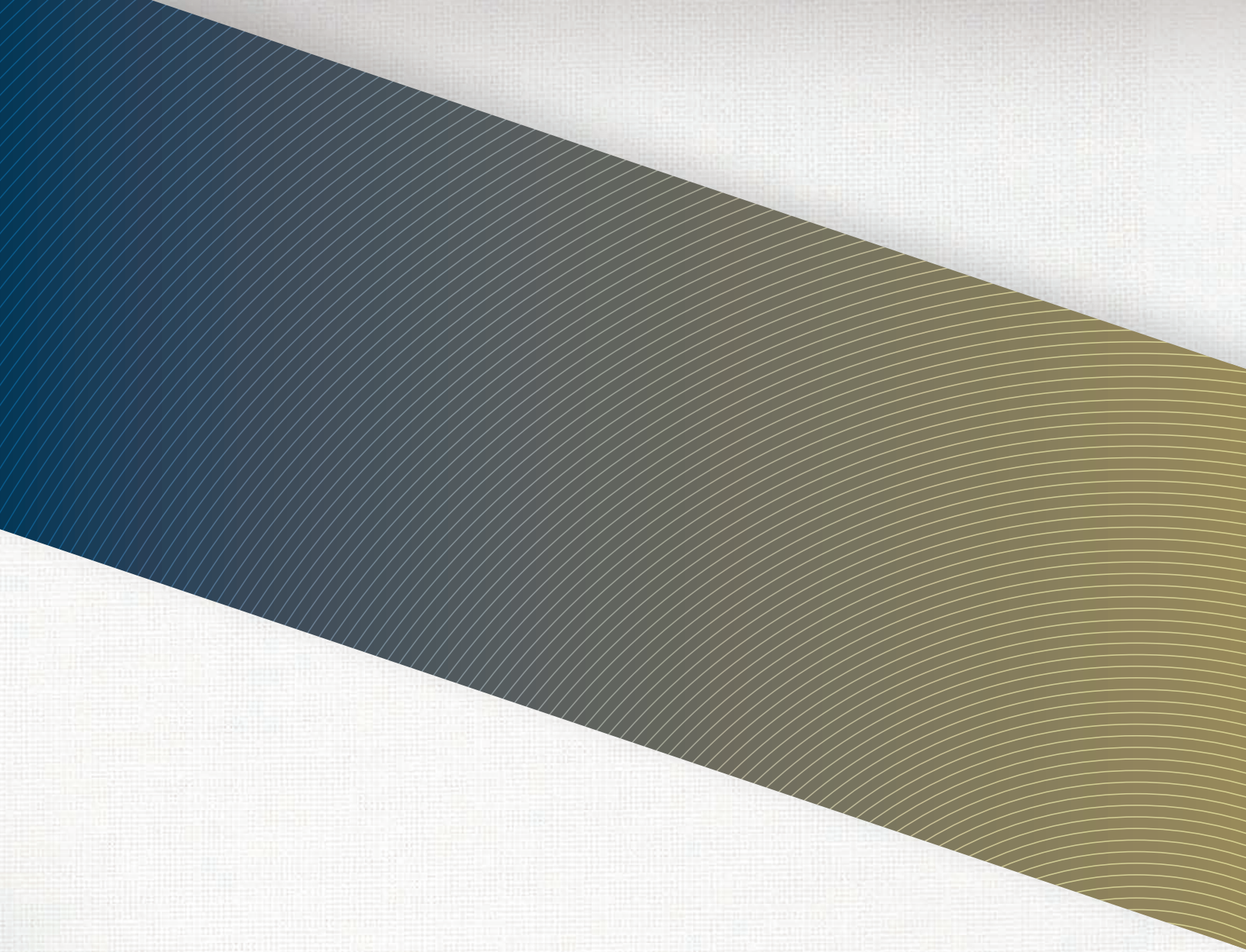


# INSPIRING CHANGE

CHANGE

2022 Corporate Social Responsibility Report





INSPIRING

CHANGE

CHANGE

# About this report

We believe success starts with our communities. For over 90 years, we've been committed to serving, supporting, and strengthening our communities through economic inclusion, workforce and community development, investment in local nonprofits, environmental stewardship, and a conscious commitment to our local partners.





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**Ira Robbins,**  
Chief Executive Officer



**Bernadette M. Mueller,**  
Chief Corporate Social  
Responsibility-CRA Officer

# Our Message

Creating a lasting, positive impact that drives meaningful change is the ethos of our Corporate Social Responsibility (CSR) model. The partnerships and projects we support are done with that goal in mind: to drive social, economic, and environmental success within the communities we serve.

What our associates and our partners understand – but what most might not realize – is the full extent of the impact that these partnerships have on our communities. Creating greater access to opportunities for homeownership, post-secondary education, higher earning wages, and environmentally sound conditions - this is what these projects do. This is the power that these projects have; they help establish healthier environments for people to flourish. In 2022, we collaborated with a number of partners that did just that.

Our work to promote affordable housing in lower-and-moderate income areas is not only about creating more affordable housing – it's about generating access to a foundation that is healthy, sustainable, and builds a legacy for future generations. It's about giving our communities a solid framework to live and grow, and where positive change can blossom.

Valley's work to promote economic development is also rooted in accessibility. We support organizations that provide working capital as well as business and financial resources to minority- and women-owned small businesses. With this work, it's not just about issuing loans – it's about providing technical resources to business owners that have historically been overlooked and underfunded; it's about creating jobs and fueling the health of our local economies; and it's about helping our community members achieve their dreams.

Championing innovation, entrepreneurship, and local leadership within our communities is no different. We cultivate strong relationships within the communities we serve so that we can better understand their needs and properly respond to them. We have made it a priority to provide access to better financial education and help our community members carve paths towards milestone moments like financial stability and homeownership.

It's through these initiatives that we uphold our commitment to building a socially responsible and sustainable future in the communities we serve and in our workplace culture. The principles that define our Environmental and Social Governance (ESG) and our Diversity, Equity & Inclusion (DEI) practices are rooted in our CSR work, as it has always been centered on providing access to opportunities where everyone can thrive.

Our DEI team has championed an inclusive work environment that enhances our ability as individuals and as an organization to innovate our practices and products, gain new insights, and apply this growth to our community work. This year's report will share several stories about how our DEI principles are reflected in the CSR work we've done and how they make up the fabric of our workplace and community culture.

2022 brought significant events for our organization including the completion of our acquisition of Bank Leumi USA in the second quarter. Along with Bank Leumi USA's talent and expertise came the ability to combine our CSR efforts and expand on the great work they were doing in new markets. With the addition of these markets, we were able to extend our reach into communities in Los Angeles, Palo Alto, and Chicago, providing greater access to resources that will make purposeful change.

In 2022, Valley received an Outstanding rating from the Office of the Comptroller of the Currency (OCC) for our Community Reinvestment Act (CRA) performance during 2019 - 2021. This was Valley's second consecutive Outstanding rating and demonstrates the strength of our programs and commitment to the people and communities we serve.

The impact achieved this past year was a result of an unwavering dedication to foster positive change in our communities. We're thankful to our community partners for letting us be a part of the inspiring work they do and for being the changemakers that are building healthy, thriving communities.



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Ira Robbins

Bernadette M. Mueller

# About Valley



We are committed to creating better banking opportunities for our customers, making positive contributions in our communities, empowering our associates, and managing our company in a sustainable and responsible manner.

As a regional bank with approximately \$64 billion in assets and more than 230 locations in New Jersey, New York, Florida, Alabama, California, and Illinois, Valley has never been stronger. Our goal is to inspire our communities to flourish by committing to the success of everyone we serve.

This vision is largely shaped by our corporate strategy, which is designed to help us create a positive and lasting impact for our customers and our associates. At Valley, we embody a customer-centric culture where we've made it a priority to foster deep relationships with community partners whose missions reflect our values, and support and develop community initiatives that allow our communities to thrive.

Our corporate strategy and our vision for the future is bolstered by the four pillars that comprise our Corporate Social Responsibility strategy:

- 1) promoting affordable housing;
- 2) inspiring innovation and entrepreneurship;
- 3) stimulating economic and community development; and
- 4) driving impactful, local leadership within the communities we serve.



**FOUNDED  
IN 1927**



**\$64 BILLION  
IN ASSETS**



**LOANS OVER  
\$48.7 BILLION**



**DEPOSITS OVER  
\$47.6 BILLION**

\*Any number or figure shown on this page has a currency date of as April 27, 2023.

# OUR MISSION STATEMENT:

## Giving People and Businesses the Power to Succeed

### We Believe In...

#### Cultivating a collaborative and empowering culture

Our associates are the heart of Valley. Without their dedication and willingness to help our customers succeed, we wouldn't be where we are today. To ensure Valley continues having a long and prosperous future, we're focused on supporting our associates. Creating an environment where each associate feels part of a team and empowered to share their ideas is so important for our future success. After all, we are one Valley.

#### Being a trusted financial partner

Our rich history is built on people, businesses and communities trusting us to help them reach their financial goals. Integrity and ethical practices are the foundation our company is built on. Because of this, being a trusted financial partner is the key to continued success for our company.

#### Generating innovative ideas and solutions

We help people and businesses succeed by providing solutions that best meet their needs. It's not just having great technology that makes us innovative. It's about having the right people together to develop and share ideas and solutions that will drive our customers to success.

#### Advocating for our local communities

Without the success of the people and businesses we serve, we can't succeed. That's why we're committed to going above and beyond for our communities. Through community service, corporate giving, and customized solutions tailored to the best interest of our communities, we're focused on creating thriving communities for the long term.



**VALLEY NATIONAL  
BANCORP**  
NASDAQ



**3,900+  
EMPLOYEES**



**230+ BRANCHES/OFFICES  
ACROSS 6 STATES**

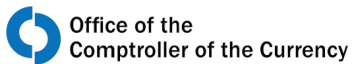


**240+ ATMS**

\*Any number or figure shown on this page has a currency date of as April 27, 2023.

## RECOGNITION AND ACHIEVEMENTS

Our work is driven by a commitment to construct a community fabric that is socially, economically, and environmentally conducive to the success and well-being of everyone. We are honored to have been recognized by these organizations for our work in 2022.



### OFFICE OF THE COMPTROLLER OF THE CURRENCY

Community Reinvestment Act Outstanding Rating 2019-2021



### BEST BIG BANK

New Jersey 2023



### COMMERCE AND INDUSTRY ASSOCIATION OF NEW JERSEY (CIANJ) AND COMMERCE MAGAZINE

2022 Companies that Care Awards



### THE COMMUNITY CHEST

2022 Corporate Philanthropy Award



### FAMILY CONNECTIONS

2022 Champion of the People Award



### HOMELESS SOLUTIONS

2022 Dream Builders Award



### LONG ISLAND BUSINESS NEWS (LIBN)

Corporate Citizenship Award 2022 Corporate Social Responsibility Category



### NJ BANKERS

2022 Community Service Awards



### SPRINGBOARD

Top 50 Content Marketing Programs of 2022



### TRAINING MAGAZINE

2022 Training APEX Awards

## COMMUNITY INVESTMENT HIGHLIGHTS

The best investment we can ever make is giving back to the communities we serve. Why? Because when our communities thrive, we all do, too. Here's how we supported our communities in 2022:



Community Development Loans to advance affordable housing and community services to low-to-moderate income (LMI) individuals, economic and community development and revitalization and stabilization

**\$1.49 Billion**



Residential Mortgages to LMI borrowers and/or borrowers in LMI neighborhoods

**\$404 Million**



Community Development Investments supporting LMI neighborhoods, individuals, and businesses

**\$420 Million**

TOTAL INVESTMENT:  
**\$3.47 Billion**



Multi-Family loans in LMI neighborhoods

**\$700 Million**



**\$5.3+ Million**  
in Charitable Giving



**12,100+**  
Volunteer Hours



Small Business loans to small businesses and/or in LMI areas

**\$455 Million**

# Social Responsibility

Supporting the communities we serve is at the core of what we do. Our communities are the foundation from which our economy, our society, and our overall well-being can grow and flourish. Valley collaborates with nonprofits and other community-based organizations and their leaders to address fundamental needs in our communities and make a positive impact.



## SERVING OUR STAKEHOLDERS

Our four Corporate Social Responsibility (CSR) pillars serve as guideposts for the partnerships we foster and the missions we support. These pillars ensure that we're addressing the needs of our communities, strengthening our communities, and enabling our neighbors to thrive.

### Promoting Affordable Housing

Supporting affordable housing programs and initiatives is a key focus of the Bank's community development goals, which include lending, investments, and service activities in partnership with high impact community-based partners. Valley is committed to making affordable and sustainable housing more accessible in the communities we serve.

The shortage of affordable homes in the U.S. is especially burdensome for low-income renters who face a lack of available units in every state and major metropolitan area. Housing affordability and availability is further exacerbated in urban households, who are also contending with higher costs of living as housing prices outpace wage growth.

That's why we're committed to maintaining partnerships that support local efforts to increase the supply of affordable housing and address homelessness, and to direct resources to where they are needed most. By working closely with community development corporations, housing counseling agencies, and other community-based organizations, the Bank increases access to affordable homeownership and rental opportunities, while also addressing housing instability.

For example, our partner **Broward Housing Solutions**, a nonprofit organization in Broward County, Florida provides quality housing opportunities for low-income people and those that are suffering from homelessness and mental illness. Through a variety of grants and funding resources, including forgivable loans from Valley, the organization was able to purchase and provide affordable apartments for more than 400 residents.

**Homeless Solutions, Inc. (HSI)**, another long-time community partner of Valley, is also committed to helping those experiencing homelessness. Founded in 1983, HSI is the only nonprofit in New Jersey that operates homeless shelter programs for four distinctly different populations – families, single women, single men, and people suffering from mental illness. In 2022, Valley was honored to be recognized at HSI's annual Dream Builders Bash as one of the region's outstanding corporate citizens. Funds raised from the event went directly to providing critical programs and services at their two shelter facilities.

Likewise, we partner with **Chhaya Community Development Corporation's** Housing Justice Program to offer one-on-one counseling, resources, and advocacy geared toward low-to-moderate-income (LMI) homeowners and tenants to prevent housing displacement and to stabilize households that are struggling financially. The program is designed to address the immediate and long-term housing needs that low-income families in their Queens service areas have experienced because of the pandemic.

## OUR CSR PILLARS



Promoting affordable housing



Stimulating economic and community development



Inspiring innovation & entrepreneurship



Implementing impactful, local leadership in our communities



**Cypress Hills Local Development Corporation (CHLDC)** builds a strong and equitable East New York by providing educational resources to secure and preserve affordable housing. The Bank provided funding to the CHLDC’s Innovation and Recovery Fund for the Cypress Hills Community Center, which opened last summer and provided the neighborhood with 274 units of permanent affordable housing for low-income residents. Additionally, the Community Center increased their capacity to provide high-quality services to the neighborhood with the additions of a commercial teaching kitchen, a Kingsborough Community College satellite campus, a social enterprise cafe, multi-purpose rooms for family-oriented education and arts programs, job trainings, college access services, and recreational spaces.

Longtime partner **Habitat for Humanity** works to create a world where everyone has a decent place to live and we’re proud to partner with this impactful organization across our footprint. The Bank has supported this mission by working with our local Habitat partners to purchase their mortgages, issue capital grants, conduct loan servicing, and provide volunteer service hours. Purchasing mortgages has been a successful and effective practice because it frees up capital for the Habitat agency to help fund their affordable home programs. Through our partnerships with **Habitat Bergen County, Habitat Broward, Habitat Monmouth County, Montgomery Habitat, Morris Habitat for Humanity** and **Habitat New York City and Westchester County**, to name a few, thousands of people have become first-time homebuyers.

As a result of Valley’s acquisition of Bank Leumi USA, we have expanded our partnerships to promote affordable housing with **Neighborhood Housing Services’ (NHS)** Chicago and Los Angeles chapters. NHS is a nonprofit organization committed to strengthening communities by providing financial education and creating affordable homeownership opportunities. Our funding to NHS Chicago supported their Comprehensive Housing Counseling program



Habitat for Humanity works to create a world where everyone has a decent place to live and we’re proud to partner with this impactful organization across our footprint.

which helps LMI residents buy, keep, or fix their home with a goal of revitalizing challenged neighborhoods through financially sustainable and affordable homeownership. These partnerships build on the work Valley furthers through its ongoing support of **NHS of Queens** and **NHS of Birmingham**.

Our support of the **University Neighborhood Housing Program (UNHP)** provides funding for community-based, affordable housing in Northwest Bronx, New York, where the need is significant. While the majority of Northwest Bronx households work, the wages are very low – approximately 19% of households make less than \$10,000 annually and 24% of households make between \$10,000 and \$25,000 annually (source: UNHP). Our funding supports the UNHP Northwest Bronx Resource Center (NWBRC), a direct service provider of housing and financial services to about 2,500 Bronx residents each year. The NWBRC has continued to address newly emerging needs in a community where long-standing inequities around income, race, wages, healthcare, and housing affordability were further exacerbated by the pandemic.

The Bank is an active participant of the **Federal Home Loan Bank of New York's (FHLBNY) Affordable Housing Program**, which gives Valley the opportunity to sponsor investments in projects to purchase, rehabilitate, or construct affordable homes or apartments. In 2022, five of the seven applications the Bank submitted on behalf of nonprofit partners in New Jersey and New York were awarded AHP funds that resulted in almost \$5 million in AHP program subsidies. These funds helped deliver almost 500 affordable rental units.

## ECONOMIC AND COMMUNITY DEVELOPMENT

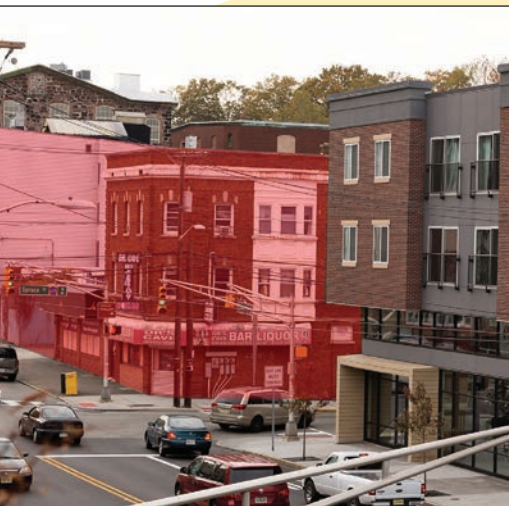
Job growth, sustainable designs, workforce development, and a thriving entrepreneurial society are only possible through continued investments in programs and initiatives that support economic vitality and the well-being of communities. We are committed to supporting this pillar through strategic community partnerships.

Valley has long partnered with local community development financial institutions (CDFI) to expand local resources for small business growth such as increased access to capital and technical assistance. Underserved markets and populations especially benefit from CDFI's community development mission through financing and development services that increase community-based opportunities. A few of our CDFI partners include:

- **Renaissance Economic Development Corporation**, an affiliate of Asian Americans for Equality, is a nonprofit community development organization dedicated to empowering New York City's Asian Americans and others.
- **Palm Beach County Black Business Investment Corporation**, an organization that provides financial support and technical assistance to Black-owned businesses.
- **Hispanic Interest Coalition of Alabama (HiCA!)**, which has helped more than 70 residents become U.S. citizens and more than 30 Latino-owned businesses create 64 new jobs.



*Rendering of Maple Shade Senior, a sixty-unit LEED certified mixed-use development that was awarded AHP funds in 2022.*



*The red represents a NRTC project site in Paterson, New Jersey, that will be revitalized through the demolition and construction of affordable housing units. The new building will be a replication of the building on the right, which was built from NRTC funding several years ago.*

- **Greater Newark Enterprises Corporation**, which provides business capital, consulting, and coaching to underserved and underbanked entrepreneurs based in Newark and greater New Jersey.
- **Local Initiatives Support Corporation (LISC) New York City**, which has created a Developers of Color Training Program to expand the capacity of women and minority business enterprise (W/MBE) developers to enhance their networks and gain access to capital.
- **Union County Economic Development Corporation (UCEDC)**, which has been helping small businesses in New Jersey secure loans and obtain government contracts as well as training and mentoring business owners since 1977.

Valley has invested over \$6 million in **New Jersey’s Neighborhood Revitalization Tax Credit Program (NRTC)** that offers business entities a 100 percent tax credit for funds allocated to nonprofit entities carrying out comprehensive resident-driven revitalization plans. The NRTC is part of the New Jersey Department of Community Affairs Division of Housing and Community Resources. The program has become one of the most successful public/private programs that furthers community development and neighborhood revitalization in New Jersey, leveraging at least five dollars for every one dollar invested. Last year, the Bank invested over \$500,000 in state tax credits to support five urban neighborhoods in Newark, Perth Amboy, and Paterson.

Working with organizations that help to fuel local entrepreneurship is a key component to our economic development strategy. Our partner, **Ignite Alabama**, is an organization that fosters entrepreneurship for women and minority-owned businesses. Valley has participated in Ignite’s educational seminars designed to bridge communication gaps between business owners, banks, and nonprofit organizations, and served on their executive board. **Allies for Community Business, Inc.** – a longstanding partner of legacy Bank Leumi USA



– supports a similar mission, providing capital, coaching, and connections for entrepreneurs in Chicago to create and grow their businesses.

Additionally, our partnership with the **United Jewish Appeal - Federation of New York (UJA)** has helped fund food distribution, workforce development programs and mental health support for a network of nonprofits that can work individually and together to respond to ongoing challenges and emerging issues.

In 2022, Valley entered its fifth year of partnership with the **Walter Hoving Home (Hoving Home)** in Oxford, New Jersey, in support of its Career Readiness program, which provides financial education to women recovering from life-controlling issues, such as human-trafficking, prostitution, abuse, drug addiction, alcoholism, and judicial proceedings. Valley has volunteered more than 60 hours and served more than 225 women through the program's financial literacy outreach, and has helped fund the costs of room, board, medical needs, personal supplies, and therapeutic counseling, as well as a computer lab – all to help transform the lives of the women under their care.

The mission to promote economic empowerment through education, entrepreneurship, and job training is perhaps best exemplified through the work of our **Urban League** partners. We have proudly partnered with the **Urban League of Essex County**, which leads the revitalization of Newark's Fairmount Heights neighborhood in New Jersey where Valley's funds have supported economic empowerment programs for residents, housing counseling services, an accredited Early Childhood Center that provides quality, full-day programs and nutritious meals for early learning success, and food pantry operations that provide meals to 250 families each week.

Similarly, our work with **Urban League of Broward County** supports small business owners in South Florida through the LevelUp Fund, initially created by legacy Bank Leumi USA and adopted and enhanced by Valley. The LevelUp Fund offers low-interest loans from \$5,000 - \$50,000 to minority- and women-owned small businesses and to LMI individuals looking to start a business in Broward, Miami-Dade, and Palm Beach Counties.

## INNOVATION AND ENTREPRENEURSHIP

Small businesses are economic engines for communities, employing almost half of the U.S. workforce. Developing advanced solutions that drive entrepreneurship and workforce development to staff local businesses is essential to creating a stable economy. We're committed to helping individuals, nonprofits, and small businesses use innovative processes to find solutions that help our communities thrive.

As part of this commitment, Valley partners with the **Centre for Women, Inc.**, which provides the Tampa Bay area with resources for workforce, leadership, and entrepreneur development to combat gender disparity in leadership roles. We're proud to support an inaugural program developed by the Centre, the Pat Collier Frank Leadership Institute for Women, which provides women with the tools needed to overcome barriers in the workplace by offering a series of leadership training opportunities including one-on-one counseling, mastermind programs and virtual learning.



*Associates volunteering at Hoving Home to beautify their property in Oxford, New Jersey in preparation for their annual graduation ceremony.*



Thanks to the Valley Bank Small Business Loan fund at the Hebrew Free Loan Society I was able to grow my business without taking on high-interest debt. Now, I can focus on my recipes and expand my cafe to reach even more customers.

— *Gautier, Owner, L'Appartement 4F, Small Business Loan Recipient*



Our support of **The Doe Fund's** Ready, Willing, & Able Program, a 12-month residential program, helps men with long histories of incarceration, homelessness, and unemployment ascend the economic ladder. For more than 30 years, the program has helped thousands of men find purpose and passion for new careers, and has alleviated the financial burdens of incarceration, recidivism, and homelessness in New York communities.

### COMMUNITY SPOTLIGHT:

When the COVID-19 pandemic began, small businesses were heavily impacted, with many experiencing financial and staffing issues.

To help alleviate financial distress, Valley provided resources and fostered the partnership with the **Hebrew Free Loan Society (HFLS)**, previously started through legacy Bank Leumi USA. The Valley National Bank Small Business Loan Fund provides funding to HFLS to continue to offer interest-free, no-guarantor loans to support small business owners in Long Island, Westchester, and New York's five boroughs.

In 2022, Valley made an additional contribution, matched by HFLS, bringing the total Fund to \$1 million. These resources assist HFLS in reaching small businesses and entrepreneurs that have traditionally been denied access to credit due to lack of traditional guarantors.

Since the Fund's launch in 2020, more than \$1 million has been lent to small businesses that are primarily minority and women-owned. Loan repayments are then recycled back into the Fund to continue to support additional small business owners and future entrepreneurs.

The Bank also provided seed funding for the new **Palm Beach County NeuroArts Collaborative**, convened by **Palm Health Foundation**, that brings together leaders in brain science and the arts in Palm Beach County, Florida. Valley's donation contributed to the support of the collaborative's launch and its growth as it focuses on identifying and mapping local partners, programs, resources, and existing research to support the advancement of neuro-arts in South Florida.

ASPIRE, another innovative program we supported last year, is a first-of-its-kind workforce development program implemented by the **Early Learning Coalition of Palm Beach County**. The program is focused on easing the path to employment for those interested in joining the workforce as early learning educators and supporting early learning programs in their hiring and on-boarding process.

### Closing the funding gap for minority-owned businesses

Minority-owned businesses make up about 19.9% of the economic fabric of the United States, according to data from the U.S. Census Bureau's 2021 Annual Business Survey, making up a good portion of the country's economic success.

Yet, minority-owned businesses do not receive nearly as much venture capital as their white-owned counterparts.

Ending this imbalance and closing the funding gap is the mission of **Bronze Valley**, a nonprofit, early-stage venture investment platform, and certified CDFI in Birmingham, Alabama. The programming has yielded great success, as Bronze Valley has invested in more than 24 startups across ten states that are owned and operated by diverse or female founders.

Likewise, we continue to support the **Tampa Bay Chamber's** Minority Business Accelerator program, which helps Black and Hispanic businesses with high-growth potential identify and overcome barriers that often include limited access to capital, key decision makers, and information. In 2022, the participating companies reported filling 255 job vacancies and creating an additional 199 jobs, helping to create a more inclusive and diverse business community in Tampa.

We're also proud to support **BOC Capital Corp.**, which serves the New York City metropolitan area with a focus on economically distressed areas in NYC, Westchester, Long Island, and New Jersey. BOC Capital is implementing the Entrepreneurs of Color Fund to adapt BOC Capital microloans to meet the needs of black and Hispanic-owned small businesses.

Valley furthered its partnership with **Rising Tide Capital (RTC)** through investments and engagement with RTC entrepreneurs. RTC has since grown into one of the largest education-focused organizations for entrepreneurs in the country, having worked with over 900 entrepreneurs each year in two languages in New Jersey, and with replication partners now applying the RTC model in ten cities across eight states. RTC's core programs, including The Community Business Academy, Business Acceleration Services, and Credit to Capital, are intentionally designed to support the success of minority entrepreneurs from disadvantaged backgrounds and promote small business creation, resilience, and growth in historically underinvested communities.

## LOCAL LEADERSHIP

Being leaders in our local communities means responding to the needs of our communities, building relationships with fellow community members, understanding and identifying community needs, and championing initiatives that cultivate strong, local leadership. Our associates are actively engaged in community organizations by serving on nonprofit boards and volunteering to help those in need. From supporting financial education to community organizations that are making a big, local impact, we're committed to serving the local needs of each market we operate in.

We support the following organizations through funding, volunteer, and board engagements that promote leadership development in our communities, including:

- **Bottomless Closet**, which helps disadvantaged women in New York City enter the workforce and achieve professional success.
- **Luna Stage Company, Inc.**, a professional equity theater in New Jersey dedicated to developing and producing plays about local and global experiences.



*The Bank donated office furniture to Starlight Cove Elementary School, a Title I school in Lantana, FL, where over 96% of the students are on free and reduced lunch.*



- **Women's Center of Jacksonville**, which provides rape recovery resources including counseling and community education programs to all individuals in Duval, Nassau, and Baker counties in Florida.
- **Mobilization for Justice**, which provides free, high-quality, civil legal assistance to New Yorkers who are low-income, disenfranchised, have disabilities, and have suffered from the effects of social injustice and systemic racism.

### Programs that strengthen families and youth

Supporting programs that provide educational resources to youth is integral to creating a strong community foundation. We're proud to work with the following organizations that have dedicated programs to encourage financial education and stability within families and youth:

- **Casa Valentina, Inc.** provides home and life skills and education and employment resources to youth who have aged out of foster care and are at risk of homelessness in Miami, Florida.
- The **Family Guidance Center** offers programs that promote financial stability, counseling, workforce development, job readiness training and senior services for low-income families in Birmingham, Alabama.
- **Jack & Jill Children's Center** provides innovative education and supportive programming to children and families in Fort Lauderdale, Florida.
- Our partnership with the **New Jersey Community Development Corporation** supports programs and services that ensure all 8,000 children living or going to school in Paterson, New Jersey graduate from high school and are college or career ready.

## COMMUNITY SPOTLIGHT: AFTER THE STORM

Thousands of families and individuals in Southwest Florida were tragically displaced and impacted by Hurricane Ian in the fall of 2022. To support those in need, Valley donated over \$125,000 to several Florida-based community organizations, including the **Southwest Florida Emergency Relief Fund, Florida Disaster Relief Fund, Harry Chapin Food Bank, Community Foundation of Tampa Bay and Hatzalah South Florida Emergency Medical Services**, that provided essential services and support for those who need it most. Additionally, the Bank offered disaster assistance through a 36-month term personal loan to help borrowers secure repairs and/or initiate replacements on any damaged property. We also offered financing for new or used automobiles for up to a 60-month term to help families replace vehicles that were damaged by the storm.



In the wake of one of the most devastating storms to ever hit Florida, it is critical that we do our part to provide relief where it's needed most. Valley has a long history of supporting our communities during difficult times and we'll continue to stand alongside our neighbors, colleagues and customers as they recover and rebuild.

- Ira Robbins, CEO, Valley Bank

## Community Programs and Products

Helping people achieve affordable homeownership is one of our leading priorities. Through government sponsored programs from the Federal Housing Administration (FHA) and the U.S. Department of Agriculture (USDA) to the U.S. Department of Veterans Affairs (VA) and Fannie Mae and Freddie Mac, as well as our proprietary programs, we can offer a number of benefits for first-time homebuyers.

The **Valley Community Advantage** program facilitates homeownership for low-to-moderate income families by providing 97% financing without the additional cost of mortgage insurance.

The **Valley Community Plus** program guides first-time homebuyers in low-to-moderate income areas through the homebuying process, providing flexible financing terms.

The **Valley Community Advantage Refinance** program is ideal for low-to-moderate income families who haven't established considerable equity to refinance their mortgage and may help reduce current home payments.

We also offer more options for first-time homebuyers and low-to-moderate income households through government-sponsored organizations including:

- Fannie Mae's HomeReady Loan
- Freddie Mac's Home Possible
- Freddie Mac's HomeOne Program
- FHA Loans
- USDA Loans
- VA Loans
- Community Land Trusts and Deed Restrictions
- Financing Co-op Transactions

### Partner- and State-Sponsored Programs

- State of New York Mortgage Agency (SONYMA)'s Achieving the Dream Program
- State of New York Mortgage Agency (SONYMA)'s Low Interest Rate Program
- Florida Housing Finance Corporation
- Homebuyer Dream Program (Federal Home Loan Bank of New York)
- Neighborhood LIFT Residential Down Payment Assistance Program (NJ)
- Alabama Finance Housing Authority Bond Program



Through the Bank's **Journey to Homeownership** program, we are committed to helping as many people as possible achieve the dream of homeownership – including those who think that the dream is out of reach. Designed for first-time homebuyers, the program educates and provides responsive mortgage products that foster affordable homeownership. The webinar series, hosted in English and Spanish, provides educational services including the basics of home financing, determining what's affordable for your budget, low down payment options, and more.

We're also committed to providing opportunities for everyone to achieve financial stability. The **Valley Journey Checking Account** has helped the underbanked and the unbanked have access to secure banking services by offering features that allow users to pay bills, make purchases, and access federal deposit insurance without having to pay high monthly fees, or fees for overdrafts or non-sufficient funds. Account users are also eligible to receive financial education after opening the account – a feature that helped position new users to achieve financial success. This element, as well as the account's existing features, helped it to earn a Bank On certification in 2021 that has been recertified through 2024.

Our teams actively partner with local, trusted community-based partners, such as the **United Way**, to reach individuals in our communities who may not have believed they could open a bank account due to their previous financial history. We will continue to leverage our partnerships with nonprofit organizations to gain additional insights toward meeting the banking needs of all our customers.

### Community Lending

Small businesses make up the economic fabric of our communities. Without them, our communities and our community members would be without access to a healthy local economy, job opportunities, and an assortment of necessary goods and services.

Valley's Community Lending division understands that small businesses are a valued part of the community and is committed to helping these businesses – especially those that are minority and women-owned – advance and grow through access to capital, financial solutions, and financial literacy training. We know that many small businesses – especially those that are minority-owned –



may feel overlooked by banks. We also know that a company’s size and current financial status do not speak for their history, their story, or their positive impact on the community. Our Community Lending team looks at a business’ growth potential rather than its current size to determine how we can help drive long-term growth.

Our Community Lending loans are approved based on personal credit profile and minimum credit score requirements which are lower than those for other loan programs, providing greater access to funding.

We offer a range of financing options from \$5,000 to \$100,000 including:

Working capital lines of credit	Financing for equipment and/or vehicles
Term loans	Debt consolidation loans

Since its inception, the team has prioritized developing relationships with local government authorities to service their minority- and women-owned business community with access to a wider industry network and financial solutions including deposits, treasury management, payroll processing, and retirement.

Our Community Lending associates are committed to community outreach and served more than 450 volunteer hours last year at organized events that offered business owners financial education, technical assistance, and mentorship in partnership with a series of organizations including **Rising Tide Capital, Inc., the Statewide Hispanic Chamber of Commerce of New Jersey,** and the **City of West Palm Beach.**

### COMMUNITY SPOTLIGHT: INVEST NEWARK

We partnered with Invest Newark, the City of Newark’s Economic Development Corporation, to launch the ninth iteration of its “Language of Capital” educational series, which provides Newark-based entrepreneurs with financial planning resources to achieve operational success. Valley has supported four cohorts of this educational program, including the first program offered completely in Portuguese. The program is in line with our commitment to helping minority business owners achieve financial security and simultaneously promotes economic development opportunities across Newark, as new business owners have access to the necessary resources to build and grow their businesses.



### New Market Tax Credits

In late 2021, Valley welcomed Dudley Ventures, LLC – a tax credit advisory organization based in Arizona with a shared commitment to strengthening the communities it serves – into its family. Dudley Ventures has more than 20 years of experience investing in tax credit transactions, and in providing advisory services, asset management, fund reporting and acquisitions. The firm has completed more than \$647 million in advisory services work for projects on behalf of institutional, municipal, corporate, for-profit, and nonprofit clients.

Furthermore, Dudley Ventures’ team are experts in the New Markets Tax Credit



Through the NMTC program, we've been able to help clients create jobs in low-income communities, invest in economically distressed areas, and reduce the poverty rate.

(NMTC) Program, which utilizes tax credit financing to support community development and economic growth in economically distressed communities. As long-time participants of the NMTC program, Valley's expertise was enhanced and amplified with the addition of Dudley Ventures.

Designed to stimulate the economies of low-income communities, the NMTC Program permits individual and corporate investors to receive a tax credit against their federal income tax in exchange for making equity investments in Community Development Entities (CDEs). The benefits of NMTCs for Valley clients are extensive and include the ability to: subsidize about 20 percent of a project's capital needs – usually in the form of low-interest, forgivable debt; offer subordinated debt, lower origination fees, higher loan-to-value, and affordable financing options; provide access to flexible and affordable financing options; and reduce out-of-pocket financing.

Through the NMTC program, we've been able to help clients create jobs in low-income communities, invest in economically distressed areas, and reduce the poverty rate.

### COMMUNITY SPOTLIGHT: MOMENI, INC.

In 2021, longtime Valley client, Momeni, Inc. – a leading manufacturer and importer of Persian area rugs, wall-to-wall carpeting, and home décor – had a goal to establish a new 302,600 square foot warehouse and distribution facility in Adairsville, Georgia to better manage their growing demand of online retail



sales and to bring more economic opportunity to the Adairsville community. The new facility would serve as a centralized import and distribution hub for Momeni, allowing greater service for their expanded customer base, and would supplement the company's main hub in New Jersey.

Additionally, this project would help revitalize the local Adairsville community, which was experiencing an unemployment rate that was almost two times higher than the national average, by bringing new full-time job opportunities to the area.

The construction, operations, and long-term management of the new Momeni facility would feed the Adairsville economy, making this project a great candidate for the NMTC Program. Dudley Ventures was able to source and allocate \$14 million in NMTCs, saving Momeni more than \$4 million in traditional equity, otherwise needed to complete their project.

Since the deal's completion, Momeni's new facility has boosted the local economy of Adairsville, having created 100 construction jobs and 98 full-time quality jobs at its completion in August 2022. The project provided skills training in conjunction with a local workforce development provider, giving high-quality training and instruction to the area. Furthermore, Momeni has committed at least 65% of its labor force in Adairsville to the community's minority residents.



## LAST YEAR, WOMEN IN BUSINESS

HOSTED

12

events

SPONSORED

43

community-based events

## Women in Business

Created to support women at all stages of the business cycle, Valley's Women in Business program fosters connections between members by hosting educational events that provide opportunities for growth, learning, and networking. Last year, we hosted 12 events and sponsored 43 community-based events in partnership with organizations including:

- Hackensack Area Chamber of Commerce's Women Empowering Women Conference
- Women of Color Connecting Summit's Institute of Entrepreneurial Leadership
- Latinas in Business' How Women Succeed in America Conference
- Birmingham Airport's Small Business Event
- William Paterson University's Career Outlook & Industry Networking Workshop

The WIB program is supported by 75 WIB Ambassadors - associates who engage with women's groups in their communities to ensure our WIB resources are accessible and comprehensive for business owners in each region. This past year, we hosted a virtual learning event for our WIB Ambassadors titled "Speaking for Maximum Impact," which was designed to share best practices to improve public speaking and presentation.

Our support for women business owners also extends to financial products including our Women in Business Checking Account, which was designed to meet the unique needs of female entrepreneurs.



# Diversity, Equity & Inclusion



## WE ALL BELONG AT VALLEY

Collaboration, innovation, and productivity – all drivers of success – are rooted in the principles of diversity, equity, and inclusion (DEI). At Valley, we are committed to creating an environment where our individual differences are not only valued but celebrated; where perspectives are shared and recognized; and where everyone is given access to opportunities to succeed.

### A Look Back

Our DEI programming and initiatives remain focused on providing greater access to the many opportunities Valley offers. 2022 was focused on intentional growth and we made it a priority to provide our associates with access to opportunities designed to promote personal and professional development and success. Our programs and initiatives were rooted in four key focus areas:

- Our thriving Associate Resource Group (ARG) program, which champions an environment where unique perspectives are shared and valued.
- Recruitment and retention strategies that embody the principles of Diversity, Equity & Inclusion.
- The creation of an inclusion-focused section for talent development programs.
- Company-wide conversations and sessions that engage associates about the importance of inclusion.

### Associate Resource Groups

Our Associate Resource Group (ARG) Program is comprised of six groups that serve as an educational resource for Valley associates to learn about, champion, and celebrate the unique communities that make up the Valley fabric. These groups include:

- **ABLE:** Committed to empowering the disability community at Valley and in the communities we serve through education, communication, innovation, and technology.
- **ASIA (Asian Society for Innovation and Advancement):** Dedicated to celebrating the diversity and rich history of Middle Eastern, South Asian, Asian Pacific, and Asian American cultures and applying these cultures to Valley's work environment.
- **BELIEVE (Black Employees Leading in Inclusion Excellence Vision and Empowerment):** Encourages and empowers Black associates to lead and thrive in their professional careers through greater access to professional development, mentoring, and networking.
- **HOLA (Hispanic Organization for Leadership and Advancement):** Dedicated to inspiring and supporting Hispanic, Latino/a/x, and Portuguese professionals and their colleagues at Valley.
- **PROUD:** Committed to creating safe spaces and ensuring the well-being of



When everyone has a seat at the table and feels safe to share their heritage, ideas, and values – everyone benefits.

– Valley Associate Resource Group Member



## ARG Groups



LGBTQ+ associates and their colleagues by promoting allyship, advocacy, and education through cultural competence and awareness.

- **WISE (Women Influencing Success and Empowerment):** Committed to educating, connecting, elevating, and empowering women by providing inclusive networking, professional development and opportunities for collaboration and community outreach.

The ARG program continues to thrive with over 620 Valley associates as members. A total of 38 company events were held in 2022, providing associates with access to inclusive and educational programming.

### ARG EVENT SPOTLIGHT: ANNUAL LINCOLN TUNNEL CHALLENGE 5K

Led by our ABLE ARG, Valley associates participated in the Annual Lincoln Tunnel Challenge 5K, which benefits Special Olympics New Jersey, an organization dedicated to providing year-round sports training and athletic competition for children and adults with intellectual disabilities. We are proud to support such an incredible event, and our fundraising efforts were awarded the Kevin Murphy Memorial Award, which is given to the Highest Fundraising Team.



### Inclusion & Education

We are committed to providing our associates with continued education opportunities that support an inclusive work environment. Last year, the Learning & Development and Employee Engagement teams collaborated with our DEI team to launch three new series:

- **Jumpstart Your Professional Development Series:** Designed to provide associates with tools to build and improve their skillsets and develop a greater understanding of Valley’s seven core competencies of performance.
- **Widening the Lens, Sharing Our Perspectives Series:** A series of sessions to strengthen the Valley community with topics designed to help associates understand how to mitigate unconscious bias, stand up against bias, and build cultural competency.
- **REAL Talk Series:** REAL Talk launched as a forum at legacy Bank Leumi USA and continues to provide Valley associates with opportunities to participate in discussions about topics that are affecting our communities.

In addition to the launch of these series, the Learning & Development and Employee Engagement teams collaborated to continue our ARG Mentorship Program, which provides career development opportunities for both program mentors and mentees. Through the program, mentees learn how to identify and establish professional goals, improve their skillsets, and outline a long-term career path, while mentors can grow as leaders, and learn how to guide their mentees towards positive professional development.

In 2020, our CEO Ira Robbins signed the CEO Action for Diversity and Inclusion pledge to support more inclusive workplaces. As part of this initiative, we launched an internal DEI education platform that serves as an employee resource with tools to build a stronger DEI competence with our customers and communities; embrace different experiences and perspectives in the workplace; and utilize those differences in collaborative efforts.

## Diversity Representation in Recruitment

Cultivating a talent pool that is comprised of different perspectives, voices, and backgrounds is essential to creating meaningful and effective work and to building an environment where everyone can thrive. As part of our comprehensive DEI strategy, we’ve partnered with more than 20 colleges and universities and workforce development organizations that serve low-to-moderate income and first-generation students to tap into diverse early talent populations.



These efforts have resulted in a 220% increase in early talent diversity since 2020, and have contributed to a culture where every associate is positioned to



Through the program, mentees learn how to identify and establish professional goals, improve their skillsets, and outline a long-term career path, while mentors can grow as leaders, and learn how to guide their mentees towards positive professional development.

achieve professional success.

Our partners in this effort include:

### COLLEGES & UNIVERSITIES

- University of South Florida
- Penn State University
- Caldwell University
- Bloomfield College
- The City University of New York (CUNY)
- Howard University
- Saint John's University
- Vaughn College of Aeronautics and Technology
- Montclair State University
- Princeton University
- Susquehanna University
- William Paterson University
- Berkeley College
- Stevens Institute of Technology
- Saint Peter's University
- Rutgers University
- Florida A&M University

### COMMUNITY ORGANIZATIONS

- The Posse Foundation
- Jack & Jill of America
- VISIONS
- Year Up



## Our Community Impact

Increasing access to education around financial literacy and financial empowerment is a key goal that aligns with our DEI strategy to provide equitable access to opportunities for our associates, our clients, and the communities we serve.

The Access to Capital Roundtable Series provides customers and associates with resources on how to finance small and minority-owned businesses and achieve entrepreneurial success. Through the series, the small business communities can hear real customer stories and learn how Valley can support their financial needs and help them achieve financial empowerment.

Additionally, our ARG Program hosted 14 events with community partners throughout the year to provide educational resources for homeownership, fair lending and anti-discrimination laws, financial literacy and equity, and entrepreneurship, as well as fight food insecurity in the communities we serve.

## Community Partnerships

Our commitment to foster social, racial, and economic justice is reflected in several of our community partnerships with organizations whose missions include promoting equitable access to entrepreneurial success and business ownership; increasing education about financial literacy and empowerment; and combating bias in housing appraisals, while expanding access to home ownership opportunities.

These stories reflect our work in these areas and our continued commitment

to making a positive change in the communities we serve. Valley is committed to providing fair and equal access and widespread availability to our banking products.

We were an early adopter of the Office of the Comptroller of the Currency's **Project REACH (Roundtable for Economic Access and Change)**, which is designed to bring leaders from banking, business, technology, and national civil rights organizations to reduce barriers that prevent full, equal, and fair participation in the nation's economy. Specifically, Valley is involved in helping the Project increase access to capital for small and minority-owned businesses by evaluating models and strategies that facilitate loan participation programs and consortium lending among larger banks, MDIs, and CDFIs.

In support of our goal to promote affordable housing within the communities we serve, Valley has worked with the **New York Mortgage Coalition's Real Estate Appraisal Training Program**, to combat housing appraisal bias and increase opportunities for responsible and sustainable homeownership in minority and low-to-moderate income communities in the five boroughs of New York City, as well as Nassau, Suffolk, Dutchess, Orange, Rockland, and Westchester counties. The program strives to create fairer appraisals in minority and majority neighborhoods by diversifying the profession, which has long been dominated by white males. Encouraging more representation from folks of all ethnic backgrounds will help prevent bias from taking place, while creating more opportunities for home ownership.

Here are some impactful highlights from a few of our community partnerships:

## Bronze Valley

Minority-owned businesses make up about 19.9% of the economic fabric of the United States, according to data from the U.S. Census Bureau's 2021 Annual Business Survey, making up a good portion of the country's economic success. Yet, minority-owned businesses do not receive nearly as much venture capital



Specifically, Valley is involved in helping the Project increase access to capital for small and minority-owned businesses by evaluating models and strategies that facilitate loan participation programs and consortium lending among larger banks, MDIs, and CDFIs.



as their white-owned counterparts.

Ending this imbalance and closing the funding gap is the mission of Bronze Valley, a nonprofit, early-stage venture investment platform, and certified Community Development Financial Institution (CDFI) in Birmingham, Alabama. Determined to create pathways for underrepresented entrepreneurs to access capital and scale their businesses, Bronze Valley has been providing capital, advisory services, and accelerator programming for the past five years.

Valley Bank provided them with their first source of funding in 2019 to support overlooked tech entrepreneurs with the venture capital necessary to fuel a tech community that promotes diversity, equity, and inclusion.

To date, Bronze Valley has invested in more than 24 startups across ten states that are owned and operated by diverse or female founders. Nearly 70 jobs have been created and \$5,750,000 in total follow-on capital raised as a result of Bronze Valley's investments in these startups.

### Urban League of Broward County

In 2021, legacy Bank Leumi USA created the LevelUp Fund to support South Florida's small business owners through the Urban League of Broward County's CDFI, Central County Community Development Corporation. The organization activates community and economic development revitalization efforts in low-income communities to transform the physical, social, and economic infrastructures for better outcomes for residents and businesses.

The LevelUp Fund offers low-interest loans from \$10,000 – \$50,000 to minority- and women-owned small businesses with twenty-five (25) or fewer employees in Broward, Miami-Dade, and Palm Beach Counties. The Fund awarded applicants with working capital, contract capital and/or equipment, machinery, and technology purchases to help the businesses grow and scale.

Likewise, Valley supports the Small Business Loan Fund through the CDFI, which provides loans from \$10,000 – \$250,000 to the same pool of eligible applicants to provide working capital to expand their business through real estate construction and acquisitions and refinance predatory small business loans.

For the past two years, these Funds have helped fuel the growth of small businesses and new entrepreneurs in South Florida, bolstering the local economies and providing these entrepreneurs with the resources to take their business plans to the next level.

To further encourage entrepreneurship, Valley has offered a quarterly series of educational courses for small business owners through the Urban League's Entrepreneurship Center. These Small Business Bootcamp courses are designed to help entrepreneurs establish a proper business foundation. Valley professionals cover every step of small business planning from developing a strategy and reviewing financials to learning how to apply for and utilize loans and stimulate growth through cash flow.





## Northern New Jersey Community Foundation

In 2020, Valley Bank was proud to support the commission of a new mural by the Northern New Jersey Community Foundation (NNJCF) in Englewood, New Jersey to celebrate the impact of Black women on the women’s rights movement and in Bergen County.

“The Black Women’s Mural: Celebrating Black Suffragists and Black Women in Englewood,” was commissioned on the east-facing wall of the Women’s Rights Information Center (WRIC) and was publicly unveiled on November 14, 2022.

The mural honors the role that Black women played in the suffrage movement, a decades-long crusade to end voter suppression and guarantee the right to vote for all. The project’s commissioning in 2020 held great significance, as it coincided with the 100th anniversary of the 19th amendment, a hallmark piece of legislation that ratified women’s constitutional right to vote.

The mural was conceived as part of NNJCF’s ArtsBergen initiative to create public art projects to promote community, belonging, and civil discourse within Bergen County. Its message is a critical one that connotes the idea that the spirit of women who championed social justice in years past is being advanced in the dedicated work of women today.

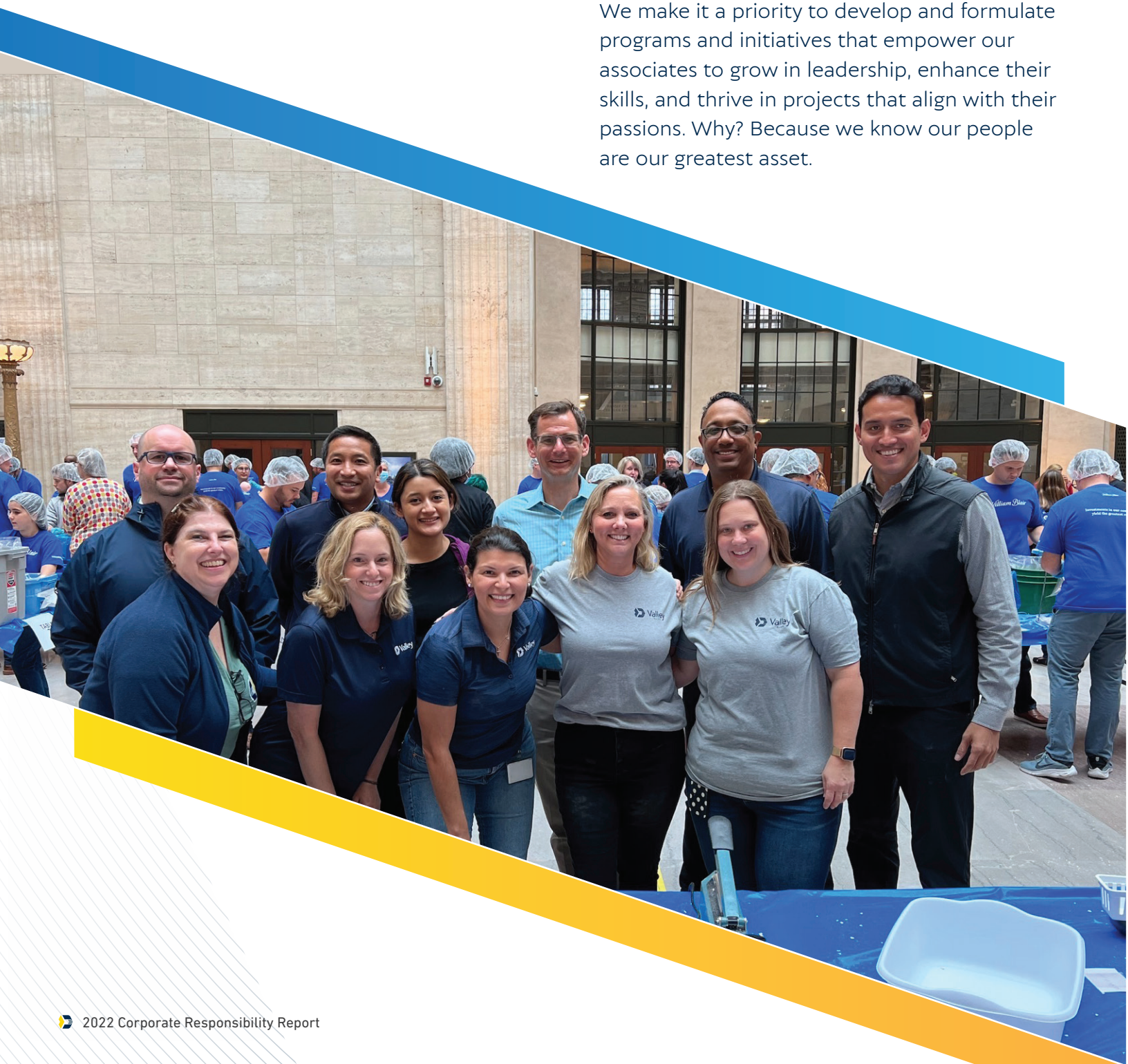


We are thankful to Valley Bank and all of our partners for their support of the mural, which serves as a platform and beacon for the culture, histories, and voices of Black women in the community.

—Danielle De Laurentis,  
Associate Director, Northern  
New Jersey Community  
Foundation

# Investing in Our Associates

We make it a priority to develop and formulate programs and initiatives that empower our associates to grow in leadership, enhance their skills, and thrive in projects that align with their passions. Why? Because we know our people are our greatest asset.



Cultivating an inclusive culture of belonging where authenticity, collaboration, and innovation thrive is central to our long-term strategy. By advancing workplace initiatives, enhancing communications, and infusing key talent throughout our company, we have taken key steps to create a culture that holistically supports all our colleagues and customers.

### Talent

As an employer of choice, we focus heavily on the human experience – understanding what our associates need to grow and flourish – so that we can attract, develop, and retain top talent that is crucial to all aspects of our organizational strategy for success. Our Talent Acquisition and Talent Development teams continue to evolve our workplace strategies by creating a series of development opportunities that provide meaningful experiences that challenge our high potential associates.

We strive to cultivate an environment where leaders can grow across levels and across departments. Last year, more than 80 associates participated in three development programs offered at the emerging, middle, and senior management levels to help associates identify and build upon their own leadership styles.

- **Leadership Academy** is a course designed for senior leaders and successors to help them drive change and shape the future of Valley. Participants learn the importance of strategic leadership, intelligent risk taking, and decision-making – skills that are necessary to developing the roster of strong, supportive leadership that Valley is known for.
- **Leaders in Action** is an experiential program for mid-career leaders who are embarking on management. The program teaches effective managerial skills to prepare participants to manage a team, identify their team’s strengths and challenges, and serve as a resource for their team members. Last year’s Leaders in Action class received guidance from Valley’s senior leaders in a presentation where participants identified challenges within the current business model and shared solutions.
- **Valley Leadership Program** is an introductory program for aspiring leaders who are ready to learn the foundational principles of strong leadership. Participants are taught about the importance of self-awareness and accountability through a series of assessments, laying the foundation for personal leadership style to emerge.

The goal of these programs is to prepare associates for future roles by enhancing their leadership and management skills.

Additionally, we continue to strengthen our position as an employer of choice by



We strive to cultivate an environment where leaders can grow across levels and across departments.



advancing our end-to-end associate onboarding experience and leveraging feedback from our associates to ensure employee satisfaction.

### ELEVATE

In addition to our Leadership Programs, the Bank hosted our second annual ELEVATE event, where 150 key leaders from across the bank gathered to discuss strategic leadership initiatives to drive operational success and further our purpose-driven culture.

### Valley Intern Program: A Pipeline for Future Success

Our award-winning Valley Intern Program was host to 70 college students in 2022, providing them with hands-on corporate work experience that gives them the framework needed to excel after graduation.

Our interns participated in a series of Diversity, Equity & Inclusion programs and community connection opportunities, including a week of service that focused on helping those suffering from food insecurity. Interns engaged with several of our partner organizations during this week including **Feeding Tampa Bay**, the **Northern Manhattan Improvement Corporation**, **America's Grow-A-Row**, and our own HOLA Associate Resource Group.

In partnership with the **New Jersey Bankers Association** and others, we hosted CEO Connection, an event for our interns to engage with executive leadership, which provided these students an opportunity to network, ask questions, and directly connect with CEOs from all organizations.

### Our Inclusive & Engaged Work Culture

Employee engagement is essential to a productive and inclusive work culture. Our annual Employee Engagement Survey is critical to helping us develop and institute programs and practices that engage, motivate, and empower our employees. In 2022, 81% of Valley associates participated in the Employee Engagement Survey, with 78% reporting that they would recommend Valley as a place to work. This survey's analysis reflected significant improvements in scores across categories.

In addition to the Employee Engagement Survey, our six Associate Resource Groups (ARGs) are another initiative designed to promote an inclusive work environment where our associates' experiences and perspectives are shared, valued, and celebrated. More details about our ARG Program and how we incorporate inclusivity into our work culture are outlined in the DEI section of this report.

### LEARNING & DEVELOPMENT

Our culture is rooted in providing an inclusive and high-performing environment where our associates are empowered and given opportunities to grow and thrive. Each year, we operate several programs designed to promote professional development, identify career goals, and acquire new skills.



Our annual Employee Engagement Survey is critical to helping us develop and institute programs and practices that engage, motivate, and empower our employees.

## Our Training Strategy

As organizational changes take place, we ensure impacted associates undergo comprehensive training to understand the purpose behind these changes and the impact they will have on their specific roles. This training is a key part of building a tailored, role-based curriculum for our associates, and ensures that our associates are well-equipped to adapt and manage any changes.

## Credit Underwriting Program

Our 11-week Credit Underwriting Program is designed to help associates develop the skillset needed to become commercial credit analysts. Last year, 17 associates from New York, New Jersey, Florida, and Alabama learned accounting and credit analysis skills, and participated in personal development sessions. Participating associates also volunteered at the **Community FoodBank of New Jersey**, upholding Valley's commitment to serving our communities.

## Rising Talent

We welcomed 54 associates into our Rising Talent program, which trains new associates with strong customer service skills, but no formal banking background, on the foundations of banking. Rising Talent associates also receive one-on-one coaching from their mentor branches, positioning them for success as they begin to serve Valley clients.

We also offer a Management Matters program for our leadership teams to facilitate collaboration and connection among their teams, expand their leadership skills, and guide their teams through transitions and transformations.

In addition to these programs, we encourage all associates to take advantage of the many self-paced professional development offerings around culture, connection, clarity, and commitment.

## ASSOCIATE RESOURCES

### Financial Well-Being

We believe that continued learning is key to achieving professional and personal success. In addition to offering internal development programs, we are proud to provide our associates with a market-competitive, fair, and equitable rewards package that promotes continued education.

Our Tuition Reimbursement program offers full-time associates annual tuition reimbursement after completing one year of service at Valley. Likewise, associates that obtain a master's degree in business administration will receive a one-time equity award of Restricted Stock Units through our MBA Completion program.



54

ASSOCIATES

welcomed into our  
Rising Talent program





## Physical and Emotional Well-Being

Our wellness programs are designed to nourish and preserve the physical and emotional health of our associates, providing each associate with opportunities to engage in and maintain a healthy lifestyle. Our Employee Assistance Program (EAP) is a professional and confidential resource for our associates and their family members – regardless of whether they’re enrolled in a Valley medical plan – to use to preserve their emotional health. EAP counselors are available 24/7 and provide support for depression, addiction, family and relationship matters, grief and loss, and other emotional challenges.

Additionally, Valley has made new advancements to several leave policies. In the last year, we have increased the duration of our paid short-term disability benefit for eligible associates dealing with a personal illness; we have revised our bereavement leave to provide more flexibility for associates; and we have introduced a paid parental leave to all birth, adoptive, and foster parents to support family bonding.

Valley keeps the associate contribution to our health plans low and promotes incentives offered by our insurance carriers to maintain health and prevent chronic illness. We have also partnered with our 401(k) provider to give associates greater access to financial wellness solutions and resources.

## Work-Life and Community

We understand that time away from work is necessary to yield high quality work, and we’re proud to have created an environment where our associates have the capacity to unplug, enjoy time with family and friends, pursue personal passions, and serve their communities.

We provide our associates with competitive benefits to maintain a healthy work-life balance including company paid vacation time, sick and personal days, company-observed holidays, and community service days. Associates may use two paid days off each year to volunteer their time to a cause that they are passionate about.

When possible, we support flexible work arrangements – including partial and full-time remote work positions – between associates and their direct managers to ensure that every associate is positioned for success.

## Workplace Giving



We announced our Workplace Giving program in late 2022, which provides our associates with the opportunity to double the impact of their donations to their favorite nonprofit organizations through a matching donation from Valley. The program officially launched in 2023 and encompasses the core values and culture of our Bank by giving back to the organizations that support our communities and encouraging our associates to make a positive change in their communities. Through the program, Valley associates can make annual donations between \$25 and \$500 to charities of their choice and Valley will match one-to-one of eligible donations up to the annual maximum of \$500.



## Valley Cares



Supporting the communities we serve is at the core of our mission. Through our Valley Cares program, our associates can participate in volunteer opportunities with community partners across the Valley footprint. These opportunities are purposeful in nature and designed to make the communities we work and live in a better place.

Last year, our associates completed more than 12,100 community service hours, supporting a series of organizations whose missions provide holistic support to its community members.

**Valley Cares Champions** are comprised of associates from various regions and roles throughout the bank who are passionate about serving their communities. In 2022, more than 20 Champions coordinated or assisted with over 50 volunteer events. Last year's volunteer highlights include:

- Throughout the year, more than 180 associates volunteered approximately 600 hours at the **Community FoodBank of New Jersey** to help combat food insecurity across New Jersey.
- Associates from our International Private Banking and International Business teams volunteered with the **Jewish Community Services of South Florida** and **Joshua's Heart** to distribute more than 400 Thanksgiving meals to families in need.
- Valley Volunteers in Chicago and New York City joined more than 8,000 volunteers across the country in packing meal kits for folks suffering from food insecurity. As a result, nearly 2.7 million meal kits were donated to local **Feeding America** food banks nationwide.
- Associates across Florida donated supplies to support those affected by Hurricane Ian. Three truckloads full of necessary supplies — food, water, clothing, cleaning supplies, baby items — were dropped off at **The Heights Center** in Ft. Myers. Associates also helped clean homes that were flooded during the hurricane.
- More than 40 associates volunteered with **Habitat for Humanity** chapters in Bergen, Morris, Warren, Pinellas and West Pasco, Birmingham and Montgomery in support of Homeownership Month in June.
- We held our first volunteer event with legacy Bank Leumi USA and Valley associates prior to the close of our merger with Bank Leumi USA in March during Women's History Month. In partnership with the **Grace Institute of New York**, whose mission is to empower low-income women to achieve career-track employment and economic self-sufficiency, 14 associates conducted mock interviews and career prep sessions with Grace Institute participants.



# Environmental & Sustainability

As a responsible corporate citizen, we are aware that we have the capacity to implement positive change that promotes sustainable and environmentally sound practices across our organization and in our external work. Our Environmental, Social, and Governance (ESG) Council ensures that our organization and our associates understand our role in creating healthy and safe environments both in our workplaces and in the communities we serve.



## Environmental, Social, and Governance Matters

The ESG Council is committed to raising awareness of the impact of climate change and encouraging cross-organization collaboration to develop opportunities to mitigate its effects. In keeping with that mission, the Council is determined to promote economic and environmental sustainability across all of Valley's markets.

In 2022, the ESG Council participated in building the Sustainable Building Financing Framework for the Bank's \$150 million sustainable subordinated notes offering, which closed in September 2022. An amount equal to the proceeds of this offering is intended to be used to finance or re-finance, in part or in full new and / or existing green and / or social assets that positively impact affordable housing, workforce housing, socioeconomic advancement and empowerment, renewable energy, energy efficiency, green building, and clean transportation. The Bank also formed the Sustainable Financing Committee to track the execution of proceeds.

Furthermore, the ESG Council reviewed the principles and disclosures of the Sustainability Accounting Standards Board (SASB) for commercial banks, as well as the recommendations and supporting disclosures of the Task Force on Climate-Related Financial Disclosures (TCFD) and examined how we could adopt strategies to expand our disclosures and metrics to follow these frameworks.

### ESG Oversight Responsibility

Ensuring that our ESG program maintains our mission to promote economic and environmental sustainability is paramount.

The Nominating Committee conducts ongoing oversight of our ESG program, while the Compensation and Risk Committees are each involved in ESG-related issues that fall within their areas of responsibility. The Nominating Committee receives reports from the ESG Council twice a year, and the Board receives periodic reports on the progress of our CSR and Community Reinvestment activities.

### Our Social Policy

At our core, we are relationship bankers. We value our relationships with our associates, customers, and the communities we serve, as we know that they count on us to be a trusted financial partner that drives positive social change.

We have a responsibility to promote inclusive economic opportunity and growth, to advocate for our local communities, and to cultivate an ethical workplace culture – and we take this responsibility seriously.

Our work environment is rooted in one guiding principle – that we all belong at Valley. This vision guides our Associate Resource Group (ARG) program, and our Diversity, Equity, & Inclusion (DEI) Governance framework, which enhances our ability to share new ideas, raise new questions, innovate our practices and products, and strengthen our connections with our communities. Our DEI Governance framework is comprised of the DEI Leadership Advisory Council, chaired by our Chief Executive Officer, Ira Robbins, which maintains Valley's commitment to ensuring our DEI principles are a part of our business practices and policies.



We have a responsibility to promote inclusive economic opportunity and growth, to advocate for our local communities, and to cultivate an ethical workplace culture – and we take this responsibility seriously.



We strive to be a leader in community development lending to build, sustain, and help our communities and local economies thrive.

We are proud to be ranked in the SSGA Gender Diversity Index, which measures the performance of large capitalization companies in the U.S. that are gender diverse, meaning that they exhibit gender diversity in their senior leadership positions. This ranking reflects Valley's commitment to maintaining an inclusive work culture that gives everyone opportunities to thrive.

Our DEI work stems from the CEO Action for Diversity and Inclusion pledge, an initiative to support more inclusive workplaces, which Valley's CEO Ira Robbins signed in 2020. As part of this pledge, we created a new series called "Perspectives," which allowed associates to discuss a variety of DEI-related topics and share insights and experiences.

## Community Engagement, Investment, and Philanthropy

We strive to be a leader in community development lending to build, sustain, and help our communities and local economies thrive. Our community strategy, which is designed to ensure the advances of the people, places, and economies we service, is aligned with Valley's foundational pillars, which include a focus on customer needs, and a commitment to deepen relationships and strengthen the communities we serve.

Our community engagement highlights include:

- This past year, the Bank issued \$150 million in "sustainable" subordinated notes to finance green and/or social assets that positively impact the following: affordable housing, workforce housing, socioeconomic advancement and empowerment, renewable energy, energy efficiency, green building, and clean transportation.
- **Community Reinvestment Act (CRA):** We are proud to share that in 2022, Valley received an Outstanding CRA rating from the Office of the Comptroller of the Currency

(OCC) for the years of 2019 through 2021. This is the Bank's second consecutive Outstanding rating.

- **Partnership with The Community Preservation Corporation (CPC):** In August 2022, we announced a new partnership with CPC to fund up to \$100 million in permanent loans that meet ESG standards, including green building practices and reduced emissions. Together with CPC, we are working to address the impacts of climate change through the mortgage process by targeting developers who are focused on energy efficient projects.
- **Community Development Lending:** Through community development lending, we continue to respond to the credit needs of the communities we serve. Our community development lending promotes economic development and supports the development and retention of affordable housing and the revitalization and stabilization of LMI areas and organizations that provide community services for LMI individuals and families. In 2022, the Bank originated 1.5 Billion in loans that supported these goals.
- **Minority- and Women-Owned Business Lending:** Prioritizing support for minority- and women-owned businesses increases their access to economic opportunities and fuels local economies. Through collaborations with CDFIs, we're able to provide access to funding to businesses that have historically been overlooked and underfunded.

## Our Environmental Policy

As an environmental steward, the Bank regularly reviews its credit practices to assess the impact of climate change in our lending activities. Part of this review is to ensure that changes in our credit policies and practices to reduce and/or manage our exposure to climate-related risks should not adversely affect vulnerable communities. For example, we understand that homes in flood-prone locations are more likely to be LMI communities or communities of color. As we review our lending in flood zones to mitigate the impact of climate change on our lending portfolio, we want credit to remain available for the purchasing or refinancing of homes in those areas. In 2021, we enacted a Level III credit concentration threshold, which limits our lending activities to environmentally sensitive industries to a specified percentage of our capital.

We are mindful of the direct environmental impact of our branch and office operations and seek to reduce negative impacts where possible. The Bank has refurbished select branch offices to reduce energy use and implement recycling programs, and are replacing aging HVAC units with newer, greener units that utilize eco-friendly refrigerant and reduce the amount of electricity used. We are also in the process of optimizing the square footage of our corporate offices and installing LED lighting in our new and existing facilities.

Valley is proud to be financing businesses that are committed to providing renewable energy. Some examples include a leading finance company for small-scale renewable energy products; a minority-owned business that manufactures electrical cable and related equipment in the U.S. for large-scale solar and wind turbine projects; and an organization that provides major component services for wind turbine installations.

## Lending Programs

We are committed to developing lending programs that support environmental sustainability. These programs include:

- **Program Supporting Electric and Hybrid Vehicle Financing:** In June 2021, our indirect automotive and floor plan finance areas began providing discounted financing for electric and hybrid consumer vehicles. This year, Valley originated loans to purchase 1,178 electric or hybrid vehicles.
- **Tracking and Encouraging Climate Mitigation Lending:** We manage a robust lending portfolio in both commercial and consumer businesses with a focus on commercial real estate, residential loans, and automobile financing. To reduce carbon emissions and encourage the use of renewable energy resources, we have focused on providing financing to support positive climate impact within our communities.

## A New, Green Home Base

We look forward to the completion of our new headquarters in Morristown, New Jersey, which is LEED certified by the U.S. Green Building Council, ensuring that its construction and engineering will be environmentally sound, mitigating negative effects on the natural environment.

Morristown was selected because it is easily accessible by multiple modes of public transportation and is home



to a variety of business types, allowing our associates to work in a thriving community.

In accordance with the LEED certification, the construction of the building will focus on including eco-friendly and accessible variations of the following components:

- Location and Transportation
- Sustainable Sites
- Water Efficiency
- Energy and Atmosphere
- Materials and Resources
- Indoor Environmental Quality
- Innovation
- Regional Priority

As part of the design process, we've selected low-emitting materials, efficient lighting controls and eco-conscious furniture, and increased access to daylight and convenient recycling opportunities to preserve the health and well-being of our associates.

Additionally, the interior will include accessible features like low water fixtures, a sound building envelope and enhanced commissioning.

We have also established a set of guidelines, procedures and checklists for the building's operations and maintenance, which will be implemented upon its completion. These guidelines will enhance our commitment to environmental management moving forward.

# Customer Experience and Innovation

We believe that innovation breeds creativity. That's why we are committed to fostering a culture where our teams can collaborate, create, and conceive ideas that provide our customers with an unmatched banking experience.



We make it a priority to invest in advanced tools and technologies that consistently update and improve our internal and external practices to provide an exceptional experience for our partners and customers. Additionally, we are innovating the way we do business by expanding into new markets and industries, allowing us to extend the reach of our financial services and CSR efforts to make a positive impact in the communities we serve.

## Customer Experience

It is our responsibility as relationship bankers to give our customers a user experience that makes their banking smooth, safe, and easy. To ensure a seamless experience for all, our User Experience and Digital Banking teams develop and implement innovative models that improve processes, remove redundancies, effectively address issues, and deliver optimized services that meet our customers' needs. We use technology and data-driven insights to enhance our offerings, apply new technologies, and provide our customers with a secure and advanced banking experience.

## Digital Innovation

Our Digital Banking team is committed to enhancing our website, mobile apps, and online banking tools with the latest technologies to ensure our customers receive a seamless banking experience. With that in mind, Valley has developed the following initiatives to provide our customers with an optimal user experience.

### Mobile Check Deposit Capture

Flexibility is key when it comes to providing a mobile banking experience that allows users to access and update their accounts at their leisure. Our Mobile Check Deposit feature allows customers to deposit checks anytime and anywhere.

### Online Banking

In 2022, the Digital Banking team made a series of enhancements to our online banking platform for retail and business customers, allowing for easier bill payments and Zelle payments. The updates have also improved online chat support and real-time notifications, giving customers fast access to information about their accounts as it happens.

### In Person Account Opening

Over the past year, we've greatly improved the way customers can sign up for our products and services. The digital launch of our account opening process for retail and business accounts made our services more accessible and allowed our customers to efficiently set up their accounts.

### Project Evolve

Project Evolve is a new initiative designed to offer our retail and business customers more digital products, and streamline account openings in the branch, which will ultimately reduce the reliance on paper forms.

### Accessibility

The customer's experience is at the center of everything we do. From a digital standpoint, that means making sure the interfaces of our websites, apps, and digital tools are easy to use for people with visual impairments. Our User



It is our responsibility as relationship bankers to give our customers a user experience that makes their banking smooth, safe, and easy.





While it's no secret that innovation significantly improves the customer experience, innovation also leads to new developments that can modernize the banking industry.

Experience (UX) Design Team uses high regulatory standards for our digital interfaces, ensuring our products and services can be accessed by everyone.

### Customer Listening Programs

Feedback from our customers and our associates is essential to making sure that we're providing everyone with a positive banking experience. Last year, we interviewed and surveyed more than 3,000 Valley customers to identify areas for improvement and have since deployed new technological advancements to ensure customer needs are being met.

### Innovation at Valley

While it's no secret that innovation significantly improves the customer experience, innovation also leads to new developments that can modernize the banking industry. Through the creation of our Corporate Venture Capital (CVC), Valley Ventures, and through our technology and cannabis banking divisions, we have been able to implement innovative banking models designed to support niche industries and invest in companies that are positioning the financial landscape towards future growth.

### Valley Ventures

For nearly a century, we've watched the financial industry grow, evolve, and embrace a new wave of change and innovation, giving way to advanced solutions that are changing the playing field for our clients. Valley Ventures makes early-stage equity investments into start-ups designed to transform the financial space. This initiative is a natural continuation of our decision to acquire legacy Bank Leumi USA and equips the Bank with an additional set of capabilities to engage the start-up ecosystem. To date, Valley Ventures has a portfolio of nine investments.

### Investment Areas of Focus

As part of our commitment to advance the financial landscape, Valley Ventures seeks to invest in companies that are tackling big problems in three verticals: Fintech, the use of technology to power innovation within financial services; Proptech, which is used by real estate professionals, underwriters, property managers, and banks, among others, to manage transactions; and Enterprise Technology, investing in companies that can help us serve the needs of communities that have otherwise been overlooked.

We have made it a priority to partner with companies that share our values and that have missions that align with our four CSR pillars. One of the companies within our portfolio is improving the affordable housing compliance process through a software solution. The New York-based company's technology is reducing administrative burdens for developers and property owners, making it easier for renters to apply for housing.

We are proud to offer the companies within our portfolio a series of benefits backed by strong security, deep industry expertise, and a culture committed to innovation.

### Technology Banking

As thought leaders in the tech industry, we know the nuances of the market,

its players, and its movements, and we know that our clients are constantly required to change, adapt, and make big and bold decisions. We are committed to bringing value to our clients and to bridging the gap between Israeli start-ups and the U.S. through our years of expertise and our suite of best-in-class banking solutions, which are designed to help our clients navigate the industry and expand their reach.

Our Tech Banking team is committed to the tech space with teams in the East Coast, West Coast, and in Israel. We offer tailored packages to support business expansions to the U.S., including solutions for relocations and investors.



## Cannabis Banking

Over the past few years, Valley has become a leader in the cannabis banking industry, having become one of the few federally chartered banks onboarding cannabis business-related clients. We are proud to have developed an innovative banking model that allows this cash-dominant industry, which has been traditionally overlooked by financial institutions, to receive access to banking and investment capital.

Under Valley's cannabis banking program, clients can navigate complex cross-border operations through a software model developed by Valley partner Green Check. The software identifies where a transaction happened and consolidates multi-state transactions into a single banking statement, simplifying the tracking of purchases across states. The Bank has also cut transport fees – which pile up on multi-state operators – saving clients tens of thousands of dollars over time.

Not only has this type of innovation allowed these businesses to operate efficiently, but it has allowed this heavily taxed industry to generate revenue for local economies, create jobs in economically distressed communities, and open business opportunities for women, minorities, and social equity applicants.

Recently, the Bank has supported the New York Social Equity Cannabis Investment Fund, a public-private partnership with the Dormitory Authority of the State of New York (DASNY) that will position social equity entrepreneurs to succeed in New York's adult-use cannabis industry. The program is the first of its kind in the nation, reserving the first 150 adult-use cannabis retail licenses for nonprofits and social equity applicants under New York's Marijuana Regulation and Taxation Act (MRTA). The goal of this social equity driven program is to ensure that the people from communities that were disproportionately harmed by marijuana prohibition and discriminatory law enforcement are included in the new legal cannabis industry.

Our support of this program is reflective of the kind of investments we plan to make to ensure that the needs of communities that have been historically overlooked are being met.

# Governance

Strong corporate governance practices help to sustain our success, maintain transparency and fairness, and build long-term value for our stakeholders, which include our clients, shareholders, regulators, suppliers, associates, and the communities we serve.

We are committed to upholding strong governance standards, providing transparent financial reporting, and implementing effective internal controls to ensure continued success and stability.



## Shareholder and Stakeholder Engagement

Our Board of Directors oversees Valley’s strategic direction, as well as the performance and management of the organization. Our governance structure is designed for independent, seasoned, and accomplished directors to provide insight, guidance, and oversight to advance the interests of the company and our stakeholders.

Maintaining continued engagement with our stakeholders is essential to identify the right goals for the organization and ensure transparency. Management and directors proactively engage with our shareholders throughout the year to discuss a broad range of business and governance topics including strategy and execution, board refreshment, compensation practices, risk oversight, sustainability, and culture.

Through these exchanges, we gain a deeper understanding of our shareholders’ perspectives and are better positioned to develop initiatives that align with these insights. A description of our 2022 shareholder engagement efforts is outlined below:



We are committed to implementing sustainable and environmentally responsible practices wherever possible. This commitment is a critical component of our long-term strategy. We regularly engage with a broad range of stakeholders to identify key areas of impact and to ensure that we are prioritizing issues that are important to our stakeholders and for our long-term business success.

Our CEO and senior executives connect with national consumer policy groups through Valley’s Regional Community Advisory Committees to discuss issues related to our products, customer-facing practices, communications, and policies.

## Our Stakeholder Engagement

### CLIENTS

In-person meetings, regular calls, client experience and satisfaction surveys, and relationship and financial wellness reviews.

### COMMUNITIES

National and Regional Advisory community engagement strategies building local relationships across our footprint.

### SHAREHOLDERS

In-person meetings, regular calls, annual shareholders' meeting, investor conferences

### SUPPLIERS

In-person meetings, regular calls, strategic reviews, emails, and surveys.

### REGULATORS

In-person meetings, CRA and compliance reviews, round-table participation in trade associations, speaking engagements, and panelist participation.

### ASSOCIATES

Employee surveys, performance reviews, mentoring, training & development, coaching, Associate Resource Groups, monthly town hall meetings, attracting new talent, and providing volunteer time off.

Likewise, we've prioritized discussions with partners on environmental and social issues and provide philanthropic support to a broad range of nonprofits that work on issues that are aligned with our CSR pillars.

Each of these engagements provides valuable insight that management shares with the Board.

Additionally, our Board and senior management are committed to maintaining a strong corporate culture that instills and enhances a sense of purpose, participation, and personal accountability in each of Valley's associates. To encourage engagement, our CEO and senior management hold regular virtual "town halls" with all associates to enhance regular communication throughout the organization. The Bank also held an Annual Strategy Forum to outline our objectives for the coming year, define key strategies to achieve new goals, and to bring associates together to recognize the great work that we've accomplished and the great work that we plan to put forward in the year ahead.



Establishing a regular cadence of communication among our Board, senior leaders, and regulators is also key, as it helps us learn firsthand about our regulators' expectations and priorities. This frequent communication also serves as a forum for our Board and management to keep our regulators well-informed about our performance and business practices.

## Community Advisory Boards

Our regional Community Advisory Boards are a vital part of helping us serve the credit needs of the Bank's assessment areas including the needs of LMI individuals and geographies, small businesses, and community development organizations. Our community partnerships connect our service offerings with the people who need them, including collaborating with housing counseling agencies, CDFIs, and community development organizations who also serve to assist us with better understanding and prioritizing community needs.

The strength of our CRA program is a result of the relationships we've cultivated with our Advisory Board members – and it's the reason we received an Outstanding rating from the Office of the Comptroller of Currency (OCC) for exceeding the terms of the Community Reinvestment Act (CRA) exam from 2019 - 2021.

Members of our Community Advisory Boards span across our footprint with representatives from New York, New Jersey, Florida, and Alabama.

### The New York / New Jersey Board is comprised of leaders from organizations such as:

- **New Jersey Citizen Action (NJCA):** A statewide grassroots organization fighting for social, racial, and economic justice. NJCA also provides free direct services to LMI individuals and people of color across the state to promote financial empowerment.
- **The Housing and Community Development Network of New Jersey:** The Network and its members share a commitment to promoting economic justice and the empowerment of low-income individuals and communities by encouraging participation in the development and execution of public policies. The Network seeks to improve the environment for the work of community development corporations (CDCs), and to strengthen their capacity to create housing and revitalize distressed neighborhoods in New Jersey.
- **Essex Community Land Trust (ECLT):** The ECLT is designed to provide permanent and affordable homeownership opportunities for LMI individuals. They do this by warning against predatory mortgages, facilitating educational resources for homeowners, promoting the diversification of neighborhoods by race, ethnicity, and income, increasing the length of deed restrictions, and providing on-going stewardship over transformed abandoned homes located on community trust land.
- **Asian Americans for Equality (AAFE):** A nonprofit organization dedicated to enriching the lives of Asian Americans and all those in need. Founded in 1974, AAFE has become one of New York's preeminent housing,



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social service, and community development organizations committed to advocating for equal rights.

- **Association for Neighborhood & Housing Development (ANHD):** A coalition of community groups across New York City dedicated to empowering community members to advance affordable housing and equitable neighborhoods. ANHD uses research, advocacy, and grassroots organizing to help their members promote equity and justice across neighborhoods.

#### The Florida Board is comprised of leaders from organizations including:

- **Corporation to Develop Communities of Tampa, Inc. (CDC of Tampa):** The CDC of Tampa is committed to building vibrant and prosperous communities through community strategies that provide educational resources for workforce development, housing and real estate, resident leadership, and community safety.
- **LB Limited and Associates Inc.:** LB Limited and Associates Inc. offers consulting services to small businesses, community-based organizations, and government entities at the county and city level, and actively participates in civic and community organizations.
- **MBS Consulting Services Inc.:** With more than 30 years of expertise in the banking industry, MBS Consulting Services Inc. specializes in developing creative approaches to increase resources and capacity for community-based organizations. They also use innovative methods to deliver housing, homeownership, and qualified bankable buyers to financial institutions.
- **Orlando Neighborhood Improvement Corporation (ONIC):** ONIC brings opportunity to Central Florida communities through quality and affordable housing.
- **Palm Health Foundation:** The Palm Health Foundation is Palm Beach County's leading community foundation for health and is a leading advocate for innovative solutions to support our most vulnerable neighbors. Since 2001, the Palm Health Foundation has invested more than \$91 million in their community.

#### The Alabama Board is comprised of leaders from organizations such as:

- **Birmingham Business Resource Center (BBRC):** The BBRC assists entrepreneurs through every stage of business development including promoting the civic welfare of Birmingham citizens; assisting Birmingham in its economic development efforts; promoting and assisting the growth of small businesses fostering increased employment opportunities and providing a convenient location for those looking for assistance in establishing, growing, or expanding small business enterprises.
- **Titusville Development Corp (TDC):** As a nonprofit Community Housing Development Organization, TDC is committed to maintaining, revitalizing, and developing the Titusville community. TDC is committed to holistically impacting the community through three focus areas as part of its Titusville Housing Revitalization Initiative: removing blight, replenishing, and preserving housing stock, and empowering the community through financial education.



- **Neighborhood Housing Services of Birmingham:** For nearly 40 years, Neighborhood Housing Services of Birmingham, Inc. (NHSB) has worked to give families the tools they need to emerge from poverty and achieve financial stability. The goal of NHSB is to help stabilize urban neighborhoods in the city and surrounding areas by promoting personal financial empowerment and homeownership.

## Cybersecurity

Protecting the data of our company, our customers, and our business partners is paramount, especially in today's digital landscape. Our Information Security team ensures the full protection of our clients' digital footprints by managing the Bank's information security policies, regularly conducting security auditing and compliance, and defining the Bank's security controls.

The team has also developed and implemented a Cyber Program that uses innovative services to further prevent against cyberattacks and ensure protection.

The Cyber Program consists of the following pillars:

- **Policy:** Our Information Security policy is commensurate with the risk appetite of the Board of Directors and with current threats. The policy also complies with applicable laws and regulations.
- **Monitor and Detect:** We've established a defense-in-depth security program to quickly detect and mitigate threats to the Bank.
- **Due Diligence:** We consistently perform due diligence on new and critical third parties and on new initiatives to ensure they meet the Bank's standards for information security.
- **Oversight:** We conduct regular oversight on the Bank's activities to ensure compliance with information security policies and risk parameters.
- **Training:** The security team has developed comprehensive training materials on information security policies, procedures, current threats, and leading practices to ensure our staff has the resources to mitigate risk.
- **Incident Response:** Incidents are defined as security violations, which are a combination of alerts generated by software, security devices, and other technology or information sources. When suspicious activity is detected, the Information Security Department activates its Incident Response Team to conduct our standard response procedure.

Through the Cyber Program, we are able to establish advanced safety protocols and provide resources for our associates to safeguard against cyber threats and maintain client protection.



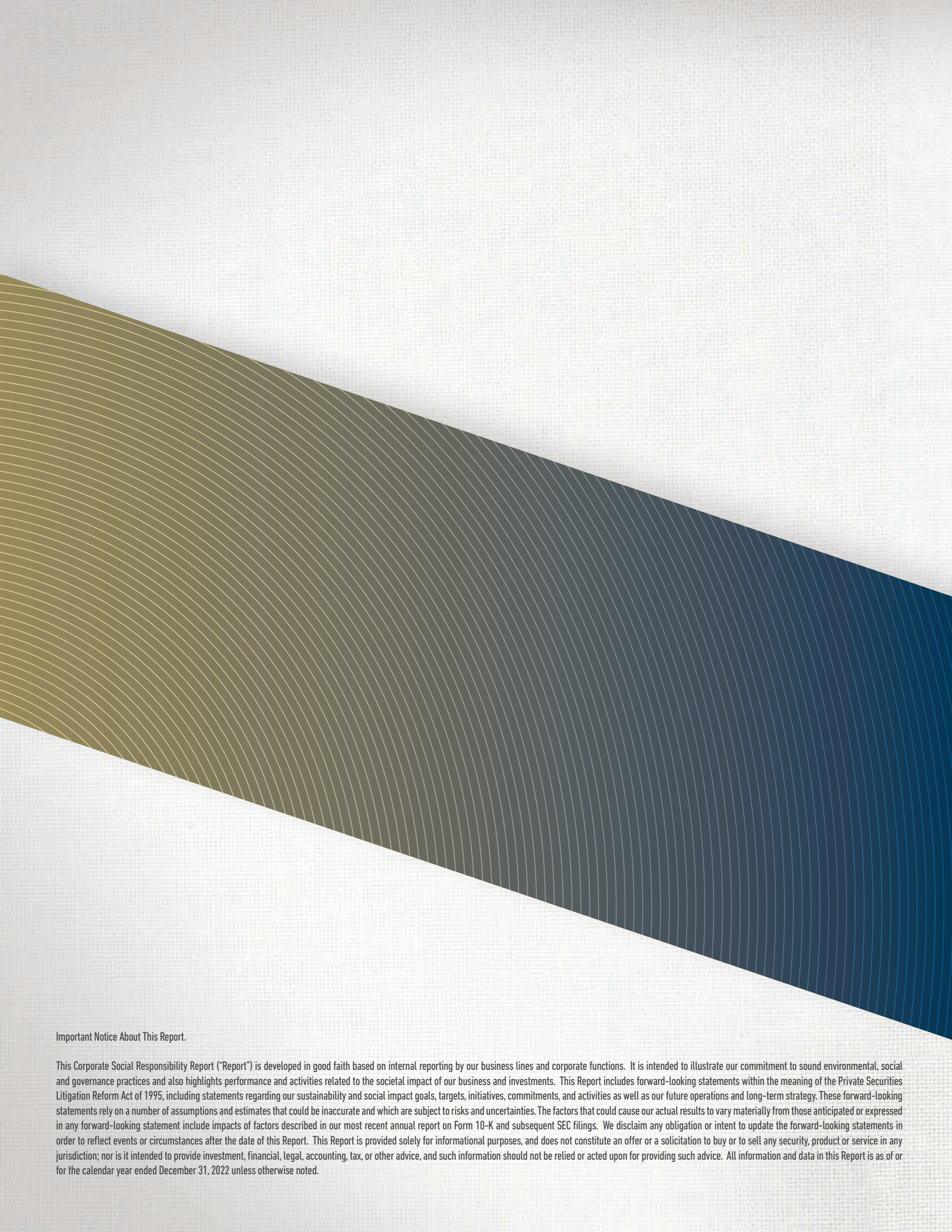
# A Look Ahead

Reflecting on the impactful work that was accomplished in 2022, our outlook for the years ahead has never been brighter. Our future partnerships, practices, and policies will remain rooted in the four pillars that comprise our CSR strategy, even as our organization continues to grow and expand into new markets and verticals. These pillars serve as a barometer, ensuring that our partnerships and initiatives will cultivate inclusive, sustainable, and thriving environments in both our workplace and in the communities we serve.

As we look ahead, we're excited about future opportunities for growth that will strengthen the impact of these partnerships, bringing effective change and advancements to more communities. This growth will also create more opportunities for our associates to apply their own unique perspectives to our work, allowing us to continue to foster an environment that blossoms from inclusivity and opportunity.

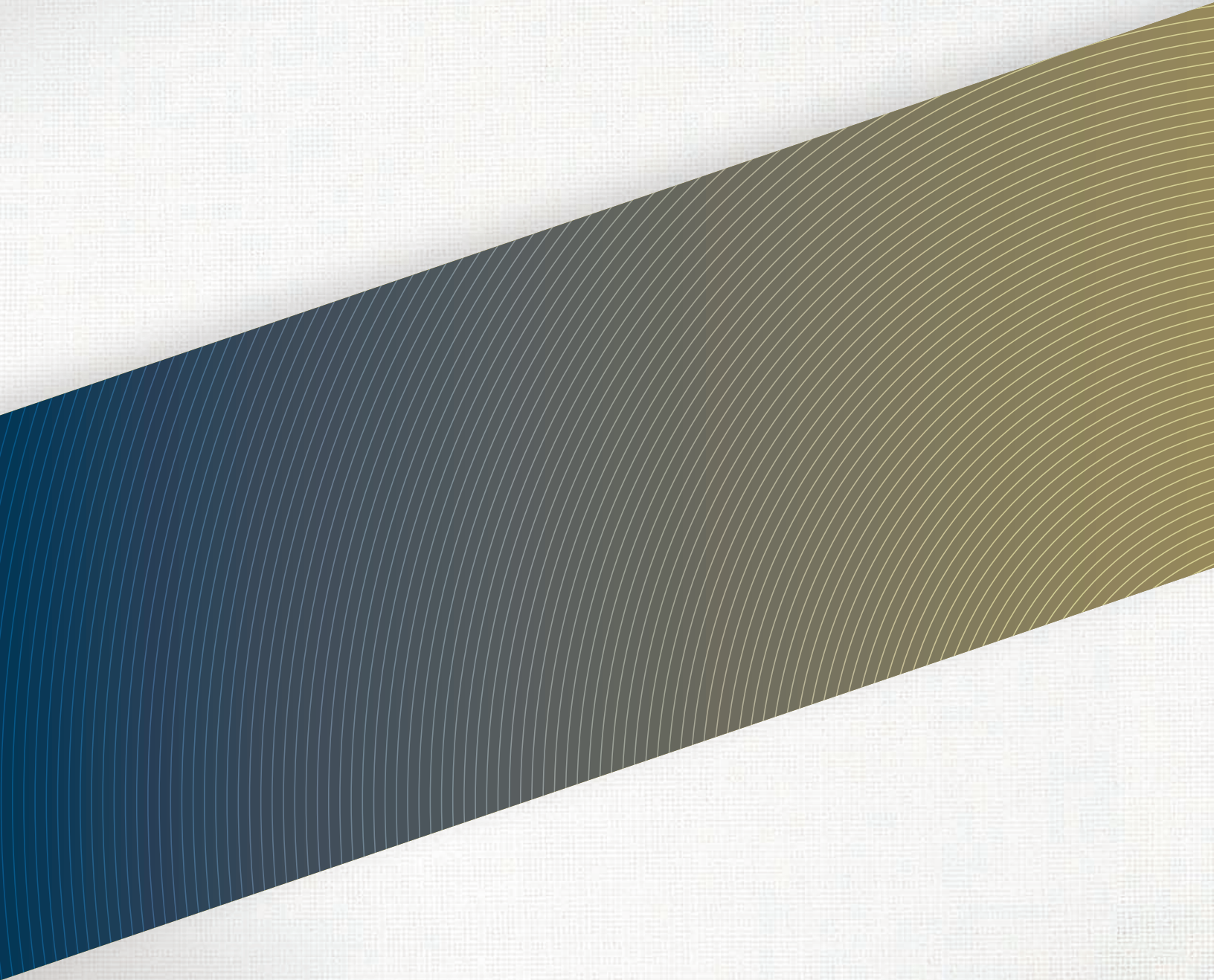
Furthermore, we are proud to continue a 95+ year legacy of service and stability that was built from the passion of our people and our partners. It's this dedication to inspiring thoughtful, positive community change that drives us forward and will continue to lead us in the years ahead.

INSPIRING  
CHANGE  
CHANGE



#### Important Notice About This Report.

This Corporate Social Responsibility Report ("Report") is developed in good faith based on internal reporting by our business lines and corporate functions. It is intended to illustrate our commitment to sound environmental, social and governance practices and also highlights performance and activities related to the societal impact of our business and investments. This Report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our sustainability and social impact goals, targets, initiatives, commitments, and activities as well as our future operations and long-term strategy. These forward-looking statements rely on a number of assumptions and estimates that could be inaccurate and which are subject to risks and uncertainties. The factors that could cause our actual results to vary materially from those anticipated or expressed in any forward-looking statement include impacts of factors described in our most recent annual report on Form 10-K and subsequent SEC filings. We disclaim any obligation or intent to update the forward-looking statements in order to reflect events or circumstances after the date of this Report. This Report is provided solely for informational purposes, and does not constitute an offer or a solicitation to buy or to sell any security, product or service in any jurisdiction; nor is it intended to provide investment, financial, legal, accounting, tax, or other advice, and such information should not be relied or acted upon for providing such advice. All information and data in this Report is as of or for the calendar year ended December 31, 2022 unless otherwise noted.



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