85 YEARS OF HELPING MEMBERS IN OUR COMMUNITIES

11 CONSECUTIVE YEARS AWARDED TOP WORK PLACE

129,927 MEMBERS AS OF DECEMBER 2021

$2,667,250 CASH BACK AWARDED IN 2021

$1.59 BILLION IN ASSETS AS OF DECEMBER 2021

11 BRANCHES LOCATED ACROSS HARRIS COUNTY

WELCOME
Our Mission Statement & Timeline

LEADERSHIP
Meet Our Team of Game Changers

REPORTS
From Our Chairman, Supervisory Committee & President/CEO

WIN BIG
Our 2022 Grand Prize

FINANCIALS
Financial Condition, Operating Statements & Member Statistics

ABOUT
Locations, Hours & Contact Us

MINUTES
2020 Annual Meeting Minutes
MISSION STATEMENT

The purpose of Shell Federal Credit Union, chartered in 1937, is not profit, not charity, but service to members through leadership that is committed to keeping the credit union strong, aggressive and financially sound.

TIMELINE

1937 1st official meeting of Shell Refinery Employees FCU; 40 original members contributed 25¢ each to join

1941 Credit Union waived interest on loans for members in the military during wartime

1952 Moved from the original office inside Shell Refinery cafeteria to rented building on Lawndale Street

1955 Credit Union employs seven full-time workers and one part-time treasurer

1956 1st year to use armored car service to transfer money to banks

1959 New building constructed on 8th St, Deer Park branch

1976 Credit Union name officially changed to Shell Federal Credit Union

1978 Share Certificates introduced; members invested $10 million in the 1st year

1980 Credit Union builds new location on 13th St, Deer Park branch

1984 First ATM installed on 13th St, Deer Park branch

1989 Call 24, automated phone system, installed

2001 Community charter approved by NCUA

2003 Fairmont branch opens

2007 La Porte branch opens

2008 Furthering Community Unity (FCU) Team and iLife are formed

2009 Pearland branch opens

2010 Southmore branch opens

2011 Bay Area branch opens

2012 Woodforest and Wilson branches open

2013 Shell Insurance Agency (SIA) is established

2014 Shell Retirement, Trust and Investment Services (SRTIS) is founded

2015 Spring branch opens

2017 Shell FCU celebrates 80th anniversary

2018 24/7 Call Center is created; Katy branch opens

2020 Baytown branch opens; ground breaks on Deer Park parking garage

2021 Parking garage finished; ground breaks on new Drive-Thru at Deer Park

2022 Shell FCU celebrates 85th anniversary; ground breaks on the new Corporate office in Deer Park
BOARD OF DIRECTORS

CHESTER SERVANCE
CHAIRMAN

DONALD BOOTH
VICE-CHAIRMAN

BEN ESQUIVEL
TREASURER

SALMA HARTLEY
ASSISTANT TREASURER

KURT HOEFER
SECRETARY

MARK SAPP
ASSISTANT SECRETARY

MIKE KOLB
DIRECTOR

ROYCE PARKER
DIRECTOR

DARRICK DUKE
DIRECTOR

WILLIAM WHITE
DIRECTOR EMERITUS

EXECUTIVE TEAM

JOSE RODRIGUEZ
PRESIDENT / CEO

KRISTI GARNER
CHIEF FINANCIAL OFFICER

JOE HERRERA
CHIEF INFORMATION OFFICER

NICOLE HERNANDEZ
CHIEF ADMINISTRATION OFFICER

NANCY JOHNSON
CHIEF OPERATIONS OFFICER

NATALIE MAY
CHIEF HUMAN RESOURCES OFFICER

SUPERVISORY COMMITTEE

PAM MILLS
CHAIRMAN

DARRICK DUKE

CARLA NETTLES

MARTIN VASQUEZ
The last two years have taken us all on unexpected paths. Together we remain resilient and will adapt to any challenges we may face together. Thank you for your valued membership and please accept our appreciation for your trust and partnership. Your Shell FCU family has persistently remained open, flexible to the branch changes required and available to serve all of your financial needs.

As a $1.6 billion full-service financial institution, Shell FCU serves almost 130K members and employs over 395 dedicated individuals. Anyone who lives, works, worships, attends school or regularly conducts business in Harris County, Texas can join the Shell FCU family. We continue to search for available and acceptable future locations to provide you additional convenient branches.

The Deer Park drive-thru was relocated in the fall of 2021 to the opposite side of the Deer Park branch to continue the multi-phase expansion project. The end goal of the expansion project is to provide additional staffing, resources and services for the benefit of the membership.

In 2021, assets exceeded $1.5 billion and over $568.8 million was lent out for a total of 22,236 loans. Dividends of $8 million were paid out and members received more than $2.7 million in cash back when funding their auto or mortgage loan during various promotions.

There’s something special about Shell FCU. This year we are celebrating 85 years of exceptional service, positive support and commitment to our communities. It’s time for everyone to EXPERIENCE all Shell FCU has to offer. Inspire your family, friends, coworkers and neighbors to visit us online or stop by any branch to Experience Shell FCU. Experience Cash Back. Experience Service. Experience Family. Experience Home Buying. Experience Financial Freedom. And so much more!

Your Supervisory Committee focuses on ensuring that the Board of Directors and Management of the Credit Union meet required financial reporting objectives and establish sound practices and procedures sufficient to safeguard our members’ assets. In 2021, the committee contracted with CliftonLarsonAllen to perform quarterly regulatory compliance assessments and engaged Warren Averett, CPAs and Advisors to perform the annual financial audit. Excellent reports were presented, without any material discrepancies noted.

Thank you for your continued confidence in Shell Federal Credit Union. We invite you to communicate with us by mail at P.O. Box 237, Deer Park, TX 77536 or visit the Supervisory Committee link on the ‘About’ page at ShellFCU.org. All communications are reviewed by this committee.

Each day your credit union family looks forward to providing you the exceptional service you deserve. We also work extraordinarily hard at enhancing products, services, technology and processes to improve each Shell FCU experience. Last year a new Digital Banking platform was introduced and developments are continuously being launched to enrich your interaction. Skip-A-Pay was also upgraded in 2021. Qualified loans can now select the two months throughout the year they would like to skip. Digital services remained safe, secure and conveniently available throughout 2021.

In 2021, several financial and retirement educational webinars were presented in-branch and online. Shell FCU also hosted social media contest gift card giveaways and live events. The debit and credit card Win Your Purchase contests refunded members for total purchases of $22,991 and Auto Cash Back was offered throughout the year. Plus, the Mortgage Cash Back was reintroduced in August of 2021. Visit our website at ShellFCU.org for the latest promotions and offers.

Shell FCU always prides itself on exceptional service, community involvement and employee satisfaction. The Deer Park Chamber of Commerce named Shell FCU the Business of the Year and the Houston Chronicle named Shell FCU a Top Workplace for the eleventh consecutive year. If you have an enhancement or suggestion please reach out through our website (ShellFCU.org/ServiceSurvey) to provide feedback. We would love to hear from you.

Thank you for the opportunity to serve you!
### STATEMENTS OF FINANCIAL CONDITION

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans</td>
<td>$958,026,479</td>
<td>$1,075,121,616</td>
<td>$1,223,946,259</td>
</tr>
<tr>
<td>Cash</td>
<td>$105,776,305</td>
<td>$190,455,424</td>
<td>$152,230,503</td>
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<tr>
<td>Investments</td>
<td>$49,366,839</td>
<td>$77,680,637</td>
<td>$112,362,531</td>
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<tr>
<td>Fixed Assets</td>
<td>$29,407,839</td>
<td>$39,343,537</td>
<td>$48,514,759</td>
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<tr>
<td>Other Assets</td>
<td>$38,666,339</td>
<td>$48,882,932</td>
<td>$53,253,005</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td>$1,181,243,801</td>
<td>$1,431,484,146</td>
<td>$1,590,307,057</td>
</tr>
<tr>
<td><strong>Liabilities &amp; Equity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member Shares</td>
<td>$1,012,111,107</td>
<td>$1,256,677,343</td>
<td>$1,401,266,227</td>
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<tr>
<td>Liabilities</td>
<td>$54,416,093</td>
<td>$45,303,433</td>
<td>$33,232,961</td>
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<tr>
<td>Regular Reserve</td>
<td>$3,282,855</td>
<td>$3,282,855</td>
<td>$3,282,855</td>
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<tr>
<td>Undivided Earnings</td>
<td>$119,410,766</td>
<td>$135,066,838</td>
<td>$158,459,244</td>
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<tr>
<td>Unrealized Gains &amp; (Losses)</td>
<td>($7,977,021)</td>
<td>($8,846,323)</td>
<td>($5,934,230)</td>
</tr>
<tr>
<td><strong>Total Liabilities &amp; Equity</strong></td>
<td>$1,181,243,801</td>
<td>$1,431,484,146</td>
<td>$1,590,307,057</td>
</tr>
</tbody>
</table>

### OPERATING STATEMENTS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest on Loans</td>
<td>$49,454,264</td>
<td>$52,384,387</td>
<td>$55,123,852</td>
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<tr>
<td>Income from Investments</td>
<td>$4,288,735</td>
<td>$2,121,032</td>
<td>$1,917,972</td>
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<tr>
<td>Other Income</td>
<td>$23,321,186</td>
<td>$26,612,094</td>
<td>$32,606,228</td>
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<tr>
<td><strong>Total Income</strong></td>
<td>$77,064,185</td>
<td>$81,117,513</td>
<td>$89,648,052</td>
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<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$55,943,731</td>
<td>$56,368,686</td>
<td>$59,186,158</td>
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<tr>
<td>Other Expenses</td>
<td>($3,309)</td>
<td>($725,344)</td>
<td>($919,735)</td>
</tr>
<tr>
<td>Dividends</td>
<td>$9,265,707</td>
<td>$9,818,100</td>
<td>$7,989,195</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$65,206,130</td>
<td>$65,461,441</td>
<td>$66,255,645</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>$11,858,055</td>
<td>$15,656,072</td>
<td>$23,392,406</td>
</tr>
</tbody>
</table>

### MEMBERSHIP STATISTICS

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Members</td>
<td>109,174</td>
<td>118,379</td>
<td>129,927</td>
</tr>
</tbody>
</table>

*All figures rounded to the nearest dollar*
Due to the COVID-19 pandemic national emergency proclamation on March 13, 2020 by President Trump and pursuant to our Bylaws, the 84th Annual Membership Meeting of the Shell Federal Credit Union was held virtually on Monday, June 1, 2021, at 7:00 PM in Deer Park, Texas. The membership was notified of the virtual meeting on March 17, 2021. Included in the notice were biographies of the Directors of the Nominating Committee nominated as well as instructions on how to nominate by petition. On April 27, 2021, our Annual Meeting notice was placed on our website, in branches, and emailed to eStatement members. This notice informed the membership of the meeting date as well as instructions on how to attend virtually. The notice also informed the membership that nominations for the Board of Directors were closed and no other nominations were presented by petition.

Welcome – Chairman Mike Kolb welcomed everyone to the Annual Meeting.

Call to Order – The meeting was called to order at 7:00 PM with Mike Kolb presiding and Sonya Speck recording.

Invocation – Mark Reat gave the invocation.

National Anthem, Pledge of Allegiance and Texas Pledge – Stephanie Tunchez sang the National Anthem. The Pledge of Allegiance and Texas Pledge were recited.

Minutes of the last Annual Meeting – It was announced that the minutes from the last Annual Meeting were included in the Annual Report. We received no recommended amendments to the minutes. With no amendments, the minutes of the 83rd Annual Membership Meeting held on December 11, 2020 were approved.

Introduction of Nominating Committee – Chairman Kolb recognized Steve Alexander, Galen Davis, and Dewey Neighbors as the members of our Nominating Committee.

Chairman Kolb presented the Committee’s recommendations as follows.

<table>
<thead>
<tr>
<th>Board Members</th>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ben Esquivel</td>
<td>3-year term re-election</td>
</tr>
<tr>
<td>Kurt Hoefer</td>
<td>3-year term re-election</td>
</tr>
<tr>
<td>Mike Kolb</td>
<td>3-year term re-election</td>
</tr>
</tbody>
</table>

The Nominating Committee reported there were no nomination petitions. Since there were no nomination petitions, the nominees equal the number of positions to be filled. Per our Bylaws an election will not be conducted, and the Nominating Committee’s selections are therefore elected.

Report of the Supervisory Committee – Cindy Williams gave the report of the Supervisory Committee. She welcomed the membership and said your Supervisory Committee focuses on ensuring that the Board of Directors and Management of the credit union meet required financial reporting objectives and establish sound practices and procedures sufficient to safeguard our members’ assets. She said in 2020 the Committee contracted with CliftonLarsonAllen to perform quarterly compliance assessments and engaged Warren Averett CPAs and Advisors to perform the annual financial audit. Excellent reports were presented without any material discrepancies noted. Mrs. Williams thanked the membership for their continued confidence in Shell Federal Credit Union.

Report of the Chairman – Mike Kolb gave the Chairman’s report. He stated, Shell FCU has grown to over 118,379 members strong in 2020 through a loyal and steadfast commitment to their communities. In April of 2020, Shell FCU began construction on a multi-year four phase project. These projects will allow the staff to continue providing the membership exceptional service you deserve. Anticipated Credit Union growth exceeds the current space available and these projects will allow for additional servicing within the Deer Park Branch. Plus, the highly anticipated Baytown branch was completed and opened in November 2020.

You Belong Here at Shell FCU! Please encourage your family, friends, coworkers and neighbors who live, work, worship, attend school or regularly conduct business in Harris County to visit us online or stop by any branch. There’s no better way to understand the heartfelt respect we have for our members than by experiencing Shell FCU’s exceptional service. Shell FCU members are appreciated and above all we are family! We have the people that have the talent.

Report of the President – Jose Rodriguez welcomed everyone to our 84th Annual Meeting. He thanked the members for spending the evening with us virtually and for playing an active role in being a member within our organization. “You are our purpose, the reason for our existence, without you Shell Federal Credit Union does not exist. You are the reason we are here, everything we do on a daily basis is to serve you.”

Shell Federal Credit Union was prepared and ready for the challenges of 2020. We remained open for business throughout the year and implemented safety precautions to protect both the staff and membership. Shell FCU was the first credit union in the Houston area to safely reopen their lobbies after only closing them for a few short weeks. Sneezing guards were installed at all member interaction touchpoints prior to the lobbies reopening. The Drive-Thru, Call Center and digital services remained available for safe, secure and convenient access.

Throughout 2020, Shell FCU worked with members affected by the pandemic and offered three additional Skip-A-Pays in March, April and May to assist those in need. We implemented new Visa Debit Cards and Credit Cards with enhanced benefits, continued offering cash back on all auto loans and introduced a Check-in Online feature for those visiting a branch.

As essential employees, the Shell FCU staff continued their “Game Changer” mentality of being team players. Accommodations were made for staff to social distance and work safely while in the branches, work remotely as needed and much more. The staff remained eager to assist members, support their fellow teammates, changed their approach and upheld the passion and integrity they are known for within the communities we serve.

Providing exceptional service to our members is our highest priority. If at any time you do not feel You Belong Here, please let me know. I stand by my commitment to ensure each of you receives the personal and quality service you deserve with every Shell FCU interaction. Please contact me directly at jose.rodriguez@shellfcu.org if we are not meeting your expectations.

Thank you for the opportunity to serve you! Thank you to the Board and to the staff!

“We are…..SHELL!”

Adjournment – Chairman Kolb declared the Annual Membership Meeting adjourned at 7:47 PM.

Mike Kolb, Chairman
Sonya Speck, Recording