online and Mobile Banking are also underway, making it easier than ever for you to manage your accounts.

This fall we'll finish construction on our new administrative headquarters in Oregon City, serving as home base for all Advantis staff. We're consolidating multiple administrative sites into one location to help us attract and retain a workforce passionate about serving our membership. The consolidation will also result in long-term savings for the credit union.

We thank our Board of Directors for their service and unwavering commitment to serve the best interests of our members. We'd also like to thank our staff, who serve as passionate advocates for our members. And above all, we thank our members for your ongoing loyalty and support.



A handwritten signature in black ink that reads "Jake Jensen".

Jake Jensen
CHAIR, BOARD OF DIRECTORS



A handwritten signature in black ink that reads "J. T. Werts".

Jason Werts
PRESIDENT/CEO

ADVANTIS IN THE COMMUNITY

When you bank with Advantis you make all kinds of good things possible, for you and the community you call home. As a not-for-profit financial co-op, we return financial value to our members with world-class service, great rates, and more free services. But just as important, Advantis donates our time, talent, and resources to help local communities grow stronger.

2021 Community Giving:



713
HOURS

volunteered by our employees
in the community



23
PERCENT

of Advantis employees
volunteered in the community



\$50,000
GRANTED

to six local nonprofit organizations
through Grow: The Advantis
Community Fund



\$59,019
CONTRIBUTED

through event sponsorships
for charitable causes



\$112,500
DONATED

to organizations supporting
marginalized or underrepresented
communities



\$44,231
GIFTED

to nonprofit organizations
through corporate donations and
employee match donations



Advantis volunteers assemble emergency food boxes for the Sunshine Division during the busy holiday season.



Advantis volunteers join fellow credit unions and SOLVE for a Downtown Portland cleanup.



In 2021, Grow: The Advantis Community Fund returned for the eleventh year to provide nonprofit organizations with financial resources to address a wide range of needs in our community. Since the program launched in 2011, our grant fund has contributed nearly \$600,000 to local organizations and funded over 67 projects.

This past year we were proud to help the Blanchet House of Hospitality, Children's Healing Art Project, Johnson Creek Watershed Council, Portland Animal Welfare (PAW) Team, and the Raphael House of Portland.



The Portland Animal Welfare (PAW) Team provides free veterinary care to pets of those experiencing homelessness or extreme poverty in the Portland Metro. Thanks to the Advantis GROW grant, PAW Team has been able to re-start their Offsite Outreach Clinic Program.



Raphael House of Portland helps survivors of domestic violence find the safety, hope, and independence they deserve. The Advantis Grow Grant enabled staff to purchase brand new bedding for their private shelter bedrooms as well as a new high-functioning washing machine for their emergency domestic violence shelter.

STATEMENTS OF FINANCIAL CONDITION

As of December 31, 2021 and 2020

ASSETS	2021	2020
Cash and cash equivalents	\$534,479,784	\$554,079,358
Investments	15,160,869	19,172,666
Loans to members, net of allowance for loan loss	1,333,821,584	1,159,968,128
Property & equipment	26,201,003	9,560,603
National Credit Union Share Insurance Fund Deposit	14,863,818	12,868,682
Other assets	55,847,322	51,431,839
TOTAL ASSETS	\$1,980,374,380	\$1,807,081,276
LIABILITIES AND EQUITY		
LIABILITIES		
Members' shares	\$1,709,627,967	\$1,554,144,557
Accrued expenses and other liabilities	17,448,793	14,873,555
Borrowed funds	50,000,000	50,000,000
Total Liabilities	1,777,076,760	1,619,018,112
EQUITY		
Regular reserves	16,965,039	16,965,039
Retained earnings	185,890,528	170,579,406
Accumulated other comprehensive income	442,053	518,719
Total Equity	203,297,620	188,063,164
TOTAL LIABILITIES & EQUITY	\$1,980,374,380	\$1,807,081,276

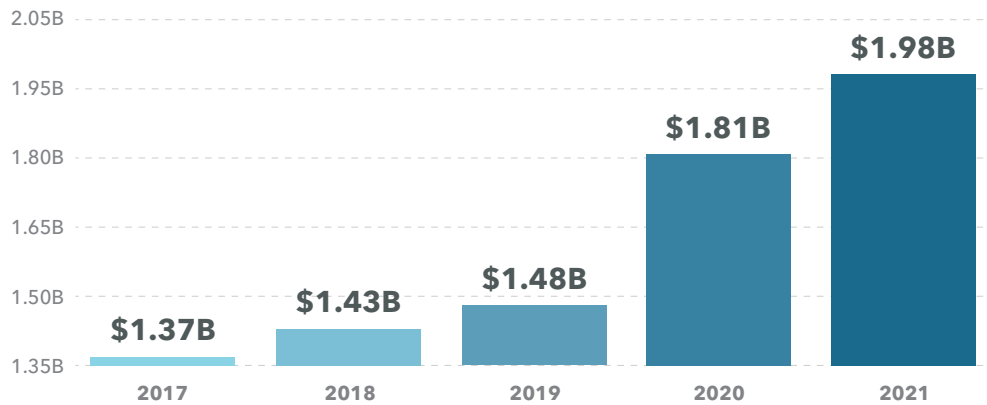
STATEMENTS OF INCOME

For the years ending December 31, 2021 and 2020

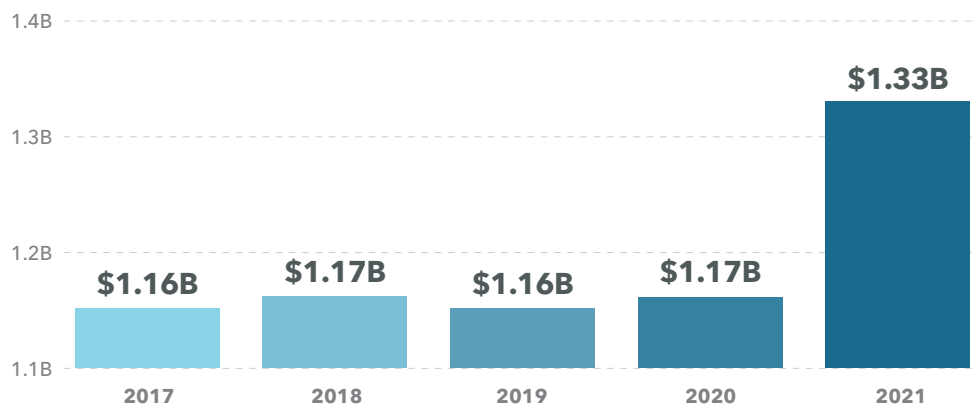
NET INTEREST INCOME	2021	2020
Interest on loans	\$56,670,928	\$55,447,905
Interest on investments and cash equivalents	1,101,397	1,676,862
Dividend expense	8,918,149	11,656,000
Interest expense on borrowed funds	885,125	887,550
Provision expense for loan losses	2,414,273	8,655,212
Net interest income after provision expense	45,554,778	35,926,005
OTHER INCOME	14,675,110	19,307,650
OPERATING EXPENSES		
Salaries & Benefits	24,195,660	22,718,633
Operations and Occupancy	20,723,106	19,100,855
Total operating expenses	44,918,766	41,819,488
NET INCOME	\$15,311,122	\$13,414,167

FINANCIAL TRENDS

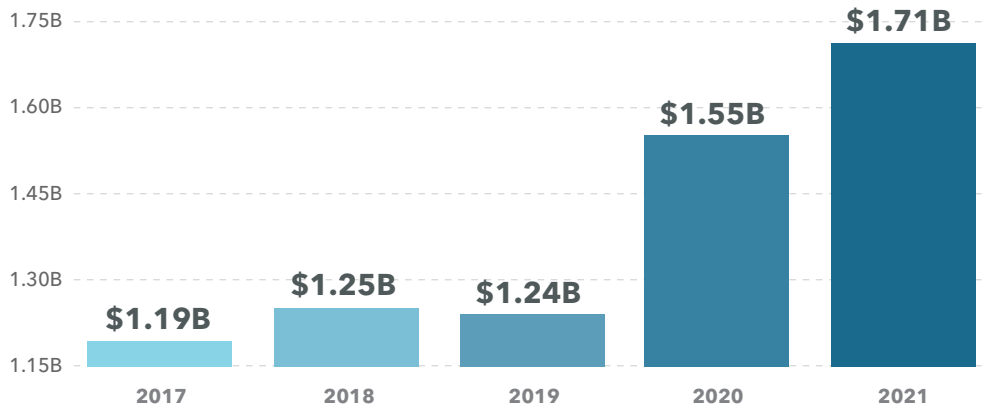
ASSET GROWTH



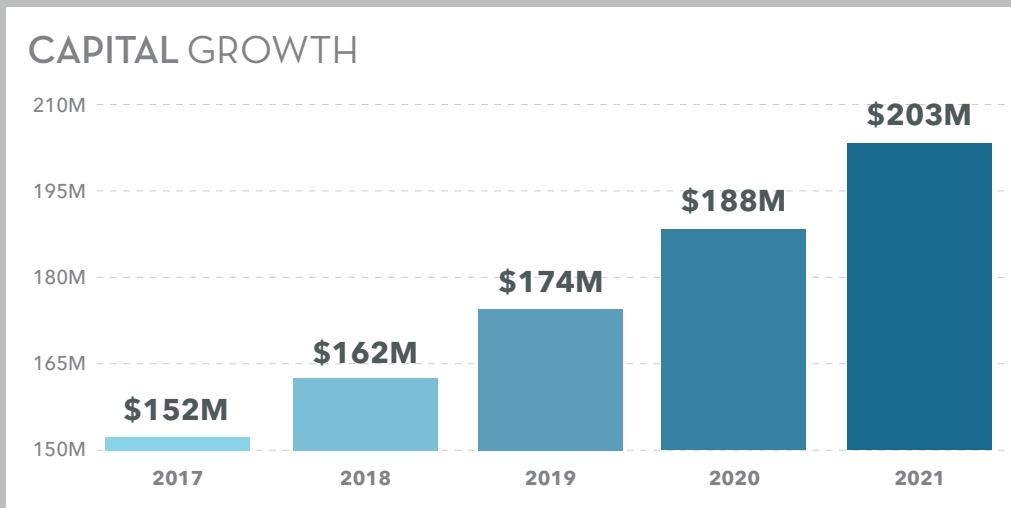
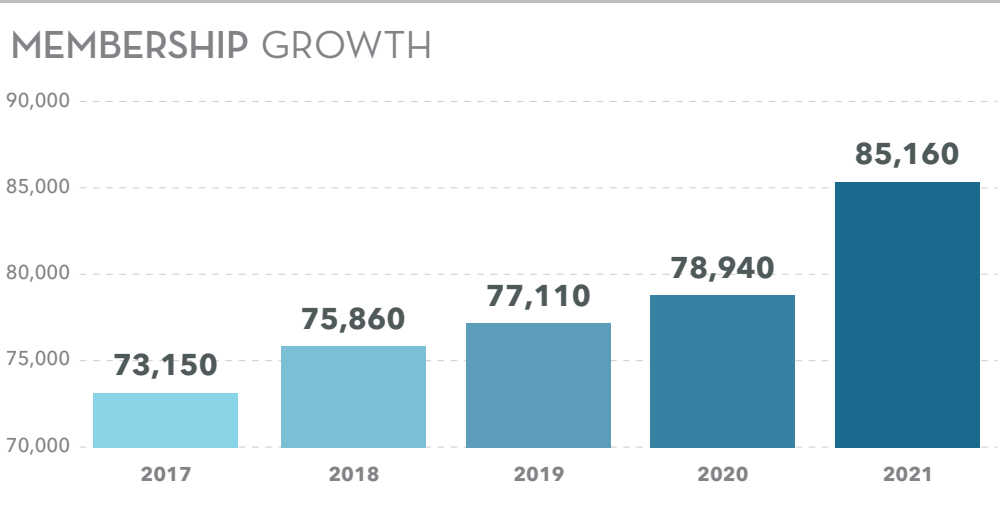
LOAN GROWTH



DEPOSIT GROWTH



FINANCIAL TRENDS



85,160
Members Strong

As of December 31st	2021
Assets	\$1,980,374,380
Deposits	\$1,709,627,967
Loans	\$1,333,821,584
Capital	\$203,297,620

Audit Committee Report

The Advantis Credit Union Audit Committee is a five-member team appointed by the Board of Directors and is responsible for ensuring that the credit union safeguards its assets, complies with regulatory requirements, and maintains adequate systems of internal control and financial reporting. In 2021, the Committee held quarterly meetings with Advantis' Senior Audit Officer, participated in all monthly meetings of the Board of Directors, and examined the credit union's monthly financial reports.

In fulfilling statutory duties and obligations to safeguard member assets, the Audit Committee's primary responsibilities includes strategic oversight of (1) the independent external financial audit of the financial statements and records, (2) internal assessments of the control structures for the Credit Union, (3) the verification of members accounts, (4) the ongoing reviews of closed accounts, (5) the internal audit function.

To accomplish these responsibilities, the Audit Committee retained the services of Moss Adams, LLP, an independent external auditor, to perform an audit of the Credit Union's financial statements for the year ended December 31, 2021. Additionally, the Committee retained the services of Doeren Mayhew, an independent external auditor, to perform various audits of the Credit Union's operations in tandem with the Credit Union's Internal Audit staff.

The Credit Union was also examined by its government regulators during 2021, the Division of Credit Unions of the State of Oregon Department of Consumer and Business Services, Division of Financial Regulation and the National Credit Union Administration (NCUA).

It is the conclusion of the Audit Committee that Advantis Credit Union is operated in a safe and sound financial manner and the assets of the membership are being effectively safeguarded.

We appreciate the opportunity to serve the Advantis family in this capacity.



Brandon Lepley
Audit Committee Chair
4/20/2022

Board of Directors

Jake Jensen – Chair
Amanda Owings – Vice Chair
Tarun Gudz – Secretary/Treasurer
Andy Dolberg
Frederic Dupeyroux
Patrick Hager
Renee Halpern
Bryan Sims
Tammy Teske

Associate Directors

William Knuths

Audit Committee

Brandon Lepley – Chair
Kellan Davis
Liz Speer
Tom Hoang
Ross Wescott

Administration Office

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Clackamas, OR 97015

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Executive Leadership Team

Jason Werts
President/CEO
Tim Clouse
SVP/Chief Innovation Officer
Chris Groshko
SVP/Chief Experience Officer
Jen McMurray
VP/Strategy and Advocacy
Keli Myers
SVP/Chief Operating Officer
John Nichols
SVP/Marketing
Laurie Wilson
SVP/Chief Financial Officer

Branch Locations

Belmont
3010 SE Belmont St.
Portland, OR 97214

Downtown
120 SW Taylor St.
Portland, OR 97204

Fremont
3515 NE 15th Ave.
Portland, OR 97212

Gresham
2229 NE Burnside Rd.
Gresham, OR 97030

Hillsboro
7387 NE Butler St.
Hillsboro, OR 97124

Lloyd Center
825 NE Multnomah St., Suite 110
Portland, OR 97232

Scholls Ferry
12262 SW Scholls Ferry Rd.
Tigard, OR 97223

West Linn
21900 Willamette Dr., Suite 204
West Linn, OR 97068

Woodstock
4235 SE Woodstock Blvd.
Portland, OR 97206