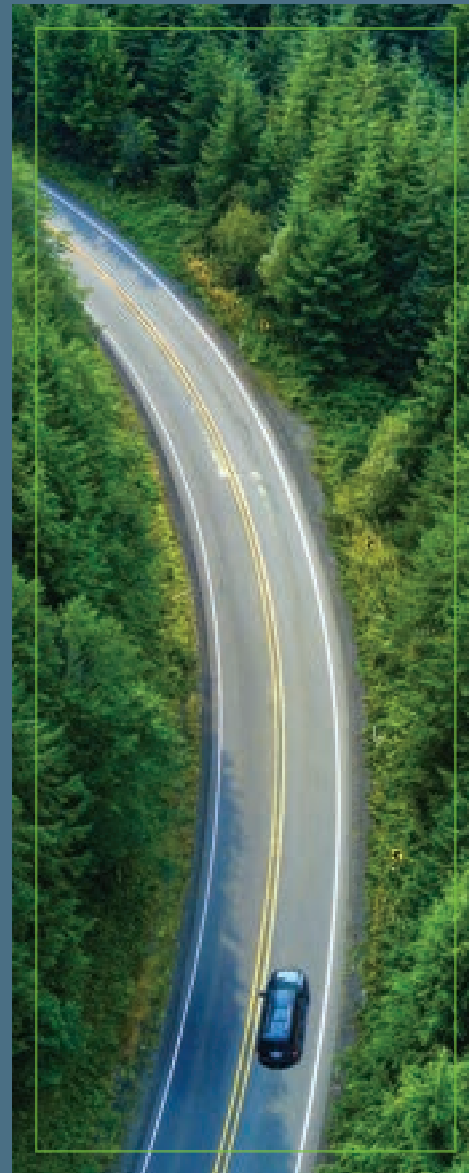
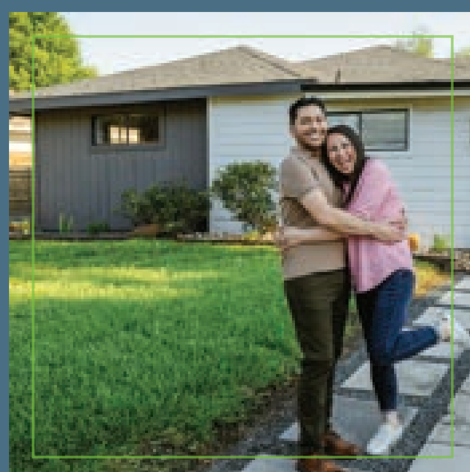
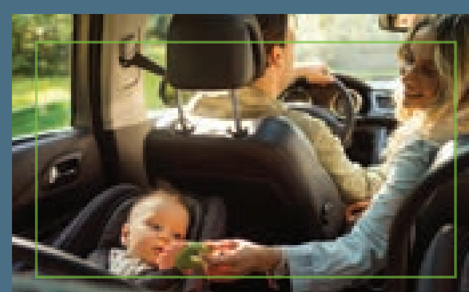
Annual Report
2025







For All Life's Moments... **You Belong with Us**.

nutmeg state financial CREDIT UNION

Annual Report
2025

At Nutmeg State Financial Credit Union, our purpose is rooted in being present for our members through every stage of life, from everyday moments to defining milestones. This report reflects how we serve that purpose: by promoting financial stability, expanding opportunity and helping members build lasting legacies. Within these pages, you'll see how we responsibly steward member resources, invest for impact and continue building a credit union designed to grow with you, today and into the future.

Where Purpose Meets People

OUR PURPOSE:

We exist to empower members and families to achieve stability, seize opportunity and build legacy.

OUR CORE VALUES:

Responsibility
Integrity
Engagement
Empathy

OUR HISTORY:

Founded in 1936, Nutmeg State Financial Credit Union is a member-owned, not-for-profit financial cooperative built on the belief that people are stronger when they support one another. Headquartered in Rocky Hill, Connecticut, we now serve more than **66,360** members through 13 branches across the state.

Rooted in the credit union philosophy of people helping people, Nutmeg has grown by building trusted relationships and strengthening the communities we serve. We proudly honor our cooperative heritage while continuing to lead with values-driven decision-making, intentional action and strategic investment, serving as responsible stewards of our members' resources and of the broader financial cooperative movement.

THE COOPERATIVE PRINCIPALS:

- Volunteer
- Member Control
- Members' Economic Participation
- Autonomy & Independence
- Education, Training & Information
- Cooperation Among Cooperatives
- Concern for Community

Governance & Accountability

Strong governance ensures transparency, accountability and member representation. Our Board of Directors and leadership team remain committed to guiding Nutmeg responsibly and in alignment with cooperative values.

NUTMEG STATE'S BOARD OF DIRECTORS

Dr. Luis Ramos
Chair

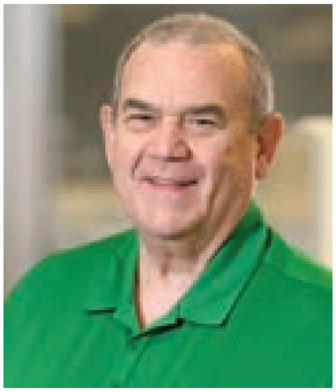
Michael Petti
Vice-Chair

Beth Bunko
Secretary, CUSO Chair

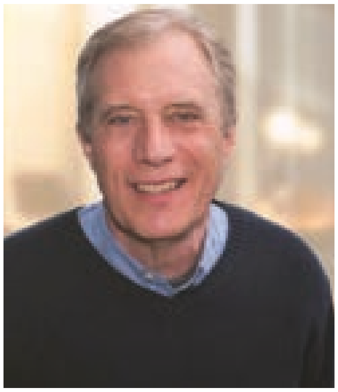
Steven Hernandez, Esq.
2GEN Chair

Maria DeMarco
Supervisory Committee Chair

P.J. Cimini, Esq.
Governance Committee Chair



Michael Godbout
Treasurer, ALCO Chair



James Finch
Board Director

Hank Petroskey
Board Director

Ben Deible
Associate Director

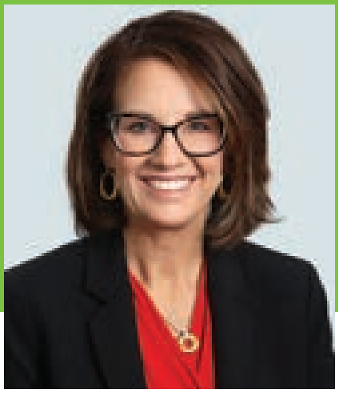
NUTMEG STATE'S SUPERVISORY COMMITTEE

Maria DeMarco, Chair
Kristen Johnson
Chuck Cole
Michael Sabol

NUTMEG STATE'S EXECUTIVE LEADERSHIP TEAM

John Holt
Chief Executive Officer

Pat Ahern
EVP, Integrator & Implementor



Heather Gates
EVP, Chief Revenue Officer

Robin Del Vecchio
SVP, Chief Operations Officer

Sheryl Dick
SVP, Chief Retail Officer

> "When the right leaders come together with a shared purpose, the outcome is simple — better decisions, stronger teams and the best possible results for the members we serve."

— John Holt, Chief Executive Officer

A Message from the CEO & Board Chairman

At Nutmeg State Financial Credit Union, progress isn't just something we measure — it's something our members experience. Through every milestone and every challenge, we remain committed to walking alongside our members, supporting their goals and protecting what matters most as they work toward financial freedom. We remain deeply grateful to the members who trust us with their financial goals; the dedicated staff who serve with professionalism and heart; and the Board of Directors, whose leadership ensures Nutmeg State Financial Credit Union remains strong, safe and future-ready.

STRENGTHENING OUR FOUNDATION

In 2025, we strengthened Nutmeg State Financial Credit Union as both a financial institution and a trusted partner. We continued investing in the organization by:

- Upgrading online banking and digital tools
- Delivering best-in-class service
- Enhancing systems that make everyday banking more seamless

We remained excellent stewards of your money, ensuring every dollar entrusted to us was managed with care, foresight and responsibility.

INNOVATION WITH PURPOSE

Our commitment to being digital-first, while maintaining strong personal connections, grew even stronger. We paired innovative technology with the relationships that define who we are — delivering convenience without losing the human touch.

IMPACTING MEMBERS' LIVES

Throughout the year, Nutmeg State Financial Credit Union focused on creating real, measurable progress for members. This included:

- Helping families build emergency savings
- Enabling entrepreneurs to open new businesses
- Guiding members through first-time car purchases, homeownership and retirement planning.

Every story of progress reinforces why we do what we do. Thank you for being part of this journey. The future is bright, and together, we are building it.

With appreciation and confidence,

John Holt
Chief Executive Officer

Dr. Luis Ramos
Chairman of the Board

Supervisory Committee Report

The Supervisory Committee's primary responsibility is to help ensure that Nutmeg State Financial Credit Union operates in a safe, sound and compliant manner and that members' assets are properly safeguarded. Acting on behalf of the membership, the Committee provides independent oversight of the credit union's financial reporting, internal controls and adherence to applicable laws, regulations, policies and procedures.

As part of this responsibility, the Supervisory Committee retained Whittlesey to perform an independent audit in accordance with National Credit Union Administration (NCUA) requirements. The audit included an examination of Nutmeg State Financial Credit Union's financial statements and a review of related financial operations.

Based on the results of this audit, we are pleased to report that the auditors issued a opinion, stating that the financial statements fairly present, in all material respects, the financial position of Nutmeg State Financial Credit Union as of December 31, 2024 and the results of its operations and cash flows, in conformity with accounting principles generally accepted in the United States of America.

The Supervisory Committee appreciates the cooperation of the Board of Directors, management and staff throughout the audit process and remains committed to fulfilling its oversight responsibilities on behalf of the membership.

Respectfully submitted,

The Supervisory Committee

Maria DeMarco
Supervisory Committee Chair

Growing Together

Nutmeg's growth is built on strong relationships and consistent service. Across our branches and navigation center, we continue to support members through everyday needs and important moments, delivering responsive, high-quality service while expanding our reach and deepening engagement.

As more members choose Nutmeg, we remain focused on meeting them where they are, whether in person, by phone, or digitally. By combining personal connection with scalable service channels, we are growing together, strengthening trust, accessibility and long-term relationships.

TOTAL MEMBERS

December 2024: 53,304

December 2025: 66,360

24.5%

Growth

MEMBER SATISFACTION (CSAT)

11,370 Responses

91.6%

IN BRANCH VISITS

Monetary Transactions Only

178,711

DIGITAL ENGAGEMENT

Chat: 3,902 More Surveys

83.4%

Growth

Phone: 5,878 Surveys

89.0%

Higher

For Your Proud Moment

Financial Statements

The following financial statements provide a detailed view of Nutmeg's financial condition and performance, reflecting our commitment to clarity, accuracy and responsible management.

STATEMENT OF FINANCIAL CONDITION

as of December 31, 2025

Assets

Loans to Members	$691,114
Allowance for Loan Losses	(6,957)
Cash & Investments	146,951
Other Assets	57,639
Total Assets	**$888,747**

Liabilities & Equities

Member Share Accounts	$743,781
Accrued Dividends Payable	42,114
Accounts Payable	102,852
Total Liabilities & Equity	**$888,747**

STATEMENT OF INCOME & EXPENSE

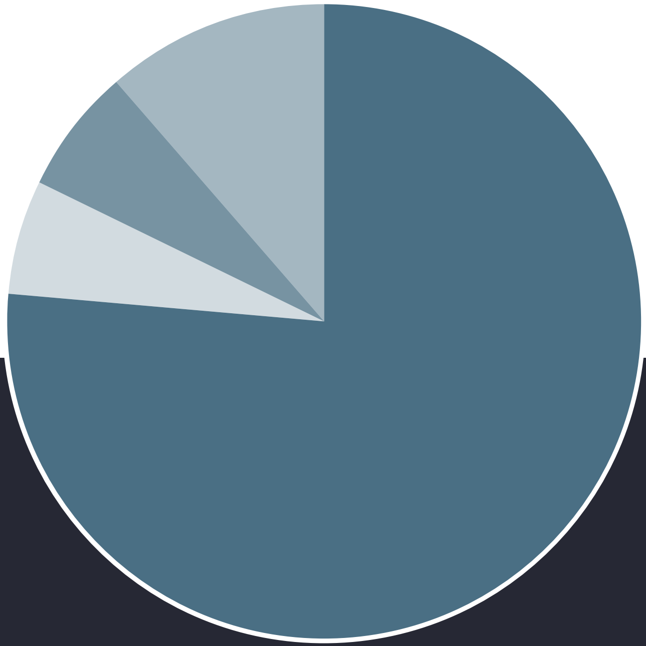
as of December 31, 2025

Income

Interest on Loans	$34,165
Income from Investments	2,575
Fee Income	2,899
Other Income	4,976
Total Operating Income	**$44,615**

Expenses

Dividends Paid to Members	$9,158
Interest Expense on Borrowings	620
Provision for Loan Losses	1,584
Employee Costs	13,263
Office Occupancy/Operations	3,599
Other Expenses	11,387
Total Operating Expenses	**$39,611**
Net Income	**$5,004**



How We Earned It:

Interest on Loans	$34,165
Income from Investments	$2,575
Fee Income	$2,899
Other Income	$4,976

Lending That Supports All Life's Moments

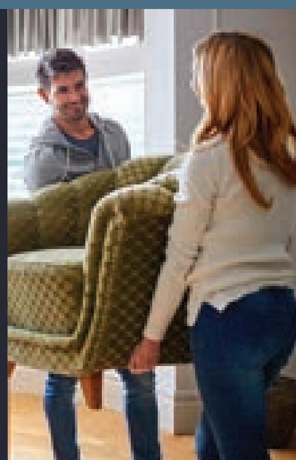
Lending is one of the most meaningful ways we support our members through life's moments. From reliable transportation and homeownership to personal needs and business growth, we provide responsible, relationship-driven lending solutions designed to help members build stability today while creating opportunity for the next generation. Through this approach, we support not just immediate goals, but long-term financial confidence for families and communities.

For Your
Making it Ours
Moment

148

First
Mortgages

$81,137,882



For Your
Getting There
Moment

36

Working
Wheels

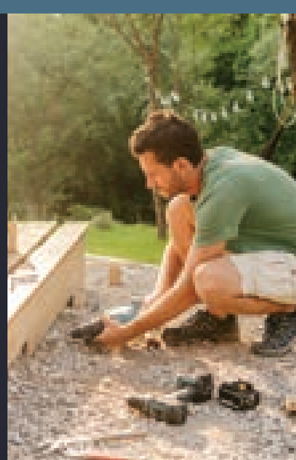
$742,056

For Your
Building the Dream
Moment

406

Home
Equity

$24,237,408

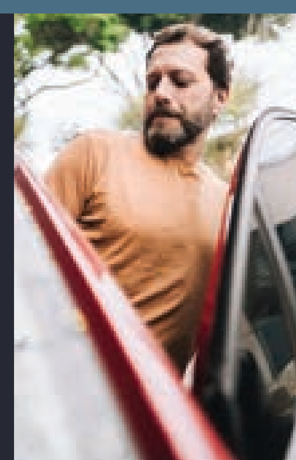


For Your
Keys In Hand
Moment

1,045

Empower
Program

$27,474,062



For Your
Powering Up
Moment

386

Smart
E-Loans

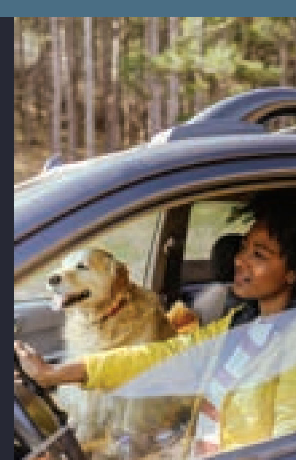
$9,191,770

For Your
Windows Down
Moment

3,211

Total
Auto Loans

$96,286,550



$856,275
NSF Fees Saved
(NSFCU does not charge our members NSF Fees)

$106,603
Check Rewards & Rebates Given

8,388
Households Protected from ID Theft

$112M
Core Deposit Growth
(Checking/Savings/Money Market)

55%
Members Who Strengthened or Maintained Healthy Credit Scores

Deposits, Savings & Financial Well-Being

Strong savings are the foundation of financial confidence. We continue to grow deposits while helping members build healthy financial habits that support everyday needs, prepare for the unexpected and create flexibility for future opportunities. By encouraging consistent saving and long-term planning, we help members strengthen stability today and feel more secure in the moments ahead.

Community Impact & Partnerships

By investing in communities, supporting local organizations and partnering with businesses, we help strengthen the economic well-being of the regions we serve.

COMMUNITY INVESTMENT AND OUTREACH IN 2025

Annual Events & Fundraisers
Nutmeg participated in a wide range of local events and charity fundraisers to raise awareness and support for causes that matter to our communities.

Auto Loan Giveaway Promotion
During summer 2025, Nutmeg ran an Auto Loan Giveaway, a community-centric promotion letting members compete to have auto loan payments (up to a full payoff of $30,000) covered — a creative way to ease financial burdens and expand our engagement.

BEYOND FINANCIAL GIVING

Financial Inclusion & Member Service Initiatives
Nutmeg continues offering programs such as Working Wheels and the HOPE homeownership program, which help families access transportation and affordable home loans.

Financial Education & Awareness
Nutmeg offers extensive financial education resources on budgeting, housing, insurance, retirement and more.

Community Relations and Local Partnerships
We pride ourselves on being a partner in building stronger local economies. Nutmeg continues to build connections within the community promoting financial wellness opportunities and giving back with purpose.

$130k in corporate sponsorships across 60 organizations.

Nutmeg Volunteer Participation

Junior Achievement Days
Financial Reality Fairs
Financial Education Seminars
Back-to-School Rallies
Collection Drives

BUSINESS PARTNERSHIPS AND COLLABORATIONS

Business Partnership Program

At Nutmeg State Financial Credit Union, our Business Partnership Program is designed to help local businesses and their employees thrive and strengthen our communities. Through business partnership we're able to support businesses' employees to tailored financial solutions, exclusive member benefits and more.

Ädelbrook
BEHAVIORAL & DEVELOPMENTAL SERVICES

AURORA
Women and Girls Foundation

Big Y

CMHA
Community Mental Health Affiliates

CHARLES IT

Connecticut Children's FOUNDATION

CREC
Excellence in Education

CRT
Community Renewal Team
Changing lives... Creating opportunity!

Healing Meals
COMMUNITY PROJECT

mental health CONNECTICUT

infoshred LLC
Document Destruction | Records Storage | e-Recycling

The Connection

We are proud to enhance employee financial wellness, provide special offers and collaborate on community initiatives. We know firsthand that when employees feel financially secure, they stay longer, are more engaged and grow with businesses. Together, we're powered by purpose: fostering stability and financial health throughout our region.

Investing in Our People

Our employees are the heart of Nutmeg. Through recognition, development and a shared commitment to service, our team delivers the care, expertise and personal connection our members expect.

EMPLOYEES OF THE QUARTER

Q1 — **Wendy Molleur**
Member Service Specialist
Bristol Stafford Ave Branch

Q2 — **Chris Trzasko**
Mortgage Underwriter
Corporate

Q3 — **Tina Wells**
Retail Training Program Manager
Corporate

Q4 — **Luis Mejia**
Vice President, Sales and Service
Corporate

For Your Better Together Moment

Building a Stronger Credit Union

This year marked important milestones in strengthening Nutmeg's foundation and capabilities. We successfully completed Legal Day One with CrossPoint Federal Credit Union and achieved Operational Day One with First Bristol, fully integrating systems to create a more seamless experience for members and staff.

nutmeg state financial CREDIT UNION + CROSSPOINT Growing Stronger Together FIRST BRISTOL FEDERAL CREDIT UNION

EXPANDING SYSTEMS FOR GROWTH

We also implemented MeridianLink, a new loan origination system that is already receiving strong feedback for its ease of use and meaningful improvements to the consumer lending experience. In support of our business members, we expanded our capabilities through a partnership with Tru Treasury, adding enhanced cash management solutions designed to help businesses operate more efficiently and grow with confidence.

meridianlink

TRU TREASURY

Looking Forward to 2026

As we move into 2026, our focus is on building what comes next, with intention, optimism and momentum. We are investing in our people, strengthening leadership at every level and fostering a culture that empowers teams to grow, innovate and serve with purpose. By optimizing processes and systems, we are creating greater efficiency and capacity, allowing us to spend more time where it matters most: with our members.

At the same time, we are expanding our nationwide footprint and advancing technology to deliver experiences that are simple, intuitive and personal. These investments position Nutmeg to meet members wherever life takes them, while remaining a trusted financial partner through every stage. With a clear vision and disciplined execution, we are confident in the path ahead, continuing to move forward and upward as we build lasting value for our members, our communities and the cooperative we share.

nutmegstatefcu.org