



Customers Bank COVID-19 Playbook

"We're all in this together"



A Note from Jay Sidhu, Customers Bank Executive Chairman

First and foremost, I hope that you, your loved ones, your friends, and your colleagues are safe and well. COVID-19 has presented our country and world with many challenges, but it's also magnified the power of community and authentic partnerships.

As a community bank, we've seen first-hand how customers, business owners and our communities have been impacted by COVID-19.

From the beginning of the crisis, we understood taking care of Team Members and providing safe work environments was essential to their health and safety. We were in close communication with Team Members as stay at home orders led us to quickly adapt to working from home and limiting physical contact with customers at branches across our footprint. We moved to drive-through and appointment banking and installed sneeze guards and other sanitary protections for both Team Member and customer safety.

As the CARES Act made financial relief funds available to small and medium sized businesses, the bank had all hands-on deck to assist customers, new and existing, as they started the Paycheck Protection Program loan process to ease the economic hardship of COVID-19.

We also focused on giving to community organizations who were rising to the occasion to help the most vulnerable and hard-hit community members with basic necessities.

Overall, Customers Bank originated over 88,000 Paycheck Protection Loans nationwide, helping to provide payroll for an estimated 1 million employees across America. We were proud to maintain our entire workforce and provide team members with \$2,500 interest-free loans to help with short-term economic difficulties. The bank donated over \$500,000 to local and national charities including Feeding America, the United Way of Berks County, the United Way of Rhode Island and Read Alliance.

Now, as we begin to enter a new phase of transition, we'd like to provide an overview to how we responded to the crisis and how we will continue to move forward in addressing COVID-19, returning to work and aiding in the country's economic recovery. It will take time, diligence and hard work, but I'm confident that our Team Members, customers and communities can achieve great results as we all work together.

Since our world was turned upside down in March, Customers Bank has been proactive in our outreach and support. We've been committed to helping in every way we could and will continue to actively care for the health and safety of Team Members, provide the highest level of service to our customers and continue to aid nonprofits and charities who are looking out for the well-being of our communities. I look forward to seeing what we can all accomplish together in this next phase of the year.

Sincerely yours,



Jay Sidhu

Executive Chairman, Customers Bank

Introduction

This Playbook seeks to outline the response and planning of Customers Bank to the initial onslaught of the COVID-19 health crisis, the return to work under new conditions, and the preparation for business in the post-pandemic world.

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SECTION

01

The Immediate Crisis

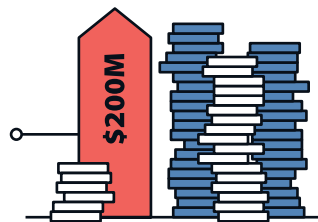


The Pandemic Became “Official”

On March 13, 2020, US President Donald J. Trump issued a “Proclamation on Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak” pursuant to authority vested in him by the Constitution and the laws of the United States of America, including sections 201 and 301 of the National Emergencies Act (50 U.S.C. 1601 et seq.) and consistent with section 1135 of the Social Security Act (SSA), as amended (42 U.S.C. 1320b-5).

State and local governments, and companies like Customers Bank swung into action.

That very day, Customers Bank pledged to make at least \$200 million of loans to qualifying small businesses to help with the economic downturn that had just begun.



Customers Bank, Immediate and Continuous Action

TEAM MEMBERS | INTERNAL

- **March 13** — **National State of Emergency declared.**
- **March 18** — **Customers Bank limits access to drive-thru and appointment-only service** at select branches, including: Berkshire Mall West (Berks County), Muhlenberg (Berks County), Exeter (Berks County), Langhorne (Bucks County) and Kimberton (Chester County).
- **March 25** — **Customers Bank introduces Coronavirus Assistance hotline for Team Members.** The hotline gave Team Members access to fellow colleagues who volunteered to help with getting groceries, picking up prescriptions, running other errands or connecting callers with a Teledoc or health advocate.
- **March 25** — **All Customers Bank branches switch to appointment-only service** with drive-thru service remaining available at 5 branches.
- **April 17** — **Jay Sidhu, bank Executive Chairman, appears on CNBC** to discuss the Paycheck Protection Program and Customers Bank's commitment to small businesses.
- **April 28** — **Richard Ehst, bank President & CEO, speaks with The Fuller Center for Housing of Greater New York about Paycheck Protection Program loans,** the role of community banks in this economy and the bank's commitment to helping small business owners.
- **May 22** — **Customers Bank celebrates "Financial First Responders Day"** with a paid holiday and \$100 Amazon gift card for Team Members.

Customers Bank, Immediate and Continuous Action

CUSTOMERS | INTERNAL

- **March 13** — **March 13**
National State of Emergency declared.
Customers Bank announces support of Small Business Administration's disaster relief lending and commits to providing \$200 million in new small business lending to qualifying companies.
- **March 23** — **March 27**
Customers Bank launches COVID-19 specific web hub and ongoing stream of social media posts with educational information and resources.
Customers Bank SBA CARES Taskforce established.
- **April 3** — **April 8** — **April 10** — **April 28**
Customers Bank SBA CARES Taskforce hosts webinar in partnership with Herbein + Company to provide an overview of the small business relief components of the Coronavirus Aid, Relief & Economic Security (CARES) Act.
Customers Bank partners with OakNorth to increase ability to accept online Paycheck Protection Program loan applications.
Customers Bank increases its Paycheck Protection Program loan commitment to \$500 million.
Customers Bank leadership hosts Small Business Administration Relief Virtual Town Hall webinar .
- **May 1**
Customers Bank joined 25 other financial institutions in signing a pledge with the Rhode Island Department of Business Regulation that agrees to a 90-day forbearance period on mortgage payments and other measures aimed at helping customers struggling financially due to COVID-19.

“You cannot over-communicate
at a time like this.

– **Jay Sidhu**, *Executive Chairman*

Client & Stakeholder Communication

Believing we cannot overcommunicate in a time of crisis, Customers Bank made every effort to message clients, Team Members, regulators, policymakers, the media and the public through many mediums:



26

Email Messages Sent



7

Press Releases Issued



Updated

Website Regularly and
Added New Content



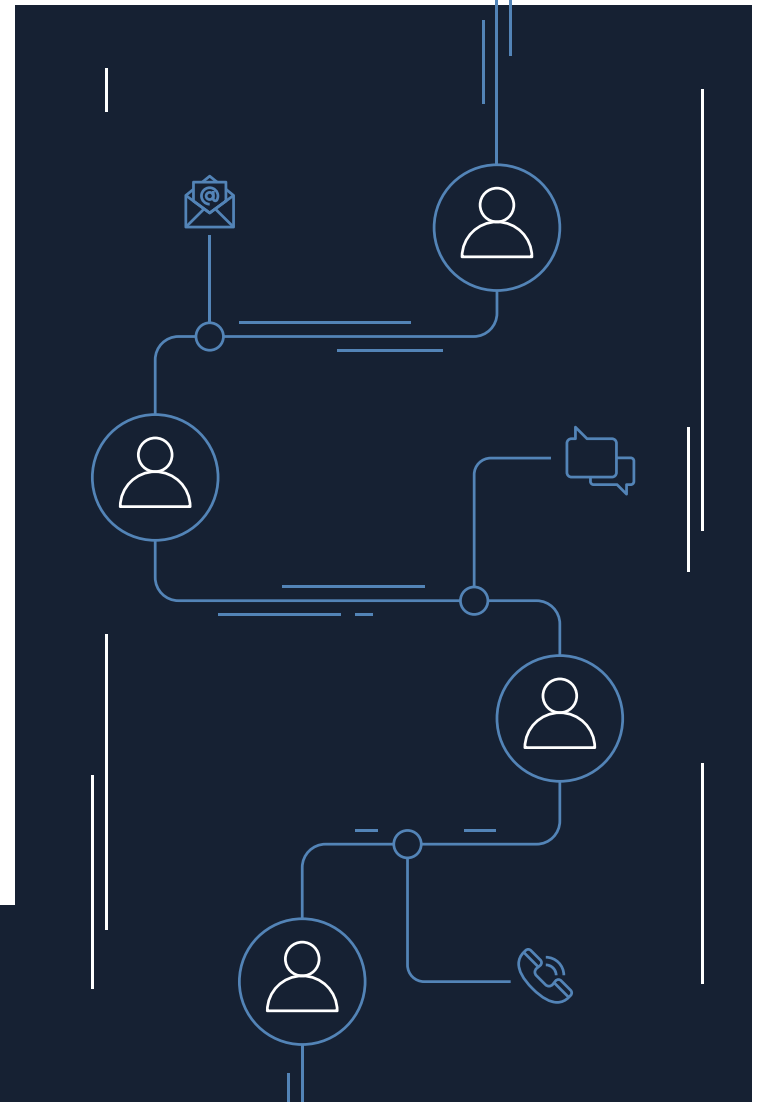
200+

Social Media
Messages Posted



6

Webpages Created and Updated to Share Information About
COVID-19, Disaster Relief & the Bank's Response to the Crisis



Protecting Team Members & Clients

On Wednesday, March 18, 2020 – just days after the President’s National Emergency Proclamation – **Customers Bank took action to prioritize the health and well-being of our clients and Team Members**, while continuing a high-level of customer service and uninterrupted access to financial services.

Bank Branches

The bank limited branch access to drive-thru and appointment-only service at five branch locations, quickly thereafter extending the “appointment-only” banking to all branches.

The move was undertaken with the approval and authorization of the Pennsylvania Department of Banking & Securities after careful consideration of the best methods to protect our clients and Team Members.

The bank did everything possible to continue to provide full access to all banking services and products. Clients who needed access to a safety deposit box, or other services that could not be delivered via the drive-thru such as an account opening, or loan application were permitted to schedule an appointment with the branch manager to visit the bank and meet directly with a Team Member under safe conditions.

The bank reminded customers that ATMs and online banking are a safe, secure and convenient alternative to access banking services

Bank Offices

Following the declaration of a National State of Emergency, all bank employees that were able to work from home were instructed to do so. As more Team Members set up remotely, the bank accelerated digital transformation efforts and launched a suite of tools that allowed for Team Members to work seamlessly and also connect and collaborate with fellow Team Members and customers.

Team Members relied on tools like VPNs, Slack, WebEx, Microsoft Teams and other new technologies and capabilities.

The Bank was also able to implement DocuSign in under two weeks, to increase customer convenience by accepting digital signatures for every product.

Microsoft Teams Activity, March 2020 to May 2020

650

Active Team
Members

13,000

One-to-One
Calls

2,600

Group Calls

579,000

Minutes of Audio

451,000

Minutes of
Video

105,000

Minutes of
Screen Shares

77

Teams Created Over 195 Channels

“The impact of travel bans and stay-at-home orders has been devastating to hospitality, restaurants, retail, and personal service industries. We want to be with them as partners to weather this economic storm.

– **Richard Ehst**, *President & CEO*

Small Business Paycheck Protection Program Loans and Economic Relief

On March 27th, Customers Bank established the SBA CARES Taskforce. The team was comprised of experts from the bank's SBA team and largely focused on processing Paycheck Protection Program loans.

Customers Bank originated over 88,000 PPP loans nationwide helping to provide payroll for an estimated 1 million employees across America.

Applications were accepted from business owners across the country:

- ✓ Existing customers
- ✓ New customers who applied through an online application powered by OakNorth
- ✓ New customers who applied through third-party fintech partners



To handle the massive demand for SBA PPP loans, the bank leveraged internal technologies and introduced new capabilities to handle core loans. The new capabilities also helped us serve a broader number of business clients across the nation and provide timely updates on the status of their loan applications. The increased capabilities tremendously influenced the number of small business clients we were able to assist as they focused on retaining employees.

– **Jenn Frost**, *Executive Vice President, Deputy Chief Administration Officer, Customers Bank*



The bank took a two-pronged approach to serve the enormous number of small businesses nationwide: capitalizing on its private banking/personal service model working the phones to help business clients get the PPP loans they need, while simultaneously partnering with multiple fintechs to leverage their web-based application platforms to accelerate the loan process for borrowers outside the footprint and current client base. This is a bank that prides itself on 'high tech/high touch'. There is no reason to choose one strategy over the other; both are important approaches to customer relations.

– **Sam Sidhu**, *Vice Chairman & Chief Operating Officer, Customers Bank*

Community Giving

As the pandemic affected communities and families around the world, the bank reached out to organizations who were serving those directly impacted in our footprint to offer financial support. **As of June 2020, the bank donated over \$500,000 to the following charities.**



NATIONAL



PENNSYLVANIA



NEW YORK



RHODE ISLAND



SECTION

02

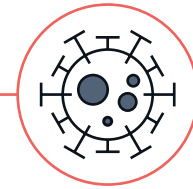
The Return to Work



As we continue to navigate the COVID-19 outbreak and its impact, it is important to remember that each of us has a role to play in ensuring the health and safety of the Team Members you work with, the departments and areas your work in, as well as your families, and our customers.

Now more than ever it is important that we maintain mutual respect and trust for one another. There are a few things we all need to do to remain supportive of our Return to Workplace Plan, preventing community spread and hotspots as we continue down the path to our next new normal. We have put together a Code of Commitment for you to acknowledge in BVS, our new Learning Management System. Remember “We Are All in This Together.” Should you have any questions, please call Karen Kirchner or Alyssa Piroli.

– Team Member Services



The Road Ahead: Our Commitment to Team Member Well-Being



**1. Put Health
& Safety First**



**2. Emphasize a caring culture;
Engage with radical empathy**



**3. Provide complete
transparency**

Return to the Office, Guiding Principles

1

Any Team Member who is sick, or caring for someone who is sick, for any reason should remain home; work remotely if able or consider taking PTO.

2

Any Team Member who has a temperature greater than 100.4 needs to report this to their manager, remain home and will not be permitted in the workplace until they have been fever free for at least 24 hours, without use of fever-reducing medication. They should have a discussion with their manager before returning to their work location.

3

If a Team Member becomes ill and is currently on-site they should immediately inform their Manager, and leave the building. The Manager will contact Ken Cooper (Business Resiliency), Jim Collins (Head of COVID-19 Task Force), Karen Kirchner or Alyssa Piroli and a consultation will take place. They will proceed with any appropriate actions, including cleaning of building, as necessary.

4

If a Team Member has a confirmed case of COVID-19, been in “close contact” with an infected individual or exposure once removed, they should tell their Manager and can expect to be asked questions that will include but not limited to:

- ✓ Date of incident, last date they were in a Customers Bank office or branch.
- ✓ Names of Team Members they may have come in close contact with.

5

During the period of transition to more “normalized” life and work, **Customers Bank recognizes that individual Team Members – and their families - will have varying degrees of personal concern and circumstances for example:**

- ✓ Some Team Members may consider themselves in a “high risk” category.
- ✓ Some may have children who are not able to attend their regular school or care situation.
- ✓ Some may have aging parents living with them.

6

If a Customers Bank Team Member is not comfortable and/or able to return to more office-based work, and their work can continue to be done effectively on a remote basis, please discuss with your Manager to obtain full understanding to reach a decision that is mutually agreeable during this transition period.

Office Safety Protocols



Personal Hygiene Habits

Team Members should continue the personal practicing of hand hygiene, which includes the use of alcohol-based hand rub (ABHR) or handwashing. Hands should be washed with soap and water for at least 20 seconds when visibly soiled, before eating, and after using the restroom.

Use sanitization as appropriate and follow coughing and sneezing protocol.



Masks

Team Members will be required to wear a CDC approved mask while on premise.

The mask can be that of your own or you can use the one provided by CUBI.

- ✓ Upon entering the office and until reaching your workspace.
- ✓ When interacting with any other Team Member.
- ✓ While working at your workspace and/or cubicle. If you work in an enclosed room.
- ✓ When you are interacting with another Team Member who enter the enclosed room, you need to wear your mask.
- ✓ While using any common areas (ex. restrooms; hallways; meeting rooms; lunchrooms, except while eating and drinking; etc.) .
- ✓ When leaving your workspace at the end of the day.
- ✓ If you work in an enclosed room (i.e. office; floor to ceiling walls, closed door) you do not have to wear your mask if you are by yourself.



Social Distancing

It is expected that all team members will observe and practice social / physical distancing while on-site.

- ✓ Stay at least 6 feet (about 2 arms' length) from other Team Members.
- ✓ Do not gather in groups.
- ✓ Avoid crowded areas.

Office Safety Protocols

As a precautionary measure, **Team Members who face a higher risk of health issues with an infection, are over 60 years of age, or have small children or elderly at home who need special care at this time**, have been empowered to work from home. Please work with your supervisors if you wish to consider this option.

Team Members are encouraged to cancel all non-essential travel at this time and to use video conferencing as well as telephonic and web-based communication tools as much as possible.

Team Members are encouraged to limit interactions with people who move around a lot, such as delivery drivers. Offices are temporarily limiting the deliveries of packages and goods into our office space.

Refrain from shaking hands or fist bumps until the risk diminishes.

All Team Members are asked to follow the guidelines outlined in the Code of Commitment.

If there are other situations that are not mentioned here that you are not clear on please contact your Manager, Karen Kirchner, or Alyssa Piroli for additional guidance.

Customers Bank, COVID-19 Taskforce

Two primary Team Members have been identified for each office location to ensure each Customers Bank office always has ample supplies available for use.



Supply Orders

Each location will have a primary and secondary authorized Team Member who will be responsible for ordering COVID-19 supplies, as approved by the COVID Taskforce.

- ✓ An order sheet will be placed in the kitchen(s)/ coffee common area to request an item for ordering or an email will be sent.
- ✓ All COVID-19 essential items are on automatic order/delivery.
- ✓ All supplies purchased by the bank are to remain on-site.
- ✓ Supplies should not be shared with other offices, unless approved by Facilities.



Building Site Leader

Each location will have a primary Team Member whose responsibilities will include:

- ✓ Ensuring approved signage is placed as directed.
- ✓ Availability of supplies through common areas.
- ✓ Make certain social distancing is being observed.
- ✓ And work with Facilities on any building related COVID-19 issues.

Customers Bank, COVID-19 Taskforce



Alex Balagour

SVP/CIO



Daniel Gilvary

VP/Digital Business Analyst



Alyssa Pirolì

TMS Business Partner, BankMobile



Sandra Collins

VP/TMS Learning & Communication Manager



Randy Hanks

SVP/Market Leader, Bucks and NJ



Lauren Smiley-Strohm

SVP/Security, Facilities & Bus Resilience Director



Jim Collins

Senior EVP/Chief Administrative Officer



Tom Jastrem

EVP/Chief Risk Officer



Michelle Tunkara

VP/Compensation & Risk Manager



Kenneth Cooper

VP/Business Resilience Manager



Karen Kirchner

SVP/Team Member Services Director



Endre Walls

Chief Information Security Officer



Michael DeTommaso

EVP/General Counsel



Richard Kirk

VP/Operations Manager



Stephanie Wheeler

Client Relations CZAR



Robert Diegel

EVP/Chief Operating Officer



Suzanne Muntzer

VP/Benefits & 401K Manager



Patricia Zieverink

VP/Senior Facilities Manager



Robert Fraioli

SVP/Senior Administration Director



Paula Pais

SVP/Administration Director



Jennifer Frost

EVP/Deputy Chief Administrative Officer



David Patti

Communications and Marketing Director

PPE and Facilities Plan, All Locations

Preventative Measures During Pandemic

- ✔ Enhanced cleaning schedule 5 days a week using hospital grade cleaners and solvents.
- ✔ All core infrastructure systems, including mechanical, water, fire, life and other systems have been kept in full force and effect ensuring the integrity of the building.
- ✔ All HVAC systems serviced to ensure operational function and to provide ample industry approved air ventilation.
- ✔ Installed newer and enhanced air filters with a higher manufacturer MERV (Minimum Efficiency Reporting Value) ratings on all HVAC systems.
- ✔ Rooftop units cleaned, including coils.
- ✔ Increased the fresh air intake, to help ensure the air quality of the building.
- ✔ Air economizers/handles checked for correct operation.

Ordered & Distributed Essential Supplies

- ✔ Hand sanitizer stations
- ✔ Hand sanitizer 2-ounce bottles for all Team Members are being shipped in July
- ✔ Face masks & gloves (for frontline Team Members) are in place
- ✔ Face masks are in place for ALL Team Members at all locations
- ✔ Disinfectant wipes/spray are in place at all locations

Ordered & Distributed Essential Supplies

- ✔ Removing/reducing number of conference room chairs
- ✔ Removing chairs from lunchrooms
- ✔ Posting handwashing signage in all common areas/bathrooms/kitchens
- ✔ Facilities approved touchless trash receptacle have been ordered
- ✔ Maintain inventory report of all essential supplies on-hand
- ✔ Eliminated non-essential facility visitors
- ✔ Where possible a drop box was created for deliveries

Additional PPE and Facilities Plan for Branches and Sales Locations

- ✔ 6' floor markings for social distancing in Sales Offices are in place
- ✔ Teller/Platform Shields (PA/NJ/NY) are in place
- ✔ Post conspicuous signage to require Social Distancing
- ✔ Masks for Team Members and customers are mandatory
- ✔ Remove cookies from Sales Offices
- ✔ Communicate with all location POC with any specific supply ordering instructions
- ✔ Sales Office Team Members to wipe down ATM and commonly used doors daily in addition to nightly cleaning maintenance

PPE and Facilities Plan, Workstation and Common Area Guidelines

WORKSTATIONS



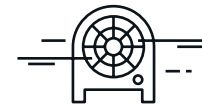
- ✓ **All Team Members are asked to keep their workstations free of paper and personal items** when possible to ensure nightly based cleaning of CUBI spaces is done thoroughly and completely.
- ✓ **It is recommended that Team Members sanitize their work area** at the beginning and end of each workday.

COMMON AREAS



- ✓ **Additional cleaning materials have been provided** so that Team Members can properly wipe down frequently touched surfaces before and after each use.
- ✓ When using any shared equipment, **we are asking Team Members to please wipe the point of hand contact** both prior and after use.
- ✓ When using the restroom, **we are asking Team Members to please wipe the point of hand contact** both prior and after use.

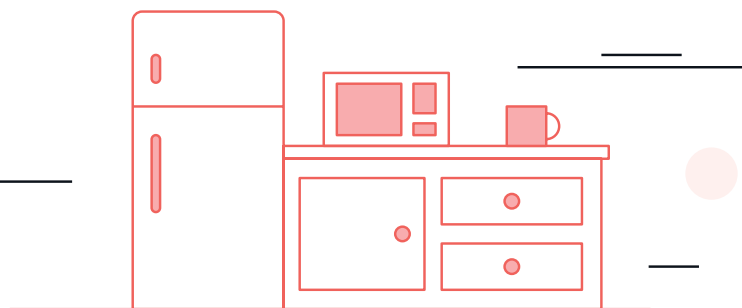
FANS & HEATERS



Currently, we are prohibiting use of all fans and heaters in order to maintain the balance and air quality of the heating and cooling systems.

PPE and Facilities Plan, Kitchen & Cafeteria Guidelines

- ✓ **The number of Team Members in a common area should be limited** to the number of Team Members that can easily maintain a social distance of 6 feet or more.
- ✓ **Chairs are being removed** to avoid the congregating of Team Members.
- ✓ **Sinks will remain available** and it is strongly suggested that Team Members wash their hands before and after leaving the kitchen.
- ✓ **Shared dishes are not be used under any circumstance.** Only disposable products are to be used during this transition period. In lieu of disposable products, Team Members are also encouraged to bring in and use their own dishes and utensils from home, provided they are taken home and cleaned at home after each workday.
- ✓ **Microwaves will be available** and should be cleaned after each use. We recommend bringing cold lunches to the office.
- ✓ **Refrigerators will be available** for use; however, please wipe down handle before and after use.
- ✓ **Cleaning supplies will be provided** in each kitchen area.
- ✓ **Team Members are to wash their hands before and after touching any shared appliances** (microwaves, coffee makers, refrigerators, water coolers and vending machines) and clean them with the provided disinfectant supplies after each use.
- ✓ **Team Members are encouraged to eat at their workstations or outside at picnic tables** if they are available and weather permitting. Please talk to your Manager or Building Leader if you have any concerns.
- ✓ **Stagger break and mealtime schedules** for a given work team/area when necessary to ensure appropriate social distancing of at least 6 feet is followed.
- ✓ **Cleaning crews will clean these areas once per day.**

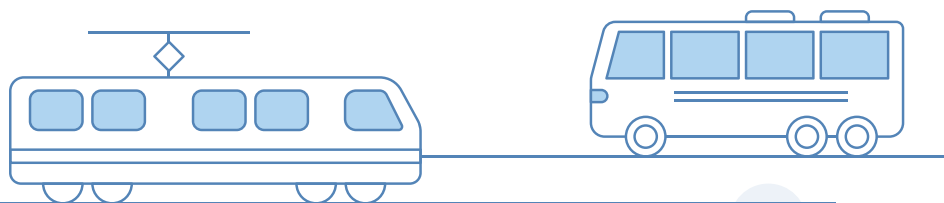


Travel and Transportation Protocols

Effective immediately, we have put the following measures into place

for the safety of our Team Members and their families:

- ✓ **If you use public transportation to get to work, please work remotely.**
- ✓ **If you need to travel for personal reasons and use public transportation and/or air travel, you need to work remotely for two weeks** upon your return and have a discussion with your Manager before returning to a Customers Bank work location.
- ✓ **If you have any family member that is not feeling well, please work remotely** to protect yourself and family.
- ✓ **We are restricting all travel for now.**



SECTION

03

Banking in the Post-Pandemic World



The Economic Recovery

POSSIBILITIES

What will the economic recovery look like?

Will the recovery be as steep and as quick as the economic decline?

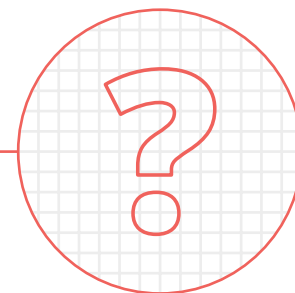
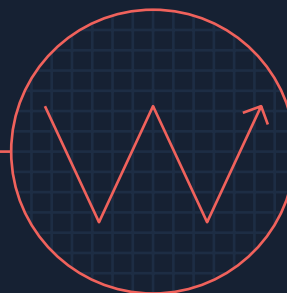
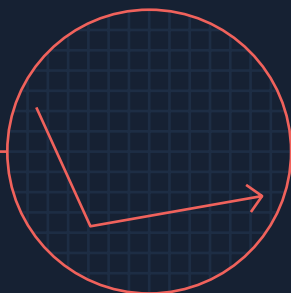
Will pent up consumer demand and diminished inventories mean a full return to work and production?

Will the recovery be long and slow?

Will firms that closed be unable to reopen? Will workers not want to return until there is a vaccine? Has too much money been lost to fuel spending even if there is demand?

Will it be a double-dip economic decline?

Will the virus return, triggering a second economic shutdown?



The Economic Recovery

EXPERT OPINION

Gross Domestic Product — the total value of goods and services produced in the United States — dropped in Q2 2020 by 32.9% at an annual rate. Consumer spending slumped by 34.6% with, of course big reductions in travel, commuting and dining out. But consumers did use stimulus checks for RVs and cars. Economists see a rebound in third quarter and believe that for the year, the GDP will be negative 5.8%.



The National Association of Business Economists (NABE) July Survey reports firms that saw prices fall outnumber firms that were able to raise prices 3:1. NABE members are also reporting falling materials costs which, in some cases, offset lower top line numbers and helped profitability. Capital spending is also down and a majority of NABE members don't expect any change for the next three months.



The NABE July 2020 Business Conditions Survey reveals firms are using a number of levers to manage costs and adapt to the economic reality of COVID-19," said NABE President Constance Hunter, CBE, chief economist, KPMG. "Respondents are more optimistic about the outlook for the next 12 months than they were in the April survey. In April, most respondents expected the inflation-adjusted gross domestic product to contract from the first quarter of 2020 to the first quarter of 2021; in the current survey, two-thirds of respondents expect an expansion from Q2 2020 to Q2 2021."



Firms are remaining viable by controlling expenses but the strongest tool firms have the ability to manage their workforce -- cutting jobs, hours, and wage rates. Hiring at NABE survey respondents' firms had, on net, stagnated for the previous two quarters, and fell in July to the lowest level since 2009. Survey participants reported "imposing a hiring freeze (cited by 49% of panelists), terminating employees (34%), and furloughing employees (34%)."

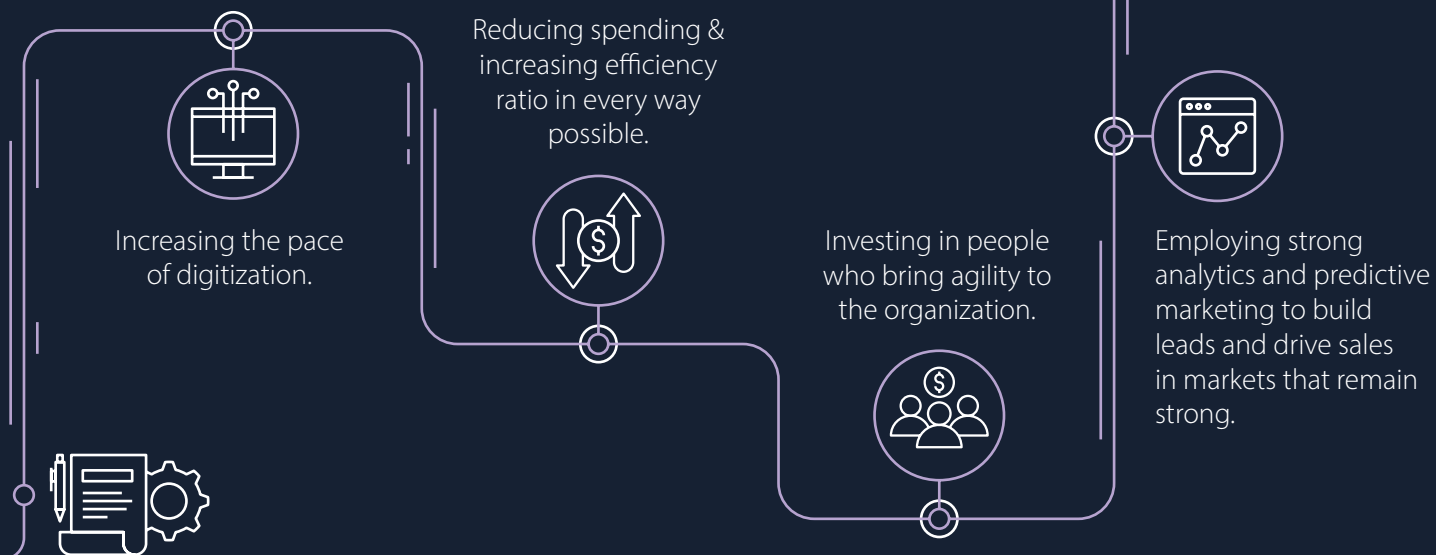


The Economic Recovery

OUR RESPONSE

Customers Bank is prepared for a long and slow economic recovery. This puts us in the best position should the economic recovery be quicker than expected or should there be a second-wave of the virus.

Our preparation includes:



Same Strategic Goal: \$6 EPS by 2025-2026

In the Q1 2020 earnings release, Chairman Jay Sidhu stated, **“Before COVID-19, Customers was projecting core earnings per share of \$3.00 for 2020 with continued improvement expected in all profitability metrics.** However, rapid recent changes in economic activity introduce uncertainty to our near-term profitability. We have pivoted our strategy in this environment to building a stronger balance sheet and assisting our customers, Team Members and community to effectively deal with this crisis. Our provision will be higher, most customer activity will slow, and there will be disruptions, but we are also seeing positive trends in deposits and opportunities to serve customers through the SBA Paycheck Protection Program as well as other U.S. Treasury and Federal stimulus programs.” Mr. Sidhu continued, **“Longer term, we remain confident in our ability to achieve a run rate of \$6 per share in annual core earnings by the end of 2025 or 2026.”**

Achieving the Goal **by the Numbers**



Top Quartile Profitability:
1.25% Core ROAA in 2-3 years.



Achieve NIM expansion to 3.00% or greater (non-GAAP measures).



BankMobile growth, profitability and divestiture.



Expense control **taking operating efficiency to 40%.**



Growth in core deposits and good quality higher-yielding loans.



Maintain strong credit quality and superior risk management.



Evaluate opportunities to redeem our preferred stock as it becomes callable.

Understanding the Environment: The Losses Endured in the Future Normal

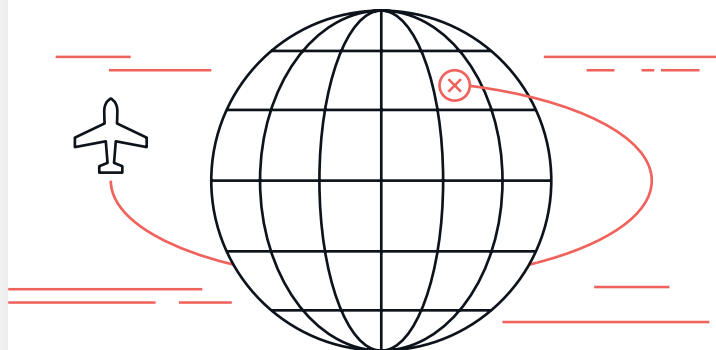
Far fewer physical interactions between bankers and clients

- ✓ Fewer face-to-face meetings.
- ✓ Less golf outings, civic organization events, ballgames, drinks after work.



Far less travel

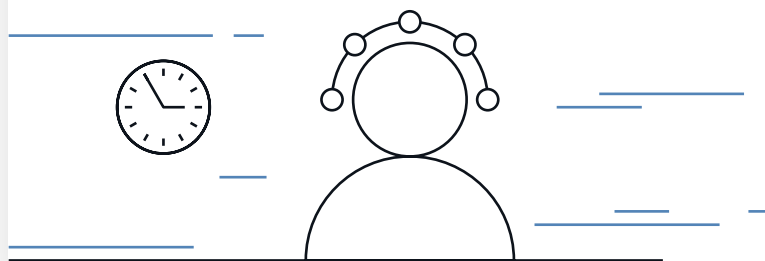
- ✓ Fewer conferences, association meetings, trade shows.
- ✓ Fewer site visits and meetings at clients' offices.



Future Normal: The Gains

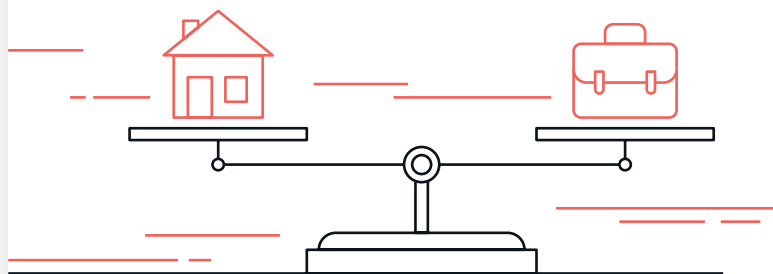
Greater Efficiency and Better Use of Time

- ✓ Online meetings and dialogs.
- ✓ Drastic reduction in travel and entertainment budgets.
- ✓ Reduced office size and need for physical locations.



Quality of Life Improves

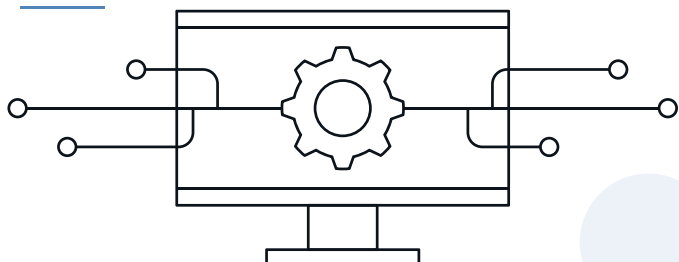
- ✓ More opportunities to work from home.
- ✓ Less, if any, commuting time.
- ✓ Reduced risk of disease and accidental injury.
- ✓ Fewer nights away from home.



Tactical: Digitization Leads the Way

We will be a digital company that provides financial services to help our customers succeed.

- ✓ Adopt an agile culture, continuously driving change and cultural transformation through the organization.
- ✓ Adapt to emerging customer preferences by modernizing and integrating our technology platforms into ecosystems.
- ✓ Harness the power of data and artificial intelligence for the betterment of our internal and external customers.
- ✓ Design our organization to support interdisciplinary digital teams and create digital citizens.



Savings

from Digitization of Processes

End-to-end digitization is one of the keys to cost control. Already efficiency gains have been realized:

- ✓ **28,000 hours** of work will be saved in 2020.
- ✓ **Operations digitized exceptions** and **non-post report reviews**.
- ✓ **Commercial operations uses Salesforce dashboard** for better management.
- ✓ **Salesforce improved sales pipeline management** and **service delivery**.
- ✓ **Q2 Gro will allow clients to open accounts online** saving RM time.
- ✓ **Treasury and Deposit Ops eliminated outdated rate sheet processes.**

Some of the Tech Powering Digitization



Ultimate Collaboration Tool

Live April 2020



Automated Bulk Account Booking

Live May 5th 2020
Over 1100 PPP Loans Booked within hours of signed docs



Workflow Tool

Cloud-based workflow tool used for IT management



Automated Info Sec Analysis Tool

Live January 2020
Cloud-based tool enabling swift response to potential cyber incidents



Softphone Tech

Live May 2020
Enabling Remote Workforce



Middleware Technology

Think translator between two systems without human intervention
Live now between Salesforce and Data Warehouse



Core Integration Technology

Will be used with Max My Interest product to core catalyst for E2E digitization



Agile Project Management

Cloud-based solution used to track user stories and development work

Some of the Tech Powering Digitization



Customer Facing Digital Portal

First use will be for the PPP Loan Forgiveness Program; Thereafter can be used for any digital interaction with the bank.



Self Enrollment for Digital Banking

Allow businesses to self-enroll in Q2 Digital Business Banking.



Mobile Deposit for Business

Product offering for businesses that want to use their tablet or phone to process low volume check payments.



Digitize Travel & Expense Process

Increase efficiency of accounting team with new digital platform for handling T&E submission and approval.



Debit Card Number Auto- Updater

Customers receiving replacement debit cards no longer need to update all of their billing accounts with the new debit card number.

Some of the Tech Powering Digitization



Digitizing Cash Management Service Requests

Streamline requests for cash management services for our commercial customers.



Automating Portfolio/Credit Underwriting

Utilize tech and outsourcing a subset of credit underwriting and portfolio management analysis to gain operational efficiencies.



Improving Agile Delivery of Products

New platform that will increase efficiency by facilitating agile practices for product delivery.



Modernize Data Warehouse

Migration from Oracle to cloud-based Snowflake platform modernizing the data warehouse technology.



Digitizing Compliance/TMS/Operations Processes

Leveraging Salesforce technology for CRA tracking, TMS Processes and more customer service requests.

Tactical: Investing in Agile People

Change will be constant in the post-pandemic economy.



Everyone must be a salesperson – advancing the company brand, culture, customer service, and product lines. The bottom line is the first priority. Back office processes are important but must support the customer-facing teams.



We will pilot new tech delivery systems that promote smaller, cross-functional, autonomous teams.



We will use matrix structures to break down “silos” and focus on outcomes rather than process.



We will “upskill” and “reskill” people to fit the changing environment.



Team members who roll with the punches and change with the times will advance.



People are the Heart of Customers Bank

We value our Team Members. Paramount through the COVID-19 crisis and the return to work is the protection of our Team Members and their families. This will continue to be a priority in the Future Normal.

We value hard work. But we want to work smarter. Digitization will give team members better tools; and an agile culture will give Team Members better organizational structure. The “third leg of the stool” is with Team Members themselves: high IQ, high EQ, creativity, problem-solving, and the drive to adapt and overcome.

Promotions and new hires will be based on alignment with goals and fit with the culture.

Understanding & Valuing One Another



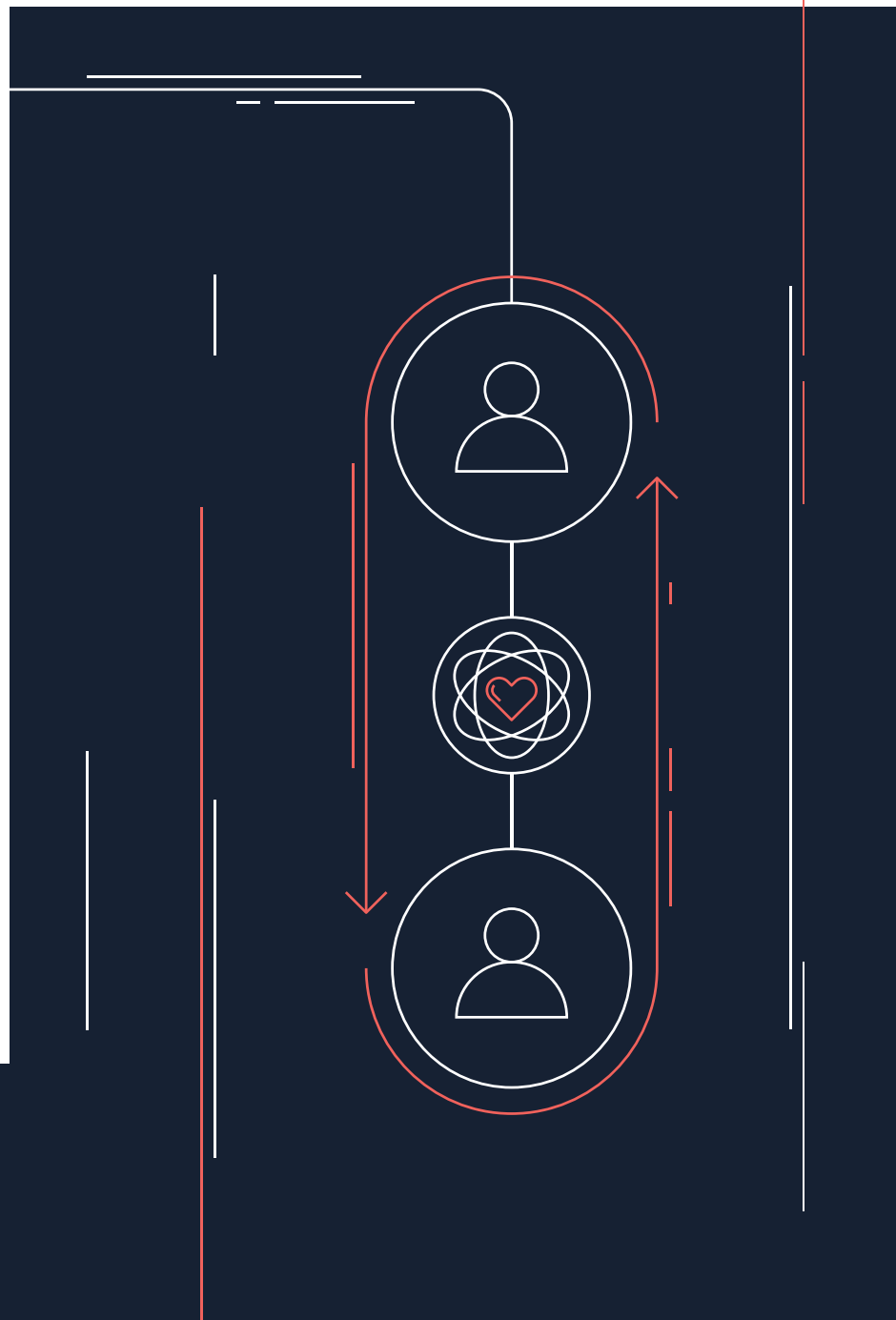
TMS continuously dialoged with team leaders through the COVID-19 crisis to understand concerns, needs, fears, and goals.



Team Leaders will be responsible for creating personal development plans for each of their Team Members. CUBI University will be used to provide education and training opportunities to back the personal development plans.



The Cultural Advancement Office and Diversity Council **will work to ensure that we provide an open, accepting, and supportive work environment for everyone.**



Tactical: Two Complementary Sales Processes

Sales Teams and SPOC

- ✔ Customers Bank built its success in commercial markets by hiring great teams with a solid book of business and empowering them to grow that portfolio. We will maintain and even increase teams.
- ✔ We will consider hiring teams for new urban markets.
- ✔ We will support teams with marketing aimed at select verticals.

We will be “fintech-forward” using digital marketing to drive large numbers of target audiences to online portals.

- ✔ Use of fintech partner for small business loan origination.
- ✔ Implementation of Q2 Gro for mobile and online account opening.
- ✔ Implementation of nCino for mobile and online loan origination.

Digital Marketing Success

- ✔ BankMobile is a success story. Digital marketing has retained students as “customers-for-life” and developed new customers.
- ✔ BankMobile’s white label product allows T-Mobile and others to provide value-add financial services to the suite of products and services they deliver.
- ✔ The Ascent Money Market gathered over \$1 billion with digital marketing and online account opening.
- ✔ Digital marketing delivered thousands of PPP Loan applicants to the Customers Bank/OakNorth application portal in less than one week.
- ✔ Digital marketing is now converting PPP Loan borrowers to DDA clients.

Tech to Powering Sales Processes



Business Digital Banking

Converted March 2020
New online/mobile business banking platform



Customer 360 Platform

Technology for customer focused service including nCino commercial loan processing



Digital Business Account Opening Platform

Live May 12 - Commercial interest Checking
Automated account opening with integration into Core



Customer Journey Marketing



Digital Forms/Signature

Went live March 2020
Electronic signature tech for documents; also used for presenting digital forms

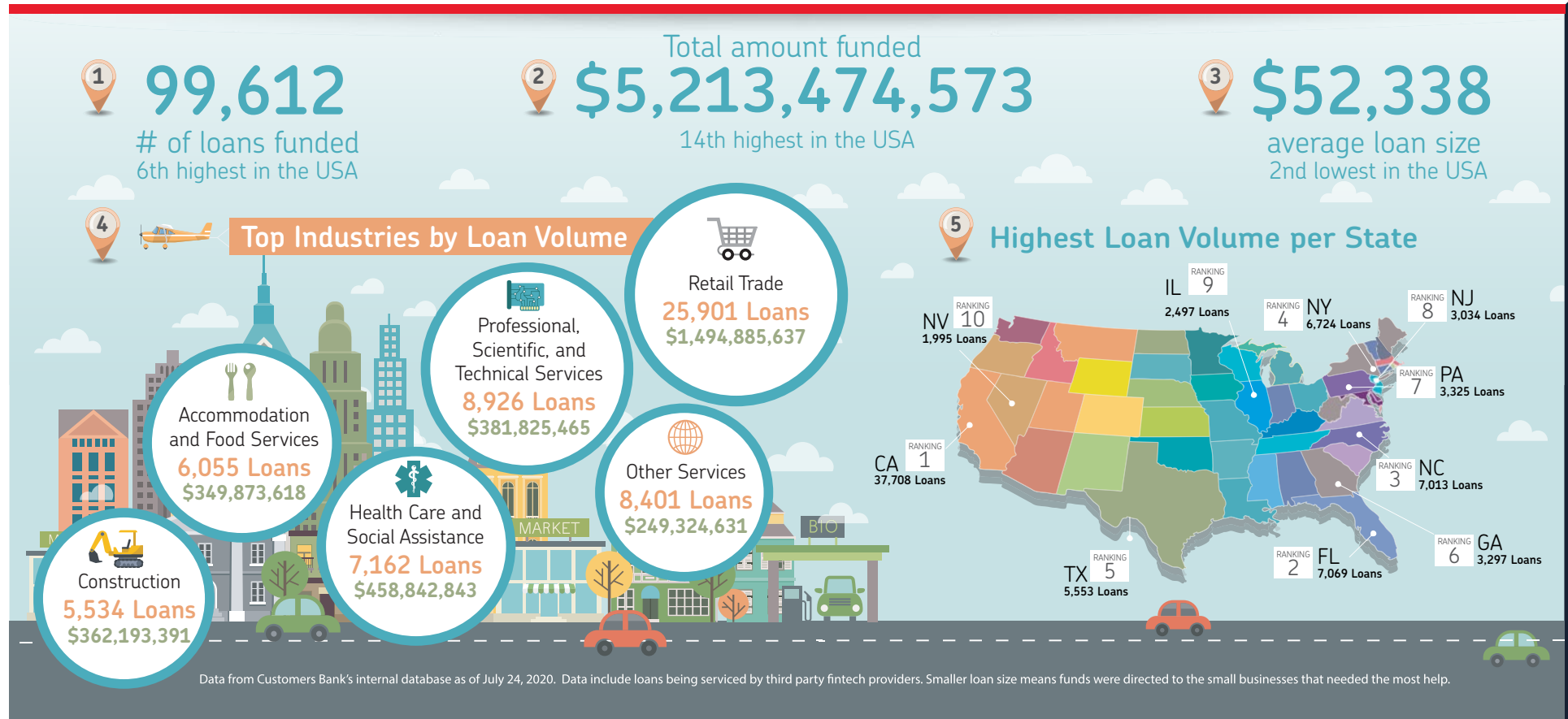


Data Analytics/ AI Insights

Executive dashboard reporting
Visual presentation of data and insights

Customers Bank is ranked among the nation's top PPP loan lenders

based on total number of loans funded, aggregate value of loans and average loan size



PPP: A Case Study in Omnichannel Marketing

Through our involvement in the PPP, Customers Bank acquired over 88,000 customers. Customers Bank instituted an omnichannel marketing strategy to continue to outreach to these customers to create long term relationships.



Create customer personas based on loan data



Segment audience



Analyze results



Identify channels to combine digital and personal interactions

Email

Create acquisition and content email marketing journeys

Outbound Calls

Partner with Ubiquity to support outbound call strategy

Display Advertising

Leverage paid display campaign across Google, LinkedIn, YouTube and Facebook



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