

C. COMMUNITY REINVESTMENT GOALS

Financial institution's annual Community Reinvestment Goals should include information on the number of small business loans, home mortgages, home improvement loans, and community development investments to be made within low and moderate-income neighborhoods within the City of Philadelphia.

1. Provide an overview of the financial institution's annual Community Reinvestment Goals and confirm most recent CRA rating.

The Bank's primary mission is to serve small and medium sized businesses that are underserved or underbanked. We continue to focus on building meaningful partnerships with women-owned and minority-owned businesses, particularly within the City of Philadelphia.

Large banks typically do not devote enough attention to smaller businesses and force such businesses to fit into their lending programs. Lending decisions are often made outside of Philadelphia, without adequate knowledge of local markets. Republic Bank customizes its lending to individual customer needs as to terms, and thus encourages economic activity necessary to the continuing revival of the city.

In August 2020, Republic Bank received an overall CRA rating of Outstanding. The Bank did undergo a CRA examination in April 2023, but the results of that examination are pending.

2. Provide the number of small business loans, home mortgages, home improvement loans, and community development investments to be made within low and moderate-income neighborhoods within the City of Philadelphia.

Type	2022 Goals	2022 Results	2023 Goals
Small Business Loans	N/A	30	N/A
Home Mortgages	N/A	37	N/A
Home Improvement Loans	N/A	N/A	N/A
Community Development Investments	N/A	21	N/A

If applicable, explain why the previous year results did not meet the stated goal.

Republic Bank does not set separate goals for the City of Philadelphia. Further, they are included in the goals for our overall assessment area of 37964 and 15804. The home mortgage figures above represent loan applications received (including originated loans) in low-moderate income census tracts within Philadelphia County (101), which is located in the MSA 37964, where the small business and community development loans represent only originated loans within Philadelphia County (101).

3. Provide the actual number and dollar amounts of residential mortgages, home improvement loans, community development investments, consumer loans, and small business loans, and other commercial loans made in neighborhoods within the City of Philadelphia.

Calendar Year 2022

Number of Loans by Income

Type	Low	Mod	Mid	Upper	Total
Residential Mortgage	6	25	36	96	163
Home Improvement	-	-	-	-	-
Small Business Loans	9	21	25	78	133
Community Development	6	7	4	3	20
Consumer Loans	-	-	-	-	-
Other Commercial Loans	-	-	-	-	-
Total:	21	53	65	177	316
How many business loans were originated?	-	-	-	-	-

Value of Loans (\$) by Income

Type	Low	Mod	Mid	Upper	Total
Residential Mortgage	\$2.3 Million	\$12.61 Million	\$9.59 Million	\$59.81 Million	\$84.31 Million
Home Improvement	-	-	-	-	-
Small Business Loans	\$3.91 Million	\$7.87 Million	\$5.92 Million	\$24.85 Million	\$42.55 Million
Community Development	\$6.32 Million	\$11.28 Million	\$4.53 Million	\$4.62 Million	\$26.75 Million
Consumer Loans	-	-	-	-	-
Other Commercial Loans	-	-	-	-	-
Total:	\$12.53 Million	\$31.76 Million	\$20.04 Million	\$89.28 Million	\$153.61 Million
% of Consumer Loans made through Credit Cards	-	-	-	-	-

4. Provide information on other types of community development investments made in neighborhoods within the City of Philadelphia (for example: Grants, Education, Public or related Commercial Development).

Most of the above-named investments were paid to organizations who support the revitalization and stabilization of LMI areas within the City of Philadelphia. Republic Bank management and/or staff participate in a variety of community development organizations which promote financial service education within its community. Within the municipality and local businesses, Republic Bank has established good working relationships and is known as one of the leading commercial banks of the community with an excellent record of corporate citizenship and community service. There are many informal activities that assist Republic Bank in meeting its community credit needs. In 2022, the Bank launched its participation in the City's Repair, Restore, Renew (RRR) Program, becoming only the 2nd financial institution to do so. Republic Bank also participates in the PA EITC program supporting local non-profit businesses. The majority of employees and board members live in the community and are engaged in community activities.

5. Briefly describe any lending outreach programs geared toward minorities, low-income individuals, women, or immigrants. This description should include the targeted community, the type of product (i.e. commercial, home lending, unsecured consumer) and any program outcomes.

Community Lenders Community Development Corporation (CLCDC): Promotes revitalization through financing of, and investment in, housing and community development activities and addresses needs of low- and moderate-income persons in areas throughout Bucks, Chester, Delaware and Montgomery Counties, with specific emphasis on communities where the member Banks are located.

Cooperative Business Assistance Corporation (CBAC): A non-profit, public-private partnership created in 1987. This organization was established to encourage the growth and stability of the small business sector. CBAC facilitates opportunities for banks to make business loans in the city of Camden, NJ and Philadelphia, PA, along with other counties located in Southern NJ. CBAC is a certified CDFI, a certified development entity, a SBA Microloan Intermediary and a US Small business Administration Associate Development Corp.

Women's Opportunity Resource Center (WORC): The mission of the WORC is to promote social and economic self-sufficiency primarily for economically disadvantaged women and their families. WORC provides training, individual business assistance, job replacement, and access to business and financial resources. WORC empowers its constituents through various self-help strategies including savings mobilization, a self-employment network, and access to its local, national and international affiliations. Additionally, WORC encourages community awareness and responsiveness concerning issues impacting economic equity and independence. Republic bank opens accounts to support the above-reverenced savings activities and serves on the Advisory Committee of WORC's EOF.

The Enterprise Center (TEC): The Enterprise Center has partnered with Republic Bank to provide funding for the Republic Bank Commercial Corridor Improvement Program. All Commercial Loans will support the Philadelphia Department of Commerce Revitalizing Corridors Store Front Improvement Program.

City of Philadelphia’s Restore, Repair, Renew Program (RRR): Restore, Repair, Renew is an initiative of the City of Philadelphia to help Philadelphia homeowners access low-interest loans to invest in their properties. Lenders participating in the program are offering 10-year, 3% fixed APR loans that range from \$2,500 to \$50,000 to eligible homeowners. Restore, Repair, Renew loans can fund a range of home repairs that focus on health, safety, weatherization, accessibility, and quality of life. The goal of the program is to help Philadelphians improve their homes and strengthen their communities.

- 6. Disparities in Lending: Attach a long-term strategic plan to address disparities in the Bank’s or Financial Institution’s lending and investment activities that may be indicated in the [City’s 2021 annual lending study](#).**

Label this document “Appendix II – Long-Term Strategic Plan.” If disparities are not indicated in the study, then a strategic plan on programs, lending, and branching patterns should be submitted. Label this document “Appendix II – Long-Term Strategic Plan”.

All depositories are required to respond per Chapter 19-200 as referenced:

“Each depository shall also provide the City with a long-term strategic plan to address disparities in its lending and investment activities. The strategic plan shall address how the depository will match or exceed peer lending performance in targeting capital access and credit needs disclosed in disparity studies commissioned by the City.”

APPENDIX II LONG TERM STRATEGIC PLAN

Republic Bank (“the Bank”) reviewed the 2021 Annual Study, Section K as required. It is important to note that the peer institutions against whom Republic Bank was evaluated are significantly larger institutions that maintain significantly higher market share. When compared to the specified peers, Republic Bank is a significantly smaller financial institution, thus making an “apples to apples” comparison somewhat difficult.

Based on the findings of the 2021 Annual Study, Republic Bank is committed to meeting or exceeding peer. Focus will be geared on the areas in which the Bank tested below *both* all depositories and all lenders or *either* all depositories or all lenders, specifically:

- All Loans: Percent of loans to Black and Hispanic borrowers.
- Home Purchase Loans: Percent of loans to Black and Hispanic borrowers, as well as denial rates for Hispanic borrowers.
- Home Refinance Loans: Percent of loans to LMI borrowers and within LMI tracts, as well as to Black, Hispanic, Asian, and female borrowers.

In late 2022, Republic Bank saw a change in key leadership roles. Specifically, we welcomed a new President and Chief Executive Officer and Chief Financial Officer. As a result, the Bank’s long-term strategic plan has significantly evolved. The Bank has made the strategic decision to exit the residential mortgage lending business. However, the Bank remains committed to continuing to offer consumer loans (which includes home equity, HELOC, credit card, automobile loans, etc.) and commercial loans to individuals and entities within its market area. Philadelphia is the primary area of focus. From a commercial perspective, the Bank will invest in additional resources to local areas businesses and has expanded its Small Business Association (SBA) Lending group and continues to invest in its Small Business Lending Division. Going forward, the Bank’s commercial lending efforts will be its primary lending focus. The bank also intends to begin to take loan applications online in 2023, which will increase the Bank’s accessibility. As such, the Bank’s performance relative to various demographics will similarly shift.

In turning to small business and community development performance, in May 2020, the Bank hired a Regulatory Reporting and CRA Development Manager. This role continues to partner with commercial loan officers to actively seek new community development loan and investment opportunities that benefit LMI individuals and serve LMI tracts within the City of Philadelphia. Improvement with respect to community development lending and investments (as measured year-over-year) is a key performance indicator for this role. In 2020, the Bank was awarded an overall CRA rating of “Outstanding” by the FDIC.

Finally, the Bank’s Fair and Responsible Banking Officer performs an annual Fair Lending Regression Analysis, which enables the Bank to detect and address fair lending concerns in a timely fashion. Thus, it is the hope of the Bank that as the City’s annual study is published each year, all underperforming lending areas will have previously been detected, analyzed, and remediated to the extent practical.