

2021 ANNUAL REPORT

THE ORIGINAL CHALLENGER FI

It's in our DNA

Federally Insured by NCUA



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Message from the President & Chief Executive Officer



Dennis Devine
President & CEO

Thank you for being a member of Alliant. At Alliant, we are all in and go all out for our members' success.

I hope you felt our commitment to you this year. As you see in this annual report, our teams thought boldly to deliver the best of Alliant to our members. We had a record-setting year in membership growth, deposit balances, loan originations, non-interest income and return on assets.

As a digital credit union, we help members maximize their money in ways banks can't.

Our digital-first strategy is a distinct competitive advantage. Quite simply, without having to sustain a costly and underused branch network, Alliant has one of the best cost structures in the industry.

This is powerful for our members: Alliant can keep deposit rates high and lending rates low. Alliant's award-winning savings account paid rates 11x the bank industry average! In 2021, we focused on investments to offer best-in-class digital solutions while further improving our cost advantage, which is better than 96% of our peers.

Challenging the banking status quo is in our DNA, and we'll never stop disrupting it - for the good of our members and to make positive changes in the banking industry.

Many of you know that Alliant started over 85 years ago as the United Airlines employee credit union. Alliant has always served members nationwide, prioritizing simple innovative experiences and never gouging members with fees. As a credit union, we serve our members - not shareholders.

With this challenger mentality in mind, the team took bold actions in 2021. Our target: traditional bank fees. U.S. banks charged

billions more in fees than they paid in interest on savings this past decade.

Alliant was one of the first big FIs (financial institutions) to eliminate overdraft and non-sufficient fund fees on all checking and savings accounts. We did not create complicated terms for members to avoid overdraft fees. We simply eliminated them.

With strong member-centered actions like these, Alliant's brand was elevated nationwide in 2021. By offering distinctive value to members, Alliant was an industry leader in membership growth (over 3x the peer median).

We're savvy, selfless and socially responsible.

In 2021, Alliant was again recognized among the very best financial institutions, including Business Insider's Best Banks 2021, CNBC's Best Credit Unions for 2021, Bankrate's Best Banks and Credit Unions for Mobile Banking, and NerdWallet's Best Savings and Checking accounts.

These accolades are directly attributable to our Alliant team. Great Place to Work recognized Alliant as a 2021 Best Workplace and Built In Chicago named Alliant among their Best Places to Work in Chicago.

We are more committed than ever to social responsibility, ensuring digital equity for all and working to close the digital divide with partners such as National Digital Inclusion Alliance, EveryoneOn, PCs for People, Digitunity and Connected Nation.

Thank you for your membership! As we look to 2022, you can count on seeing the great competitive rates you expect along with award-winning digital experiences.

Dennis Devine
President & CEO

Our Guiding Principles & Values

Our Guiding Principles

Our guiding principles are the lens through which we look at everything we do at Alliant and for our members. You could say they're part of Alliant's DNA.

Savvy

We offer great rates, low fees and an intuitive digital experience. We're financially savvy people working for financially savvy people.

Selfless

We're owned by our members - not shareholders. That's why we're all in and go all out for our members' success.

Socially Responsible

As a digital financial institution, we have a mission to help close the digital divide and ensure digital equity for all.

Our Shared Values

At Alliant, we share a common set of values that guide how we act and ensure we are all working toward the same goals as an organization.

- **Wow Members** - We delight our members: the why of all we do.
- **Unleash Talent** - We seek different perspectives and maximize potential to achieve more.
- **Be Bold** - We think big, move fast and own the outcome.
- **Build Together** - We innovate, deliver and celebrate as a team.
- **Do Good** - We change something for the better each day.



We Are Savvy

Alliant partnered with personal finance expert Suze Orman to help members make saving a habit and reward them for it with The Ultimate Opportunity Savings Account. In 2021, more than 22,000 new members took advantage of the account, depositing nearly \$300 million while giving Alliant high member satisfaction scores.



The Ultimate Opportunity

Once people opened The Ultimate Opportunity Savings Account and deposited at least \$100 a month for 12 consecutive months, Alliant deposited a \$100 bonus if the account had a balance of at least \$1,200 at the end of the 12 months.* After an outstanding first year, Alliant and Suze extended this offer into 2022.



Personal finance tips

Not only did Alliant reward people for saving, we also worked with Suze Orman to help all of our members step up their personal finance game. Suze wrote monthly blog articles exclusively for the Alliant Money Mentor blog and hosted webinars to share some of the wisdom she brings to her weekly podcast.



Grand prizes

To give all Alliant members a chance to build their savings even more, we launched The Ultimate Opportunity Sweepstakes. Our members referred friends and family to open their own Ultimate Opportunity Savings Account for a chance to win cash prizes and a feature on Suze's podcast. Existing members referred nearly 3,000 new members, and seven lucky winners – including one \$10,000 grand prize winner – were randomly selected to receive deposits in their Alliant savings accounts.

• Wow Members • Be Bold • Do Good •

* Alliant Credit Union and Suze Orman's The Ultimate Opportunity Savings Account Terms and Conditions. This promotion is for new Alliant Credit Union members only. Alliant members can only receive this payout bonus one time. New Alliant Credit Union members can earn a \$100 bonus deposit by joining Alliant through Suze Orman's The Ultimate Opportunity Savings Account promotion and meeting the following requirements. Offer valid for one new Alliant Credit Union savings account ("account") opened from January 10, 2021, through December 31, 2022; funded by transfers and/or deposits totaling \$100 or more each month for 12 consecutive months; and opened by applying online from this page or by phone at 800-328-1935 and mentioning "Suze Orman's The Ultimate Opportunity Savings Account promotion." Existing Alliant members, customers who are a joint owner on an Alliant savings account, and former Alliant members who closed an Alliant savings account within 180 days of applying for the new account are not eligible. The first \$100 must be transferred and/or deposited within 30 days of account opening, and each calendar month after the first \$100 transfer/deposit, funds need to post to the account by the last day of the month. Account must remain open and in good standing, maintain an average daily minimum balance of \$100, and the balance at the end of the 12-calendar-month period must be \$1,200 or more in order to receive the \$100 bonus deposit. Accounts will be reviewed 12 months from the date of the first transfer/deposit to determine eligibility. If all requirements have been met after 12 months, please allow 4 weeks for the \$100 bonus deposit to post to your account. You will be responsible for any tax liability. Offer is not transferable and not valid for trusts, UTMA's, IRAs or other tax-exempt accounts. Limit one offer per new Alliant member. All account applications are subject to approval. You must apply for the account by 11:59 p.m. CT on December 31, 2022, to be eligible. Must be 18 or older at time of account opening and a legal U.S. Resident or U.S. Person (including a U.S. Resident Alien) to be eligible. Alliant employees are not eligible for this promotion. This promotion is subject to all federal, state and local laws and regulations and governed by Illinois law. Promotion is sponsored by Alliant Credit Union, 11545 W. Touhy Ave., Chicago, IL 60666.

The savings dividend provides an Annual Percentage Yield (APY) of 0.55%. The APY is accurate as of the 01/24/2022 dividend declaration date. Dividends are paid on the last day of the month to accountholders who have maintained an average daily balance of \$100 or more. Savings dividend may change after account is opened and is subject to change at any time. Dividend applies to Savings, Supplemental Savings, Kids Savings Accounts, UTMA Custodial Accounts, Trust Accounts, IRA. Fees may reduce earnings on the account.



We Are Savvy

Alliant surpassed huge milestones in 2021, growing our membership to more than 600,000 members nationwide and adding the most new members in Alliant's 85+ years. With this record membership growth also came significant employee growth, continued commitment to improving experience across our digital and phone banking channels, and new leadership to guide us into the future.



Never stop learning

Our members are already financially savvy, so we want to help them enhance their financial acumen through the [Money Mentor blog](#) and our email newsletters. In 2021, we also developed more [digital banking how-to resources](#), alerted members of new scams to watch out for, and expanded our extensive [Help section](#).



Better banking

We're continuously improving [online](#), [mobile](#) and [phone banking](#) to give members a seamless, intuitive experience. We made it faster and easier for members to link external accounts to transfer funds and make loan payments. Interactive Voice Response updates gave members better phone banking flows and simpler, yet still secure, options for verifying identity and resetting access.



Elevating talent

To better support our growing membership, we also grew our workforce to nearly 700 employees. We added member service consultants in the call center, expanded technology teams, promoted internal talent and invested over \$70,000 in employee tuition reimbursement. [Built In Chicago](#) named Alliant one of the best companies for tech professionals, and we won our sixth straight Gallup Exceptional Workplace Award.

• Wow Members • Unleash Talent •

“Credit unions are the way to go. I’m settled on Alliant, they’re really the whole package. This mobile app is excellent and leaves nothing to be desired when comparing them to other mobile banking options. Smart banking is with Alliant.”

- Spiro B., Alliant member



We Are Selfless

In August 2021, Alliant decided to eliminate overdraft fees and non-sufficient funds (NSF) item fees on all checking and savings accounts.* At that time, we were one of the largest financial institutions to make such a bold move. We're proud of the member-centric change because ultimately it was just the right thing to do.



Different approach

The change isn't about just giving Alliant a competitive advantage. More importantly, it removes the financial burden on people who are already dealing with a financial worry or mistake. Alliant chose the simple, member-centered path: eliminate the fees. This sets us apart from other banks that have merely lowered these fees or added other complex services (but ultimately still charge the overdraft fee).



An easy decision

The decision to eliminate these fees was an easy one. Alliant focuses on putting our members first and challenging antiquated banking norms. Alliant had never relied heavily on fee income for revenue and found that we could continue to offer strong rates after the fees were eliminated.



Member impact

The feedback from members was overwhelmingly positive:

"Thank you, Alliant! This is such great news and shows that you are much more than a regular bank. I'm so happy to be a member. Thank you!" – Sharon K.

"This makes me happy!" – Mariama H.

"This is excellent news—what a relief for folks living paycheck to paycheck! I would have given so much for this peace of mind just a few years ago. Thank you." – Tiffany F.

• **Wow Members** • **Be Bold** • **Do Good** •

*[Learn more about Alliant overdraft protection and Courtesy Pay](#)



We Are Selfless

Our members are always top of mind. Our employees work hard every day to give our members the best service possible and simple, intuitive digital and phone banking channels. To ensure we're making a difference, we survey members for feedback. In 2021, the metric we use to measure member satisfaction improved by 10.5% compared to 2020.



Great rates and low fees

Our digital banking model lets us return high value to our members. In 2021, members earned savings rates over 10 times the national bank average, and we kept loan interest rates as low as possible. We also strive to reduce, lower and even eliminate fees our members pay. This year, we eliminated the Alliant Cashback Visa Signature card annual fee and overdraft fees on savings and checking accounts.*



Members win every day

Members didn't benefit just from great rates; they earned and won cash from us too. Visa Signature cardholders earned up to 2.5% cash back on their spending, one of the highest cashback rewards offered nationally. Our Alliant Member Scholarship Drawing awarded eight student members \$2,000 each. The Alliant Visa Holiday Sweepstakes paid off three members' credit card balances, and members won \$20,000 in cash prizes with our Suze Orman Sweepstakes.



Listening to our members

"★★★★★ I've been a member for 33 years...I have had nothing but great experiences with Alliant. They have great products, they provide interest rates among the best in the industry, and they perform reliable and efficient transactions."
- LHR, Alliant member

"EVERY time I call to talk to a live agent, I am met with the most professionalism, courtesy and gratitude! Thank you and a great BIG shout out to the staff that makes me feel at home and special!!!!" - Terri C., Alliant member

• Wow Members • Be Bold • Do Good •

*[Learn more about Alliant overdraft protection and Courtesy Pay](#)



We Are Socially Responsible

As a digital financial institution, we understand how deeply intertwined digital connectedness is with financial well-being. That's why we've pledged to help bridge the digital divide for all and help achieve financial equity through digital inclusion. As brick and mortar banks closed, schools went virtual, and telehealth expanded, 2021 highlighted the need for technology literacy and internet access. As digital leaders, we had the tools to step in and help connect and energize the communities we serve.



Building strength in partners

Every great movement has a passionate network of people behind it. With our nationwide digital inclusion non-profit partners - National Digital Inclusion Alliance, EveryoneOn, PCs for People, Digitunity, and Connected Nation - we work together to bring technology devices, affordable internet, and digital literacy to the people in need.



Collecting 8 tons of devices

Alongside our partner, PCs for People, we held two digital device drives. With the help of our members and employees, we collected eight tons of donations, including laptops, tablets, smartphones, and other computer parts. These devices were then securely wiped, refurbished, and distributed to over 900 families in need.



Sponsoring digital equity work

The Alliant Foundation proudly sponsored the 2021 Net Inclusion conference - reaching 625 digital inclusion affiliates in 44 states - and Connected Nation's "A National Conversation on the Digital Divide" with over \$60,000 in support. These eye-opening events bring awareness to local and national lawmakers and lay the foundation for grassroots efforts toward digital equity.

• Do Good • Build Together •





We Are Socially Responsible

Throughout the year, our employees wowed members of our communities with charitable giving, volunteering and fundraising events. Our partnership with the Alliant Credit Union Foundation grew stronger as we joined forces in bridging the digital divide by delivering digital literacy, devices and affordable broadband to the people who need them.



Employee volunteer events

In 2021, Alliant hosted three virtual volunteer events, allowing our employees to dedicate their time and talents in support of Together We Rise and Fleece & Thank You. Our employees created 110 “superhero boxes” and 200 duffle bags for children in Chicago-area foster care and 200 tied blankets for kids with chronic illnesses and extended hospital stays. In total, our employees spent nearly 1,000 hours volunteering for their favorite charities.



Foundation benefits

The [Alliant Credit Union Foundation](#) upped its employee donation match benefit to \$500 and donated \$7,558.50 in matching funds to qualifying 501(c)(3) organizations in 2021. They also launched a new Community Leader Award for employees who devote significant time or hold a leadership position with a 501(c)(3) organization; the Foundation donated \$250 to 15 of those charities in 2021.



DE&I

In support of Alliant’s diversity, equity and inclusion (DE&I) strategy, we hosted a series of DE&I trainings for all employees and created resources for ongoing education. Our leaders also learned more about unconscious bias, inclusive language and leading diverse teams. Our employee resource groups (ERGs) – ALL (LGBTQIA+ group), EMPOWER (Black professionals group) and INCLUDE (women’s group) – hosted quarterly events and webinars, addressing a range of topics important to our employees.

• Do Good • Build Together • Unleash Talent •

“Tremendous effort by all. It was our first time making the blankets, and we will be back! Imagine the comfort and possible smile these provided to so many kids struggling with illness.” – Paul L., Alliant employee

“This was a great event! I loved hearing our host’s personal story and why she feels so connected to this organization. Oh, and that tie-dye pillowcase is amazing!” – Kendra S., Alliant employee

Awards & Recognition



Best High-Yield Savings Accounts

Best Banks and Credit Unions
for Mobile Banking of 2021



Best Banks with No Overdraft
Fees in 2021



Best Account Fees



Best Credit Unions

Best No Monthly Fee Checking
Account for out of network ATMs



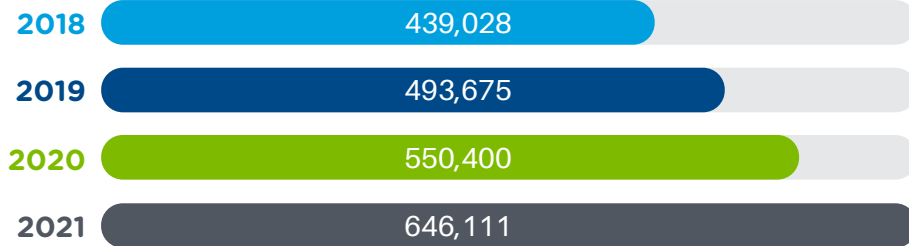
Best Checking Accounts
Best Savings Accounts



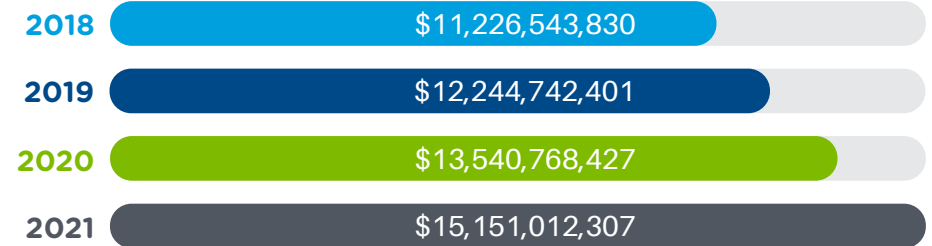
Performance Trends

Key Metrics & Data Points

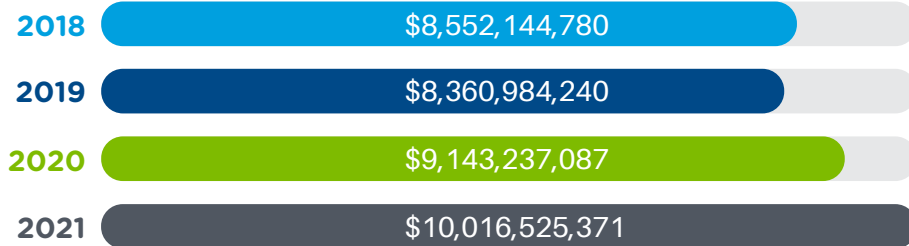
Total Primary Members



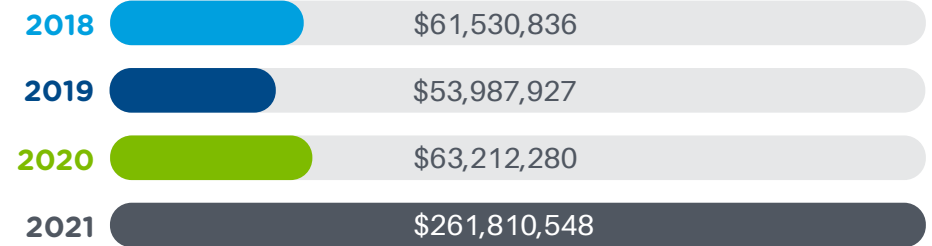
Total Assets



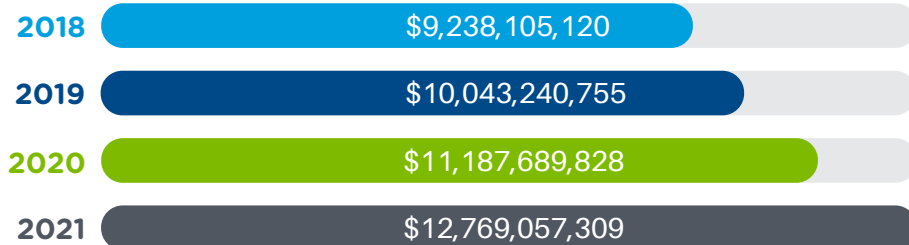
Total Gross Loans



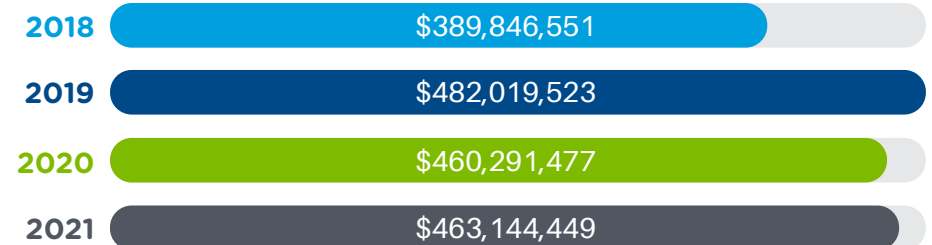
Net Income



Total Deposits



Total Interest Income



Financial Statements

Statement of Financial Condition (Unaudited)*

(\$ MILLIONS)	2021	2020
ASSETS		
Cash and Cash Equivalents	\$618	\$618
Securities Available-for-Sale	\$3,625	\$3,306
Loans to Members, Net	\$10,059	\$9,116
NCUSIF Deposit	\$105	\$95
Other Assets	\$744	\$406

(\$ MILLIONS)	2021	2020
LIABILITIES AND MEMBERS' EQUITY		
Members' Shares		
Common Share Accounts	\$10,780	\$9,020
Certificate Share Accounts	\$619	\$967
Individual Retirement Accounts	\$526	\$513
Checking Accounts	\$844	\$688

Total Deposits **\$12,769** **\$11,188**

Borrowings \$742 \$938

Other Liabilities \$132 \$109

Total Borrowing and Other Liabilities **\$874** **\$1,047**

Members' Equity		
Regular Reserve	\$121	\$121
Undivided Earnings	\$1,418	\$1,157
Accumulated Other Comprehensive Income	\$(31)	\$28

Total Members' Equity **\$1,508** **\$1,306**

Total Liabilities and Members' Equity **\$15,151** **\$13,541**

Total Assets

\$15,151 **\$13,541**

*Dollar amounts in millions.

Financial Statements

Statement of Income (Unaudited)*

INTEREST INCOME	2021	2020	NON-INTEREST INCOME	2021	2020
Loans to members	\$408	\$395	Net Gains on Disposition of Investments	-	\$1
Securities and Certificates of Deposit with Other Financial Institutions	\$51	\$61	Gain on Loan Sale	\$30	\$16
Other	\$4	\$4	Loss on Foreclosed Assets	\$4	\$2
Total Interest Income	\$463	\$460	Service Fees	\$7	\$7
INTEREST EXPENSE			Interchange Income	\$6	\$1
Members' shares	\$70	\$114	Other Income	\$18	\$11
Borrowings	\$8	\$19	Total Non-Interest Income	\$65	\$38
Other	\$8	\$4	NON-INTEREST EXPENSE		
Total Interest Expense	\$86	\$137	Salaries and Employee Benefits	\$103	\$95
NET INTEREST INCOME	\$377	\$323	Service Charges	\$29	\$26
Provision for Loan Losses	\$(13)	\$112	Office Operations	\$8	\$10
Net Interest Income After Provision For Loan Losses	\$390	\$211	Depreciation	\$14	\$15
			Data Processing	\$15	\$17
			Professional Fees	\$6	\$9
			Other	\$18	\$14
			Total Non-Interest Expense	\$193	\$186
			Net Income	\$262	\$63

*Dollar amounts in millions.

Certain amounts in the prior-period financial statements have been reclassified to conform with the presentation of current-period financial statements.



Board of Directors & Executive Management Team

Board of Directors

Dennis Devine, *President and Treasurer*

Ted Davidson, *Chairperson*

Anne Pease, *Vice Chairperson*

Earl (Lee) Achord, *Secretary*

Sue Bettman

Julian Chu

Irwin I. Gzesh

Ajibola Johnson

Sabrina King

David Leib

Scott Wilson

Executive Management Team

Dennis Devine, *President and Chief Executive Officer*

Sumeet Grover, *SVP and Chief Digital & Marketing Officer*

Diane Hughes, *SVP and Chief People Officer*

Charles Krawitz, *SVP and Chief Capital Markets Officer*

Mark Lau, *SVP and Chief Financial Officer*

Meredith Ritchie, *SVP, General Counsel and Chief Ethics & Government Affairs Officer*

Ken Schaafsma, *SVP and Chief Risk Officer*

Vasanthi Sekhar, *SVP and Chief Information Officer*

Harry Zhu, *SVP and Chief Retail Lending Officer*