



**customers
bancorp**

Let's take on tomorrow.

“A Forward-Thinking Bank with Strong Risk Management”

Investor Presentation: Q4 2023

January 2024

Forward-Looking Statements

In addition to historical information, this presentation may contain “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements with respect to Customers Bancorp, Inc.’s strategies, goals, beliefs, expectations, estimates, intentions, capital raising efforts, financial condition and results of operations, future performance and business. Statements preceded by, followed by, or that include the words “may,” “could,” “should,” “pro forma,” “looking forward,” “would,” “believe,” “expect,” “anticipate,” “estimate,” “intend,” “plan,” “project”, or similar expressions generally indicate a forward-looking statement. These forward-looking statements involve risks and uncertainties that are subject to change based on various important factors (some of which, in whole or in part, are beyond Customers Bancorp, Inc.’s control). Numerous competitive, economic, regulatory, legal and technological events and factors, among others, could cause Customers Bancorp, Inc.’s financial performance to differ materially from the goals, plans, objectives, intentions and expectations expressed in such forward-looking statements, including: a continuation of the recent turmoil in the banking industry, responsive measures taken by us and regulatory authorities to mitigate and manage related risks, regulatory actions taken that address related issues and the costs and obligations associated therewith, such as the FDIC special assessments, the impact of COVID-19 and its variants on the U.S. economy and customer behavior, the impact that changes in the economy have on the performance of our loan and lease portfolio, the market value of our investment securities, the continued success and acceptance of our blockchain payments system, the demand for our products and services and the availability of sources of funding, the effects of actions by the federal government, including the Board of Governors of the Federal Reserve System and other government agencies, that affect market interest rates and the money supply, actions that we and our customers take in response to these developments and the effects such actions have on our operations, products, services and customer relationships, higher inflation and its impacts, and the effects of any changes in accounting standards or policies. Customers Bancorp, Inc. cautions that the foregoing factors are not exclusive, and neither such factors nor any such forward-looking statement takes into account the impact of any future events. All forward-looking statements and information set forth herein are based on management’s current beliefs and assumptions as of the date hereof and speak only as of the date they are made. For a more complete discussion of the assumptions, risks and uncertainties related to our business, you are encouraged to review Customers Bancorp, Inc.’s filings with the Securities and Exchange Commission, including its most recent annual report on Form 10-K for the year ended December 31, 2022, subsequently filed quarterly reports on Form 10-Q and current reports on Form 8-K, including any amendments thereto, that update or provide information in addition to the information included in the Form 10-K and Form 10-Q filings, if any. Customers Bancorp, Inc. does not undertake to update any forward-looking statement whether written or oral, that may be made from time to time by Customers Bancorp, Inc. or by or on behalf of Customers Bank, except as may be required under applicable law. This does not constitute an offer to sell, or a solicitation of an offer to buy, any security in any state or jurisdiction in which such offer, solicitation or sale would be unlawful.



A Forward-Thinking Bank with Strong Risk Management



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Q4'23 Earnings Review

Core EPS¹ of \$1.90 exceeded consensus estimates through continued deposit transformation, higher margin, and well-controlled expenses

Strength of the Franchise

\$1.1 billion of core deposit² growth offset \$0.6 billion of planned BMTX student-related deposit outflows and the repayment of \$0.7 billion of wholesale CDs

Deposit growth was granular and broad-based across the franchise

Non-interest bearing deposits account for 25% of total deposits; wholesale CDs now represent only 17% of total deposits

Strong Capital and Liquidity

TCE/TA¹ increased to 7.0% achieving our previously announced goal

CET1³ increased to 12.2% exceeding our previously announced goal

Immediately available liquidity greater than 200% of uninsured deposits⁴

Maintaining Superior Credit Quality

NPA ratio low at just 0.13% and credit outlook remains stable

Minimal exposure to higher-risk CRE asset classes (office and retail CRE each represent only ~1% of HFI loan portfolio)

Management Outlook

Significantly exceeded full year core EPS guidance

Continued optimism for balance sheet improvement, strong capital levels, and superior profitability








1. Non-GAAP measure, refer to appendix for reconciliation

2. Total deposits excluding wholesale CDs and BMTX student-related deposits

3. Capital ratios are estimated pending final regulatory report

4. Uninsured deposits of \$5.4 billion (estimate) to be reported on Customers Bank's call report less \$1.1 billion of collateralized deposits and \$0.1 billion of affiliate deposits

Delivering On Our Promises

	What We Promised in 2018	What We Accomplished (Q4'23)
Higher Capital Ratios	TCE/TA ¹ : 7.0%+	7.0% ¹ 
Grow TBVPS ¹	9% CAGR between 2009 and 2018	15% CAGR ^{1,2} 
NIM Expansion	NIM: 2.75%	3.31% NIM 
Improve ROAA	ROAA: 1.25%	1.22% Core ROAA ¹ 
Improve ROCE	ROCE: double-digit	18.3% Core ROCE ¹ 
Risk Management	Board is actively engaged with risk focused culture and detailed oversight	Among strongest in industry in liquidity, interest rate risk management and capital build while maintaining superior credit quality 
EPS (Jan. 2020)	Core EPS within 3 years (2023) of \$4.00 and \$6.00 by 2025	\$7.72 FY 2023 Core EPS ¹ 

1. Non-GAAP measure
2. Q4'18-Q4'23

Our Priorities Remain Unchanged



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Moderate growth by focusing on holistic and strategic relationships and building a strong franchise

Focus on further strengthening our balance sheet, improving liquidity, capital ratios and margins

Not deviate from strong risk management principles:

- ✓ Superior credit quality
- ✓ Sound interest rate risk management
- ✓ Maintain robust liquidity
- ✓ Strong capital ratios
- ✓ Positive operating leverage

2024 Areas of Focus



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- 1** Continue deposit transformation and grow loan portfolio
- 2** Maintain strong margin through deployment of securities cash flow, excess cash and deposit growth into higher yielding loans
- 3** Further improve efficiency through focus on operational excellence and expanding fee income opportunities
- 4** Maintain strong capital base and liquidity while growing loans 10-15%
- 5** Preserve strong credit quality with focus on holistic and primary relationships
- 6** Client-centric culture resulting in high client satisfaction rates

Financial Highlights – GAAP



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Q4'23 FY'23	Q4'23 (vs. Q3'23)		
Highlights	Profitability	Balance Sheet	Credit
<p>Diluted EPS</p> <p>\$1.79 \$7.32</p>	<p>3.31%</p> <p>vs. 3.70%</p> <p>NIM</p>	<p>\$21.3B</p> <p>-2%</p> <p>Total Assets</p>	<p>0.13%</p> <p>-1 bps</p> <p>NPA Ratio</p>
<p>Net Income</p> <p>\$58.2M \$235.4M</p>	<p>1.16%</p> <p>vs. 1.57%</p> <p>ROAA</p>	<p>\$13.2B</p> <p>-4%</p> <p>Total Loans and Leases</p>	<p>\$27.1M</p> <p>-9%</p> <p>NPLs</p>
<p>ROCE</p> <p>15.9% 17.3%</p>		<p>\$17.9B</p> <p>-2%</p> <p>Total Deposits</p>	<p>499%</p> <p>vs. 466%</p> <p>Reserves to NPLs</p>

Financial Highlights – Core



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Q4'23 FY'23	Q4'23 (vs. Q3'23)		
Highlights	Profitability	Balance Sheet	Credit
<p>Core EPS^{1,2}</p> <p>\$1.90 \$7.72</p>	<p>3.31% vs. 3.70% NIM</p>	<p>\$21.3B -2% Total Assets</p>	<p>0.13% -1 bps NPA Ratio</p>
<p>Core Net Income^{1,2}</p> <p>\$61.6M \$248.2M</p>	<p>1.22% vs. 1.57% Core ROAA^{1,2}</p>	<p>\$13.2B -4% Total Loans and Leases</p>	<p>\$27.1M -9% NPLs</p>
<p>Core ROCE^{1,2}</p> <p>16.9% 18.3%</p>	<p>1.90% vs. 2.32% Core PTPP ROAA^{1,2}</p>	<p>\$17.9B -2% Total Deposits</p>	<p>499% vs. 466% Reserves to NPLs</p>

1. Excludes pre-tax items: special one-time FDIC assessment fee of \$3.7 million, severance expense of \$0.6 million, derivative credit valuation adjustment of \$0.4 million offset by gain on investment securities of \$0.1 million

2. Non-GAAP measure, refer to appendix for reconciliation

2.0 STRENGTH OF THE FRANCHISE

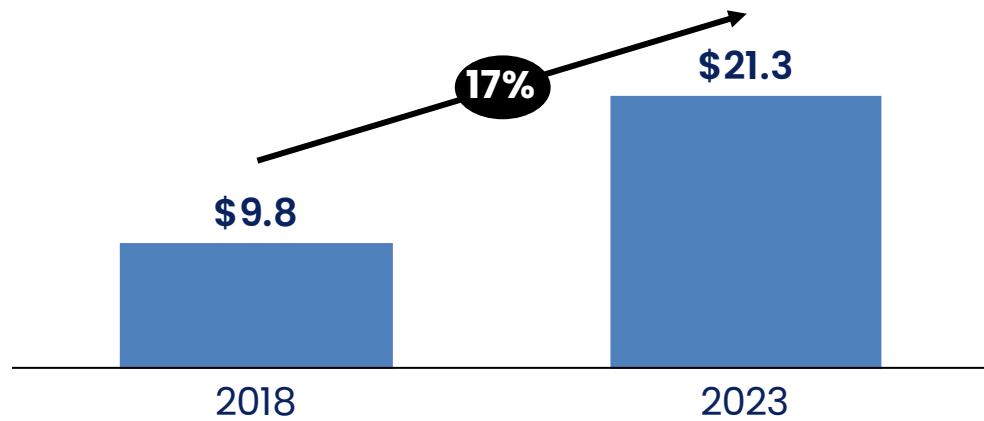
Customers Bank has Demonstrated Sustainable Organic Growth While Significantly Improving Our Liquidity Position...



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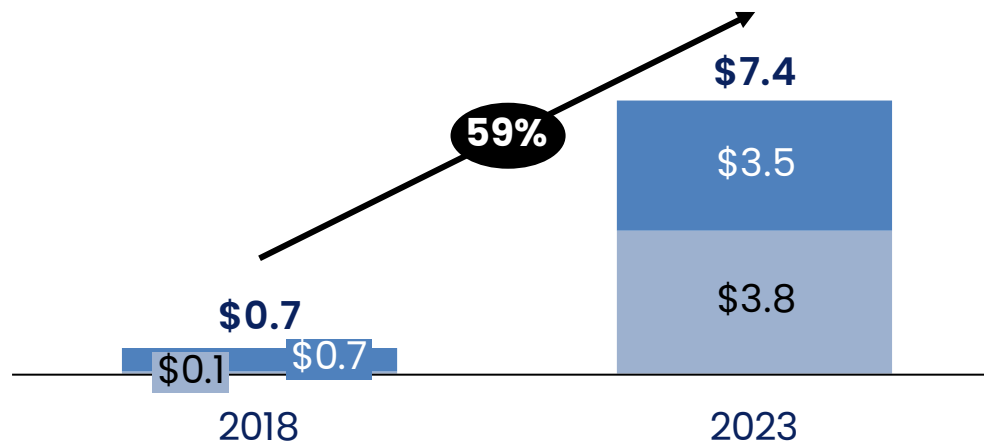
Total Assets

\$ billions



Cash and Investment Securities

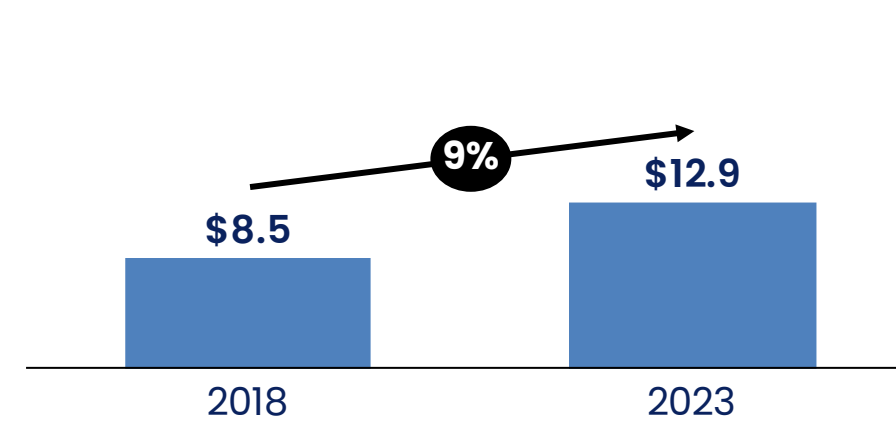
\$ billions



■ Investment Securities ■ Cash & Cash Equivalents

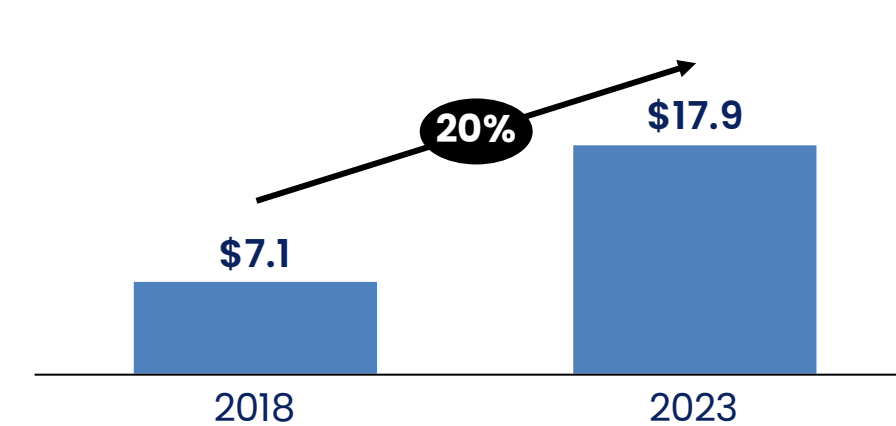
Gross Loans - HFI

\$ billions



Total Deposits

\$ billions



Loans - HFI to Deposits

120%

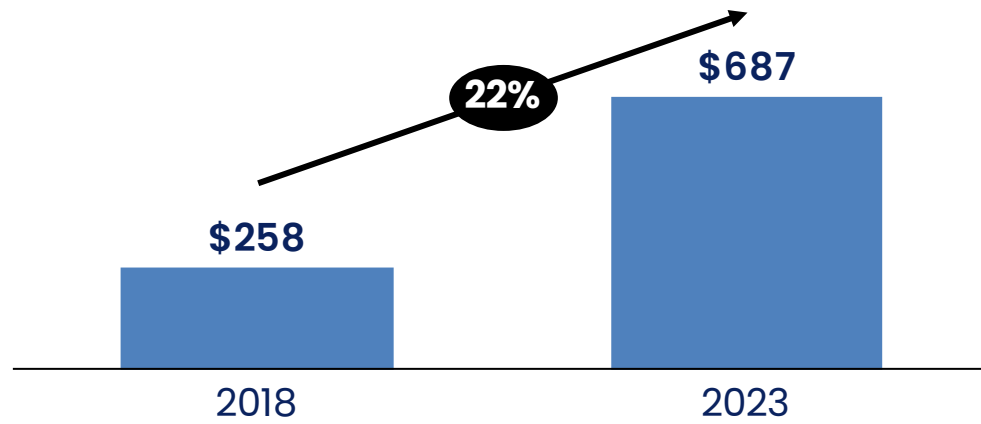
72%

...and Increasing Our EPS by 4x and ROCE by 2x Over the Last Five Years

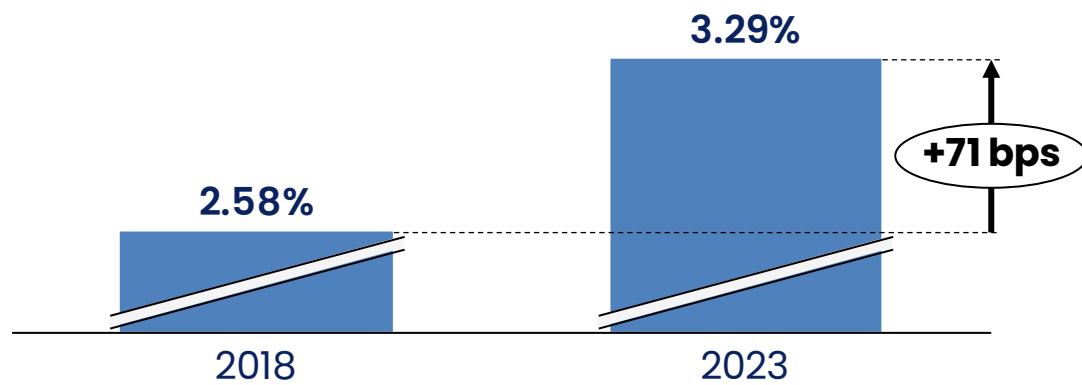


Let's take on tomorrow.

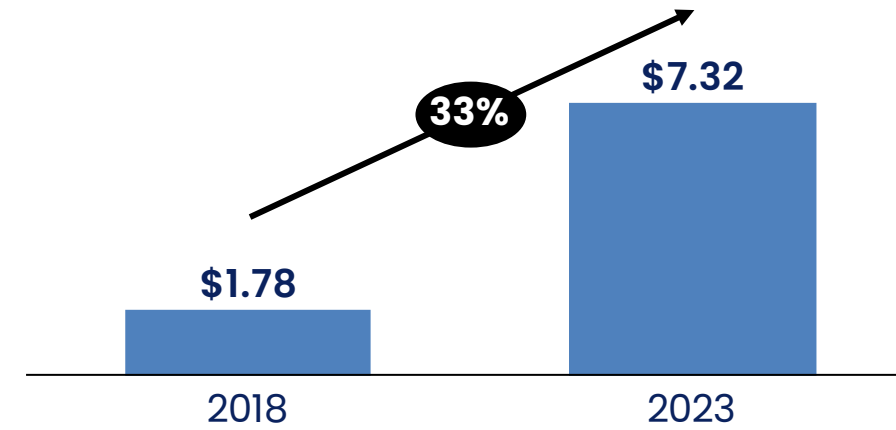
NII
\$ millions



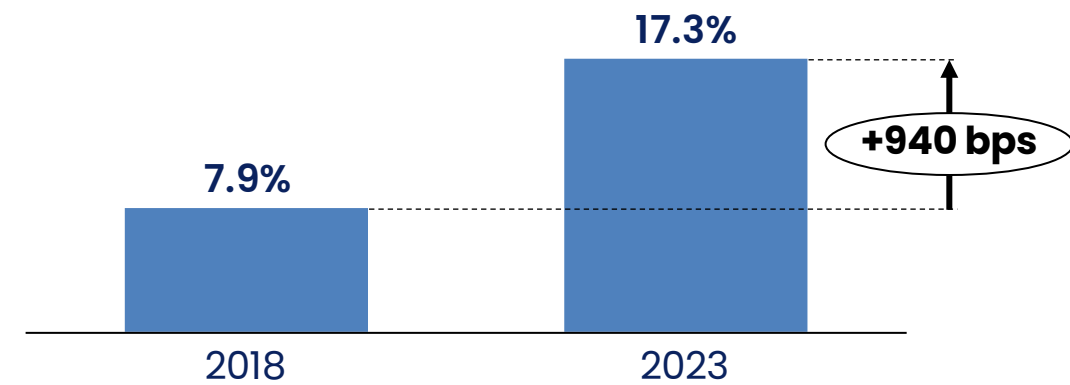
NIM
percent



Diluted EPS
per share



ROCE
percent



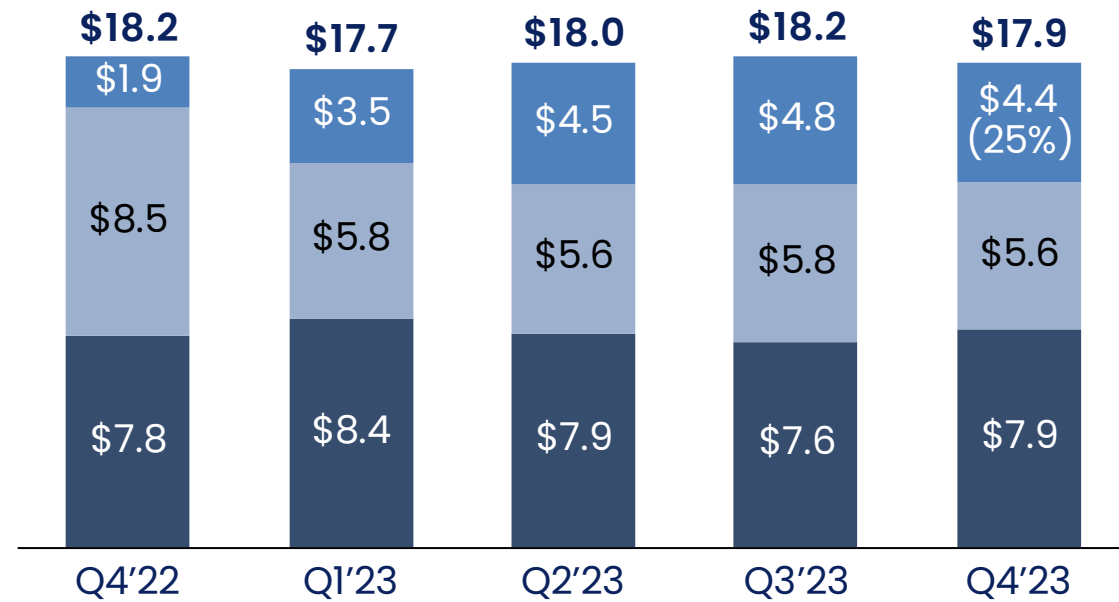
Successfully Executing on Deposit Franchise Transformation



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Total Deposits

\$ billions



Average cost of deposits

3.24%

3.39%

■ Non-Interest Bearing DDA ■ Interest Bearing DDA ■ Non-DDA

- Total deposits declined by \$275 million QoQ while paying down \$743 million in wholesale CDs
- \$1.1 billion of core deposit¹ growth in Q4'23 and \$3.1 billion over the last three quarters
- Third consecutive quarter of approximately \$1.0 billion core deposit¹ growth
- CUBI's estimated insured deposits² as a percentage of total deposits were 77% among the best of regional bank peers³

1. Total deposits excluding wholesale CDs and BMTX student-related deposits

2. Uninsured deposits of \$5.4 billion (estimate) to be reported on Customers Bank's call report less \$1.1 billion of collateralized deposits and \$0.1 billion of affiliate deposits; similar adjustment made to peers when publicly disclosed otherwise unadjusted reported figures used

3. Selected 2023 proxy peers as disclosed in appendix

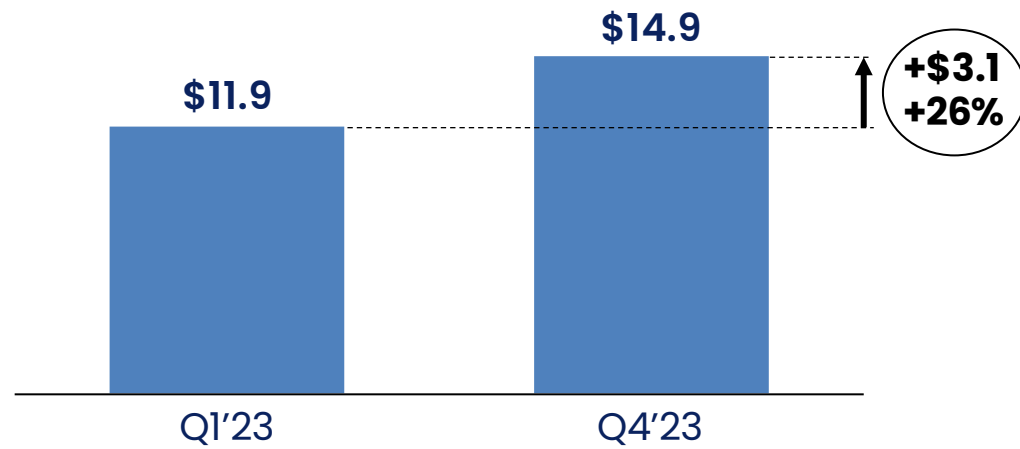
Robust Deposit Pipeline will Continue to Transform Funding Base



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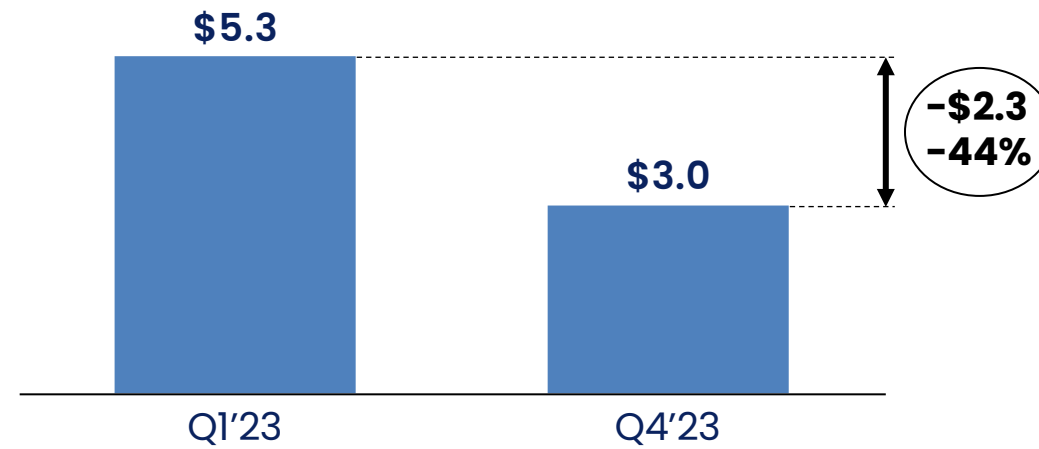
Core Deposits¹

\$ billions



Wholesale CDs

\$ billions

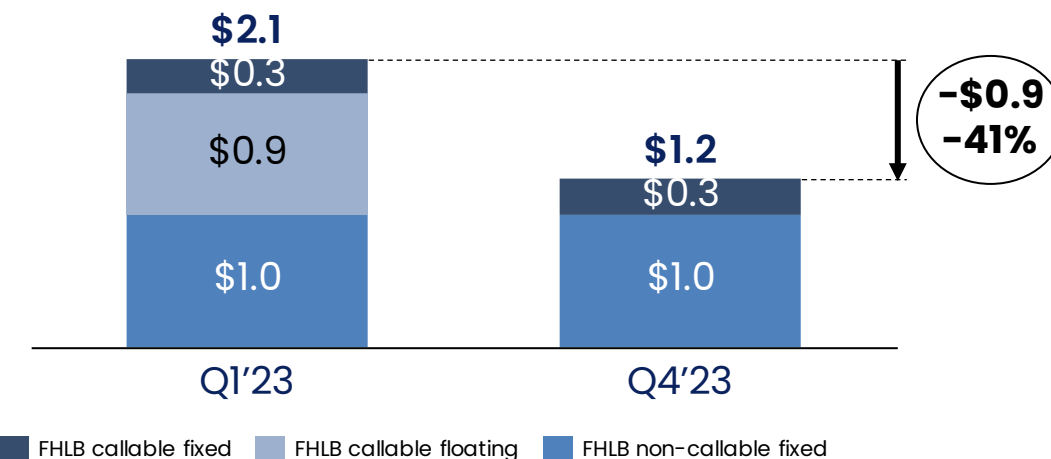


Meaningful progress on reducing wholesale funding²

- Total deposit pipeline remains at \$1.5 billion despite significant core deposit growth in 2023
- \$2.2 billion in wholesale CD maturities in 2024

FHLB Advances

\$ billions



■ FHLB callable fixed ■ FHLB callable floating ■ FHLB non-callable fixed

1. Total deposits excluding wholesale CDs and BMTX student-related deposits
 2. Wholesale CDs and FHLB advances

Net Interest Margin Continues to Demonstrate Positive Trends

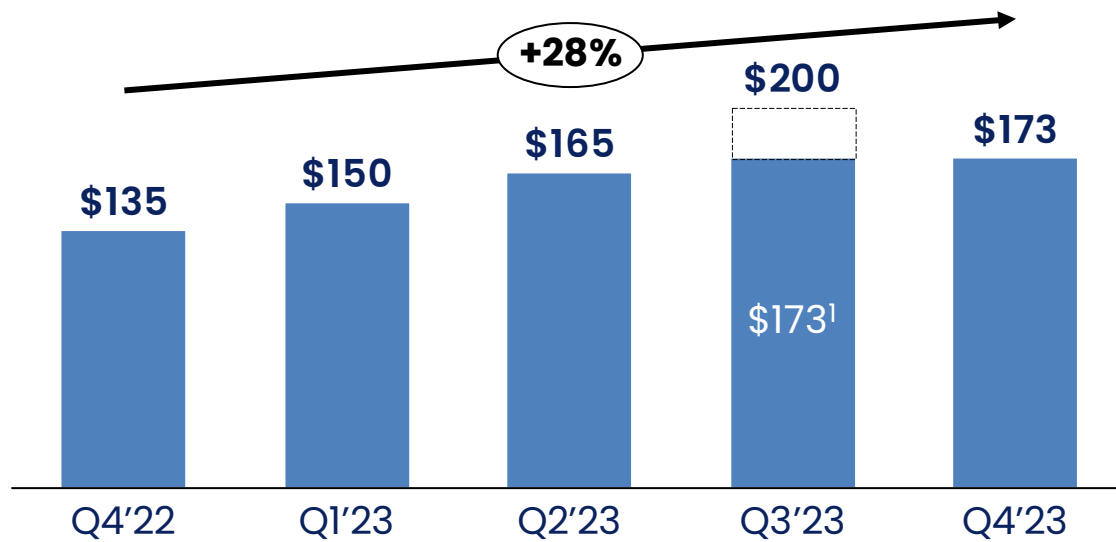


Let's take on tomorrow.

Net Interest Income

\$ millions

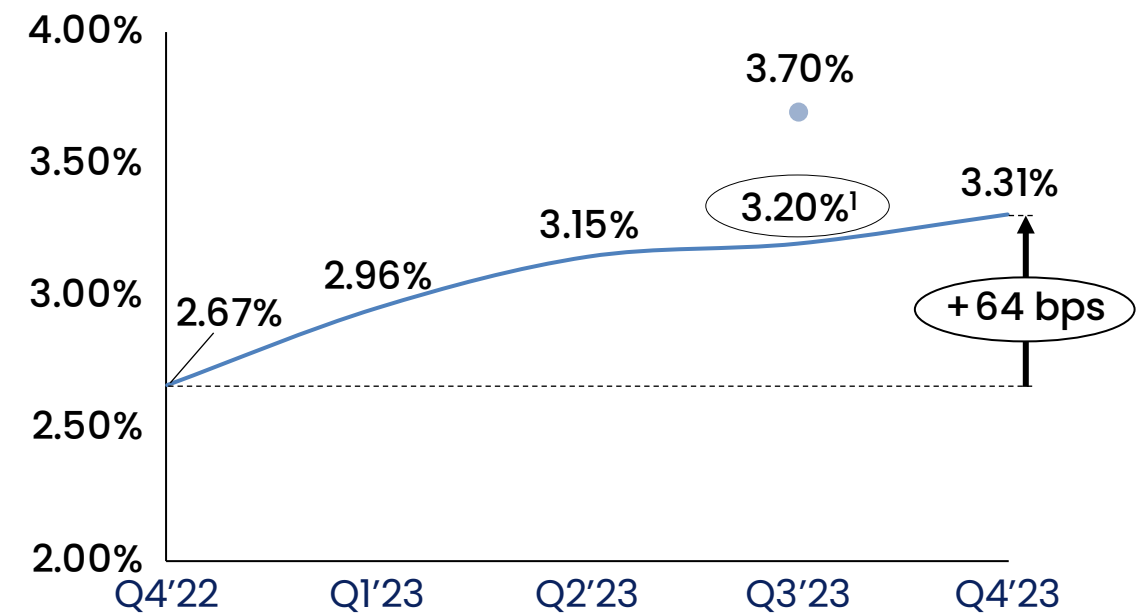
- Net interest income continues in an upward trajectory¹ despite modest interest-earning asset balance declines



NIM

percent

- Margin exceeded management guidance of 3.20–3.25% target for Q4'23



1. Adjusted for \$27 million of outsized accretion related to FDIC transaction in Q3'23

Strategic Portfolio Remix Complete and Continuing to Maintain Strong Liquidity Position

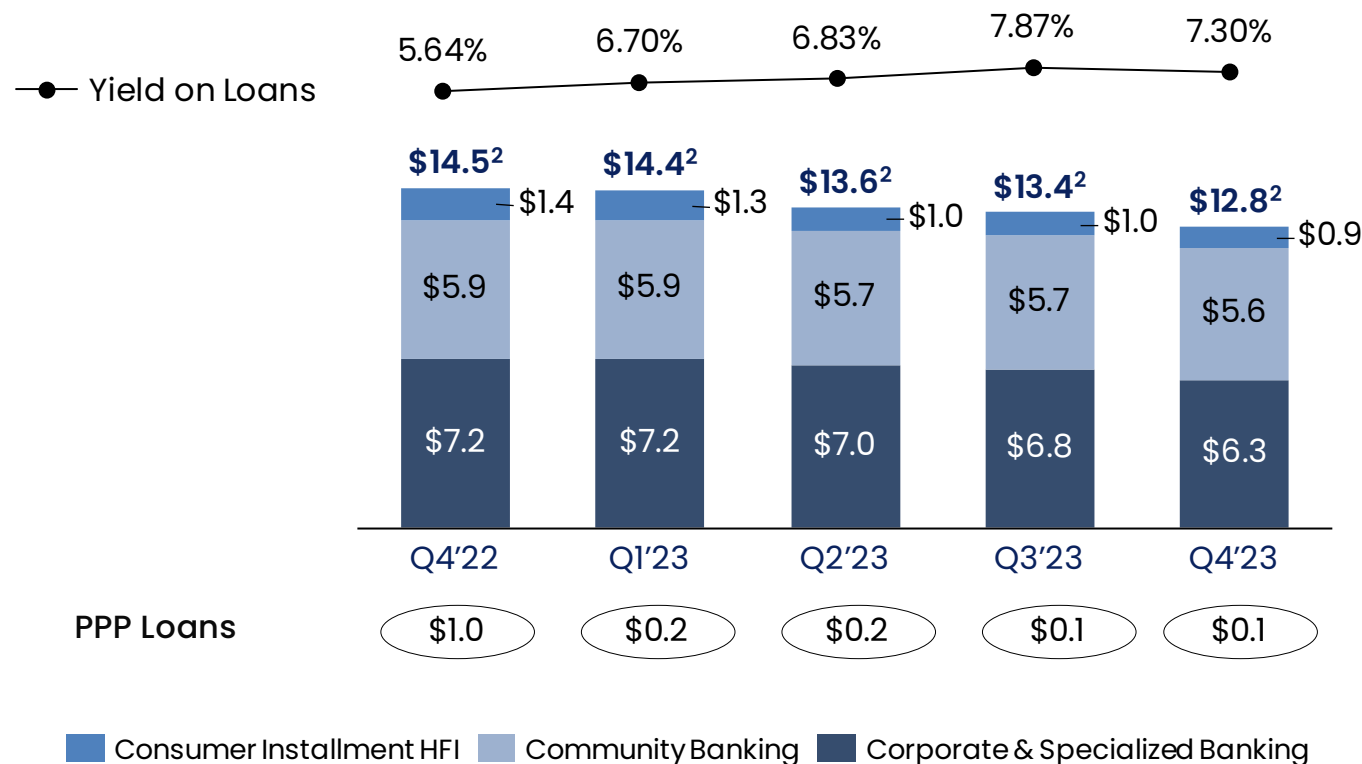


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Loans – HFI

\$ billions

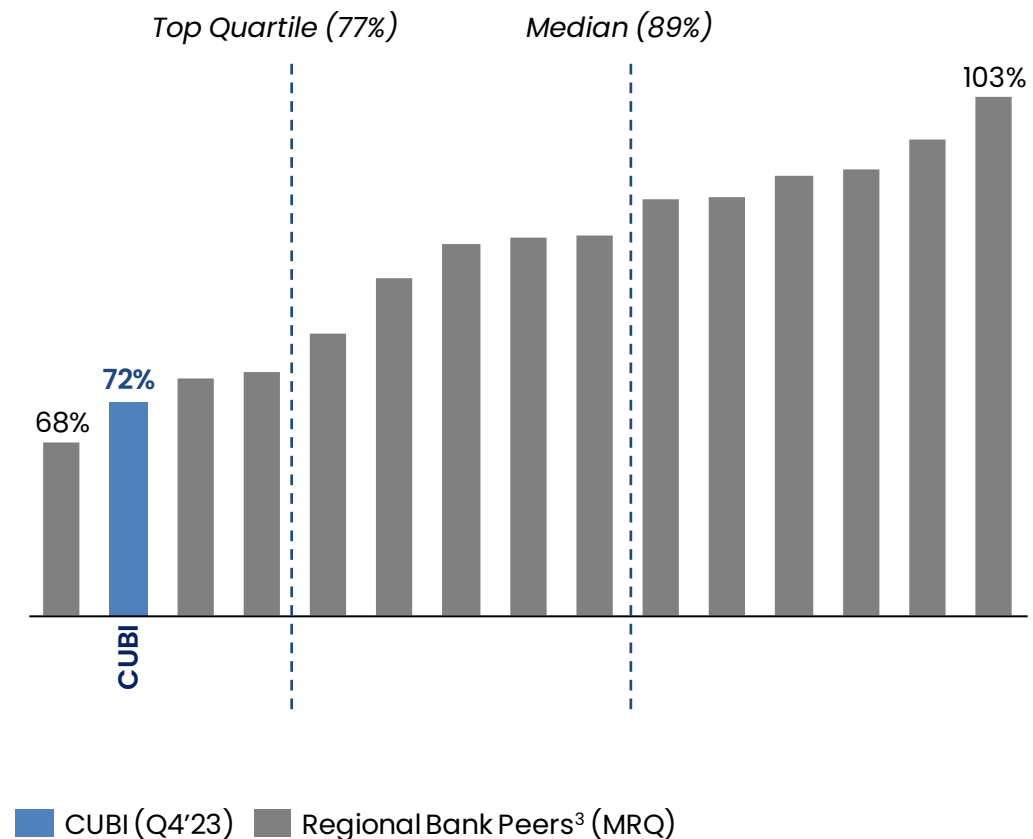
- Anticipate deploying securities cash flow, excess cash, and core deposit¹ growth into higher yielding loans at ~300 basis points additional spread in 2024



Loans – HFI / Deposits

percent

- Loan to deposit ratio is 72%, 17 percentage points lower than regional bank peer median



1. Total deposits excluding wholesale CDs and BMTX student-related deposits
 2. HFI loans excluding PPP; non-GAAP measure, refer to appendix for reconciliation
 3. Selected 2023 proxy peers as disclosed in appendix

Customers Operates with Industry-Leading Efficiency

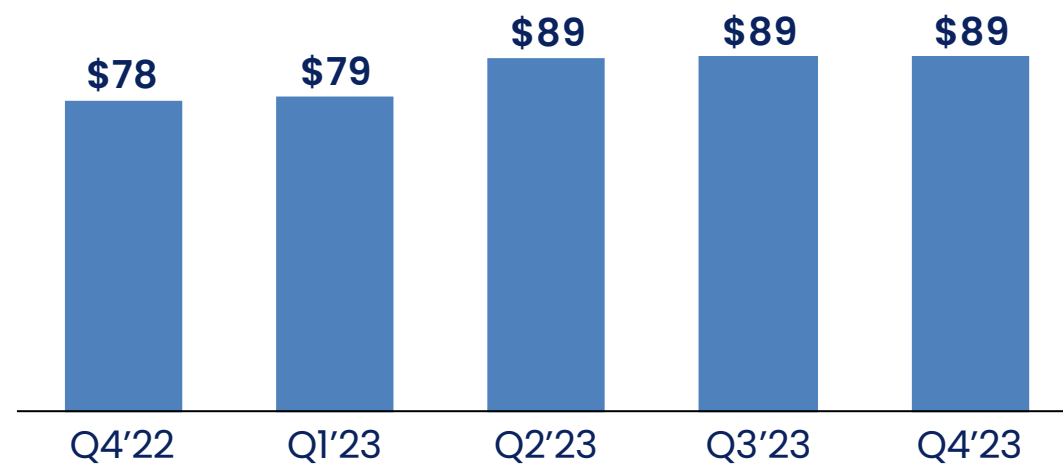


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Core Non-Interest Expense¹

\$ millions

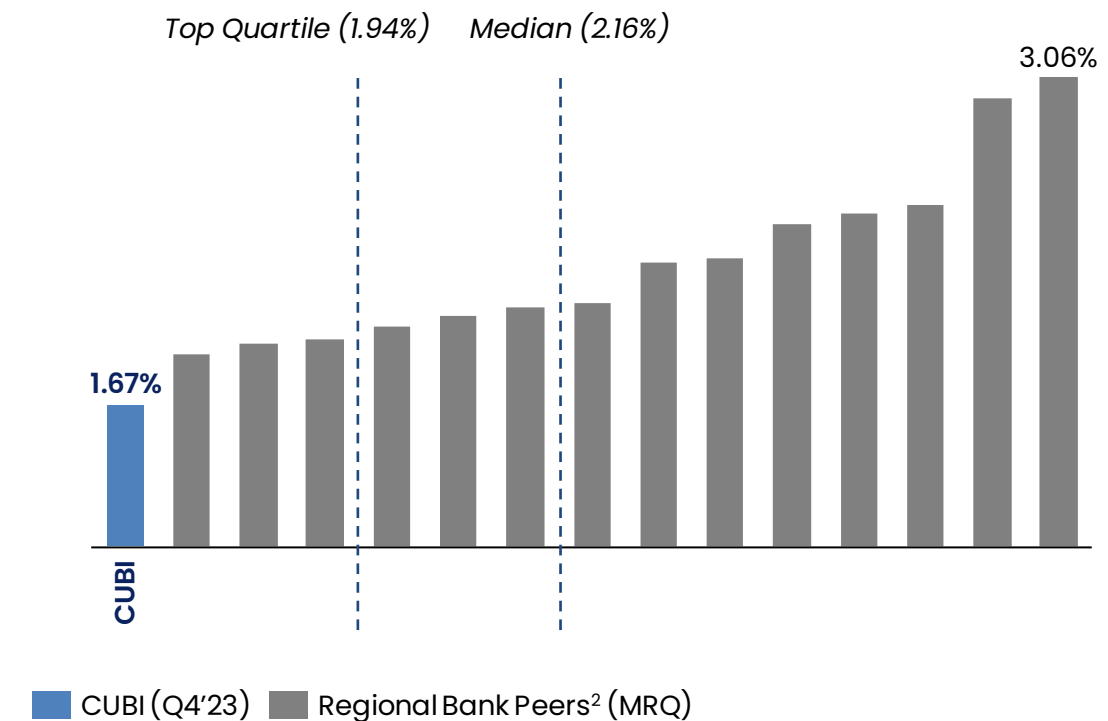
- Disciplined expense management resulting in flat core non-interest expense¹ for the last three quarters
- Meaningful opportunity to generate positive operating leverage at current expense levels



Core Non-Interest Expense¹ / Average Assets

percent

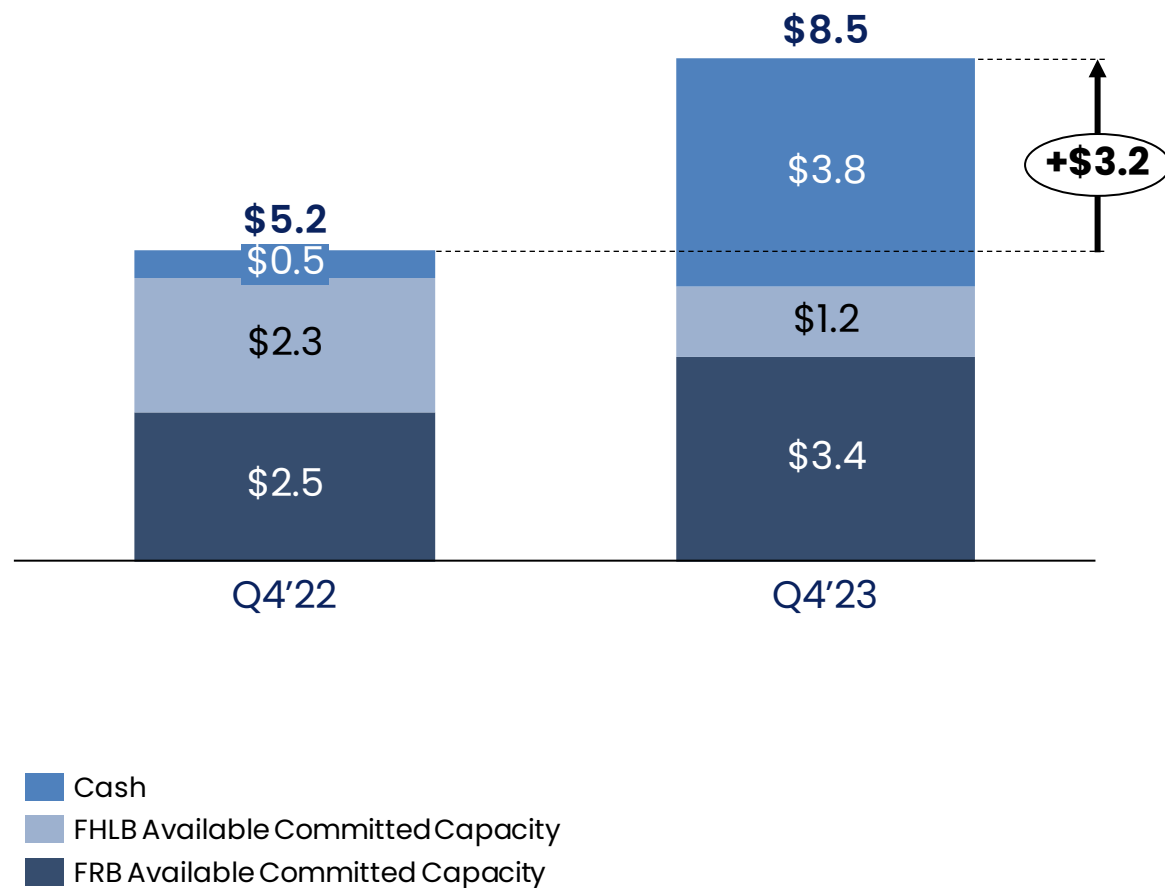
- CUBI's core non-interest expense¹ as percent of average assets is the lowest among regional bank peers²



1. Non-GAAP measure, refer to appendix for reconciliation
 2. Selected 2023 proxy peers as disclosed in appendix

Robust Liquidity Position with Greater than 200% Coverage of Uninsured Deposits

Immediately Available Liquidity \$ billions



- Sold \$295 million of AFS securities in Q4'23 at roughly book value
- Redeemed \$340 million of callable FHLB advances in Q4'23
- CUBI's ratio of immediately available liquidity to uninsured deposits¹ estimated to be approximately 202%
- Total overall liquidity of \$11.4 billion as of Q4'23

1. Uninsured deposits of \$5.4 billion (estimate) to be reported on Customers Bank's call report less \$1.1 billion of collateralized deposits and \$0.1 billion of affiliate deposits

3.0 STRONG CAPITAL AND LIQUIDITY

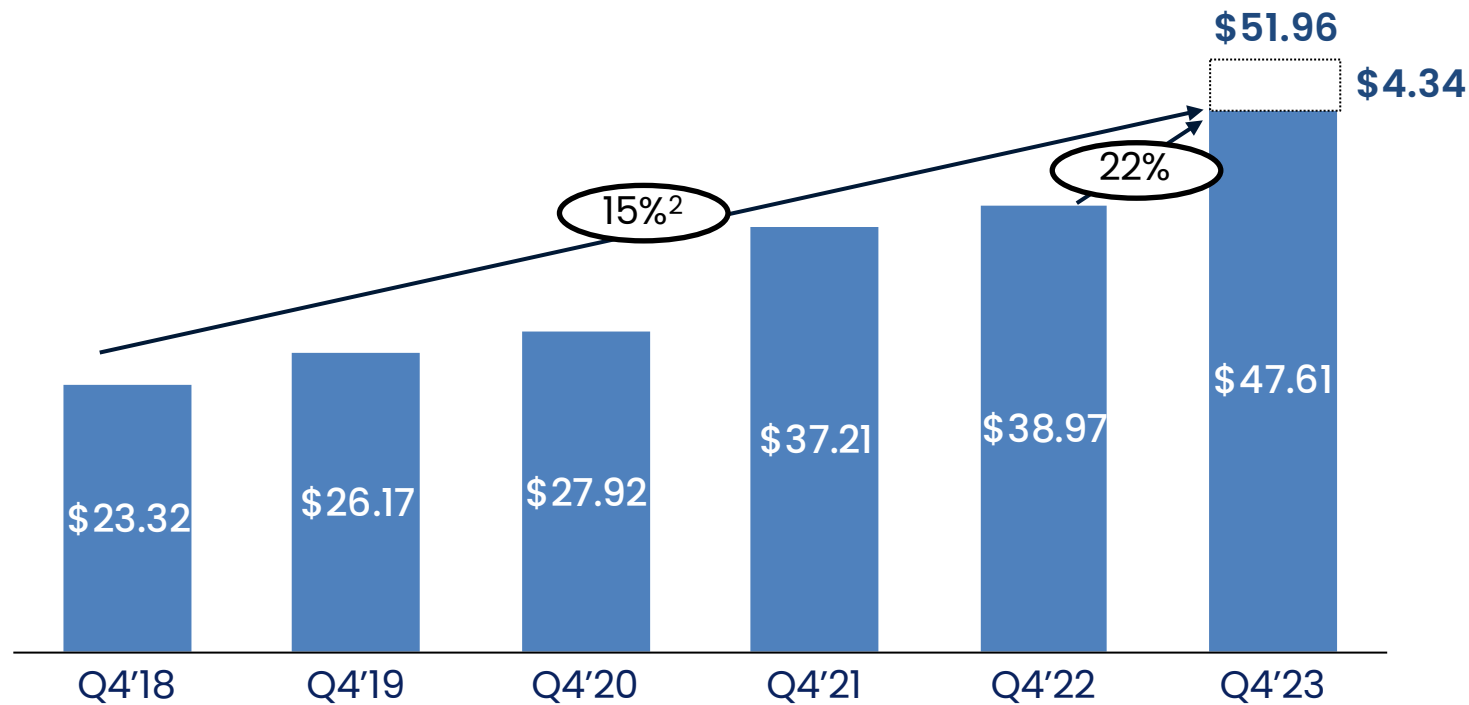
22% Growth in Tangible Book Value in 2023; TBV has More Than Doubled Over the Last 5 Years



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Tangible Book Value¹ per share

AOCI



- 22% growth in TBV¹ in 2023
- 5-year CAGR in TBV¹ has been 15%² despite AOCI headwinds compared to 4% for regional bank peers³
- TBV¹ has more than doubled in the last 5 years
- AOCI recovery of \$13.2 million and \$0.42 TBV¹ per share in Q4'23
- Estimated AOCI recovery of ~\$1.50 TBV¹ per share in 2024

1. Non-GAAP measure, refer to appendix for reconciliation
 2. CAGR from Q4'18 to Q4'23 inclusive of impact of AOCI mark-to-market
 3. Selected 2023 proxy peers as disclosed in appendix

3.0 STRONG CAPITAL AND LIQUIDITY

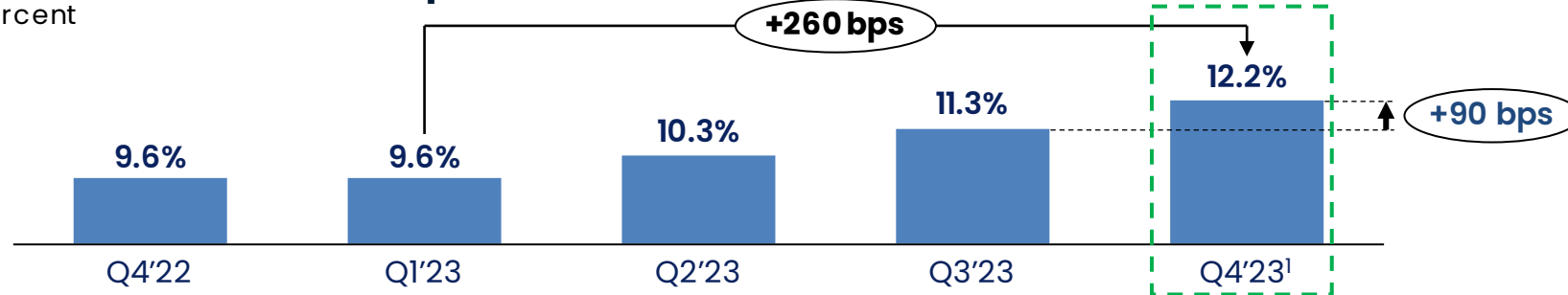
Achieved 12.2% CET1 and TCE/TA of 7.0%



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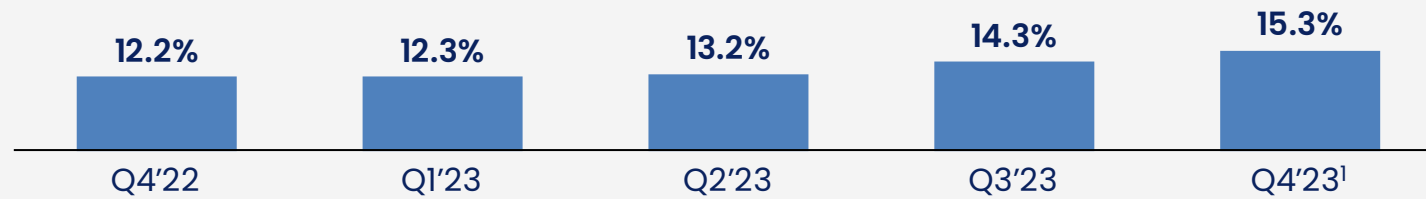
CET1 Risk-Based Capital

percent



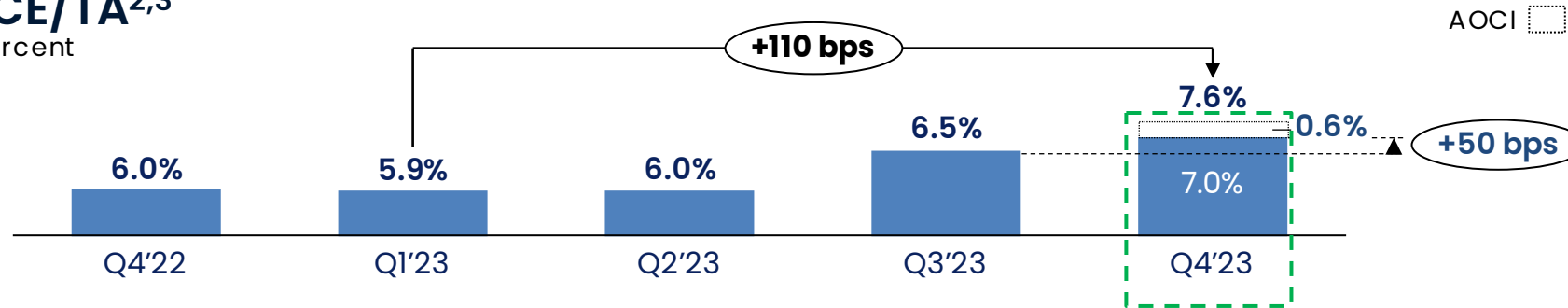
Total Risk-Based Capital

percent



TCE/TA^{2,3}

percent



- Increase of approximately 90 bps in CET1 during Q4'23 and 260 bps since Q1'23
- CET1 adjusted for AOCI is 11.2% - top quartile for banks with \$10-\$100 billion in assets
- Increase of approximately 50 bps in TCE/TA³ during Q4'23 and 110 bps since Q1'23 through organic capital generation on flat balance sheet

1. Capital ratios are estimated pending final regulatory report
 2. TCE/TA negatively impacted by 64 bps in Q4'23 due to AOCI
 3. Non-GAAP measure, refer to appendix for reconciliation

4.0 MAINTAINING SUPERIOR CREDIT QUALITY

Credit Quality Remains Strong



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NPLs

\$ millions



NPAs as Percent of Total Assets

percent



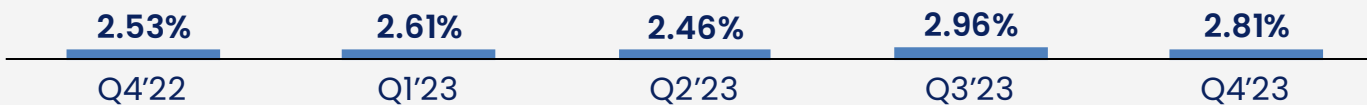
Commercial NCOs

percent



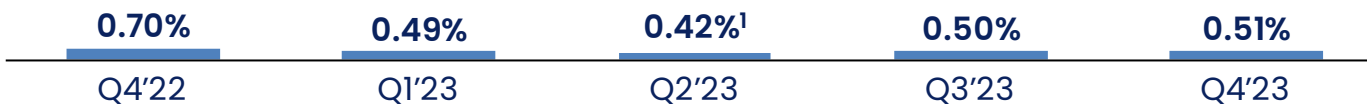
Consumer NCOs

percent



Total NCOs

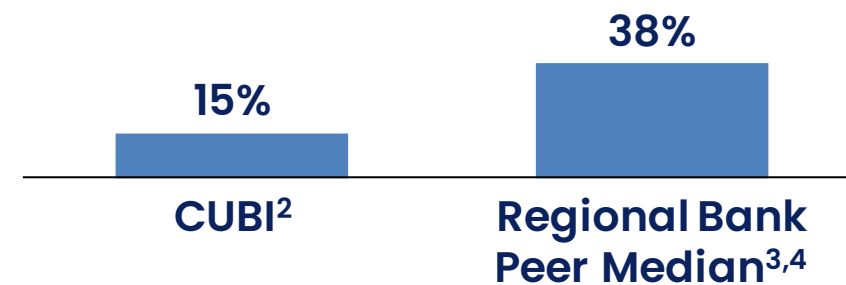
percent



- NPLs and NPA ratio stable over the last five quarters
- Office and retail CRE each represent only ~1% of HFI loan portfolio
- Consumer installment HFI represents only ~7% of HFI loan portfolio

CRE (excluding Multifamily)²

Loan mix, Q4'23



Note: Prior period amounts have been recast to conform with the current reporting

1. Excludes \$6.2 million charge-offs against \$8.7 million ACL on PCD loans upon FDIC loan pool acquisition

2. Excludes construction loans

3. As of Q4'23 for CUBI and MRQ for regional bank peers

4. Selected 2023 proxy peers as disclosed in appendix

2024 Management Outlook



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	Metrics	Outlook for FY 2024
Financial Targets	ROAA	1.15% – 1.25%
	Efficiency Ratio	Mid – 40's
	Net Interest Margin	3.20% – 3.40%
Growth Outlook	Deposit Growth	10% – 15% core deposit ¹ growth; low single-digit total deposit growth
	Loan Growth	10% – 15% driven by redeploying excess liquidity (cash and securities) into loans
	PPNR Growth ²	10% – 15%
Operating Assumptions	CET1	~11.5%
	TCE / TA ³	~7.5%
	Tax Rate	22% – 24%

1. Total deposits excluding wholesale CDs and BMTX student-related deposits
 2. 2023 baseline adjusted PPNR of \$367.0 million (adjusted for \$11.4 million of PPP net interest income in FY'23 and \$27.0 million of outsized discount accretion related to acquired loan portfolio from the FDIC transaction in Q3'23)
 3. Non-GAAP measure

Concluding Perspectives



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Improving Deposit Franchise

\$3.1 billion of core deposit¹ growth with corresponding reduction in wholesale funding over the last three quarters

Robust core deposit pipeline remains at approximately \$1.5 billion

NIM Expansion

Net interest margin of 3.31% exceeded our Q4'23 guidance and is at sustainable levels

Strengthening Capital Base

Strong capital levels with 7.0% TCE/TA² and 12.2% CET1³

Improved TCE/TA² by 50 bps and CET1³ by 90 bps in a single quarter

Maintaining Strong Risk Management

Robust liquidity position with coverage of over 200% of uninsured deposits⁴

Diversified loan and deposit franchises built to perform across all macroeconomic environments; credit continues to perform well

Strategic Outlook

Extremely well-positioned to take market share

Client-centric culture continues to drive franchise value

Deposit remix has significant runway with meaningful financial benefits

Poised to deploy securities and cash into higher yielding loans

Operating platform designed to generate positive operating leverage and drive superior efficiency and profitability

1. Total deposits excluding wholesale CDs and BMTX student-related deposits

2. Non-GAAP measure, refer to appendix for reconciliation

3. Capital ratios are estimated pending final regulatory report

4. Uninsured deposits of \$5.4 billion (estimate) to be reported on Customers Bank's call report less \$1.1 billion of collateralized deposits and \$0.1 billion of affiliate deposits



ANALYST COVERAGE

B.Riley Securities, Inc.

Hal Goetsch

D.A. Davidson Companies

Peter Winter

Hovde Group

David Bishop

Jefferies Group LLC

Casey Haire

Keefe, Bruyette & Woods Inc.

Michael Perito

Maxim Group Inc.

Michael Diana

Piper Sandler Companies

Frank Schiraldi

Raymond James

Steve Moss

Stephens Inc.

Matt Breese

Wedbush Securities Inc.

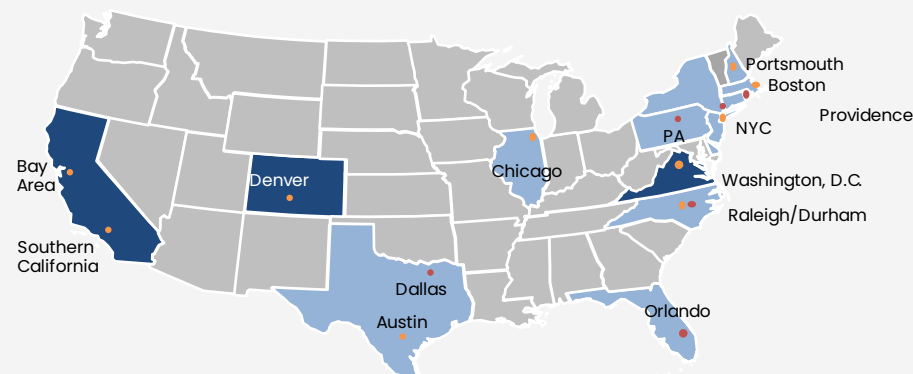
David Chiaverini

APPENDIX



Customers Bancorp Overview

A Forward-Thinking Bank with Strong Risk Management



Corporate & Specialized Banking ●
Community Banking ●

Customers Bancorp, Inc.

NYSE: CUBI

Headquarters	West Reading, PA
Offices ¹	54
FTE Employees	714
Market Capitalization As of January 24, 2024	\$1.7B
Total Assets	\$21.3B
Tangible Book Value ²	\$47.61
Share price As of January 24, 2024	\$53.07

Data as of December 31, 2023, unless otherwise noted

- (1) Offices includes branches, executive offices, Private Banking Offices and Loan Production Offices
- (2) Non-GAAP measure, refer to appendix for reconciliation

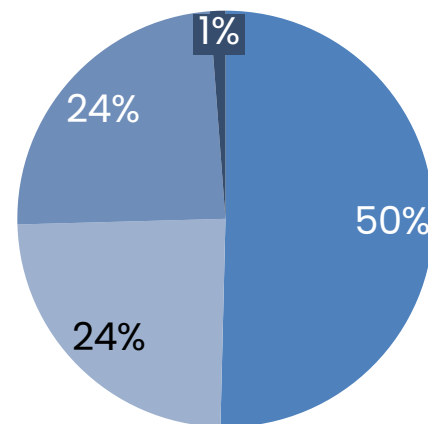
	Corporate & Specialized Banking	Community Banking	Digital Banking
Description	<p>National corporate businesses where Customers has differentiated capabilities, often enhanced through technology, to create value for clients</p> <p>Serving sophisticated corporate businesses above the complexity level of most community banks but with a higher level of service and attention than large regionals provide</p>	<p>Deep relationship-based community banking predominantly in the Northeast with selected presence in the Carolinas, Florida and Texas</p> <p>Serving small and medium-sized businesses, and individuals, with a comprehensive suite of loan and deposit products</p>	<p>Consumer Suite of loan and deposit products delivered digitally to clients; increasingly generating fee and “fee-like” revenue with limited credit risk through our HFS strategy</p> <p>Commercial Transaction banking (treasury and payment services) with associated deposits</p>
Products	<p>Lender finance, capital call lines, venture banking, mortgage warehouse, equipment finance, healthcare, real estate specialty finance</p> <p>Operating deposit accounts</p>	<p>Regional C&I, owner-occupied CRE, SBA, multifamily, non-owner-occupied CRE, mortgage</p> <p>Operating deposit accounts (commercial and consumer)</p>	<p>Consumer installment lending</p> <p>Payments</p> <p>Online savings</p>

Securities Portfolio Generating Attractive Returns with Minimal Credit and Duration Risk

Investment Securities – AFS

percent, Q4'23

- Spot yield: 5.12%
- Effective duration: ~1.5 years
- Floating rate securities: ~41%
- Credit rating: 59% AAA with only 2% at BB and below



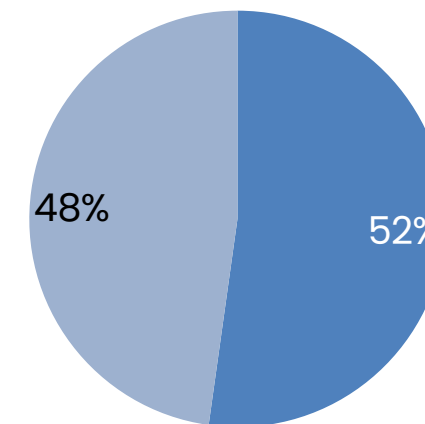
Total: \$2.4 billion



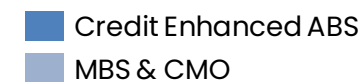
Investment Securities – HTM

percent, Q4'23

- Spot yield: 4.31%
- Effective duration: ~3.0 years
- Floating rate securities: ~25%
- Credit rating: 39% AAA with no rated securities non-investment grade
- ABS: ~\$0.6 billion of credit enhanced asset backed securities from sale of consumer installment loan portfolio in Q3'22 and Q2'23



Total: \$1.1 billion



Consumer Installment Loans – Portfolio Credit Metrics

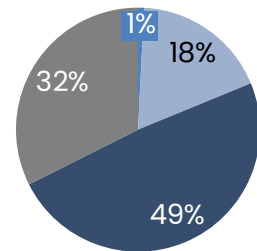
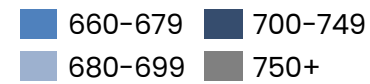


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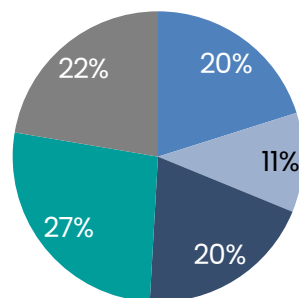
Weighted average life of ~2.1 years

FICO Score¹

Average FICO Score¹ ~734

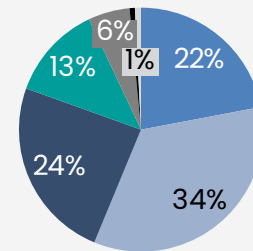
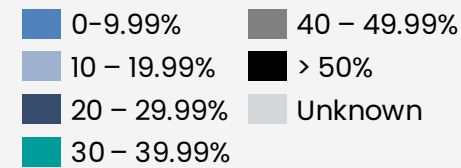


Geography

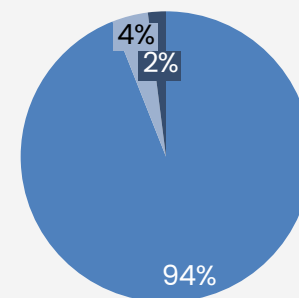
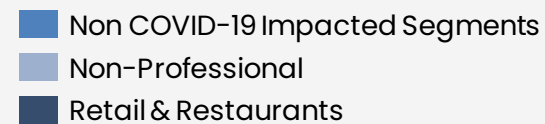


Debt to Income Ratio¹

Average DTI¹ ~19%

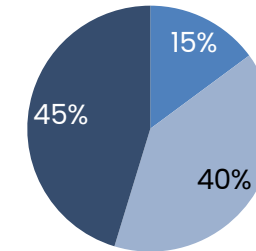


Profession

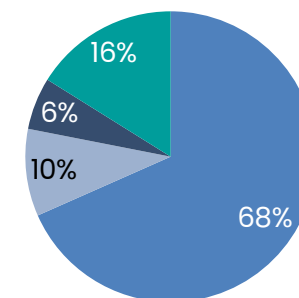
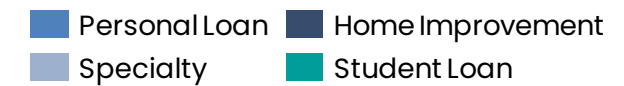


Borrower Income

Average Borrower Income ~\$107k



Purpose



Note: Data as of December 31, 2023; includes consumer installment HFS loans

1. DTI and FICO scores as of time of origination

Selected 2023 Proxy Peers



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- Atlantic Union
- Commerce
- Community Bank System
- FB Financial
- First Busey
- F.N.B.
- Fulton
- Independent
- Northwest
- Old National
- Pinnacle
- Sandy Spring
- United Community
- WesBanco

Robust Sources of Liquidity



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Liquidity Sources (\$000's)	4Q 23	4Q 22	YOY Change
Cash and Cash Equivalents	\$3,846,346	\$455,807	\$3,390,539
FHLB Available Borrowing Capacity	\$1,180,972	\$2,265,499	(\$1,084,527)
FRB Available Borrowing Capacity	\$3,436,000	\$2,510,189	\$925,810
Investments (MV AFS + HTM)			
US Gov't & Agency Debt	\$0	\$0	\$0
Agency & Non-Agency MBS & CMO	\$1,739,284	\$1,811,633	(\$72,349)
Corporates	\$583,034	\$595,253	(\$12,219)
ABS ¹	\$1,157,711	\$1,394,388	(\$236,677)
Other AFS	\$28,781	\$26,485	\$2,295
Less: Pledged Securities HTM & AFS	(\$1,554,837)	(\$16,749)	(\$1,538,088)
Net Unpledged Securities	\$1,953,973	\$3,811,010	(\$1,857,037)
Unpledged Mortgage Warehouse Loans ²	\$1,014,742	\$0	\$1,014,742
	\$11,432,033	\$9,042,505	\$2,389,528

1. Includes CLOs
2. Began pledging mortgage warehouse collateral to FRB in Q1'23

Allowance for Credit Losses for Loans and Leases



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(\$ in thousands)

	December 31, 2023		
	Amortized Cost ²	Allowance for Credit Losses	Lifetime Loss Rate ¹
Loans and Leases Receivable:			
Commercial:			
Commercial and Industrial, including Specialty Lending	\$ 6,211,105	\$ 23,503	0.38 %
Multifamily	2,138,622	16,343	0.76 %
Commercial Real Estate Owner Occupied	797,319	9,882	1.24 %
Commercial Real Estate Non-Owner Occupied	1,177,650	16,859	1.43 %
Construction	166,393	1,482	0.89 %
Total Commercial Loans and Leases Receivable	\$ 10,491,089	\$ 68,069	0.65 %
Consumer:			
Residential Real Estate	\$ 484,435	\$ 6,586	1.36 %
Manufacturing Housing	38,670	4,239	10.96 %
Installment	874,926	56,417	6.45 %
Total Consumer Loans Receivable	\$ 1,398,031	\$ 67,242	4.81 %
Total Loans and Leases Receivable	\$ 11,889,120	\$ 135,311	1.14 %³

1. Utilized Moody's December 2023 baseline and adverse forecast scenario with qualitative adjustments for Q4'23 provision
2. Excludes loans to mortgage companies reported at fair value, loans held for sale and PPP loans
3. Non-GAAP measure, refer to appendix for reconciliation

Reconciliation of Non-GAAP Measures – Unaudited



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Customers believes that the non-GAAP measurements disclosed within this document are useful for investors, regulators, management and others to evaluate our core results of operations and financial condition relative to other financial institutions. These non-GAAP financial measures are frequently used by securities analysts, investors, and other interested parties in the evaluation of companies in Customers' industry. These non-GAAP financial measures exclude from corresponding GAAP measures the impact of certain elements that we do not believe are representative of our ongoing financial results, which we believe enhance an overall understanding of our performance and increases comparability of our period to period results. Investors should consider our performance and financial condition as reported under GAAP and all other relevant information when assessing our performance or financial condition. The non-GAAP measures presented are not necessarily comparable to non-GAAP measures that may be presented by other financial institutions. Although non-GAAP financial measures are frequently used in the evaluation of a company, they have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results of operations or financial condition as reported under GAAP.

The following tables present reconciliations of GAAP to non-GAAP measures disclosed within this document.

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Let's take on tomorrow.

Core earnings - Customers Bancorp

(\$ in thousands except per share data)

	Twelve Months Ended December 31,													
	Q4 2023		Q3 2023		Q2 2023		Q1 2023		Q4 2022		2023		2022	
	USD	Per share	USD	Per share	USD	Per share	USD	Per share	USD	Per share	USD	Per share	USD	Per share
GAAP net income to common shareholders	\$ 58,223	\$ 1.79	\$ 82,953	\$ 2.58	\$ 44,007	\$ 1.39	\$ 50,265	\$ 1.55	\$ 25,623	\$ 0.77	\$ 235,448	\$ 7.32	\$ 218,402	\$ 6.51
Reconciling items (after tax):														
Severance expense	473	0.01	—	—	141	0.00	637	0.02	—	—	1,251	0.04	1,058	0.03
Impairments on fixed assets and leases	—	—	—	—	12	0.00	86	0.00	—	—	98	0.00	1,051	0.03
Loss on sale of consumer installment loans	—	—	—	—	—	—	—	—	—	—	—	—	18,221	0.54
Loss on sale of capital call lines of credit	—	—	—	—	3,914	0.12	—	—	—	—	3,914	0.12	—	—
(Gains) losses on investment securities	(85)	—	492	0.02	49	0.00	(49)	(0.00)	13,543	0.41	407	0.01	18,926	0.56
Derivative credit valuation adjustment	267	0.01	(151)	(0.00)	(101)	(0.00)	204	0.01	202	0.01	219	0.01	(1,243)	(0.04)
Tax on surrender of bank-owned life insurance policies	—	—	—	—	4,141	0.13	—	—	—	—	4,141	0.13	—	—
FDIC special assessment	2,755	0.08	—	—	—	—	—	—	—	—	2,755	0.08	—	—
Core earnings	\$ 61,633	\$ 1.90	\$ 83,294	\$ 2.59	\$ 52,163	\$ 1.65	\$ 51,143	\$ 1.58	\$ 39,368	\$ 1.19	\$ 248,233	\$ 7.72	\$ 256,415	\$ 7.63

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Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Let's take on tomorrow.

Core return on average assets – Customers Bancorp

(\$ in thousands except per share data)

	Twelve Months Ended December 31,						
	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	2023	2022
GAAP net income	\$ 62,092	\$ 86,756	\$ 47,574	\$ 53,721	\$ 28,711	\$ 250,143	\$ 228,034
Reconciling items (after tax):							
Severance expense	473	—	141	637	—	1,251	1,058
Impairments on fixed assets and leases	—	—	12	86	—	98	1,051
Loss on sale of consumer installment loans	—	—	—	—	—	—	18,221
Loss on sale of capital call lines of credit	—	—	3,914	—	—	3,914	—
(Gains) losses on investment securities	(85)	492	49	(49)	13,543	407	18,926
Derivative credit valuation adjustment	267	(151)	(101)	204	202	219	(1,243)
Tax on surrender of bank-owned life insurance policies	—	—	4,141	—	—	4,141	—
FDIC special assessment	2,755	—	—	—	—	2,755	—
Core net income	\$ 65,502	\$ 87,097	\$ 55,730	\$ 54,599	\$ 42,456	\$ 262,928	\$ 266,047
Average total assets	\$ 21,252,273	\$ 21,978,010	\$ 21,654,735	\$ 21,052,920	\$ 20,717,362	\$ 21,486,383	\$ 20,109,744
Core return on average assets	1.22%	1.57%	1.03%	1.05%	0.81%	1.22%	1.32%

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Let's take on tomorrow.

**Core return on average common equity –
Customers Bancorp**
(\$ in thousands)

	Twelve Months Ended December 31,						
	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	2023	2022
GAAP net income to common shareholders	\$ 58,223	\$ 82,953	\$ 44,007	\$ 50,265	\$ 25,623	\$ 235,448	\$ 218,402
Reconciling items (after tax):							
Severance expense	473	—	141	637	—	1,251	1,058
Impairments on fixed assets and leases	—	—	12	86	—	98	1,051
Loss on sale of consumer installment loans	—	—	—	—	—	—	18,221
Loss on sale of capital call lines of credit	—	—	3,914	—	—	3,914	—
(Gains) losses on investment securities	(85)	492	49	(49)	13,543	407	18,926
Derivative credit valuation adjustment	267	(151)	(101)	204	202	219	(1,243)
Tax on surrender of bank-owned life insurance policies	—	—	4,141	—	—	4,141	—
FDIC special assessment	2,755	—	—	—	—	2,755	—
Core earnings	\$ 61,633	\$ 83,294	\$ 52,163	\$ 51,143	\$ 39,368	\$ 248,233	\$ 256,415
Average total common shareholders' equity	\$ 1,449,728	\$ 1,373,244	\$ 1,335,408	\$ 1,273,780	\$ 1,263,190	\$ 1,358,564	\$ 1,254,979
Core return on average common equity	16.87%	24.06%	15.67%	16.28%	12.36%	18.27%	20.43%

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Let's take on tomorrow.

Adjusted net income and adjusted ROAA - pre-tax pre-provision - Customers Bancorp

(\$ in thousands, except per share data)

	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
GAAP net income	\$ 62,092	\$ 86,756	\$ 47,574	\$ 53,721	\$ 28,711
Reconciling items:					
Income tax expense	21,796	23,470	20,768	14,563	7,136
Provision (benefit) for credit losses	13,523	17,856	23,629	19,603	28,216
Provision (benefit) for credit losses on unfunded commitments	(136)	48	(304)	280	153
Severance expense	639	—	182	809	—
Impairments on fixed assets and leases	—	—	15	109	—
Loss on sale of consumer installment loans	—	—	—	—	—
Loss on sale of capital call lines of credit	—	—	5,037	—	—
(Gains) losses on investment securities	(114)	626	62	(62)	16,909
Derivative credit valuation adjustment	361	(192)	(130)	259	252
FDIC special assessment	3,723	—	—	—	—
Adjusted net income - pre-tax pre-provision	\$ 101,884	\$ 128,564	\$ 96,833	\$ 89,282	\$ 81,377
Average total assets	\$ 21,252,273	\$ 21,978,010	\$ 21,654,735	\$ 21,052,920	\$ 20,717,362
Adjusted ROAA - pre-tax pre-provision	1.90 %	2.32 %	1.79 %	1.72 %	1.56 %

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Let's take on tomorrow.

Core efficiency ratio - Customers Bancorp

(\$ in thousands, except per share data)

	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
GAAP net interest income	\$ 172,506	\$ 199,773	\$ 165,271	\$ 149,899	\$ 135,137
GAAP non-interest income	\$ 18,672	\$ 17,775	\$ 15,997	\$ 18,121	\$ 7,345
Loss on sale of capital call lines of credit	—	—	5,037	—	—
(Gains) losses on investment securities	(114)	626	62	(62)	16,909
Derivative credit valuation adjustment	361	(192)	(130)	259	252
Core non-interest income	\$ 18,919	\$ 18,209	\$ 20,966	\$ 18,318	\$ 24,506
Core revenue	\$ 191,425	\$ 217,982	\$ 186,237	\$ 168,217	\$ 159,643
GAAP non-interest expense	\$ 93,767	\$ 89,466	\$ 89,297	\$ 80,133	\$ 78,419
Severance expense	(639)	—	(182)	(809)	—
Impairments on fixed assets and leases	—	—	(15)	(109)	—
FDIC special assessment	(3,723)	—	—	—	—
Core non-interest expense	\$ 89,405	\$ 89,466	\$ 89,100	\$ 79,215	\$ 78,419
Core efficiency ratio ⁽¹⁾	46.70%	41.04%	47.84%	47.09%	49.12%

1. Core efficiency ratio calculated as core non-interest expense divided by core revenue

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Let's take on tomorrow.

Core non-interest expense to average assets - Customers Bancorp

(\$ in thousands except per share data)

	<u>Q4 2023</u>	<u>Q3 2023</u>	<u>Q2 2023</u>	<u>Q1 2023</u>	<u>Q4 2022</u>
GAAP non-interest expense	\$ 93,767	\$ 89,466	\$ 89,297	\$ 80,133	\$ 78,419
Severance expense	(639)	—	(182)	(809)	—
Impairments on fixed assets and leases	—	—	(15)	(109)	—
FDIC special assessment	(3,723)	—	—	—	—
Core non-interest expense	\$ 89,405	\$ 89,466	\$ 89,100	\$ 79,215	\$ 78,419
Average total assets	\$ 21,252,273	\$ 21,978,010	\$ 21,654,735	\$ 21,052,920	\$ 20,717,362
Core non-interest expense to average assets	1.67%	1.62%	1.65%	1.53%	1.50%

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Let's take on tomorrow.

Tangible common equity to tangible assets - Customers Bancorp

(\$ in thousands except per share data)

	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
GAAP total shareholders' equity	\$ 1,638,394	\$ 1,561,607	\$ 1,456,652	\$ 1,421,020	\$ 1,402,961
Reconciling items:					
Preferred stock	(137,794)	(137,794)	(137,794)	(137,794)	(137,794)
Goodwill and other intangibles	(3,629)	(3,629)	(3,629)	(3,629)	(3,629)
Tangible common equity	\$ 1,496,971	\$ 1,420,184	\$ 1,315,229	\$ 1,279,597	\$ 1,261,538
GAAP Total assets	\$ 21,316,265	\$ 21,857,152	\$ 22,028,565	\$ 21,751,614	\$ 20,896,112
Reconciling items:					
Goodwill and other intangibles	(3,629)	(3,629)	(3,629)	(3,629)	(3,629)
Tangible assets	\$ 21,312,636	\$ 21,853,523	\$ 22,024,936	\$ 21,747,985	\$ 20,892,483
Tangible common equity to tangible assets	7.0%	6.5%	6.0%	5.9%	6.0%

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



Let's take on tomorrow.

Tangible book value per common share - Customers Bancorp

(\$ in thousands except per share data)

	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
GAAP total shareholders' equity	\$ 1,638,394	\$ 1,561,607	\$ 1,456,652	\$ 1,421,020	\$ 1,402,961
Reconciling Items:					
Preferred stock	(137,794)	(137,794)	(137,794)	(137,794)	(137,794)
Goodwill and other intangibles	(3,629)	(3,629)	(3,629)	(3,629)	(3,629)
Tangible common equity	\$ 1,496,971	\$ 1,420,184	\$ 1,315,229	\$ 1,279,597	\$ 1,261,538
Common shares outstanding	31,440,906	31,311,254	31,282,318	31,239,750	32,373,697
Tangible book value per common share	\$ 47.61	\$ 45.36	\$ 42.04	\$ 40.96	\$ 38.97

Tangible book value per common share - Customers Bancorp

(\$ in thousands except per share data)

	Q4 2023	Q4 2022	Q4 2021	Q4 2020	Q4 2019	Q4 2018
GAAP total shareholders' equity	\$ 1,638,394	\$ 1,402,961	\$ 1,366,217	\$ 1,117,086	\$ 1,052,795	\$ 956,816
Reconciling Items:						
Preferred stock	(137,794)	(137,794)	(137,794)	(217,471)	(217,471)	(217,471)
Goodwill and other intangibles	(3,629)	(3,629)	(3,736)	(14,298)	(15,195)	(16,499)
Tangible common equity	\$ 1,496,971	\$ 1,261,538	\$ 1,224,687	\$ 885,317	\$ 820,129	\$ 722,846
Common shares outstanding	31,440,906	32,373,697	32,913,267	31,705,088	31,336,791	31,003,028
Tangible book value per common share	\$ 47.61	\$ 38.97	\$ 37.21	\$ 27.92	\$ 26.17	\$ 23.32

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



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Total loans and leases, excluding PPP and consumer HFS – Customers Bancorp

(\$ in thousands except per share data)

	Q4 2023		Q3 2023		Q2 2023		Q1 2023		Q4 2022	
Total loans and leases	\$	13,202,084	\$	13,713,482	\$	13,910,907	\$	15,063,034	\$	15,794,671
PPP loans		(74,735)		(137,063)		(188,763)		(246,258)		(998,153)
Consumer HFS		(340,317)		(150,368)		(78,108)		(404,006)		(324,233)
Total loans and leases, excluding PPP and consumer HFS	\$	12,787,032	\$	13,426,051	\$	13,644,036	\$	14,412,770	\$	14,472,285

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



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Core loans held for investment (Total loans and leases HFI, excluding PPP) to total deposits – Customers Bancorp

(\$ in thousands except per share data)

	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Total loans and leases HFI	\$ 12,861,767	\$ 13,563,114	\$ 13,832,799	\$ 14,638,977	\$ 15,466,359
PPP loans	(74,735)	(137,063)	(188,763)	(246,258)	(998,153)
Core loans held for investment (Total loans and leases HFI, excluding PPP)	\$ 12,787,032	\$ 13,426,051	\$ 13,644,036	\$ 14,392,719	\$ 14,468,206

Reconciliation of Non-GAAP Measures – Unaudited (Contd.)



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Coverage of credit loss reserves for loans and leases HFI, excluding PPP – Customers Bancorp

(\$ in thousands except per share data)

	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Loans and leases receivable	\$ 11,963,855	\$ 12,600,548	\$ 12,826,531	\$ 13,391,610	\$ 14,143,047
Loans receivable, PPP	(74,735)	(137,063)	(188,763)	(246,258)	(998,153)
Loans and leases held for investment, excluding PPP	\$ 11,889,120	\$ 12,463,485	\$ 12,637,768	\$ 13,145,352	\$ 13,144,894
Allowance for credit losses on loans and leases	\$ 135,311	\$ 139,213	\$ 139,656	\$ 130,281	\$ 130,924
Coverage of credit loss reserves for loans and leases held for investment, excluding PPP	1.14 %	1.12 %	1.11 %	0.99 %	1.00 %