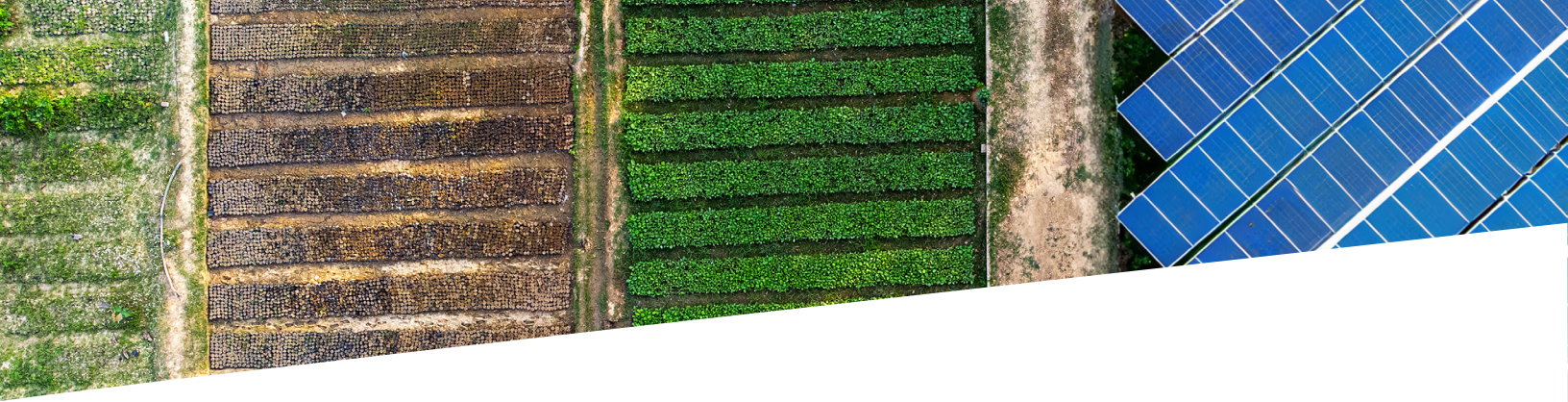




March 2024

Sustainable Financing Report





Our Commitment to a Sustainable Future

Valley National Bancorp, headquartered in Morristown, New Jersey, is a New Jersey corporation organized in 1983 and is registered as a bank holding company and a financial holding company with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act.

As the principal subsidiary of Valley National Bancorp, Valley National Bank¹ is a regional bank with nearly \$61 billion in assets. For over 95 years,

we've been committed to serving, supporting, and strengthening our communities. At Valley, we recognize that the path to a better future lies in our commitment to sustainable practices that blend economic growth with environmental responsibility and social progress. The Bank operates more than 230 locations in New Jersey, New York, Florida, Alabama, California, and Illinois. We endeavor to inspire our communities to flourish by committing to the success of our diverse constituents.



TOTAL ASSETS \$60.9 BILLION



TOTAL SHAREHOLDERS' EQUITY \$6.7 BILLION



TOTAL DEPOSITS \$49.8 BILLION



BRANCH OFFICES 230+

As of December 31, 2023

OUR PURPOSE

We believe that success starts with empowering and improving the communities in which we operate. For over 95 years, Valley has been committed to serving, supporting, and strengthening our communities through economic inclusion, workforce and community development, and investment in local partners.

OUR VISION

To make a lasting impact on our communities by committing and contributing to the success of our stakeholders.

OUR MISSION

Give people and businesses the power to succeed.

¹ Valley National Bancorp and Valley National Bank are collectively referred to as "Valley", "we" or "our".

SUSTAINABLE FINANCING FURTHERS VALLEY'S LEGACY OF COMMUNITY SUPPORT

Valley was founded with the purpose of making a difference in the lives we touch by building stronger communities. We recognize the critical role we play and the unique opportunity we have to create a socially responsible and environmentally sustainable future. We have long adhered to established Social and Environmental Principles to further strengthen our local communities.



OUR SOCIAL PRINCIPLES

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.



OUR ENVIRONMENTAL PRINCIPLES

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. 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.



SUSTAINABLE DEVELOPMENT GOALS

To further our commitment to our local communities, in 2022, we issued our initial sustainable financing instrument in the form of subordinated debt. While Valley's broader ESG initiatives support each of the 17 Sustainable Development Goals established by the United Nations General Assembly in 2015, our lending initiatives most closely align with:



Issuance Details

In September 2022, Valley National Bancorp, the parent company of Valley National Bank, issued its inaugural Valley Sustainable Financing (as defined below) in the amount of \$150 million. This Valley Sustainable Financing represented the natural evolution of Valley's industry-leading ESG efforts.

ISSUER	VALLEY NATIONAL BANCORP ("VLY")
Issue Date	September 20, 2022
Maturity Date	September 30, 2032
Currency	USD
Principal Amount	\$150,000,000
Coupon	6.25% Fixed-to-Floating Rate Subordinated Notes due 2032

Use of Proceeds

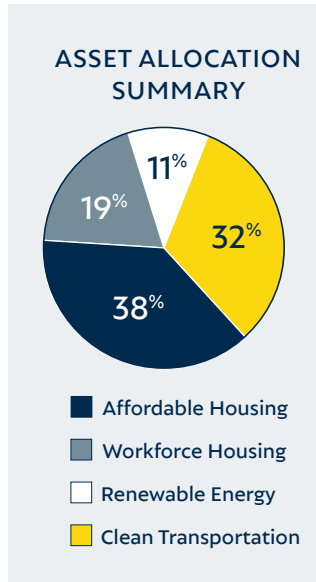
Valley's Sustainable Financing Framework dated September 2022 (the "Framework") guides our issuances of sustainable, social, and green senior notes, subordinated notes, and preferred stock (each a "Valley Sustainable Financing"). The Framework was developed with the support of our ESG Council to align with the International Capital Markets Association ("ICMA") Sustainability Bond Guidelines 2021, Social Bond Principles 2021, and Green Bond Principles 2021, as applicable. The Framework specifically addresses the four components of the principles: Use of Proceeds, Project Selection and Evaluation Process, Management of Proceeds, and Reporting.

As of August 31, 2023, all of the net proceeds of Valley's Sustainable Financing were used to finance or re-finance, in part or in full, new and/or existing social and/or green assets that meet the Eligibility Criteria defined on pages three and four of our Framework.

Eligible assets include certain existing social or green assets held by Valley entities within 24 months prior to the Valley Sustainable Financing the issuance date and new social or green assets acquired post-issuance. A copy of the Framework is included in the Appendix to this Report.

ASSET SELECTION AND EVALUATION

One of the responsibilities of the ESG Council is to help guide the governance process for ESG project evaluation and selection. Valley's Sustainable Financing Committee has identified social and green assets and confirmed these as eligible assets in accordance with the Eligibility Criteria defined in the Framework. The Sustainable Financing Committee is comprised of the following Valley employees: Co-Chair of ESG Council, Director of Capital Planning & Stress Testing, Head of Corporate Finance and M&A, and Corporate Finance Manager.



RENEWABLE ENERGY

\$17 million of Valley's Sustainable Financing was utilized to fund loans to finance the construction of renewable energy projects including solar panel projects where energy produced is to be distributed for residential, institutional, and commercial subscribers.

SUMMARY OF RENEWABLE ENERGY ASSETS

ASSET	DOLLAR VALUE*
Renewable Energy Project 1	\$5,200,000
Renewable Energy Project 2	\$5,300,000
Renewable Energy Project 3	\$6,800,000
TOTAL	\$17,300,000



CLEAN TRANSPORTATION

\$48 million of Valley's Sustainable Financing was utilized to fund loans for clean transportation. Approximately \$17 million funded consumer loans for purchases of electric vehicles, including full EVs from Ford, Hyundai, Kia, Tesla, Volkswagen, Chevrolet, GMC, Volvo, Nissan, BMW, Subaru, Audi, Porsche, and Lucid. Another \$31 million funded the importation and distribution of electric golf cart vehicles, including street legal carts commonly used in retirement communities in the U.S.

SUMMARY OF CLEAN TRANSPORTATION ASSETS

ASSET	DOLLAR VALUE*
Clean Transportation Project	\$31,500,000
Electric Auto Loans	\$17,000,000
TOTAL	\$48,500,000

* All or a portion of the dollar value of financing was funded by the net proceeds from our bond offering.



AFFORDABLE HOUSING

\$56 million of Valley’s Sustainable Financing was utilized for affordable housing. Within this subset, approximately \$16 million funded loans supporting not for profit agencies’ residential projects that provided housing to developmentally disabled individuals above age 21, who are Medicaid recipients and choose to live independently in their communities. The specific programs funded provide a variety of residential opportunities for individuals who are ready to take on a more independent role outside of their family home, with or without supervised support. The balance of approximately \$40 million was used to fund projects with 336 multi-family units in NY, NJ, and Chicago that are leased to tenants that are receiving Section 8 Housing Assistance, rental subsidies, and below U.S. Department of Housing and Urban Development’s Fair Market Rents.

SUMMARY OF AFFORDABLE HOUSING ASSETS

ASSET	DOLLAR VALUE*
Affordable Housing Project 1	\$23,700,000
Affordable Housing Project 2	\$15,400,000
Affordable Housing Project 3	\$8,600,000
Affordable Housing Project 4	\$7,800,000
TOTAL	\$55,500,000

WORKFORCE HOUSING

\$29 million of Valley’s Sustainable Financing was utilized to fund loans to either acquire or develop affordable, multi-family housing properties throughout our geographic footprint. The completed

projects house over 240 multi-family units in New York, New Jersey, and Florida that are leased to tenants with rental rates that are below U.S. Department of Housing and Urban Development’s Fair Market Rents.

SUMMARY OF WORKFORCE HOUSING ASSETS

ASSET	DOLLAR VALUE*
Workforce Housing Project 1	\$14,700,000
Workforce Housing Project 2	\$12,200,000
Workforce Housing Project 3	\$2,400,000
TOTAL	\$29,300,000

External Review

Valley has obtained an independent Second Party Opinion on its Sustainable Financing Framework, which is available on the [CSR section](#) of the Valley website.

KPMG LLP is the independent third-party attestation provider over management’s assertion under the heading “Management Assertion” below and their review report is provided within this Report.

Management Assertion

Management of Valley asserts that all of the \$147,508,000 net proceeds from the September 20, 2022 issuance of the 6.25% Fixed-to-Floating Rate Subordinated Notes due September 30, 2032 (the “Notes”) were used to finance or refinance, in part or in full, new and / or existing assets that meet the Eligibility Criteria as defined on pages three and four of our Framework included in the Appendix to this Report up to 24 months prior to the issue date of the Notes through August 31, 2023.

Valley is responsible for the completeness, accuracy, and validity of this Sustainable Financing Report (the “Report”) and for selecting the criteria, and determining that such criteria are suitable, will be available to the intended users, and are appropriate.

* All or a portion of the dollar value of financing was funded by the net proceeds from our bond offering.



DISCLAIMER

The information contained in this report is provided as of March 18, 2024 and Valley National Bancorp and any of its subsidiaries, including Valley National Bank does not assume any duty to update the information, except as required by law. You should not assume that the information appearing in this report is accurate as of any date other than such date, as Valley business and prospects may have changed since that date.

This report is provided for general informational purposes only and does not constitute or form a part of any offer, or an invitation on our behalf or on behalf of any underwriters, to subscribe for or purchase any securities of Valley, and may not be used for or in connection with an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. If any such offer or invitation is made, it will be done so pursuant to separate and distinct documentation in the form of a prospectus supplement, an accompanying prospectus or other equivalent document and a related pricing term sheet (collectively, the "Offering Documents"). Any decision to subscribe for or purchase any securities of Valley pursuant to such offer or invitation should be made only after carefully reviewing such Offering Documents, including any documents incorporated by reference therein, and consulting with any legal, tax, financial and other advisors, as appropriate. No decision to subscribe for or purchase any securities of Valley should be made on the basis of the information contained in this report.

This report is not intended to provide the basis for any third-party evaluation of any Valley securities and should not be considered as a recommendation that any investor should subscribe for or purchase any Valley securities, or as an assessment of the economic performance and creditworthiness of any Valley securities.





KPMG LLP
Suite 4000
150 John F. Kennedy Parkway
Short Hills, NJ 07078-2702

Independent Accountants' Review Report

The Board of Directors and Management
Valley National Bancorp:

We have reviewed management of Valley National Bancorp's (Valley) assertion that all of the \$147,508,000 net proceeds from the September 20, 2022 issuance of the 6.25% Fixed-to-Floating Rate Subordinated Notes due September 30, 2032 (the Notes) were used to finance or refinance, in part or in full, new and / or existing assets that meet the Eligibility Criteria as defined on pages three and four of Valley's Sustainable Financing Framework up to 24 months prior to the issue date of the Notes through August 31, 2023 (Management's Assertion). Valley's management is responsible for its assertion. Our responsibility is to express a conclusion on Management's Assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to Management's Assertion in order for it to be in accordance with the criteria. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether Management's Assertion is in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The procedures we performed were based on our professional judgment and included:

- Inquiry of management to gain an understanding of the Eligibility Criteria;
- Inspection of documentation for a selection of assets used to finance or refinance, in part or in full, new and / or existing assets to assess whether they meet the Eligibility Criteria;
- Inquiry of Company management to understand certain processes, systems and controls in place over the use of proceeds to finance or refinance, in part or in full, new and / or existing assets that meet the Eligibility Criteria; and
- Performance of certain analytical procedures over the use of proceeds to finance or refinance, in part or in full, new and / or existing assets that meet the Eligibility Criteria.

Our review was limited to Management's Assertion. Accordingly, we do not express a conclusion or any other form of assurance other than on Management's Assertion. Any information relating to the use of net proceeds by specific asset allocation categories, forward looking statements, goals and progress against goals, was not subject to our review and, accordingly, we do not express a conclusion or any form of assurance on such information.



Based on our review, we are not aware of any material modifications that should be made to Management's Assertion in order for it be fairly stated.

KPMG LLP

Short Hills, New Jersey
March 18, 2024

APPENDIX

Valley's Sustainable Financing Framework dated September 2022



September 2022

Valley's Sustainable Financing Framework



Introduction

Valley National Bancorp, headquartered in Wayne, New Jersey, is a New Jersey corporation organized in 1983 and is registered as a bank holding company and a financial holding company with the Board of Governors of the Federal Reserve System under the Bank Holding Company Act. Its principal subsidiary, Valley National Bank is a leading financial institution with approximately \$54 billion in assets and over 200 branches and commercial office locations throughout New Jersey, New York, Florida, California, Pennsylvania, Alabama and Illinois. Valley National Bank was founded in 1927 with the dual goals of creating better banking opportunities for our customers and helping our communities grow and prosper. For 95 years, our professional banking associates have embraced this spirit by providing a comprehensive suite of retail and commercial banking services, home mortgage and commercial lending products, and wealth, insurance and estate planning solutions to help our customers and communities achieve financial success. As part of our strategy to ensure the advances of people, places and economies we service, we adhere to three strategic pillars to guide our actions: relentless customer focus, deepening relationships and strengthening our communities.

Valley recognizes the importance of its relationships with its associates, customers and the communities it serves. Our foundation was built by the strength and depth of relationships with our customers and communities, by being a trusted financial partner, by generating innovative ideas and solutions, advocating for local communities and cultivating an ethical workplace culture. Valley also recognizes that adopting environmentally responsible practices is part of good corporate governance and contributes to local and global well-being. In early 2020, senior management with the backing of our board of directors, created our ESG Council. This group aims to connect the different departments of our organization to strengthen and guide our ESG efforts. An important goal of the ESG Council is to educate our organization on the impact of environmental, social and sustainability issues, and to collaborate on opportunities to mitigate these challenges.



Being a **TRUSTED FINANCIAL PARTNER**



Generating **INNOVATIVE IDEAS** and **SOLUTIONS**



Cultivating a **COLLABORATIVE** and **EMPOWERING CULTURE**



Advocating for our **LOCAL COMMUNITIES**

We expect that the ESG considerations that have become embedded in our long-term strategy will support and strengthen our risk-management framework and add sustainable value to our organization. More importantly, we believe that our actions will make a positive impact on the communities that we are proud to serve. In consideration of Valley's focus and success on these efforts, we are pleased to present both our 2020 / 2021 Environment, Social and Governance Report and 2020 CSR Report. These reports highlight our tangible efforts to address climate change and our contributions to cultural and social progress in our communities.

This Valley Sustainable Financing Framework (the "Framework") represents the next evolution of our ESG strategy and will guide future issuances of sustainable, social, and green debt issuances. References in this Framework to "Valley," "we," "us" and "our," when used to describe the issuer of Valley Sustainable Financing, are to Valley National Bancorp and not to any of its subsidiaries. Other references to these terms are to Valley National Bancorp and its consolidated subsidiaries, including Valley National Bank, unless otherwise stated or the context otherwise requires.



Valley's Core Values

OUR PURPOSE: We believe that success starts with empowering and improving the communities in which we operate. For 95 years, Valley has been committed to serving, supporting and strengthening our communities through economic inclusion, workforce and community development, and investment in local partners.

OUR VISION: To make a lasting impact on our communities by committing and contributing to the success of our stakeholders.

OUR MISSION: Give people and businesses the power to succeed.



Framework Overview

The Framework will guide future issuances of sustainable, social, and green senior notes, subordinated notes, and preferred stock (each a “Valley Sustainable Financing”) by Valley National Bancorp.

The Framework was developed with the support of our ESG Council to align with the International Capital Markets Association (“ICMA”) Sustainability Bond Guidelines 2021, Social Bond Principles 2021, and Green Bond Principles 2021, as applicable and specifically addresses the four components of the principles.

- I. Use of Proceeds
- II. Project Selection and Evaluation Process
- III. Management of Proceeds
- IV. Reporting








I. Use of Proceeds

An amount equal to the net proceeds of each Valley Sustainable Financing will be used to finance or re-finance, in part or in full, new and / or existing social and / or green assets that meet the Eligibility Criteria defined below (“Eligible Assets”). Social assets compose the “Eligible Social Portfolio” and green assets form the “Eligible Green Portfolio”.

Social Financings are securities where the proceeds are allocated to social assets, Green Financings are securities where the proceeds are allocated to green assets, and Sustainability Financings are securities where the proceeds are allocated to both social and green assets. Each of the Eligible Criteria identified below is aligned to one or more UN Sustainable Development Goals (SDGs).

Eligible Assets include existing social or green assets held by Valley Entities 24 months prior to the Valley Sustainable Financing issuance date and new social or green assets acquired post issuance. Valley intends to allocate an amount equal to the net proceeds of a Valley Sustainable Financing within 24 months of its issuance.

Criteria utilized by Valley to categorize eligible assets are listed below:

Eligible Category per ICMA Social Bond Principles and UN Sustainable Development Goals	Social Assets Eligibility Criteria
<p>1. Affordable Housing</p> 	<p>Acquisitions, construction, investments, rehabilitation and financing of multifamily and 1-4 family housing units meeting national/regional affordable housing definitions, including:</p> <ul style="list-style-type: none"> I. Affordable housing for LMI individuals or families with incomes less than 80% of the relevant area median income (“AMI”), or homes in LMI census tracts, including communities or units financed with LIHTCs or for individuals that may benefit from Housing Assistance Payment contracts or the housing choice voucher program II. Housing that specifically ensures the availability of units affordable to LMI families or individuals (i.e., federal, municipal, or project-based set-asides) III. Efforts which aim to provide no-cost housing solutions for homeless families or individuals IV. Supplying housing availability to developmentally disabled individuals V. Grants provided to organizations that support affordable housing through down payment assistance, financial education or housing / mortgage counseling and community land trusts
<p>2. Workforce Housing</p> 	<p>Acquisition, construction, investments, rehabilitation and financing of multifamily, and 1-4 family properties that are expected to provide housing at a rate below the prevailing market rate to individuals and families between 60%-80% of the Area Median Income (AMI) and up to 120% of AMI for high-cost metropolitan markets within Valley’s defined primary operating markets including:</p> <ul style="list-style-type: none"> I. Housing that specifically ensures the availability of units affordable to families or individuals up to 80% AMI (i.e., federal, state, municipal, or project-based set-asides) II. Projects eligible for Low-Income Housing Tax Credits III. Projects that accept Housing Assistance Payment contracts and/or housing choice voucher programs IV. Projects that participate in the US Department of Housing and Urban Development’s Public Housing Program
<p>3. Socioeconomic Advancement and Empowerment</p>  	<p>Investments and financings of minority-owned / operated small and medium enterprises (“SME”), with fewer than 250 employees, as defined by Organization for Economic Co-operation and Development (OECD) including:</p> <ul style="list-style-type: none"> I. Enterprises which are at least 51 percent owned and operated by an individual who is a U.S. citizen and is at least 25 percent African American, Asian American or Pacific Islander, Hispanic American, or Native American II. Enterprises which are at least 51 percent owned and operated by either women, or military veterans
<p>4. Access to Essential Infrastructure and Essential</p>  	<p>Investments and financings that enhance access to public, not-for-profit, free, or subsidized essential services, including:</p> <ul style="list-style-type: none"> I. Construction, rehabilitation, or enhancement of essential community services or infrastructure including emergency services, clean water and sewer service, transportation, and communication services. II. Healthcare facilities and clinics including for those operated by not-for-profit organizations, and Federally Qualified Health Centers qualifying for funding under Section 330 of the Public Health Service Act according to the Health Resources and Services Administration; for the elimination of doubt Valley will exclude any healthcare loans to “for profit” entities from the eligible asset criteria
<p>5. Access to Education</p> 	<p>Investments and financings that enhance access to public, not-for-profit, free, or subsidized essential services, including:</p> <ul style="list-style-type: none"> I. Construction, rehabilitation, or enhancement of facilities offering child, youth, or adult education and vocational training services to LMI individuals

1. Renewable Energy



Acquisitions, investments, expenditures, and financings dedicated to the generation, transmission, and / or distribution of energy from the following renewable sources

- I. Solar (both onshore photovoltaic and concentrated solar heat and power generation projects will be eligible)
- II. Wind (both onshore and offshore wind generation projects will be eligible)
- III. Geothermal with direct emissions below 100g CO2 / kWh

2. Energy Efficiency



Acquisitions, investments, expenditures, and financings dedicated to improving non-fossil fuel energy efficiency including:

- I. Energy efficient heating, ventilation, air conditioning, refrigeration, lighting, and electrical equipment intended to generate more than 25% energy savings
- II. Projects and initiatives that enhance the delivery of bulk energy services or the integration of intermittent renewables such as energy storage, smart grids, battery technology, and demand response
- III. Projects and initiatives that enable monitoring and optimization of the amount and timing of energy consumption such as smart meters, load control systems or sensors
- IV. For the avoidance of doubt, Valley will exclude from its eligible criteria related to Energy Efficiency any form of energy generation for distribution based on fossil fuel sources

3. Green Buildings



Acquisitions, investments, financings, refurbishments and / or upgrades of new or existing commercial or residential buildings that have:

- I. Received, or expect to receive certification according to third party verified green building standards, such as: LEED Gold or Platinum standard, or BREEAM Excellent or Outstanding, or
- II. Achieved, or expect to achieve, based on third-party assessment, leading greenhouse gas emission performance in the top 15% of their municipal boundaries

4. Clean Transportation



Financing low-carbon vehicle and transport assets, including:

- I. Personal EV and hybrid vehicles with emissions below 121g CO2 / mile
- II. Infrastructure to support EV and hybrid vehicles including hydrogen, fuel cell, or electric charging stations

II. Project Selection and Evaluation Process

In early 2020, Executive Management with the support of our board of directors, created our ESG Council. This Council includes representation from across the organization including individuals from: Executive Management, Corporate Finance, Corporate Treasury, Commercial and Retail Banking, Credit Risk Management, Compliance, Legal, CRA, Internal Audit, and Diversity, Equity and Inclusion. The ESG Council is responsible for guiding Valley's ESG strategy and objectives, and ensuring that the organization is upholding its responsibility to positively impact social and climate challenges in our markets of operations. A portion of this effort surrounds the identification and mitigation of ESG related risks in our lending activities. An important goal of the ESG Council is to expand throughout our organization a recognition of the impact of climate change while collaborating on opportunities to mitigate its effects. Relative to our Framework, Valley will exclude from our Eligible Assets any loans that fall into the definition of Environmentally Sensitive Industries.

One of the responsibilities of the ESG Council is to help guide the development of the governance process for ESG project evaluation and selection. Valley's Sustainable Financing Committee will identify existing and future social or green assets and confirm these as eligible assets in accordance with the Eligibility Criteria defined in the Framework. The Sustainable Financing Committee is comprised of the following Valley employees: Co-Chair of ESG Council, Director of Capital Planning & Stress Testing, Director of Corporate Finance and Business Development, and Corporate Finance Manager.

During the life of any Valley Sustainable Financing, Valley business line representatives will also coordinate with the Sustainable Financing Committee to ensure the exclusion from the Eligible Social or Eligible Green Portfolios any projects that no longer comply with the Eligibility Criteria or that have matured or paid off. Further, these parties will determine whether new assets which meet the relevant Eligibility Criteria should be added to either the Eligible Social or Eligible Green Portfolio.

Valley also commits to not intentionally include in either the Eligible Social or Eligible Green Portfolio, or allocate proceeds of any Sustainable Financing to projects or activities in the following categories:

- Alcohol and Tobacco
- Fossil Fuels and Mining
- Private Prisons
- Ammunition, Firearms, and Weapons
- Adult Entertainment
- Nuclear Energy
- Predatory Lending
- Endangerment of Protected Species
- Chemical, Petroleum, and Coal Product Manufacturing
- Assets where the potential economic loss to Valley has been assessed and categorized as criticized, classified, substandard, doubtful, or loss

III. Management of Proceeds

Within the construct of Valley’s ESG Council, the Sustainable Financing Committee will be responsible for a “Valley Sustainable Funding Asset Tracking Report” for the purpose of recording the Eligible Assets.

Valley intends to maintain an aggregate amount of Eligible Assets in the relevant Eligible Portfolio that is at least equal to the aggregate net proceeds of all Valley Sustainable Financings that are concurrently outstanding. However, there may be periods of time when the net proceeds have not yet been allocated to fully cover an amount equal to the net proceeds of all outstanding Valley Sustainable Financings. This could be the result of changes in the composition of Valley’s sustainable assets, or the issuance of additional Valley Sustainable Financings. Any such portion of the net proceeds of Valley Sustainable Financings that have not been allocated to Eligible Assets in the Valley Sustainable Funding Asset Tracking Report will be invested temporarily in cash, cash equivalents and/or other high-quality liquid assets.

Valley intends to have fully allocated an amount equal to the net proceeds of each Valley Sustainable Financing within 24 months of each issuance.

Payment of principal and interest on any Valley Sustainable Financing will be made from Valley’s general funds and will not be directly linked to the performance of any Eligible Asset.

IV. Reporting

Within 12 months of the issuance of each Valley Sustainable Financing, Valley will publish a Sustainable Finance Report on the CSR section of the Valley website. The Sustainable Finance report will be updated every year until complete allocation of net proceeds associated with Valley Sustainable Financings is achieved, and as necessary in the event of material developments. The report will include a summary of outstanding Valley Sustainable Financing issuances, including issuance date, size, maturity date, currency, and format.

The Sustainable Finance Report will contain at least the following:

- a. Management’s assertion that the use of proceeds of the Valley Sustainable Financing complies with the Framework;
- b. The amount of proceeds allocated to each Eligible Asset Category;
- c. The balance of unallocated net proceeds;
- d. Description of select assets financed.

Where feasible, the Valley Sustainable Finance Report will include qualitative and (if reasonably practicable) quantitative environmental and social performance indicators. Performance indicators may change over time.

Selected potential impact measures are illustrated below:

Eligible Assets Category	Possible Impact Measures
Affordable Housing	<ul style="list-style-type: none"> Number of affordable housing units constructed, refurbished, or sustained
Workforce Housing	<ul style="list-style-type: none"> Number of units developed / acquired that will provide stable long-term housing for LMI communities
Socioeconomic Advancement and Empowerment	<ul style="list-style-type: none"> Number of loans made Dollar amount of loans provided to small businesses in LMI communities Number of mortgages provided to racial minority purchasers Number of jobs created
Renewable Energy	<ul style="list-style-type: none"> Annual greenhouse gas emissions reduced Annual renewable energy generated
Energy Efficiency	<ul style="list-style-type: none"> Energy reduction projects in type and quantity Annual greenhouse gas emissions reduced Annual energy savings
Green Building	<ul style="list-style-type: none"> Area of certified green buildings in square feet and by certification level
Clean Transportation	<ul style="list-style-type: none"> Number of loans made to fund the purchase of energy efficient vehicles Dollar amount of loans made to fund the purchase of energy efficient vehicles

External Review

Valley has engaged Sustainalytics to provide an independent Second Party Opinion on its Sustainable Financing Framework. The external opinion and attestation will be published on the CSR section of the Valley website.



Disclaimer

The information contained in this Framework is provided as of the original date of this document (or the date of its most recent update, if applicable) and Valley National Bancorp and any of its subsidiaries, including Valley National Bank does not assume any duty to update the information.

This Framework is provided for general informational purposes only and does not constitute or form a part of any offer, or an invitation on our behalf or on behalf of any underwriters, to subscribe for or purchase any securities of Valley, and may not be used for or in connection with an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. If any such offer or invitation is made, it will be done so pursuant to separate and distinct documentation in the form of a prospectus supplement, an accompanying prospectus or other equivalent document and a related pricing term sheet (collectively, the "Offering Documents"). Any decision to subscribe for or purchase any securities of Valley pursuant to such offer or invitation should be made only after carefully reviewing such Offering Documents, including any documents incorporated by reference therein, and consulting with any legal, tax, financial and other advisors, as appropriate. No decision to subscribe for or purchase any securities of Valley should be made on the basis of the information contained in this Framework.

You should not assume that the information appearing in this Framework is accurate as of any date other than the date hereof, as Valley business and prospects may have changed since that date. This Framework is not intended to provide the basis for any third-party evaluation of any Valley securities and should not be considered as a recommendation that any investor should subscribe for or purchase any Valley securities, or as an assessment of the economic performance and creditworthiness of any Valley securities.

This Framework contains statements regarding Valley plans with respect to potential Sustainable Financings. Such statements are, by their nature, forward-looking, and accordingly are subject to numerous assumptions, risks and uncertainties, which may change over time. In particular, future events or circumstances may change Valley's approach to bond issuances or result in changes to the terms of this Framework. Thus, there can be no assurance that the financing for any Eligible Projects will be implemented in the manner set forth in this Framework or achieve the results or outcome (environmental, social or otherwise) originally expected or anticipated by Valley or as contemplated by this Framework. Applicable Offering Documents may describe other or more specific risks to accomplishment of Valley plans as set forth in this Framework. Valley's activities in general, which may affect any Sustainable Bonds that it issues, are also subject to certain risks and uncertainties that are described in Valley's most recent Annual Report on Form 10-K and its subsequent Quarterly Reports on Form 10-Q.

