

JOURNEY TO OUR DESTINATION

———— **\$1 BILLION** IN ASSETS ————



2024 ANNUAL REPORT

Our Vision

Be the unwavering
partner
to the justice,
law enforcement,
and public safety
community.



Who We Are

Established in 1935, Justice Federal Credit Union is a not-for-profit financial cooperative founded in the halls of the Department of Justice, amid the Great Depression when twelve employees pooled their monies to extend loans to fellow employees in need. With just \$137 in assets, these twelve visionaries laid the foundation for what has now become a financial pillar of hope and opportunity for Members of the justice, law enforcement, and public safety community.

We continue to uphold our Founders' legacy by helping Members and their families on their financial journey by providing competitive rates on loans when they need to borrow, and deposits to save for the future.

Our Members create their futures, knowing the help we provide is anchored by integrity, accountability, and shared values.

We realize trust is earned.

We earn our Members trust by being here to help them make the right financial decisions as they do business with us safely, securely, and seamlessly across our channels: getting advice from our employees at their place of business, in our branches, on their mobile devices, online, and over the telephone.

We're here to help our Members feel confident in their financial decisions by providing a banking experience with a human touch. Our Members are served through twenty branches across eight states and the District of Columbia, a Contact Center, Digital Banking, more than 135,000 surcharge-free ATMs, and over 5,600 shared branches across the nation. We are focused on providing exceptional service to all Members no matter how they choose to interact with us.

We offer Members a wide range of products and services, including checking and savings accounts, credit cards, personal loans and lines of credit, loans for autos, education, and real estate. In addition, our team of Certified Financial Counselors offers valuable financial counseling to help Members build better spending and saving habits and strengthen their financial wellness.

Message from the Chair

There have been noteworthy developments for Justice Federal during the past year. We have reached new milestones and made progress in our long-term growth strategy.

The Credit Union impressively achieved a new milestone when it reached \$1 billion in assets through organic growth while maintaining a strong balance sheet as we grew. Important metrics such as growth in revenue, deposits, new Members, and existing Member relationships all show positive trends.



The Credit Union achieved a new milestone when it reached **\$1 billion in assets** through organic growth while maintaining a strong balance sheet as we grew.

New Member growth was strong across all age demographics, particularly among younger Members, ensuring the continued success of Justice Federal.

Notably, 32% of all new Members were referred for membership by existing Members, indicating high satisfaction with Member services and demonstrating Justice Federal's capability to meet the financial needs of entire families.

In a competitive rate environment, retaining and increasing Member deposits remained a primary focus. Our deposit rates consistently exceeded the national average, offering significant benefits to Members.

Our long-term growth strategy was accelerated with the strategic acquisition of Law Enforcement and Technology Federal Credit Union (LE&T FCU). The integration of LE&T FCU was carried out effectively, expanding our presence in Miami, Florida. The merger enhances our position by increasing scale and providing greater access to growth opportunities within the justice, law enforcement, and public safety communities.

Justice Federal continues to deliver solid financial results, reflecting financial strength and effective management in an evolving environment. We have

great confidence in our strategic direction as an organization, and the Credit Union's demonstrated ability to capitalize on opportunities as economic conditions improve.

On behalf of the Members, we recognize and appreciate the significant contributions of the Credit Union's employees who have worked diligently throughout the year and remain committed to our growth strategies.

And, on behalf of the Board of Directors, we express our gratitude to you, our fellow Members, for the trust you place in us and for your continued confidence in the Credit Union.

Warm Regards,

Ellen Warwick

CHAIR OF THE BOARD OF DIRECTORS

President's Report



For nearly nine decades, Justice Federal has offered financial stability, expert guidance, and innovative tools to support generations of Members in achieving prosperity. The year 2024 was no different. We continued our long-term growth strategy by extending our reach to provide value to Members within the justice, law enforcement, and public safety communities.

We demonstrated robust financial performance by reaching \$1 billion in organic growth in total assets a year ahead of plan. This achievement

underscores the strength, diversification, and effective management of our high-performing organization in an evolving environment.

We enhanced our inorganic growth by acquiring Law Enforcement and Technology Federal Credit Union, our largest acquisition to date which contributed \$52 million in assets, \$42 million in deposits, \$25 million in loans, \$26 million in cash, and \$7 million in net worth. This acquisition broadens our footprint in Miami, Florida, and fortifies our connections with the law enforcement and public safety community.

This Annual Report presents an overview of our initiatives and the efforts undertaken to support our Members and deliver value.

Navigating the Economic Landscape

This year, the global economy faced ongoing challenges, including restrictive interest rates, increased costs of living, persistent and growing geopolitical tensions, and extreme weather events impacting markets, communities, businesses, and families. Throughout these difficulties, Justice Federal remained steadfast in its support of our Members.

We offered Financial Wellness workshops to help Members manage debt, create spending plans, and make smart financial decisions. Additionally, our Certified Financial Counselors provided free, confidential one-on-one consultations for personal financial support.

As we progressed into the latter half of the year, signs of optimism began to appear. With monetary policy effectively moderating inflation, the U.S. achieved a "soft landing." The U.S. economy surpassed expectations, driven by a surge in technology spending, fiscal support, and resilient consumer expenditure. Delivering superior risk management is a point of pride for our organization. Our primary goal is to assist our Members financially, and this past year, a combination of adverse factors led to increased provisions for credit losses. We anticipate that these provisions will moderate through 2025, although there may be some variability from quarter to quarter as the economic environment gradually improves.

We continue to provide our Members with competitive rates on loans and deposits. Member deposits experienced significant growth, indicating the robust health of our organization. We concluded the year with a strong Net Worth ratio of 12.69%.

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Justice Federal entered into 2024 with a clear agenda and momentum. **Our Credit Union is designed to deliver sustained performance in any environment,** and the teams executing it do so with a strong sense of purpose, every day.

We laid the groundwork to establish Justice Federal Investment Services to offer customized financial solutions aimed at enhancing and safeguarding our Members' wealth, in alignment with their short-and-long-term objectives.

Purpose, Strategy and Performance

Justice Federal entered into 2024 with a clear agenda and momentum. Our Credit Union is designed to deliver sustained performance in any environment, and the teams executing it do so with a strong sense of purpose, every day.

Anchored by our purpose—to be our Members' financial partner, which funds their family and life, is core to who we are. We are guided by our core values as we build a foundation

PRESIDENT'S REPORT

of trust with our Members. We're committed to driving progress for a thriving economy and a sustainable future. That means helping Members buy homes and strengthening the communities we serve— all while driving innovation to make those outcomes easier.

We processed 10,788 Consumer and Real Estate Loan applications resulting in \$135.3M funded in total new loans.



Strong financial performance is integral to our purpose. We know that the stronger we perform as a team, the more we can give back to our Members, and the communities we serve.

As we drive this progress, members of Team Justice remain focused on achieving growth through disciplined execution of our strategic priorities, which include refining our products and services to align with the needs of our Members, building a digital infrastructure for best-in-class Member service, strengthening our high-performance organization to leverage artificial intelligence to enhance productivity, and enhancing intelligence capabilities to build a full 360 view of the Member. And we're doing it while growing our organization, closely managing credit, and elevating our focus on rebuilding our return on assets.

Strong financial performance is integral to our purpose. We know that the stronger we perform as a team, the more we can give back to our Members, and the communities we serve.

The Evolution of Justice Federal

The performance of our organization is an essential part of our strategy and our growth ambition—it's at the core of who we are.

From humble roots which began within the halls of the Department of Justice in 1935, today Justice Federal has evolved into a credit union offering diversified banking solutions, and a robust digital banking platform that extends na-

tionwide. We stand at more than \$1 billion in assets today, with nearly 68,000 Members, and we continue to grow alongside our Members, every day.

While this represents an impressive story of growth, ambition, and achievement, what's most exciting is the potential for growth as we continue the next phase of our evolution.

We have grown in scale and now it's time to focus on bringing all of our capabilities to serve the justice, law enforcement and public safety community for future generations.

Driving Innovation Through Digital

As a digitally enabled, future-ready credit union, Justice Federal delivers valuable Digital Banking experiences that help our Members make real financial progress.

Continuous Digital Banking enhancements were launched, offering Members faster payment processing, improved card controls, and digital issuance for VISA Debit Cards, which allows for immediate use within mobile wallet.

Data is at the core of our Digital First advantage, securely increasing personalization and providing more powerful insights for Members. Our cloud evolution is the key enabler, fueling a modernized engine that accelerates innovation and delivers high value.

To support these leading innovations, we recognize and embrace the opportunity to leverage emerging technologies that enhance the value we bring to our Members. By continuously exploring new advancements, we strive to optimize our offerings while ensuring the responsible use of data and technology to create meaningful impact.

Leading with Ethics

Underpinning our drive to innovate is our commitment to doing what's right. We consistently lead by example, ensuring that our teams understand that the way we achieve our goals is just as important as the outcome.

Recognition of leading ethical business practices is hard-won. It's earned by a commitment to operating with transparency, good governance, and

PRESIDENT'S REPORT

integrity. We encourage our employees to speak up when something doesn't seem right.

Our Core Values underpin our actions, and every member of Team Justice is expected to embody them. Our team members are encouraged to ask questions if they're unsure and, in making the right decision, to know they can count on the unwavering support of the entire organization.



...we're proud to have been recognized three consecutive years, as one of **'The Best Credit Unions to Work For,'** in a survey conducted by the American Bankers Association.

We introduced the "Going the Extra Mile" (GEM) Awards to recognize and reward employees who consistently exceed expectations, demonstrate exceptional performance, and embody the core values of our organization.

As a high-performing organization, Justice Federal is dedicated to supporting employees in building their skills. Twenty-five percent of our workforce achieved credit union industry certifications. We are committed to the learning and skill development of our team, offering unique career-building experiences that foster both personal and professional growth.

The inaugural class of our "Success, Opportunity, Aspiration, and Readiness" (S.O.A.R.) Program, aimed at

empowering managers and developing leaders, graduated eleven employees.

Employee engagement and our winning culture are critical enablers to sustained performance and advancing our purpose, and we're proud to have been recognized three consecutive years, as one of "The Best Credit Unions to Work For," in a survey conducted by the American Bankers Association.

Thank you to all our employees for their commitment to our Members for always looking for ways to perform at the highest level.



Top: Mark Robnett, President & CEO, announces the first 2023 GEM President's Award for Outstanding Achievement. Left: GEM President's Award recipient, Pat Duke, AVP of Strategic Partnerships and Initiatives delivers acceptance speech. Right: Mark Robnett, and Justice Team in attendance of the sponsored Concerns of Police Survivors, C.O.P.S. Blue Honor Gala.

Looking ahead

As we look ahead to 2025, I'm confident in our team's ability to deliver. At Justice Federal, we believe that the prosperity of our Members and the communities we serve is integral to who we are and what we do. We will continue to be inspired by our Members. We know that when our Members thrive, our communities thrive.

With Justice Federal's strength and stability, we're well positioned to execute with purpose, pace, and discipline in the year ahead.

To all of our Members and partners, thank you for your continued support of Justice Federal. I look forward to seeing what we will accomplish together in 2025 and beyond.

Sincerely,

Mark L. Robnett

PRESIDENT & CHIEF EXECUTIVE OFFICER

JUSTICE BY THE NUMBERS

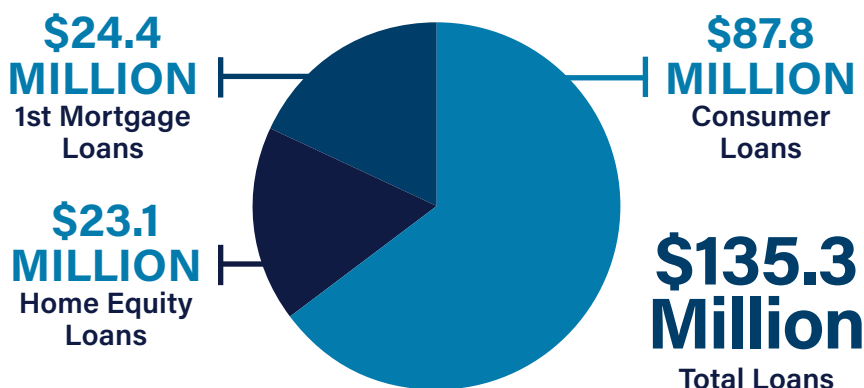
In 2024, Justice Federal grew to
\$1.06 Billion in Assets



67,647 Total Members

\$864.2 Million Total Shares

12.69% Net Worth Ratio



2022 ■ 2023 ■ 2024**17%**

of our Employee
Workforce Promoted

**25%**

of our Employee
Workforce Obtained Credit
Union Certifications

**\$15,000**

Awarded Members in
"Building Futures Across the
Nation" Scholarships

**60+**

Partner Conferences
and Training Events

PROUD SPONSORSHIPS

- ★ FBI National Academy Associates, FBINAA, Annual Training Conference
- ★ FBI National Academy Associates, FBINAA, Youth Leadership Program, YLP
- ★ FBI Law Enforcement Executive Development Association, FBILEEDA, Training Conference
- ★ Society of Former Special Agents of the FBI, SFSAFBI, Annual Conference
- ★ International Association of Police Chiefs, IACP Health and Wellness Symposium
- ★ Concerns of Police Survivors, C.O.P.S., Trauma in Law Enforcement, TLE, Workshops
- ★ Concerns of Police Survivors, C.O.P.S., National Conference on Law Enforcement Wellness and Trauma
- ★ Concerns of Police Survivors, C.O.P.S. National Police Week - National Blue Honor Gala and Krittters for Kids



Serving those who serve.

Giving Back to our Members.

Achieving success in business is not sufficient on its own. Therefore, giving back to our Members in the justice, law enforcement, and public safety communities is an integral part of our culture at Justice Federal. We are committed to making a positive impact in the lives of our Members, ensuring that they and their families thrive for generations to come.

We understand what it means to serve.

Since our founding in 1935 within the Department of Justice, when twelve employees pooled their resources to assist colleagues during the Great Depression, we have upheld the tradition of offering financial services to improve the financial health of our Members.

Whether it involves offering special assistance due to a Federal Government shutdown, sequestration, or reduction in workforce, we stand ready to assist our Members in achieving financial resilience with deferred loan payments, mortgage assistance, and

confidential, complimentary financial counseling.

It is truly an honor to support those who serve.

We are honored to be a strategic partner of the FBI National Academy Associates, the strongest law enforcement leadership network in the world, dedicated to strengthening the rule of law around the globe, whose members make up the highest 1% of senior law enforcement in the world: the Best of the Best.

In addition, we are a strategic partner of the FBI Law Enforcement Executive Development Association, (FBI LEEDA), the FBI National Education Institute Association, (NEIA), the Society of Former Special Agents of the FBI, (SFSAFBI), the National Sheriffs Association, (NSA), and Concerns of Police Survivors, (C.O.P.S.).

Our alliance is exemplified through representation at several esteemed events, including the FBINAA

Annual Training Conference, FBI LEEDA Annual Executive Education Conference, International Chiefs of Police Health and Wellness Symposium, Fraternal Order of Police Biennial National Conference and Expo, Concerns of Police Survivors National Conference on Wellness & Trauma and Trauma In Law Enforcement Trainings, and the FBINAA Youth Leadership Program. These initiatives are designed to support our partners in their mission to deliver exceptional expertise, training, and education to community members.

We acknowledge the importance of supporting the health and mental wellness of our Members, along with ensuring their financial stability. Our support initiatives encompass conducting Financial Wellness Workshops, providing personal and confidential financial counseling, and collaborating with Concerns of Police Survivors (C.O.P.S.) to sponsor Trauma in Law Enforcement Training nationwide. Furthermore, we are privileged to conduct a workshop on Financial Resilience at the International Chiefs of Police (IACP) Health & Wellness Symposium, held annually.

Thank you for your service.

As we reflect on our partnerships within the justice, law enforcement, and public safety community, we wish to acknowledge the substantial contributions made by you, our dedicated Members, to protect and serve our communities. We remain steadfast in our commitment to providing unwavering support as your financial partner in life.



Advancements in Innovation

Our journey to our destination highlights the importance of digital innovation. As we faced economic shifts and changing Member expectations, we sought new ways to enhance our services and improve our operations. This commitment to advancements in digital innovation has been a driving force behind our achievements, allowing us to stay ahead in a rapidly evolving landscape.

Digital innovation is a continuous effort to adopt innovative technologies and resources to create growth opportunities. This includes adopting artificial intelligence (AI) or machine learning processes and implementing cloud services.

We focused our digital-first strategy and utilization of AI on achieving speed and scale to deliver solutions quickly and efficiently, with an ultimate goal to enable progress for our Members, empower our Team, and harness the potential of emerging artificial intelligence technologies to drive leading loyalty, growth, and operational efficiency.

Today, we're leading the way as a digitally enabled, future-ready Credit Union with innovative products and services such as the digital issuance of VISA Credit and Debit Cards. We realize our Members want cards that fit the way they live, and these days that means quick access to their digital wallet before their physical card arrives in the mail.

Digital Issuance provides Members with a secure, real-time ability to transact digitally without interruptions—even in the absence of a physical card. It works seamlessly with a digital wallet app so Members can continue to enjoy the same mobile security they already expect from their digital wallet carrier.

To enjoy the convenience and security of digital issuance, Members can download our complimentary mobile banking app from the Apple App Store or Google Play Store on their mobile device of choice. They may then apply online for a VISA Credit Card or open a new Checking Account to receive digital issuance of their new VISA Credit or Debit Card, followed by receipt of their physical card in the mail.

Through advancements in innovation, we are dedicated to continuously improving our Members' digital experience so they may thrive in today's fast-paced, technology-driven world.



A Better Way to Bank

A more personalized Digital Banking experience!

At Justice Federal, we strive to provide Members with simple, secure access to their money, to open a new account, or to apply for a loan—anywhere, anytime, from any mobile device.

Explore a more personalized Digital Banking experience, with state-of-the-art security and control features, we know you will come to enjoy!



Safe. Sound. Secure.

Backed by the NCUA.

Supervisory Committee Report

Under the Federal Credit Union Act, the Supervisory Committee, appointed by the Justice Federal Credit Union Board of Directors, is responsible for ensuring Justice Federal operates in a safe and sound manner in accordance with the Act, and follows the regulatory guidance of the National Credit Union Administration (NCUA).

The Supervisory Committee meets with NCUA examiners and external auditors to ensure internal controls adequately safeguard Justice Federal's assets and that Justice Federal is operating efficiently. Certified Public Accounting firm, Doeren Mayhew, assists the Supervisory Committee oversight role as an external auditor. Known as a leading firm engaged in credit union audits, Doeren Mayhew, with offices across the United States, Switzerland, and the United Kingdom, maintains over five hundred credit union clients.

The 2024 Justice Federal Credit Union Financial Statements audit report, recently issued by Doeren Mayhew, was "unmodified" indicating internal controls are operating effectively, the financial statements of the credit union are free from any material misstatements and are presented fairly.

Additionally, the Supervisory Committee is responsible for implementing internal audit plans and directs the efforts of the credit union's internal audit staff. Routine and recurring audits of commonly accepted critical risk functions provide additional validation of the effectiveness of the credit union's internal control mechanisms. These internal control tests and reviews substantiate that the credit union follows policies and procedures, generally accepted accounting principles, and Federal Regulations.

The Supervisory Committee reports Justice Federal continues to remain in compliance with laws and regulations, operates in a sound manner, and is capable of withstanding business fluctuations.

The Supervisory Committee also acts as an ombudsman for Justice Federal members. If any member requires assistance, which cannot be resolved through standard procedures, please contact the Supervisory Committee at the following address:

Justice Federal Supervisory Committee
P.O. Box 231381
Centreville, Virginia 20120-1381
Attention: Supervisory Committee Chair

Sincerely,

Brian Murphy
SUPERVISORY COMMITTEE CHAIR

COMPARATIVE BALANCE SHEET

ASSETS

	2024	2023
Gross Loans	765,452,468	748,454,367
Allowance for Loan Losses	(9,681,672)	(8,707,477)
Net Loans	755,770,796	739,746,890
Cash & Cash Equivalents	119,627,583	48,293,867
Investments	113,022,940	117,724,826
Other Assets	67,547,053	63,599,228
Total Assets	1,055,968,372	969,364,811

Liabilities

Accounts Payable	8,165,869	10,781,565
Notes Payable	25,000,000	25,000,000
Dividends Payable	2,962,920	1,946,765
Accrued Expenses	6,393,470	5,014,580
Total Liabilities	42,522,259	42,742,910

Member Shares

Regular Shares	274,016,896	253,529,714
Share Draft	187,402,651	197,127,554
Money Market	124,305,011	133,575,540
IRA	8,908,315	9,159,448
Share Certificate	304,673,121	231,850,191
Total Member Shares	899,305,994	825,242,447

Undivided Earnings	132,135,640	120,895,754
Unrealized Gain / (Loss)	(17,995,521)	(19,516,300)
Total Reserves	114,140,119	101,379,454

Total Liabilities, Member Shares and Reserves	1,055,968,372	969,364,811
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COMPARATIVE
INCOME STATEMENT

INCOME	2024	2023
Loan Income	44,528,362	40,314,991
Investment Income	6,412,283	4,865,498
Other Income	10,857,918	8,395,483
Total Income	61,798,563	53,575,972

Expenses		
Dividend Expense	12,940,702	7,685,631
Compensation & Benefits	21,775,429	19,185,294
Office Occupancy & Operations	8,256,081	7,690,496
General & Admin. Expenses	8,776,656	7,061,795
Provision for Loan Losses	5,403,399	3,768,889
Interest on Borrowed Money	634,366	913,824
NCUSIF Premium Assessment	—	—
Total Expenses	57,786,633	46,305,929
Net Operating Income	4,011,930	7,270,043
Net Income	4,011,930	7,270,043

*Per NCUA guidance, Regular Reserves are combined with Undivided Earnings in 2024.



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Thomas L. Wiseman

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Emily F. Kaplun
Eric Miller

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David Jensen, *Chief Financial Officer*
Karen Bohn, *Chief Operations Officer*
Cindy Kenny, *Chief Lending Officer*
Rob Case, *Chief Information Officer*

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