

Quarterly Report |

JANUARY - MARCH 2022

Hope
credit union
enterprise corporation
policy institute

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Dear Friends,

In April 1967, Senator Robert Kennedy traveled to Mississippi to see first-hand the effect of poverty on Black families in the Delta. Fifty-five years later, memories of that trip were evoked when Vice President Kamala Harris visited Greenville to underscore the importance of investing in underserved communities.

The throngs of children and families who lined the streets to welcome the Vice President underscore the significance of the visit, which both highlighted the importance of investing in small and diverse businesses, and affirmed the value of the region's people.

After visiting Joycee's Fabric, a small business that survived the pandemic with the help of two Paycheck Protection Program loans from HOPE, VP Harris addressed a packed house at the E.E. Bass Cultural Arts Center – home of HOPE's first Business Development Office in 1995. Three weeks later, the Secretary of Agriculture and the President's Domestic Policy Advisor led a contingent to Clarksdale to announce investments designed to help small towns access infrastructure funding. In recent months, we have also met with senior officials from the Small Business Administration and Department of Commerce.

It is vital that we seize upon these encouraging visits and convert them to tangible action, because 55 years after Senator Kennedy's iconic visit, the Delta remains synonymous with poverty and racial disparity. That is why, HOPE places as much emphasis on informing, influencing and collaborating with policymakers, banks and corporations to drive investment into historically underserved communities, as we do with helping members, like Daphene Booker featured in this report, to navigate her journey towards business expansion.

Now is the time to ensure that everyone in this country has the opportunity to succeed. Thank you for your support of HOPE and those we serve as we work towards brighter futures in 2022.

A handwritten signature in black ink that reads "Bill Bynum" followed by a long, horizontal flourish.

Bill Bynum, CEO, HOPE

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Global Children for a Global World

After successfully running a multi-site child care center for many years, Daphene Booker, the owner of Global Children Services, sought financing from her bank to expand. With over 16 years of experience in the industry, Booker felt she could expand the center's impact on children by opening a fifth location in Memphis, TN. Unfortunately, the bank denied Ms. Booker's loan request.

Global Children Services provides high-quality child care and after school programming to children living in persistent poverty communities in Memphis. Serving children from the ages of 6 weeks to 16 years of age the center offers educational programming including tutoring, sign language, basic Spanish, and a STEM curriculum.

After speaking to a friend about her experience with the bank, she learned about Hope Credit Union. Ms. Booker thought this would be an excellent opportunity to establish a solid relationship with another financial institution, and she immediately felt at home at HOPE. "At HOPE, I didn't feel like a number; they took the time to get to know me and my business." Booker received a \$1.2 million commercial loan, which she used to purchase a building and a 15-passenger bus to transport the children to and from school. Booker is proud to welcome parents, children, and staff to the new facility, where high-quality education is the standard. "HOPE helped me to be able to continue the mission of creating global children for a global world."



Fueling Up on HOPE

Dennis Long was looking forward to his retirement and spending time traveling on the open road. Unfortunately, plans changed after a stroke forced Mr. Long to retire early from his job as a traveling nurse practitioner. His income was reduced significantly, which caused him to live off credit cards until he could receive his social security. By the time Long began receiving his social security payments, he accumulated a significant amount of credit card debt. He also financed a new travel trailer to replace his old one with a 12 year,

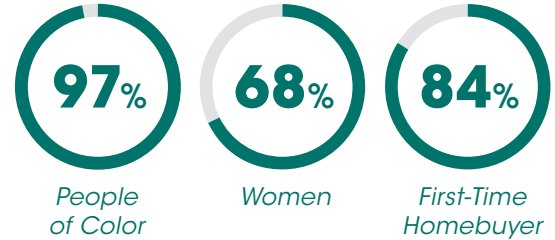
high-interest rate loan. Unbanked and seeking relief, Mr. Long reached out to HOPE to explore opportunities to consolidate his debts. "The staff was accommodating and encouraging." HOPE lowered the interest rate on Long's credit cards and refinanced his travel trailer with an affordable loan lasting 4 years. Long is relieved that all of his debts have been combined into one monthly payment. "HOPE definitely stands behind its name because you hope to get things paid off early and get out of debt; it's a monster relief for someone in need of help. It's a blessing."

1st Quarter Impact - 2022



Mortgage Loans Closed
31 loans
\$5.2 Million

Mortgage Characteristics



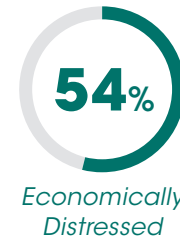
Small Business & Community Development Loans Closed
12 loans
\$30.4 Million

High-Impact Business Loans Closed*



Consumer Loans Closed
505 loans
\$3.3 Million

Consumer Loans in Economically Distressed Areas**



* High-Impact Business Loans include: 1) Businesses located in a census tract with a poverty rate over 20% or a Median Family Income below 80% of the Area Median Income; 2) Businesses owned by Women or People of Color; and 3) Nonprofit organizations or community facilities.

** Consumer Loans in Economically Distressed Areas are those made to people who live in a census tract with a poverty rate over 20% or a Median Family Income below 80% of the Area Median Income.



(L) Congressman Bennie Thompson, Greenville Mayor Errick Simmons, Bill Bynum, CEO of HOPE, Vice President Kamala Harris, Joycee Johnson, owner of Joycee's Fabric and Sewing Center, Vivian and Rev. James Henley.

Vice President Harris Visits Greenville, Mississippi

On Friday, April 1, 2022, Vice President Kamala Harris arrived in Greenville, Mississippi to highlight opportunities for investing in small businesses and communities. In prepared remarks at the E.E. Bass Cultural Center, she underscored the critical role that Community Development Financial Institutions (CDFIs) and Minority Depository Institutions (MDI) play in filling the gap to reach people, businesses, and communities unserved by traditional financial institutions. Another centerpiece of her visit included a stop

at Joycee's Fabric and Sewing Center, a HOPE member-owned business that tapped the Paycheck Protection Program during a time of need.

Read a summary of the Vice President's visit [here](#).



HOPE Testifies Before U.S. House Committee on Financial Services

In February, HOPE CEO Bill Bynum testified before the House Financial Services Committee in a hearing titled "An Unprecedented Investment for Historic Results: How Federal Support for MDIs and CDFIs Have Launched a New Era for Disadvantaged Communities." In the testimony, HOPE highlighted the transformative potential of recent investments in mission-focused Community Development Financial Institutions and Minority Depository Institutions, and why sustained investment must continue to close opportunity gaps in the Deep South.

To read a summary of the testimony, click [here](#).
To view the hearing, click [here](#).



Black Clergy Collaborative of Memphis Calls for Payday Lending Reform

The Black Clergy Collaborative of Memphis and the Hope Policy Institute recently released the report “High-Cost Debt Traps Widen Racial Wealth Gaps in Memphis, TN.” Analysis in the report found there are over 100 high-cost lenders just within the city of Memphis – and are disproportionately located in Black and Latino neighborhoods. The report concludes with recommendations to cap interest rates on high-cost loans at 36%.

To read a summary of the report, click [here](#).
Read coverage of the report’s release [here](#).



Celebrity Chef Nick Wallace Named HOPE Brand Ambassador

During the 2022 Annual Member Meeting, HOPE announced celebrity chef and credit union member Nick Wallace as the organization’s Brand Ambassador. In this capacity, Chef Wallace will draw on his own experience navigating the financial system and his platform as a successful entrepreneur and Food Network star to invite and inspire others to join HOPE. Chef Wallace shared his journey with local television anchor Maggie Wade during the meeting. [Click here to view the conversation.](#)



DaVita Makes Historic Investment to Close the Racial Wealth Gap

During the first quarter, DaVita made a \$15 million Transformational Deposit (TD) into Hope Credit Union – the largest ever made by a single corporation. Reflecting on the investment, DaVita CEO Javier Rodriguez stated, “Economic stability is a social determinant of health, which is why DaVita supports HOPE’s efforts to help bridge financial equity gaps. We hope our deposit sends positive, transformative ripples through communities where this type of cooperation is needed most.”



HOPE Named One of Fast Company's 10 Most Innovative Companies

HOPE has been named one of [Fast Company's 10 most innovative companies reflecting current events](#). The recognition honors companies for innovative work on the most pressing issues of the day including COVID-19 response, the climate crisis, mental health and economic inequality. Fast Company praised HOPE's successful efforts to raise more than \$100 million in Transformational Deposits in partnership with the nation's most prominent companies and mission-aligned individuals, which enable us to expand financial services for entrepreneurs and homeowners of color in capital-starved communities.

If you are not yet a HOPE Member and Transformational Depositor, we invite you to join the growing movement of Transformational Depositors today at www.hopecu.org/transform.



Mississippi Museum of Art Hosts Legacies of the Great Migration

The Mississippi Museum of Art has opened its monumental exhibition, A Movement in Every Direction: Legacies of the Great Migration. The exhibit, which explores the profound impact of the Great Migration related to the social and cultural life of the United States from historical and personal perspectives. It features newly commissioned works by 12 acclaimed Black artists. As a major sponsor of the exhibition, HOPE has made admission free to all HOPE employees, Tougaloo College, and Jackson State University students, faculty, and staff (with proper ID) now through September 11, 2022.

For more information, visit <https://www.msmuseumart.org/the-great-migration/>

*Make your
Transformational Deposit
Today!*

Visit us at www.hopecu.org/transform or contact our Investor Relations Department at **877-654-4673 (HOPE)** for assistance with making a Transformational Deposit.

