TRUIST

[redacted]

William H. Rogers, Jr.
Chairman and CEO

Via Electronic Mail Transmission

September 19, 2022

Hon. Maxine Waters
Chairwoman, Committee on Financial Services
United States House of Representatives
2129 Rayburn House Office Building
Washington, D.C. 20515

Re: September 21, 2022 House Financial Services Committee (the "Committee") Hearing, "Holding Mega Banks Accountable: Oversight of America's Largest Consumer Facing Banks"

Dear Chairwoman Waters:

I appreciate the invitation to appear before the Committee to talk about Truist, our purpose, the people, businesses, and communities we are privileged to serve, and our teammates.

Please see attached our written statement, including an introduction to Truist and our purpose to inspire and build better lives and communities, as well as specific answers to the questions you requested us to answer.

We respectfully submit these responses. Please do not hesitate to contact me with any questions or concerns you may have.

Sincerely,

William H. Rogers, Jr.

TRUIST

Written Testimony

William H. Rogers, Jr.

Chairman and Chief Executive Officer

Truist Financial Corporation

United States House of Representatives, Committee on Financial Services

"Holding Mega Banks Accountable: Oversight of America's Largest Consumer Facing Banks"

September 21, 2022

Chairwoman Waters, Ranking Member McHenry, and distinguished members of the Committee, thank you for the invitation to appear at today's hearing. It is my privilege to represent more than 50,000 Truist[1] teammates who every day seek to live our purpose in service of our clients and communities.

Truist Overview

Truist is a purpose-driven financial services company. Truist serves approximately 15 million clients and operates several primarily regional lines of business, including: retail, small business, commercial, and premier banking; treasury solutions; and wealth. Truist also operates various national business lines, including mortgage; national consumer finance, services, and payments; insurance; corporate and investment banking; and commercial real estate. As of June 30, 2022, Truist had total assets of $545 billion.

Headquartered in Charlotte, North Carolina, Truist maintains a strong branch network in the Southeastern and Mid-Atlantic regions of the United States, with over 2,000 bank branches in 17 states and the District of Columbia. Truist ranks among the top 3 banks in 17 of our top 20 metropolitan statistical areas.[2]

Truist Is Purpose-driven

At Truist, we have a clear purpose to inspire and build better lives and communities. Our purpose statement intentionally begins with the words "to inspire." We decided from the beginning, if we wanted to be a leader, we would need to be bold, be first, and be inspirational.

Consistent with our purpose, in 2019, we made a three-year commitment to drive positive change and progress in low- and moderate-income (LMI) and majority-minority communities through our $60 billion Community Benefits Plan, where we are lending and investing to support affordable housing, nonprofits, and small businesses. Developed after eight community listening sessions and with advice and input from a Community Advisory Board that included leaders from nonprofits, Community Development Financial Institutions (CDFIs), and community

[1] Unless otherwise indicated or unless the context requires otherwise, references to "Truist," "we," "us," "our," or similar references mean Truist Financial Corporation and its subsidiaries, including Truist Bank.

[2] S&P Global as of October 28, 2021.

advocates, our Community Benefits Plan is an investment in the social and financial well-being of our local communities.

Truist is pleased to advise the Committee that, through August 2022, we estimate that our combined lending, investing and philanthropic financing activities already exceed $60 billion. Further, based on where we are today, we are confident that Truist will deliver on each and every one of our Community Benefit Plan commitments by the end of 2022. This includes:

- $31 billion for home purchase mortgage loans to LMI borrowers, LMI communities, minority borrowers, and majority-minority geographies.
- $7.8 billion for lending to small businesses and support for businesses with revenues of less than $1 million.
- $17.2 billion in Community Development Lending for affordable housing and small business growth lending to nonprofits that serve LMI communities.
- $3.6 billion in Community Reinvestment Act (CRA) qualified investments and philanthropy, of which $130 million will be designated for CRA-qualified philanthropic giving.
- Truist will open 16 new banking branches in LMI or majority-minority neighborhoods by the end of this year.
- Truist has committed to a 10 percent annual target for diverse supplier spending, which we are already significantly exceeding.

We made this commitment to our communities in 2019 and, despite the headwinds of the pandemic and economic uncertainties, through the persistent dedication of our teammates and great partnerships with community and civic leaders and organizations, we have delivered on that commitment.

More recently, we have fundamentally redesigned our deposit account experience, based on research on our clients' needs, to provide more flexibility, lower costs, and increased financial confidence. We call it "Truist One Banking" — our new, differentiated set of products, which includes two new deposit accounts with no overdraft fees and other features to accelerate our clients' journey toward purposeful growth and financial well-being.

For our teammates, we also recently increased our minimum wage to $22 an hour for eligible teammates. This new wage will positively impact approximately 14,000 Truist teammates, including 81% of whom are in client-facing roles primarily within our retail and small business banking businesses.

Other actions evidencing our purpose in action are described in the responses below.

Commitment to Clients, Communities, and Teammates During the Pandemic

Throughout the COVID-19 pandemic, Truist honored its purpose and engaged in extraordinary efforts to help clients face the issues and hardships caused by the pandemic. Throughout these extraordinary times, Truist served as a source of strength and resilience for our clients and the broader economy.

- Truist was the fourth-largest lender by dollars in the Paycheck Protection Program (PPP), funding approximately $17 billion across nearly 120,000 loans to assist approximately 80,000 small business clients, and supporting over 2 million jobs.

- Our teammates worked tirelessly to get much-needed relief funding into the hands of businesses that were working hard to avoid layoffs and keep operations running.

- In March 2020, Truist launched the Truist Cares initiative, providing more than $50 million in philanthropic support to aid charities meeting basic needs, furnishing medical supplies, and addressing financial hardships across the nation.

- Between March 2020 and December 2021, Truist provided approximately 900,000 COVID-19 related payment relief accommodations to consumers and businesses, impacting approximately $50 billion in loan balances.

Diversity, Equity, and Inclusion

Truist has an unwavering commitment to diversity, equity, and inclusion in its workplace and across the financial system.

For Teammates

We strive to create an inclusive workplace in which every person, voice, and moment matters, and we believe our teammates must authentically reflect our communities. Furthermore, we have enhanced our existing commitments to diversity, equity, and inclusion because we know a more diverse workforce creates a better work environment and better client experiences, and builds better lives and communities.

In addition to the recently announced increase in our minimum wage to $22 an hour for eligible teammates, other indicators on our commitment to and progress on behalf of a diverse and thriving work environment include:

- A diverse board of directors, with 43% of members from underrepresented racial, ethnic, or gender groups.

- Exceeded our goal to increase ethnically diverse representation in senior leadership roles to at least 15% — a year ahead of our original commitment.

- The first pay equity study for the combined Truist organization showed that on average the salary of women teammates is 99% of men, and the salary of racially underrepresented teammates is almost 100% of white teammates.

- Established eight Business Resource Groups, teammate-led groups based on identity, affiliation and allyship, which are active throughout our markets and committed to advancing an inclusive culture and providing teammate programming and community engagement.

- Created the Grow, Recruit, and Accelerate Development (GRAD) program in 2021 to create more pathways for high-performing diverse leaders into senior leadership roles. Participants gain knowledge through collective and individualized experiences as well as leadership training, one-on-one career coaching, and reimbursement for obtaining graduate-level degrees if they have yet to pursue one.

For the Diverse Workforce of Tomorrow

Truist actively hires teammates from different backgrounds, cultures, identities, and experiences for positions ranging from entry-level to senior leadership. We are committed to helping individuals reach their potential in a culture that promotes sharing ideas, respecting one another, and achieving goals together. We believe that embracing our differences advances creativity, increases innovation, fosters collaboration, and makes us a more forward-thinking competitive company.

Through our dedicated recruiting programs for graduates of historically black colleges and universities (HBCUs), Truist has been deliberate in creating opportunities to attract, retain, hire, and place diverse talent in our company and in financial services. We create and participate in career fairs, development workshops, networking events, sponsorships, and ongoing relationships with HBCUs and associated alumni groups. We believe these efforts will open doors and opportunities for diverse talent and strengthen Truist's relationships with other diverse institutions to make us an employer of choice while, at the same time, helping to position financial services as a career destination. Truist has committed to increase hiring from HBCUs to 5% of Truist's total annual hiring by 2023.

Truist is also devoting substantial philanthropic and programmatic resources to support HBCUs and employment opportunities promoting racial equity. We provided more than $20 million to HBCU-related programs from 2020 to 2022.

For the Communities We Serve

Truist has taken broad steps since 2020 to help make our communities and the financial system more inclusive and equitable. Examples of our investments and initiatives in our communities, including our $120 million to strengthen and support small businesses, focusing on Black, Latine and women-owned businesses, are described in further detail in the responses below.

Focused Community Philanthropy

Truist has a range of programs and channels through which we deliver the funds and volunteer hours that maximize the positive impact of our financial and service contributions. These include the Truist Foundation, Truist Charitable Fund, Truist Leadership Institute, our Commercial Community Bank's regional giving programs, CRA, and teammate volunteerism. Through a coordinated strategy, Truist's philanthropic initiatives align with our five strategic pillars for community philanthropy:

- Leadership: We empower community leadership and support high-quality lifelong learning that is affordable and accessible.

- Career pathways: We support scalable programs that build career pathways to economic mobility.
- Small businesses: We help strengthen small businesses and entrepreneurial endeavors across our communities.
- Educational equity: We believe in the development of educational learning platforms aimed at eradicating literacy gaps and conditions of poverty.
- Thriving communities: We support innovative community development efforts that develop and maintain affordable housing, create healthy communities, and stimulate income equity.

Additionally, we provide support for natural disaster relief, family emergencies, and other unexpected events through our One Team Fund and teammate matching gifts. By leveraging our giving mechanisms and coordinating efforts among national partners and regional and local organizations in addition to federal and state programs, Truist maximizes the impact of every dollar with an agile and responsive mindset. Our teammates also contribute their knowledge, technical expertise, capacity-building skills, and in-kind donations.

Cumulatively, Truist and the Truist Foundation gave $116 million in 2021 to support communities. Our giving was often paired with matching funds or leveraged alongside regional, state, and local programs to maximize the impact. We are having a profoundly positive impact on our communities consistent with our purpose to inspire and build better lives and communities.

Promoting Sustainable Solutions for Clients and Communities

We view all the elements of environmental, social and governance (ESG) considerations as opportunities to improve our company and fulfill our purpose, and our progress has been swift and significant. During the past two years, to increase transparency and accountability, we have produced our first two ESG reports and our inaugural Task Force on Climate-related Financial Disclosures report. In those reports, we outlined our commitment to significantly reduce our emissions, while supporting and partnering with our clients in their pursuit of an array of sustainable energy sources.

In support of our purpose, we have deliberately considered sustainability and proactively made decisions to address climate change both near- and long-term. Among other public commitments, we announced a goal to achieve net-zero emissions by 2050. More importantly, our goal is to support our communities, building on our strong legacy of partnering closely with clients to help advance beneficial changes.

Innovation for Clients

As the nation’s seventh-largest bank, we are big enough to offer a full range of capabilities, generate meaningful capital — that can be used to drive innovation — and invest in growth. At the same time, Truist is nimble enough to leverage our heritage as a main street community bank, offering the personalized, localized experience and service that comes when decisions are made closer to the client.

Truist's value proposition — Touch + Technology = Trust, T3, as we call it — aims to seamlessly integrate the industry-leading personal touch that we've long been known for with innovative technology, yielding our most valuable asset: the trust of our clients.

At the end of 2021, we opened our state-of-the-art Innovation & Technology Center in the heart of our Charlotte headquarters. It is a springboard for, and physical manifestation of, innovation across our entire company, one that will help us reimagine client experiences. Teammates from business units throughout Truist will partner directly with clients, innovators, digital product managers, designers, engineers, fintech firms, partner vendors, and many others to develop new ways to empower our clients.

As we look to the future, Truist is well positioned for purposeful growth for all our stakeholders. With our purpose at our core, purposeful growth means capitalizing on our vibrant markets, diverse business mix and capabilities, and outstanding teammates and their advice to produce better results and better lives for our clients.

Detailed responses to each of the topics in the Committee's request for information are provided in the pages that follow.

Responses to the Specific Committee Questions and Information Requests

1. ***Summary of your institution's activities during the pandemic, to include activities from March 2020 through present day, relating to: any government pandemic program that your institution participated in, serviced, benefited from, or monitored, including the Paycheck Protection Program and Economic Injury Disaster Loan, and detail any funds received from such activity.***

Truist has a clear purpose to inspire and build better lives and communities. This includes helping its clients, communities and teammates facing hardship, such as those caused by the COVID-19 pandemic. Throughout the COVID-19 pandemic, Truist honored this commitment through its participation in government pandemic programs in a manner that maximized community support and reflected its purpose, mission, and values.

As the fourth-largest PPP lender by dollar volume, Truist provided approximately $17 billion across nearly 120,000 loans, all while maintaining its commitments to supporting communities where they need it the most. Truist teammates worked tirelessly to get much-needed relief funding into the hands of businesses that were working hard to avoid layoffs and keep operations running. Approximately 75% of Truist's PPP loans were in amounts at or less than $100,000, assisting approximately 80,000 small business clients. Truist supported the smallest of small businesses, with approximately 96% of its PPP loans going to businesses with less than 100 employees. Following Congress' renewal of the PPP program and its direction to lenders to focus on LMI communities and businesses, Truist developed proactive outreach programs and enhanced loan processing protocols for businesses in LMI communities, resulting in 34% of PPP loans in the second round of funding going to small businesses in such communities. In addition, approximately 30% of Truist's PPP loans supported critical businesses and employees vulnerable to the impacts of the pandemic, such as construction,

manufacturing, healthcare, and agricultural businesses. Overall, Truist's PPP lending supported over 2 million jobs.

Outside of its PPP lending, Truist continued to meet the needs of its communities during difficult times. During 2021, Truist provided more than $26 billion in commercial loans to small and middle-market businesses. In 2019, shortly before the start of the pandemic, Truist announced a Community Benefits Plan that included a three-year commitment of $7.8 billion for lending to small businesses and to support the growth of businesses with revenues less than $1 million. Truist honored this commitment and, as of May 31, 2022, Truist had delivered $7 billion of that amount.

The Economic Injury Disaster Loan (EIDL) Program was a direct loan program administered by the Small Business Administration (SBA). COVID-19 EIDL loans were originated and serviced directly by SBA. Other than monitoring and reporting to law enforcement on certain deposit activities using COVID-19 EIDL funds, Truist was not involved in the EIDL Program.

Beyond lending activities, Truist acted promptly to demonstrate its purpose in action. To meet the immediate and long-term needs of its communities, Truist launched the Truist Cares initiative in March 2020, providing more than $50 million in philanthropic support to aid charities meeting basic needs, furnishing medical supplies, and addressing financial hardships across the nation. Through Truist Cares, Truist has made more than 250 grants to community partners to support and expand initiatives and programs for youth, seniors, families and small businesses to rebuild, restore, and create thriving communities. Major grants thus far include national and local United Way organizations, the Center for Disease Control Foundation and Johns Hopkins Medicine, the Local Initiatives Support Corporation, and Boys & Girls Clubs of America's COVID-19 Relief Fund to support frontline needs.

2. Summary of your institution's activities during the pandemic, to include activities from March 2020 through present day, relating to: mortgage lending, including originations broadly, originations for homes valued at less than $100,000, refinancing, and related denial rates to borrowers of color.

Truist's housing-related business tangibly demonstrates how it fulfills its purpose. Mortgage and Truist Community Capital are two housing-related business lines critical to how Truist builds better lives and communities.

Mortgage

Truist supports first-time homebuyers, with a focus on underserved LMI and rural areas. Truist raises awareness and penetration of affordable mortgage products and programs, such as mortgage grants and down payment assistance, and has developed partnerships with builders of affordable housing to provide credit to LMI borrowers.

A centerpiece of Truist's mortgage business is the three-year commitment in Truist's Community Benefits Plan to make $31.9 billion in mortgage loans to LMI borrowers, LMI communities, to racially and ethnically diverse borrowers, and in majority-minority geographies. Based on its latest results, Truist has delivered on this commitment, funding $33 billion in home purchase mortgage loans across these client and community categories. In addition, from 2020

through the second quarter of 2022, Truist provided more than $17 million in Truist Mortgage Grant Funds for down payment assistance to over 2,700 LMI clients.

Truist partners with 29 non-profit organizations — such as HomeFree-USA in Maryland and the Urban League of Greater Atlanta — to deliver first time homebuyer education seminars and to educate consumers on financial solutions that assist with closing costs and down payments. These virtual and in-person seminars further educate consumers about mortgage assistance programs and foreclosure avoidance. Truist also partners with five national trade associations and their local chapters, namely, the National Association of Minority Mortgage Bankers of America, National Association of Real Estate Brokers, National Association of Hispanic Real Estate Professionals, Asian Real Estate Association of America and the LGBTQ+ Real Estate Alliance. Through these partnerships, Truist sponsors and participates in financial education and homebuyer education to expand access to credit for low-to-moderate income clients in low-to-moderate income geographies.

Looking ahead, Truist is a signatory to the Mortgage Bankers Association "Home For All Pledge". This pledge reinforces Truist's commitment to create and foster equity and inclusion in housing, including working with established relationships with HomeFree USA and the National Association of Minority Mortgage Bankers to expand opportunities to minorities in the communities Truist serves.

Products

Truist's residential mortgage lending business offers conventional (non-government), U.S. Department of Veterans Affairs (VA), Federal Housing Administration (FHA), and U.S. Department of Agriculture Rural Development (Rural Housing) mortgage products that are sold to or insured with Freddie Mac, Fannie Mae, FHA, VA, Rural Housing and Ginnie Mae, and conventional loans that it holds in its own portfolio. In the two-year period from 2020 to 2021, Truist's mortgage business originated 136,632 residential loans totaling $45.26 billion. Most of those loans were conventional mortgages and 58% were refinances. Truist originated mortgage loans on more than 2,500 homes with values less than $100,000 during this period, reflecting the significant home price appreciation that has occurred in recent years and one of the reasons it focuses so heavily on financing affordable rental housing. In 2020 and 2021, Truist helped 24,233 minority borrowers refinance or purchase a home. For 2021, the most recent full year for which information is available, approximately 60% of mortgage loans were made for the purpose of refinancing, while approximately 39% were for home purchase. With the sharp rise in interest rates in 2022, Truist expects this year's percentages to change materially.

Mortgage Loan Distribution

Truist strives to ensure that its mortgage lending programs are marketed and available to all interested applicants on a fair and equitable basis. As discussed above, Truist offers a comprehensive suite of mortgage products, including products aimed at LMI borrowers featuring down-payment assistance, low down-payment requirements and other qualifying terms designed to promote long-term equity growth for households with a sustainable payment. With respect to approval and denial rates for mortgage loan applicants based upon demographic information obtained on the primary borrower, based on 2021 Home Mortgage Disclosure Act (HMDA) data, Truist originated the following percentages of total loan applications per category: identifying white, 69%; identifying Asian, 67%; identifying black/African American, 57%;

identifying Native American, 58%; and, identifying Hispanic, 57%. Based on the same data, Truist denied the following percentages of total loan applications per category: identifying white, 12%; identifying Asian, 12%; identifying black/African American, 19%; identifying Native American, 17%; and, identifying Hispanic, 19%. Total loan application categories under HMDA also include applications withdrawn by the client and files closed for incompleteness. It should also be noted that approximately 20% of loan applicants declined to provide demographic information.

Home Equity Lending

Truist also offers home equity loans and lines of credit (HELOCS), allowing clients a flexible way to obtain a source of liquidity based on their home equity. In 2020 and 2021, Truist originated a combined total of $10.35 billion in home equity loan volume, providing financing to 86,472 borrowers. In 2020 and 2021, Truist helped 11,673 minority borrowers obtain a HELOC.

Support for Rental Housing and Housing Affordability through Truist Community Capital

Truist is an extraordinary supporter of affordable rental housing in the markets it serves. Truist Community Capital, a division of Truist's commercial real estate business, is a community- and client-focused business that provides investments and loans to urban and rural communities to support affordable housing, job creation, and revitalization. Today, Truist Community Capital has a portfolio of more than $4 billion in equity investments in affordable housing. In 2021 alone, Truist Community Capital invested more than $1 billion in low-income housing tax credits, New Markets Tax Credits (NMTC) and other community development funding that created 3,658 jobs for residents of LMI communities, more than 19,000 affordable housing units and served more than 115,000 LMI community members.

Through Truist Community Capital, Truist has created community development fund loans and investments, committing more than $200 million in financing at below-market rates of return, partnering with more than two dozen flagship CDFIs and community-based funds. Truist's partners in creating and maintaining affordable single-family and multi-family housing include the following CDFIs and government-sponsored funds:

- Durham Affordable Housing Fund
- Nashville Housing Fund
- Charlotte Housing Opportunity Fund
- Florida Minority Community Reinvestment Coalition
- Baltimore Community Loan Fund
- National Community Reinvestment Coalition Housing Rehab Fund
- Mercy Housing, Inc.
- Reinvestment Fund (Pennsylvania)
- Fahe (Rural Appalachia/Kentucky)
- Washington Housing Initiative

- Housing Impact Fund
- Atlanta Affordable Housing Fund
- Center Creek Housing Fund III
- Wake County Affordable Housing Preservation Fund

3. Summary of your institution's activities during the pandemic, to include activities from March 2020 through present day, relating to: forbearance and loan modifications offered, provided, or denied to customers experiencing hardship during the pandemic and foreclosures.

Truist engaged in extraordinary efforts to respond to the issues and hardships caused by the COVID-19 pandemic, including implementing a range of loan accommodations by providing deferral, forbearance, or extension programs on a wide range of consumer and business lending products, including personal loans, mortgages, credit cards, auto loans, and home equity lines of credit.

Beginning early following the onset of the pandemic, Truist focused on client communications and proactive education about assistance programs available to clients facing financial hardship, leveraging frequently asked questions on Truist's websites, email outreach, and a social media campaigns. As the pandemic deepened, Truist developed and deployed technology solutions to help meet its clients' needs, including:

- Implementing digital, or online, intake processes that enabled clients to request relief.
- Introducing a "request call back" feature to respond to spikes in call volumes.
- Implementing interactive voice response and "chat-bot" features to provide informative content to address the most common client questions.
- Continually updating its website to provide updated and relevant information to help answer clients' questions.
- Updating written communications to its Mortgage clients that included information about Housing Assistance Fund programs and other ways to seek relief.

Truist has provided approximately 900,000 COVID-19 related payment relief accommodations to consumers and businesses from March 2020 through December 2021, impacting approximately $50 billion in loan balances. Truist implemented a broad range of loan accommodations across its lending businesses, including the following areas.

Mortgage

- Truist provided up to 12 months of payment relief in the form of forbearance, upon request, to all borrowers who communicated they were impacted by COVID, including those in a non-government backed product.

- Additionally, in certain circumstances, the government-sponsored enterprises (GSE) and government insurers offered an additional 6 months of relief, based on criteria defined in their servicing announcements, which Truist complied in offering as a mortgage servicer.
- Permanent relief accommodations for missed payments were provided in line with COVID programs developed by investors and insurers. These options included deferrals of the accrued payments, streamlined loan modifications to lower payments, and repayment plans.
- Truist offered similar permanent payment relief accommodations for its own mortgage loans that were not covered by the CARES Act.

Consumer Non-Mortgage (including Home Equity Lines of Credit, Auto Loans, Personal Loans, and Credit Cards) and Commercial Loans

- Payment relief accommodations were available upon request across all other types of Truist consumer and commercial loans — Truist did not require any written confirmation that clients were impacted due to COVID-19 (verbal was acceptable).
- Payment relief was generally provided for up to 180 days (in 30- or 90-day increments) for consumer and commercial loans.
- Depending on the line of business or program, these payments would typically be amortized over the remaining life of the loan, through a principal deferral due at maturity of the loan, or by extending payments after the original final maturity date of the loan.

Consistent with the CARES Act, Truist treated clients as “current” for credit bureau reporting purposes when utilizing Truist’s COVID payment relief programs.

COVID-related payment relief accommodation programs (i.e., up to 180 days) largely ended at the conclusion of 2021, with the exception of mortgages, for which accommodations are still available per the CARES Act and continue to be available for all types of mortgages (portfolio, GSE, Government). Clients may continue to request and obtain payment relief assistance via Truist’s business-as-usual accommodation programs if they face economic hardships.

In addition, Truist suspended foreclosure activities during the COVID-19 pandemic, in compliance with the foreclosure moratorium established in the CARES Act and extended through July 31, 2021. After that date, Truist complied with the safeguards established by the Consumer Financial Protection Bureau (CFPB) through December 31, 2021, with foreclosure activity limited to non-primary residences and confirmed abandoned properties.

Since December 31, 2021, Truist has returned to its standard programs for mortgage foreclosures. This process includes utilizing a myriad of available payment and restructuring options with clients prior to proceeding to foreclosure, with foreclosure and eviction used as a last resort.

4. Summary of your institution’s activities during the pandemic, to include activities from March 2020 through present day, relating to: your institution’s policies and practices with respect to garnishment and offsets of government stimulus deposits.

Truist instituted several practices during the COVID-19 pandemic related to garnishments and offsets of the stimulus payments that directly benefited consumers and households.

Truist Practices Regarding Offset of Stimulus Payments

In April 2020, the federal government enacted what would be the first of three rounds of Economic Impacts Payments (EIPs) to assist individuals with short-term funding needs during the pandemic. Due to Truist's concerns regarding clients' ability to access stimulus funds, Truist voluntarily implemented a program to provide full benefits to clients, for a 30-day period, whose balance was negative at the time EIP funds were deposited. Initially, this temporary, or provisional, credit applied to ACH deposits and it evolved to encompass deposited checks after the U.S. Department of Treasury published additional information to help identify the checks.

Truist sent clients a letter explaining the temporary credit, which included instructions on how to sign up for online banking and encouraging clients to provide an email address to receive reminder emails. If Truist had email addresses for clients, Truist sent emails with an explanation about the temporary credit. Additionally, Truist sent reminder emails to those clients (i.e., that the temporary credit would expire and be reversed at the end of the 30-day period). When reversals of temporary credits were performed after the expiration of the 30-day period, overdraft fees were suppressed on the reversal.

Further, beginning March 23, 2020, Truist ceased to the right of setoff against any deposit accounts, including specifically when clients may have owed Truist on a loan obligation. This voluntary moratorium on setoff rights remained in place until October 1, 2020. When Congress issued the second and third round of EIPs, Truist did not exercise the right of offset on these payments for delinquent loan obligations if the EIPs were designated as such on deposit, or if not designated as such, clients informed Truist that the funds were EIP. In addition, Truist followed any applicable state-imposed limitations on the right of setoff during the COVID-19 pandemic.

Truist Practices Regarding Garnishment of Stimulus Payments

During the three rounds of EIP stimulus, Congress only exempted the second round of EIP from certain state garnishments. As a result, for these EIP payments, Truist updated its garnishment process to ensure that these funds would not be subject to a state's legal garnishment process pursuant to the provisions enacted by Congress. Apart from this federal protection for the second round of EIP, certain states enacted their own protections to stimulus payments from garnishments related to judgments in their states. Truist tracked the various state requirements and updated processes accordingly to ensure it was handling garnishments consistent with those states' garnishment protections.

5. Summary of your institution's activities during the pandemic, to include activities from March 2020 through present day, relating to: the total revenue collected from overdraft and related fees.

Truist offers personal and commercial deposit products designed to meet client needs and financial resources, and has engaged in efforts to further assist clients. Putting its purpose in action, Truist refunded $90 million in fees to help clients face the issues and hardships caused

by the pandemic. Truist also provided refunds for overdraft and related fees, upon request, from March 2020 through December 31, 2020. This included fees beyond returned item and overdraft protection fees.

Truist's Efforts Since May 2021 to Reduce and Eliminate Fees

Since 2021, Truist has introduced new products with no overdraft fees, eliminated key overdraft fees associated with existing products, and implemented transactional enhancements, which further helped clients avoid fees.

Introduction of Truist One Banking Products with no Overdraft Fees

On January 18, 2022, Truist announced Truist One Banking, a new, differentiated set of products to redefine everyday banking and accelerate clients' journey toward purposeful growth and financial well-being — all with no overdraft fees. Truist tapped into design thinking, market research, data on usage patterns, and client feedback to assemble a cross-discipline team charged with redefining what a checking account could and should be to create a better banking experience.

As part of Truist One Banking, on July 18, 2022, Truist introduced two new deposit accounts with no overdraft fees.

The new **Truist One Checking** is Truist's flagship checking offering that eliminates overdraft and overdraft-related fees, such as overdraft protection transfer fees, negative account balance fees, and returned item fees. Truist One also includes an industry-leading $100 negative balance buffer that allows qualifying clients allows to overdraw their account up to $100 at no cost in the event additional funds are needed to approve or pay a transaction presented against insufficient funds. Truist One also includes an easily accessible deposit-based line of credit — up to $750 — that doesn't rely on traditional credit scores to qualify and can be paid back over several months, and will be available to Truist's clients in the coming months. Truist One Checking has a monthly maintenance fee that Truist waives for clients engaging in a minimal level of monthly account activity.

In addition, Truist offers the **Truist Confidence Account**, an alternative account created for clients who want simplicity and control without overdraft fees. This new product will add to Truist's existing "Bank On" certified demand deposit products and will help more clients access mainstream banking, allow them to avoid high fees from check-cashing services and payday lenders, and create a pathway to upgrade to Truist One. The Truist Confidence account also has no overdraft fees. The Truist Confidence Account has a modest monthly maintenance fee that Truist waives for clients engaging in a minimal amount of monthly account activity.

Truist estimates Truist One Banking will result in total client savings of approximately $200 million annually by 2024. Truist currently has no actively-sold personal checking accounts that charge overdraft fees and will move clients into Truist One Checking upon request. Truist is engaging in proactive outreach, sending more than 500,000 pieces of mail to clients who overdraft on a frequent basis, explaining Truist One Checking and inviting them to upgrade their checking accounts at no cost and without changing their checking account number if they find Truist One Checking suitable to their circumstances. Truist is incurring the cost to reach out to

these clients so they can better understand how they can avoid overdraft fees. Truist is doing this because it aligns with Truist's purpose and focus on client well-being.

Elimination of Fees on Existing Accounts

In addition to these new Truist One Banking deposit account offerings, Truist took action to benefit its existing deposit account clients. As of April 25, 2022, Truist eliminated several fees on its existing deposit accounts, including:

- Returned item fees.
- Overdraft protection transfer fees.
- Negative account balance fees.

Implementation of Transactional Enhancements to Help Clients Avoid Fees

Truist also reduced the number of potential overdraft fees that can be incurred daily from six to three. These changes saved Truist clients approximately $30 million in the second quarter of 2022 alone and are expected to deliver $100 million in client savings annually by 2024. In October 2021, Truist began waiving overdraft fees for all clients on transactions that are less than $5.00. This change is expected to save clients approximately $15 million annually.

Through these combined efforts, Truist's revenue generated from overdraft and returned item fees declined by approximately 30% from 2019 to 2021.

6. Your bank's current size and lines of business.

Truist is a purpose-driven financial services company committed to inspiring and building better lives and communities. Truist offers a wide range of services including retail, small business, and commercial banking; asset management; capital markets; commercial real estate; corporate and institutional banking; insurance; mortgage; payments; specialized lending; and wealth management. Truist is Headquartered in Charlotte, North Carolina.

Truist Bank, Truist's largest subsidiary, was chartered in 1872 and is the oldest bank headquartered in North Carolina.

More information about Truist can be found in its 2021 Annual Report on Form 10-K.[3]

Truist is a "Category III" banking organization, which generally includes bank holding companies with greater than $250 billion, but less than $700 billion, in total consolidated assets and less than $75 billion in certain risk-related exposures. As of June 30, 2022, Truist had total assets of $545 billion.

[3] Available at: https://www.sec.gov/ix?doc=/Archives/edgar/data/92230/000009223022000008/tfc-20211231.htm#i73eaf44e4d8f423a81f19d3796f0f2d0_529.

As a Category III banking organization, Truist is significantly smaller and less complex than the eight U.S. global systemically important bank holding companies, which operate on a larger scale, with a broader geographic scope and more complex internal operations and business lines.

7. Your bank's end of year capital and leverage ratios, as well as the annual amount of share buybacks, dividend payments, and other capital distributions for the past ten years.

Truist maintains strong capital ratios compared to the regulatory requirements for well capitalized banks. **Table 1** reflects Truist's capital and leverage ratios as of December 31, 2021.

Table 1: Truist Capital and Leverage Ratios (as of 12/31/21)

Capital Ratios	
Risk-Based	
Common Equity Tier 1	9.6%
Tier 1	11.3%
Total	13.2%
Leverage	8.7%
Supplementary Leverage	7.4%

During the second quarter of 2022, Truist declared common dividends of $0.48 per share and repurchased $250 million of common stock. The dividend and total payout ratios for the second quarter of 2022 were 44% and 61%, respectively. Truist increased its quarterly dividend on its common stock by 8% to $0.52 beginning in the third quarter of 2022.

Truist recently completed the 2022 Comprehensive Capital Analysis and Review (CCAR) process and received the preliminary stress capital buffer requirement of 2.5% for the period October 1, 2022 to September 30, 2023, the lowest possible stress buffer, reflecting Truist's prudent risk management and sound financial performance under stressful conditions. According to the Federal Reserve's rigorous "severely adverse" stress test, Truist had the second lowest deterioration under the Federal Reserve's hypothetical scenario for its capital position and loan losses compared to peer banks. Relative to its conservative risk profile, Truist maintains a very strong capital position.

The annual dollar value of Truist's share buybacks, dividend payments, and other capital distributions by the firm for the past ten years is reflected in **Table 2**.[4]

Table 2: Truist Historical Capital Actions, 2012-2021 (in $ millions)

[4] Information from prior to December 6, 2019, the effective date our merger, reflects the combined capital actions of heritage BB&T and SunTrust.

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Dividends	$ 741	$ 989	$ 1,242	$ 1,476	$ 1,656	$ 1,907	$ 2,311	$ 2,229	$ 2,725	$ 2,852
Common Repurchases	-	150	458	679	1,326	2,927	3,115	250	-	1,616
Preferred Repurchases	-	-	-	-	-	-	450	1,725	500	1,415
Total	**$ 741**	**$ 1,139**	**$ 1,700**	**$2,155**	**$ 2,982**	**$ 4,834**	**$ 5,876**	**$ 4,204**	**$ 3,225**	**$ 5,883**

8. The number and general geographic locations of your bank's branches and how that compares to 10 years ago and 20 years ago.

Over the last 10 years, Truist has increased its branch footprint, organically and through mergers and acquisitions. As of June 30, 2022, Truist operates 2,087 full-service branches in 17 states and the District of Columbia, primarily concentrated in the Southeastern and Mid-Atlantic United States. **Table 3** shows Truist's branch footprint by state.

Table 3: Truist Bank Full-Service Branch Count by State (as of 6/30/2022)

State	Branch Count
Alabama	58
Arkansas	1
District of Columbia	24
Florida	458
Georgia	222
Indiana	1
Kentucky	62
Maryland	153
Mississippi	3
North Carolina	292
New Jersey	23
Ohio	2
Pennsylvania	152
South Carolina	98
Tennessee	104
Texas	102
Virginia	286
West Virginia	46
Total	**2,087**[5]

Truist continually reevaluates its branch network to ensure it meets the needs of its clients. Over the past ten years, Truist closed an average of 193 branches annually.[6] Many of these closures occurred following the merger of BB&T and SunTrust, because the two heritage banks,

[5] Excludes 34 limited service facilities.

[6] As of December 31, 2002, Truist had 2,306 branches in 11 states and the District of Columbia. As of December 31, 2012, Truist's branch network comprised of 3,448 branches in 14 states and the District of Columbia.

in many instances, maintained separate branches in the same neighborhoods and even on the same street corners. These closure plans were reviewed as part of the merger approval process and had virtually no long-term impact on branch availability or convenience for clients.

A central component of Truist's $60 billion Community Benefits Plan was a commitment to open at least 15 new branches in LMI and/or majority-minority neighborhoods across Truist's footprint by the end of 2022. Truist is on track to exceed this commitment, opening 16 branches in LMI or majority-minority communities. Since the completion of the merger, Truist has increased the percentage of LMI branches as a share of its overall branch network.

Beyond supporting communities through its extensive branch network, Truist also maintains digital capabilities to meet the rapidly evolving preferences and needs of both its consumer and commercial clients. Digital banking has become a cornerstone of the Truist-client relationship as clients increasingly prefer to conduct commerce digitally. As of the second quarter of 2022, 4.3 million users of the Truist mobile banking application, a 13% increase from 2020, reflecting clients' continued adoption of a mobile-first pattern of engagement. Additionally, the number of Truist deposit and lending accounts and mortgages opened through digital applications surged 39% from the first quarter to the second quarter of 2022. Truist's clients completed a total of 63 million transactions in the second quarter of 2022 alone. For the second consecutive quarter, digital transactions represented 44% of all transactions year-to-date across digital, ATM, branch, and contact center channels.

9. Any pending or recent merger or acquisitions involving your bank, including a description of your engagement with affected workers, customers, and communities.

Since announcing the merger in 2019, Truist teammates worked to bring together Truist's culture, operations, and technology — work that has been especially challenging during the two-plus years of the COVID-19 pandemic. Throughout the integration, the exceptional efforts of Truist teammates have been out in the open and visible to millions of clients and others as Truist launched its new online presence and Truist mobile application, and converted bank branches, products, and services to Truist. With major merger milestones accomplished, Truist is now shifting from an integration mindset to an operating mindset focused on executional excellence and purposeful growth.

Truist does not currently have any pending bank merger applications. During 2021, Truist completed the acquisition of Service Finance, LLC, to expand point-of-sale lending capabilities, allowing clients to obtain financing for home improvement projects without leaving their homes. Truist has also continued to add companies and capabilities to its insurance brokerage business. For example, Truist recently announced the acquisition of BenefitMall to expand its insurance wholesale operation.

10. *Your bank's approach to offering fair and affordable products and services, including to address continuing disparities in homeownership, small business ownership, and wealth building for people of color, as well as serving people making at or below 80% of the area median income located in a variety of neighborhoods, individuals that do*

not have access to the Internet, and consumers seeking financing to help them access safe abortion care.

Truist has a long history of lending, investing and providing financial services to support growth and value creation for businesses of all sizes and across all industries to support job creation and preservation while also strengthening local economies and communities.

Outlined below are several of the programs, tools, and engagements that Truist is implementing to advance equity, economic empowerment and education within Truist and for the clients and communities it serves.

Purpose and Commitment

One of the central components of Truist's merger plan was a bold commitment to drive positive change and progress in LMI neighborhoods through a Community Benefits Plan that would lend or invest $60 billion through 2022. The Community Benefits Plan was developed after eight community listening sessions and with advice and input from a Community Advisory Board that included leaders from nonprofits, CDFIs, and community advocates.

Truist's Community Benefits Plan commitment includes:

- $31 billion for home purchase mortgage loans to LMI borrowers, LMI communities, minority borrowers, and majority-minority geographies.
- $7.8 billion for lending to small businesses and support for businesses with revenues of less than $1 million.
- $17.2 billion in Community Development Lending for affordable housing and small business growth lending to nonprofits that serve the LMI community.
- $3.6 billion in CRA qualified investments and philanthropy, of which $130 million will be designated for CRA-qualified philanthropic giving.

Truist is pleased to report that, through August 2022, Truist's estimated combined lending, investing and philanthropic financing activities already exceed $60 billion. Further, based on Truist's progress to date, Truist is fully on track to deliver on each and every one of its Community Benefit Plan commitments by year end. This includes opening 16 new banking branches in LMI or majority-minority neighborhoods, publishing a plan for serving rural geographies in Truist's footprint and meeting or exceeding each target for mortgage lending, small business lending, philanthropic giving, qualified investments, and diverse supplier spending. In sum, Truist made a three-year commitment to the community in 2019 and, through the hard work of Truist's teammates and great partnerships with community and civic leaders and organizations, Truist has delivered on that commitment.

Empowering Clients and Building Better Communities

One way Truist puts its purpose into action is through Truist Community Capital, a client-focused business that provides investments and loans to urban and rural communities to support affordable housing, job creation, and revitalization. Today, Truist Community Capital has a portfolio of more than $4 billion in equity investments in affordable housing. In 2021

alone, Truist Community Capital invested more than $1 billion in low-income housing tax credits, NMTCs and other community development funding that created 3,658 jobs for residents of LMI communities, more than 19,000 affordable housing units and served more than 115,000 LMI community members. Through Truist Community Capital, Truist has created community development fund loans and investments, committing more than $200 million, partnering with more than two dozen flagship CDFIs and community-based funds such as the Charlotte Housing Opportunity Fund, the Black Business Investment Fund in Florida, Appalachian Community Capital, the Baltimore Community Loan Fund, the Washington Housing Initiative, the Westside Futures Fund, People Fund of Texas, the Reinvestment Fund (Pennsylvania) and many more.

To help make its communities and the financial system more inclusive and equitable, Truist has taken even broader steps since 2020. The following are some examples:

- In June 2022, Truist committed $120 million to strengthen and support small businesses, focusing on Black, Latine and women-owned businesses. The commitment includes $30 million in philanthropic grants to support nonprofits that assist small businesses and diverse entrepreneurs and $5 million in philanthropic grants, which will support technical assistance, small businesses and volunteerism. In addition, $85 million in investments support debt and equity, partnering with CDFIs.
- In 2021, Truist committed $50 million in investment funding to serve as the anchor investor with Microsoft on the FDIC Mission Driven Institution investment fund, which will assist minority depository institutions (MDIs) in obtaining financial, technical and other support to scale their businesses to serve more lower-income clients and communities.
- Truist's $40 million initial donation in September 2020 helped establish CornerSquare, a new national nonprofit fund that supports selected CDFIs and MDIs by providing capital to racially and ethnically diverse small business owners, women, and individuals in LMI communities, with a focus on African American-owned small businesses.
- The Truist Foundation provided a $10 million grant to Connect Humanity, a nonprofit focused on advancing digital equity among historically marginalized communities. The grant will be used to strengthen Connect Humanity's efforts in providing financing, tools, diversity, equity, and inclusion training, and network expansion to eliminate the digital divide and advance the internet connectivity space. Connect Humanity anticipates the Truist Foundation grant will support approximately 100 communities, improving connectivity for at least 5 million under-connected Americans while creating jobs and driving economic expansion.
- In 2021, Truist committed $8 million to Mayor Vi Lyles' Racial Equity Initiative in Charlotte, North Carolina. The new initiative will address inequities and remove barriers to opportunity through four key workstreams: bridging the digital divide and establishing a Center for Digital Equity; investing in Charlotte's six "Corridors of Opportunity" neighborhoods; transforming Johnson C. Smith University into a top-tier, career-focused HBCU; and ensuring organizations commit to racial equity by advancing more ethnically diverse leaders within their individual corporations.

To expand access to capital for small and minority-owned businesses and create more equality in lending, investment and financial services, Truist:

- Became the first U.S. regional bank to issue a social bond, with a $1.25 billion issuance that had participation from more than 120 investors including ESG-dedicated portfolios and has impacted more than 22,000 affordable housing units. For more information, please see Truist's 2021 Social Bond Impact Report.[7]
- Co-led an investment through Truist Ventures in Zeal Capital Partners, which raised $62.1 million to make 25-30 inclusive investments in early stage technology and financial technology (fintech) companies.
- Made investments in startups and early-stage companies ranging from fintech to artificial intelligence and machine learning and blockchain through Truist Ventures.
- Invested $40 million in Greenwood, a digital banking platform for Black and Latino individuals and business owners.
- Made a commitment of $20 million for Operation HOPE, which is helping launch 1 million Black-owned businesses by 2030, and expanded financial coaching through Operation HOPE at no cost to 680 Truist branches.
- Made a $1.5 million grant in 2021 and another $500,000 in 2022 through Truist Foundation to Grameen America, a nonprofit microfinance organization founded by Nobel Peace Prize recipient Muhammad Yunus, which helps women living in poverty create small businesses to provide for their families. Grameen America has a 10-year plan to provide $1.3 billion in loans, financial training, and asset- and credit-building tools to more than 80,000 Black women entrepreneurs by the end of this decade.
- Published a Child Tax Credit Toolkit in partnership with the Bank Policy Institute to close the gap for millions of eligible children.
- Expanded free access nationwide to the WORD Force early childhood literacy program presented by Truist and EVERFI.
- Piloted a "Start. Save. Win!" program to help clients boost their emergency savings through an Essential Savings account and a chance to win $500 to encourage clients to make saving money a habit.

Cumulatively, Truist and the Truist Foundation gave $116 million in 2021 to support communities. Truist giving was often paired with matching funds or leveraged alongside regional, state, and local programs to maximize the impact. Truist is having a profoundly positive impact on its communities consistent with its purpose to inspire and build better lives and communities.

Responsible and Diverse Sourcing

To create even more opportunities for black-owned businesses to provide goods and services to Truist and to grow in the marketplace, Truist is actively engaged in mentoring small and

[7] Available at https://filecache.investorroom.com/mr5ir_truist/561/Truist_2021_Social_Bond Report_ADA.pdf.

minority-owned businesses and increasing opportunities for diverse asset managers. As part of its Community Benefits Plan, Truist committed to significantly increase its diverse supplier spend. In 2021, Truist spent 15.9% with diverse suppliers, including 12.9% with minority-owned businesses, and is on track to exceed those numbers in 2022. Truist is a member of the Sustainable Purchasing Leadership Council to find solutions and share best practices to build a sustainable future through the power of procurement; the National Minority Supplier Development Council (NMSDC); and numerous state and local diverse supplier industry trade groups. In 2021, the Truist Foundation furthered the work of NMSDC through a $180,000 grant award.

Truist's Tier2 program further enhances the value that diverse suppliers can bring to its supply chain when direct sourcing with these vendors is not an option. Truist strongly encourages its strategic suppliers to subcontract with qualified certified diverse suppliers in the performance of their primary contractual obligations. Annually, Truist hosts its Tier2 Supplier Diversity Business Summit, where it invites diverse businesses to network with our strategic suppliers for business opportunities.

In December 2021, Truist announced the launch of Sterling Capital Diverse Multi-Manager Active ETF (NYSE: DEIF) and committed $100 million in investment capital to support its launch and increase opportunities for diverse asset managers.

11. Your bank's approach to payday loan alternatives such as small-dollar consumer loans, meeting the needs of underserved communities such as through special purpose credit programs, and meeting the needs of unbanked and low-income communities such as through no- or low-fee accounts.

Inclusion at Truist reaches across the full range of its clients, including individuals who have traditionally been unbanked or underbanked. Truist believes everyone in its community deserves a safe place to save, an easy way to borrow, and low-cost checking and check-cashing services. Truist has introduced new products and expanded existing programs to meet the needs of people who are unbanked, underbanked, and traditionally underserved.

As noted in response to question 8, by the end of 2022, Truist will have opened 16 new LMI and majority-minority branches across its markets, exceeding the commitment in its Community Benefits Plan, and it has increased the percentage of our overall branch network serving LMI census tracts.

Additionally, Truist has created banking products and developed partnerships with universities and corporations tailored to young professionals who are establishing credit for the first time, looking to pay down education loans, and saving toward homeownership.

Truist was the first major bank to join BlackRock's philanthropic Emergency Savings Initiative (ESI). Intended to help unbanked and underbanked clients build emergency savings, this new ESI solution helps financially vulnerable Americans manage unforeseen expenses and avoid financial setbacks.

Another way we're helping clients build emergency savings is through an innovative pilot program with Commonwealth, a national nonprofit focused on building financial security and

opportunity for financially vulnerable people. Truist partnered with Commonwealth to deliver the Start. Save. Win! sweepstakes as part of the Emergency Savings Initiative. Clients who opened a new Essential Savings account online between July and September of 2021 were entered into a monthly drawing with one entry per $25 cumulative monthly deposit (up to five entries, or $125). More than half (52%) of targeted participants were new to saving regularly, and over a third (36%) said they started with less than $400 to cover an emergency.

The program had a material impact, and nearly two-thirds of participants (63%) said they were motivated by the sweepstakes to start saving. The outcome:

- 25,000+ households opened accounts with $36.9 million in total savings balances.
- 41% of targeted households maximized their sweepstakes opportunity with over $125.

Truist Confidence Account

As noted in response to question 5, in July 2022, Truist launched the Truist Confidence Account, an alternative account created for consumers who want simplicity and control without overdraft fees. This new product adds to Truist's existing "Bank On" certified demand deposit products and is helping more clients access mainstream banking, allow them to avoid high fees from check-cashing services and payday lenders, and create a pathway to upgrade to Truist One, our flagship no-overdraft deposit offering.

Low-cost Money Account

Truist's BankOn certified prepaid Money Account provides a general purpose reloadable prepaid card that is a low-cost alternative to check cashing. It allows online bill payment to manage expenses and gain more control over financial decisions and priorities.

Cash Reserve

Cash Reserve, a new deposit-based line of credit, will launch in the fourth quarter of 2022, as part of the Truist One Banking suite of products. Cash Reserve will use only deposit-based transaction behavior (i.e., not credit scores) to provide liquidity to Truist personal checking clients. Clients with six months of transaction history can borrow between $50 and $750 at a low interest rate, with a four-month repayment period, and no fees.

12. Public enforcement actions taken by a federal or state government agency since 2020, including any consent orders and settlements against your bank and the number of consumers or investors harmed per order, settlement, and action.

Since 2020, Truist and Truist Bank have not been subject to any public enforcement action, including consent orders and settlements, by its federal or state prudential regulators or the CFPB.

13. Your bank's capital market activities, including with respect to securities and derivatives.

In general, the goals of Truist's capital markets activities executed on its own behalf are: (i) to provide sufficient liquid assets to meet unanticipated deposit and loan fluctuations and overall funds management objectives; (ii) to provide eligible securities to secure public funds, trust deposits and other borrowings; and (iii) to earn an optimal return on funds invested commensurate with meeting the requirements of (i) and (ii) and consistent with Truist's safety and soundness and established risk appetite.

Truist Bank invests in securities allowable under bank regulations. These securities may include obligations of the U.S. Treasury, U.S. government agencies, GSEs (including mortgage-backed securities), bank eligible obligations of any state or political subdivision, non-agency MBS, structured notes, bank eligible corporate obligations (including corporate debentures), commercial paper, negotiable CDs, bankers acceptances, mutual funds, and limited types of equity securities.

Truist enters derivative contracts primarily to manage various financial and safety-and-soundness objectives, including managing interest rate risk related to securities, commercial loans, mortgage servicing rights and mortgage banking operations, long-term debt, and other funding sources. Truist hedges a portion of its securities portfolio to reduce mark-to-market volatility and to increase its overall asset sensitivity position.

As a financial intermediary, Truist provides its clients access to derivatives, foreign exchange and securities markets, which generate market risks. Truist also uses derivatives to facilitate transactions on behalf of its clients and as part of associated hedging activities.

As of December 31, 2021, Truist had derivative financial instruments outstanding with notional amounts totaling $300.6 billion, with an associated net fair value of $1.8 billion.

Truist and certain of its subsidiaries and affiliates, including those that engage in derivatives transactions, securities underwriting, market making, brokerage, investment advisory, and insurance activities, are subject to other federal and state laws and regulations, as well as supervision and examination by other federal and state regulatory agencies and other regulatory authorities, including the Securities and Exchange Commission, Commodity Futures Trading Commission, Financial Industry Regulatory Authority (FINRA), and the New York Stock Exchange (NYSE).

14. The extent your bank utilizes forced arbitration clauses in its contracts with consumers, employees, investors, and contractors.

Consumers

Truist recently began implementing changes to its standard arbitration provisions found in customer agreements to allow consumers who are opening an account to opt out of the applicable arbitration agreement within thirty days. This change to the arbitration agreement, which is designed to provide clients with more control over the arbitration decision, has been

implemented for deposit clients and will continue to be incorporated into other consumer agreements throughout 2022.

Currently, arbitration provisions can be found in customer agreements for a number of Truist originated products and services, including deposit accounts, credit cards, and some consumer loans.[8] In accordance with regulatory requirements, such arbitration provisions do not apply to borrowers covered by the Military Lending Act.

Under Truist's standard arbitration agreement, a consumer can still bring his or her claims in a small claims court, which has expedited rules and usually allows a consumer to represent themselves without an attorney. Therefore, if a consumer has a small-value claim and decides they would rather not arbitrate the dispute, they can pursue their case in court.[9]

Brokerage

As to Truist's broker-dealer businesses, FINRA Rule 12200 of the FINRA Code of Arbitration Procedure for Consumer Disputes requires parties to arbitrate a dispute through the FINRA forum, and using the FINRA rules, by written agreement or upon a customer's request. Truist and its subsidiaries abide by these requirements and utilize FINRA's arbitration services for client disputes.

Employees

Truist has limited the use of arbitration agreements in the employment context. For example, Truist uses arbitration clauses in certain separation agreements, such as severance agreements and voluntary separation and retirement program agreements, typically involving more highly compensated teammates. Arbitration clauses may also be included in individual transition (i.e., separation) agreements and settlement agreements.

Additionally, a limited number of business units include arbitration clauses in the Business Incentive Plan (BIP) participation agreements for certain BIP eligible roles, and another line of business uses arbitration clauses with some teammates located in California.

Finally, within the broker-dealer businesses of Truist, FINRA requires that registered/licensed employees arbitrate their claims against Truist through the FINRA forum.

15. Your compensation, benefits, and clawback policies, including the minimum wage you pay employees (including contract employees), how compensation policies are designed to promote accountability of company executives, how you ensure equal access to health care, including comprehensive reproductive health care for all employees (including contract employees), whether you are compensating employees seeking abortion care (such as paying for out-of-state travel when

[8] For example, see https://www.truist.com/content/dam/truist-bank/us/en/documents/disclosures/banking/bank-services-agreement-privacy-notice.pdf.

[9] Agreements for certain products originated by third parties and assigned to Truist may contain arbitration provisions that are different from the standard arbitration provision described above.

needed), and how you will guarantee every employee has equal access to this compensation and confidentiality, and how the compensation of the CEO and other C-suite executives compares to the median compensation of an employee at your bank.

Compensation Philosophy

Truist is committed to creating an inclusive and energizing environment that empowers teammates to learn, grow, and have meaningful careers. Truist strives to competitively compensate teammates for the tremendous work they do for its clients and stakeholders. Truist takes a Total Rewards approach, including offering highly-competitive wages, a robust wellness program, comprehensive benefits, and an industry-leading 401(k) and defined benefit pension plan. The Total Rewards goes beyond compensation and prioritizes wellness to help teammates stay healthy at all stages of their lives and career journeys.

Truist is among a small number of employers that still offer and fund a defined benefit pension plan for eligible teammates. The Truist Financial Corporation Pension Plan rewards teammates for their time with Truist and helps them accumulate income to supplement retirement.

Recently, Truist announced that, effective October 1, 2022, it will raise its minimum U.S. hourly pay rate to $22 for eligible teammates. Previously, Truist's minimum wage ranged from $15-$18 per hour, based on geography. The new wage will positively impact approximately 14,000 Truist teammates, including 81% in client-facing roles primarily within its retail and small business banking businesses. This increase is Truist's latest investment in key talent across the organization and positions Truist among the highest in the industry for minimum wage as part of a comprehensive Total Rewards program for its teammates. Truist has also enhanced teammate benefits related to student loans, healthcare, and vacation carryover.

Truist values the well-being of employees and provides comprehensive health care benefits for medical, dental, vision, reproductive health, mental health, family and medical leave, life insurance, disability insurance and other benefits. For teammates who make less than $50,000 per year, Truist provides subsidies for insurance premiums.

Truist strives to provide equal access to health care, including comprehensive family planning and reproductive coverage for teammates under its health plan. Truist provides certain additional reproductive health benefits to eligible teammates. Coverage under Truist's health plan includes coverage for medical care that is not available within a 100-mile radius of the teammate's location, including organ transplants, cancer care, family planning and reproductive care, mental wellness, and other various services for teammates and their covered dependents.

Please see Benefits.Truist.com and Truist's 2021 ESG and CSR Report for additional information.

Executive Compensation

All compensation for executives at Truist is overseen by a fully independent Compensation and Human Capital Committee of the Board of Directors. Truist's executive compensation program incorporates strong pay and governance practices that reinforce Truist's principles, support sound risk management, and align with the firm's

shareholders. Among other things, Truist uses an executive risk scorecard, which the Compensation and Human Capital Committee may use to reduce incentive compensation for negative risk outcomes.

Incentive compensation for Truist's executive leadership is governed by shareholder-approved incentive plans that include clawback provisions designed to discourage imprudent risk-taking.

In accordance with SEC rules, Truist discloses the ratio of the annual total compensation of its CEO to the median teammate's annual total compensation. For 2021, the ratio of the annual total compensation of Truist's CEO (as calculated under applicable SEC rules) for 2021 to the median teammate was 153 to 1. Using a similar method, the ratio of the annual total compensation of Truist's C-Suite executives to the median teammate was 65 to 1 for 2021.

For more information about Truist's executive compensation, please refer to our 2022 Proxy Statement.[10]

16. The diversity of the directors of your board and executives that report to the CEO, the policies and practices implemented at your institution to promote diversity and inclusion among your workforce, and the policies to promote the use of diverse contractors and suppliers, including diverse asset managers, brokers, and underwriters by your institution.

Truist's Commitment to Equity and Inclusion

Truist actively hires teammates from different backgrounds, cultures, identities, and experiences for positions ranging from entry-level to senior leadership. Truist is committed to helping individuals reach their potential in a culture that promotes sharing ideas, respecting one another, and achieving goals together. Truist believes that embracing our differences advances creativity, increases innovation, fosters collaboration, and makes Truist a more forward-thinking competitive company.

Truist has dedicated resources focusing on increasing the representation of diverse teammates in key positions across the organization, and has plans and programs in place to further grow and develop its leadership pipeline for greater representation of gender, ethnic, generational, veteran, and LGBTQ+ diversity.

Truist has established practices to drive equity in its performance ratings and assessments and analyzes multiple factors in talent review data to help ensure equitable outcomes that lead to a fair and inclusive workplace. In 2021, the first annual pay equity review completed by the combined Truist organization showed that on average the salary of women teammates is 99% of men, and the salary of racially underrepresented teammates is almost 100% of white teammates. Truist identified less than 1% of its teammates who were earning less than expected when compared to peers, and adjusted their compensation immediately. Truist will strive to achieve and maintain pay equity.

[10] Available at: https://filecache.investorroom.com/mr5ir_truist/577/Truist 2022 Annual Meeting Notice and Proxy Statement.pdf.

Truist seeks to create an inclusive and equitable place to work for all employees and contractors, and since 2020 has held itself publicly accountable on hiring, promotion and recruiting by publishing EEO-1 data and setting goals for diverse leadership. Truist is a signatory of the CEO Action for Diversity & Inclusion pledge and the Hispanic Promise, and is a member of the Business Coalition for Equality Act.

Truist strives to maintain a diverse board of directors and senior leadership. Forty-three percent of Truist's board members are from underrepresented racial, ethnic, or gender groups. More specifically, women and African American directors make up approximately 35% and 20%, respectively, of Truist's board of directors, which exceeds the average for companies in the S&P 500. In addition, in 2021, Truist achieved 15.1% ethnically diverse representation in senior leadership roles, exceeding its goal of 15% and reaching this milestone a year ahead of its original commitment. Truist also filled 54% of early career program seats with underrepresented candidates.

To create more pathways for high-performing diverse leaders to transition into senior leadership roles, Truist created the Grow, Recruit, and Accelerate Development (GRAD) program. Participants gain knowledge through collective and individualized experiences as well as leadership training, one-on-one career coaching, and reimbursement for obtaining graduate-level degrees if they have yet to pursue one. More than 80% of selected participants in the GRAD program identify as ethnically or racially diverse and more than 50% identify as female.

Truist provides diversity, equity, and inclusion training for employees that includes Unconscious Bias, Code of Ethics, Preventing Workplace Harassment for Employees, Workplace Violence Prevention for Truist Teammates, and the Americans with Disabilities Act. Beginning in 2021, Truist required Foundations of Diversity, Equity, and Inclusion training for all teammates.

Truist also offers eight Business Resource Groups (BRGs), which are teammate-led groups with executive leaders as sponsors created to drive diverse recruiting; leadership development; community volunteerism; new business and supplier referrals; and physical, financial and mental well-being. Truist leverages the BRGs to help it and its teammates understand the perspectives of their diverse communities and clients. Many activities are sponsored by more than one BRG, gaining the power of intersectionality and amplifying progress — such as women veterans, or LGBTQ+ African American/Black teammates. Truist compensates teammates for time spent participating in company sponsored BRG events and activities during work hours, and managers offer flexibility so teammates can attend.

Focus on HBCUs

HBCUs consistently graduate high-performing students in the fields of business, technology, finance, law, and medicine. Through its dedicated university and HBCU alumni recruiting programs, Truist has created deliberate opportunities to attract, retain, hire, and place the best talent in the firm.

Among other things, Truist has:

- Committed to increase hiring from HBCUs to 5% by 2023.
- Pledged more than $20 million from 2020 through 2022 to programs supporting HBCUs, including:
    - $9.5 million direct to HBCUs, including Morehouse School of Medicine and Meharry Medical College.
    - $3 million to the Congressional Black Caucus Foundation.
    - $2.5 million in HBCU signature events.
    - $2.3 million to fund recruiting students.
    - $1.71 million in supporting sponsorships for HBCU-oriented sporting events.
    - $1 million commitment over 5 years to the Henry Louis Aaron Fund.
- Partnered with 26 HBCUs for the Emerging Leaders certification program.
- Hosted the HBCU Entrepreneurship Conference with Bowie State University and ESPN Events to sponsor the annual Mid-Eastern Athletic Conference/Southwestern Athletic Conference football kickoff.
- Awarded scholarships to 10 deserving HBCU students at the Diversity in Tech summit.

In November 2021, Truist partnered with the Thurgood Marshall College Fund, the largest organization representing the Black college community, on a new scholarship program to meet the needs of students at HBCUs and those from underserved communities. A $3 million grant will establish a Truist scholarship program, providing $1 million a year over the next three years to HBCU students in Truist markets and financial support to complete college.

Supplier Diversity

Truist is committed to diversity, equity, and inclusion for teammates and suppliers.

Truist's supplier diversity program works with qualified and innovative diverse businesses to create value-added supplier partnerships that enhance client experience, strengthen operations, and enrich their communities through economic advancement. Truist's supplier diversity impact is most often seen in the form of strengthening local businesses, job creation, and improving wage security. Truist incorporates standards into its sourcing and procurement practices such as ensuring a diverse slate of suppliers are invited to compete for Truist's goods and services. Truist now achieves more than 17% of its sourceable spend with certified diverse suppliers as of the first half of 2022, which exceeds its 3-year goal. Truist also reached 31.3% "RFx" inclusion in 2021, ahead of its goal of 30% in the second year of Truist's Community Benefits Plan. Refer to Truist's 2021 Annual Report for more information.

Truist's Tier2 program further enhances the value that diverse suppliers can bring to its supply chain when direct sourcing with these vendors is not an option. Truist strongly encourages its strategic suppliers to subcontract with qualified certified diverse suppliers in the performance of their primary contractual obligations. Annually, Truist hosts its Tier2 Supplier Diversity Business

Summit, where it invites diverse businesses to network with its strategic suppliers for business opportunities.

To promote diversity among asset managers, Truist created the Sterling Capital Diverse Multi-Manager Active ETF (NYSE: DEIF) that uses investment strategies developed by majority diverse-owned asset managers and made a $100 million investment in the fund.

17. Recent data related to progress on fulfilling racial equity commitments following the murder of George Floyd, including but not limited to financial investments.

In 2020, Truist convened an informal advisory group of nationally recognized civil rights and community leaders and stakeholders, whose experiences and expertise on matters of racial equity give voice to impacted communities and people. Truist also continues to engage in ongoing dialogue with its Community Advisory Board, which was formed in 2020 as part of its $60 billion Community Benefits Plan commitment. Informed by their views, and Truist's long and deliberate work for equity and to broaden pathways to economic well-being and opportunity, Truist believes the best means of achieving a fully equitable and just America is to every day bring full and purposeful conviction to advance social, economic, and financial equity for all Americans.

Truist's response to question 10 outlines several of the programs, tools and engagements that Truist is implementing to advance equity, economic empowerment and education within its own institution and for the clients and communities it is privileged to serve.

18. Investments, loans, and partnerships with minority depository institutions (MDIs) and community development financial institutions (CDFIs) since 2020.

CDFIs and MDIs play a vital role as service providers for minority populations to help create jobs, grow small businesses, and build wealth. They also support and sustain the creation and preservation of affordable housing, supporting community facilities, and strengthening the social fabric in local communities.

Truist has been a strong supporter with a long history of supporting CDFIs and MDIs to support growth and value creation for businesses of all sizes and across all industries to stimulate job creation and preservation while also strengthening local economies and communities.

Truist Community Capital supports numerous CDFIs, developers, syndicators, community development entities, and others in both urban and rural communities. Truist Community Capital products include debt and equity financing, Low Income Housing Tax Credit and NMTC projects, Small Business Investment Company investments, Federal Home Loan Bank Affordable Housing Program financings, and providing flexible, below market capital through Truist's Community Development Financing initiative.

Truist is proud to support numerous clients and community organizations that are making positive impacts and addressing crucial issues such as affordable housing, homelessness, and housing insecurity; healthcare and mental health services; and access to healthy foods, to name a few. Many clients and partners also support small businesses, women-owned businesses,

minority-owned businesses, and other entrepreneurs who face barriers to starting businesses that can create local jobs, build wealth, and strengthen communities.

Below are some specific examples of Truist's work with CDFIs and MDIs:

- In June 2022, Truist committed $120 million to strengthen and support small businesses, focusing on Black, Latine and women-owned businesses. The commitment includes $30 million in philanthropic grants to support nonprofits who assist small businesses and diverse entrepreneurs and $5 million in philanthropic grants, which will support technical assistance, small businesses and volunteerism. In addition, $85 million in investments support debt and equity, partnering with CDFIs.
- In 2021, Truist committed $50 million in investment funding to serve as the anchor investor with Microsoft on the FDIC Mission Driven Institution investment fund, which will assist MDIs in obtaining financial, technical, and other support to scale their businesses to serve more lower-income clients and communities.
- In September 2020, Truist's $40 million donation helped establish CornerSquare, a new national nonprofit fund that supports selected CDFIs and MDIs by providing capital to racially and ethnically diverse small business owners, women, and individuals in LMI communities, with a focus on African American-owned small businesses.
- Truist doubled its commitment from $25 million to $50 million for its Truist Cares initiative, a COVID response initiative which provides CDFI support to help meet the immediate and long-term needs of teammates, communities, and clients, including small businesses.
- Truist awarded a $1 million grant to Appalachian Community Capital for CDFI support for small businesses impacted by COVID related losses.
- Truist funded a $6.2 million NMTC project with CAHEC Capital, Inc. to support renovations and expanded HIV/AIDS treatment at Grady Health System's Ponce De Leon Center in Atlanta, a facility where 83% of patients served annually are Black or African American.
- Truist provided a $5 million line of credit to support the Entrepreneur Backed Assets (EBA) Fund, a first-of-its-kind fund that builds capacity for community-based microfinance lending to small businesses owned by people of color or based in low-income communities. Backed by the Aspen Institute, the Microfinance Impact Collaborative, the Annie E. Casey Foundation, and several other public and private sector supporters, the EBA Fund creates a secondary market for loans originated by community-based microlenders. Supporting banks agreed to purchase loans originated by CDFIs, freeing up capacity for new loans to be issued and opening greater access to capital for small business owners.
- Truist awarded a $375,000 to the Capital Good Fund in Providence, Rhode Island, which offers small loans and personal financial coaching to help people break the cycle of poverty and achieve financial independence. This CDFI, which started as an idea in a social entrepreneurism class at Brown University in 2008, is now one of the fastest-growing microfinance organizations in the United States.

- Truist Charitable Fund made a $1 million grant to Opportunity Finance Network (OFN) in Philadelphia, which is a national association of CDFIs that provide capital, advocacy, and capacity-building to strengthen local neighborhoods. OFN supports more than 300 CDFIs, which in turn provide loans, venture capital, and other forms of financial support that empower entrepreneurs to start small businesses, create local jobs, build wealth, and reach their full potential.

In 2020, Truist received $65 million in NMTC allocation from the U.S. Treasury Department's CDFI Fund to support job growth, education, wellness, and access to capital. Truist and its predecessor banks have received a cumulative allocation of $643 million under the program.

In addition to providing lending, investments, and grants, Truist takes a long-term partnership approach in supporting community organizations so they can build capacity, advance their missions, and help Truist gain a better understanding of the unique needs of local communities.

Truist's Community Advisory Board includes executives from more than a dozen organizations including the Coalition for Nonprofit Housing and Economic Development, Building Alabama Reinvestment, Maryland Consumer Rights Coalition, Ceiba, and Urban League of Hampton Roads and CDFIs including Atlanta Neighborhood Development Partnership, The Housing Fund, and the Federation of Appalachian Housing Enterprises.

Truist's Community Development Enterprises' Advisory Board includes three CDFIs — Self-Help Ventures Fund, The Reinvestment Fund and CAHEC Capital, Inc .— which provide guidance on administration of Truist's NMTC allocation.

Additionally, numerous teammates share their financial knowledge and provide thought leadership by serving on boards and advisory committees of local organizations, participating in working groups, speaking on panels, attending listening sessions, and providing other support to community groups.

19. Your bank's approach to cybersecurity, protecting consumer data, and data privacy.

Truist's focus on cybersecurity and data privacy aligns with the high priority its stakeholders place on this. Caring for its clients and protecting their assets are key priorities for Truist. Truist makes significant investments in technology and expertise, and conducts ongoing training and awareness engagement at every level.

Truist is involved in organizations devoted to information security, privacy, cyber intelligence, financial market stability, fraud, resiliency, data aggregation, secure funds transfer, and cyber investigations. Truist also engages with the American Bankers Association, Bank Policy Institute, Financial Data Exchange, Financial Services – Information Sharing & Analysis Center, Financial Services Sector Coordinating Council, the International Association of Privacy Professionals, and the Future of Privacy Forum to stay abreast of industry changes in data privacy. Many Truist teammates in the cyber and privacy fields hold industry certifications and serve in leadership roles in these organizations.

Various federal and state laws and regulations contain extensive data privacy and cybersecurity provisions, and the regulatory framework for data privacy and cybersecurity is rapidly evolving.

The FRB, FDIC, and other bank regulatory agencies have adopted guidelines for safeguarding confidential, personal customer information. These guidelines require each financial institution, under the supervision and ongoing oversight of its board of directors or an appropriate committee thereof, to create, implement, and maintain a comprehensive written information security program.

Truist's Information Security Program utilizes a comprehensive Information Security Framework of people, processes, and technology to identify, measure, monitor, assess, manage, and report cybersecurity risk across the enterprise. The Information Security Framework aligns with the National Institute of Standards and Technology Cybersecurity Framework, using business drivers to guide cybersecurity activities and considers cybersecurity risk as part of Truist's risk management processes. Truist's approach to cybersecurity includes a Third-Party Risk Management function which identifies, assesses, controls, and reports on technology and cybersecurity risks associated with the use of third parties to deliver products and services to Truist.

Truist has implemented multiple layers of controls, using "defense in depth" to safeguard client accounts. The bank's data protection services provide capabilities to identify, classify, and tag sensitive consumer data for protection against data breach, improper access, usage, and dissemination. These capabilities ensure processes are in place to satisfy applicable legal and regulatory requirements, and to safeguard client data. Truist also monitors its critical systems and data on an ongoing basis, including proactively monitoring cybercriminals and their capabilities.

Truist conducts training and awareness engagement, including a focus on new or emerging cybersecurity risks and threats, new or updated policies and standards, and security protection actions that teammates are expected to undertake. To help keep client accounts safe and secure, Truist provides clients with security awareness and information through its websites and other communication channels. Topics include mobile security, phishing, online security best practices, identity theft, and fraud protection.

Truist has also taken certain measures to further protect the data privacy of its clients, including:

- Extending the rights available to clients in California under the California Consumer Privacy Act to all consumers, such that all consumers may submit a data access request to Truist regardless of where they live.
- Providing ongoing credit monitoring and identity theft protection services to all Truist clients free of charge via Experian CreditCenter. This service includes identity restoration, lost wallet services, and child monitoring.

Information on Truist's privacy practices (including the types of information Truist collects, for what purposes it is used, how it is shared and/or retained, and a description of privacy rights available to all consumers and how such rights may be exercised) is available at truist.com/privacy.

20. Your bank's approach to and utilization of emerging fintech technologies, products and services, including mobile wallets, "Buy Now Pay Later" financing, earned wage

access, artificial intelligence (including machine learning), distributed ledger and blockchain technology, and digital assets (including cryptocurrencies such as stablecoins).

Truist's approach to emerging financial technologies, products, and services is consistent with its purpose-driven culture and how it approaches other initiatives — with a prudent focus on how it can best serve its clients and communities, while maintaining a safe and sound banking environment. Truist recognizes that new technologies (including the use of artificial intelligence and machine learning) can be beneficial when they create new avenues to provide responsible banking products, such as credit and financing, in ways that are more convenient and accessible to a broad range of customers. Truist is continuing to modernize its banking and financial products through APIs, open banking, digital banking platforms and mobile applications, all with a focus on enhancing its clients' experiences. Truist is also committed to promoting the responsible use of artificial intelligence.

Truist strives to provide relevant products and solutions that are responsive to clients' evolving expectations and demands, relevant in an evolving competitive environment, and aligned with its purpose of inspiring and building better lives and communities. For example, Truist offers a variety of innovative payment solutions, including point-of-sale financing and online consumer lending, aimed at providing distinctive, secure and successful client experiences. Truist does not currently offer a "Buy-Now-Pay-Later" product.

In addition to delivering a broad array of responsible financial services that address client needs, Truist continually evaluates emerging technologies and capabilities to identify new and innovative solutions. Truist invests in, and/or partners with, financial technology firms and related funds based on a multi-faceted strategy. Truist invests to commercialize innovative and responsible solutions for its clients to learn and to drive social change — supporting investments in racially and ethnically diverse and woman-led companies that are focused on outreach to, and inclusion of, underserved communities through financial technology.

New and novel technologies, such as distributed ledger, blockchain technologies, and digital assets (including cryptocurrencies and stablecoins), are untested in large complex ecosystems and within regulated organizations. As such, they require additional caution and study. Given that the legal framework and customer outcomes for many of these technologies are uncertain, Truist is taking a thoughtful, risk-based approach to studying their uses to determine whether they align with its purpose, mission, and values and the financial needs of its customers.

All new products and services are evaluated through Truist's rigorous business and risk management processes to ensure they are consistent with the company's purpose and risk appetite and compliant with all relevant regulatory requirements. Emerging and untested technologies, such as various digital assets and cryptocurrencies, may be subjected to incremental management scrutiny inclusive of board oversight.

21. Your bank's approach to mitigating various risks, including climate risk and reputational risk to the bank, with respect to any products, services, or investments your bank provides to jurisdictions prohibiting safe abortion care, gun manufacturers, private prisons, and the fossil fuel industry, as well as individuals and

groups that support any form of human trafficking, terrorism, and the attempted insurrection on January 6, 2021.

Truist's purpose, mission, and values are the foundation for its enterprise risk management framework and serve as the basis on which Truist's risk appetite and risk strategy are built. Led by Truist's Chief Risk Officer (CRO), the Truist Risk Management Organization (RMO) supports effective risk management (ERM) oversight, measurement, monitoring, and reporting. The CRO has direct access to Truist's board of directors and executive leadership to communicate any risk issues — current or emerging — and the performance of risk management activities throughout the enterprise. The CRO also chairs the Enterprise Risk Committee, which provides a fully integrated view of risks across Truist, including strategic, compliance, credit, liquidity, market, operational, technology, and reputation risks.

In keeping with the belief that consistent values drive long-term behaviors, the RMO has established the following risk values which guide teammates' day-to-day activities:

- Managing risk is the responsibility of every teammate.
- Proactively identifying risk and managing the inherent risks of their business is the responsibility of Truist's business units.
- Managing risk with a balanced approach considering quality, profitability, and growth.
- Measuring what is managed and managing what is measured.
- Aligning risk management practices with defined risk programs and driving consistent execution.
- Thoroughly analyzing risk quantitatively and qualitatively.

Truist's culture and commitment to prudent risk management define its business practices, including lines of defense against potential issues. These range from strategic and operational risk to market, credit, and liquidity risk and other factors discussed below.

Environmental and Social Risk Framework

As an example of how Truist applies its ERM strategy to various complex risks, as climate risk becomes a more elevated area of focus with regulatory agencies, investors, and other stakeholders, Truist incorporated Climate Risk and an Environmental and Social Risk Framework into its Enterprise Risk Framework. Truist's Environmental and Social Risk Framework provides additional emphasis, context, and transparency on its approach to environmental and social risk which broadly impact its business. Truist is also building new capabilities to fully assess the bank's exposure to climate-related risks as it works to integrate climate risk into all risk management functions. Truist will continue to improve its data quality, data comprehensiveness, and analytical methods to refine this analysis as well as the risk to its commercial clients in the future.

Reputational Risk

Reputational risk has long been an essential component of Truist's holistic view of enterprise risk. During 2021, Truist's Ethics Office worked with Truist business units to establish channels

to escalate for further vetting those client opportunities, relationships, and transactions that had elements suggesting possible heightened reputational risk. Truist's banking and insurance business units have standing working groups to consistently review individual situations for reputational risk.

Responsible Business

Truist's purpose-driven culture aims to optimize long-term value for all stakeholders through safe, sound, and ethical practices. Truist prides itself on disciplined risk and financial management, with a focus on diversity across its businesses and people. Truist's governance practices respond to evolving needs and stakeholder priorities and include an escalation process for review of reputational and ESG risk.

Truist is committed to responsible lending and evaluates current and potential client relationships and lending opportunities on a client-by-client (rather than industrywide) basis. Truist will not engage with individuals or entities that have engaged in illicit activities that are known to Truist and it has established a robust due diligence process to identify bad actors. As a federally regulated banking organization, Truist is committed to complying with all applicable laws and regulations.

Truist's evaluation process looks at several aspects including creditworthiness, operational sustainability, money laundering and related due diligence, and other risk factors. Truist has not announced any blanket, industry-wide lending prohibitions, other than prohibitions mandated by applicable laws, such as those issued by the Office of Foreign Assets Control. [11]

As to human trafficking, Truist works with several NGOs to provide bank accounts for human trafficking survivors and help them begin to establish credit.

[11] Since 2019, Truist has not provided financing to companies that manage private prisons and immigration holding facilities.