

NCRC and Old National Announce \$8.3 Billion Community Benefits Agreement to Strengthen Small Businesses, and Minority & Underserved Communities

ncrc.org/ncrc-and-old-national-announce-8-3-billion-community-benefits-agreement-to-strengthen-small-businesses-and-minority-underserved-communities/

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Old National Bancorp (Old National) and the National Community Reinvestment Coalition (NCRC) today announced an \$8.3 billion Community Growth Plan that builds on its long-standing commitment to support historically underserved and economically disadvantaged individuals, families and communities throughout its footprint. The plan was developed in collaboration with NCRC and its members and is subject to the closing of the First Midwest Bancorp, Inc. (First Midwest) merger.

The plan includes nearly \$5 billion in community lending and affordable housing commitments to underserved and low- and moderate-income (LMI) borrowers and another \$3.3 billion in community development initiatives and philanthropic programs in LMI and majority-minority neighborhoods over a five-year period. These investments include communities already served by Old National, as well as communities it will serve after completion of the merger with First Midwest.

“We appreciate the leadership and commitment of Old National – and that of Jim Ryan in particular – to collaborate with us and our members to create this impactful community agreement,” said Jesse Van Tol, President and CEO of NCRC. “With this agreement, Old National makes significant commitments to increase investments in homeownership. small

businesses and community development projects like affordable housing and alternative energy in low- and moderate-income communities and neighborhoods of color where these banks operate.”

Upon closing of the Old National and First Midwest merger, the combined company will create one of the largest banks headquartered in the Midwest, with more than \$45 billion of total assets, \$34 billion in assets under management, a presence in six of the largest Midwestern MSAs, strong commercial banking capabilities, a robust retail footprint and a significant wealth platform.

“At Old National and First Midwest, engaging with, supporting and strengthening our communities is not only a strategic priority, it’s woven into the fabric of our cultural DNA,” said Old National Chairman and CEO Jim Ryan. “We recognize the important role that our banks play in helping to shape a better financial future, and we are proud to partner with NCRC to build on our strong legacy of service and make a lasting impact on the hundreds of communities we serve today, as well as in the future.”

Added Mike Scudder, Chairman and CEO of First Midwest, “First Midwest and Old National have strong and demonstrated track records of supporting low and moderate-income borrowers and those in low-and moderate-income areas. The scale and growth of our combined organization will enable us to become an even stronger community partner, and we look forward to doing even more to help meet the evolving needs of the vibrant and diverse communities and businesses within our footprint.”

Since 2016, NCRC has facilitated similar community benefits agreements with 18 bank groups worth a combined \$420 billion for mortgage, small business and community development lending, investments and philanthropy in LMI and under-resourced communities.

Community benefits agreements are a cornerstone of NCRC’s work to increase the flow of private capital into underserved and under-resourced communities and communities of color, and to end the racial wealth divide. The agreements depend on dialogue between banks, community organizations and local reinvestment coalitions to identify local priorities and strategies to address them, which continues after an agreement is established through community councils set up to advise on implementation and to monitor bank performance.

The plan addresses key areas of need identified after input from NCRC and its member organizations, as well as Old National’s ongoing conversations with community partners, team members and clients:

Mortgage Lending: Old National is committing to providing approximately \$2 billion of loans to promote increased homeownership and home improvement for low- and moderate-income households, particularly Black and Hispanic borrowers and those located in majority-minority communities. Old National is also expanding the availability of several of its existing innovative and specialized products to reduce inequities in homeownership, including its proprietary affordable residential program, federal and state government-sponsored credit programs and down payment assistance programs.

Small Business Lending: Old National and First Midwest are both recognized leaders in small business lending. In 2020, Old National originated \$576 million and First Midwest originated \$627 million in CRA-eligible loans to small businesses and farms. As part of the community development plan, Old National is committing more than \$3 billion of loans to businesses with annual revenues of \$1 million or less and to small businesses located within low- and moderate-income areas. The bank is also committed to establishing and/or expanding strategic relationships with other local community and financial organizations to increase access to capital to small businesses, including those in rural or agricultural areas.

Community Development Lending and Investments: Old National has a strong track record of providing capital to support projects that rehabilitate historic buildings, provide affordable housing, invest in low-income communities and generate alternative energy. Its plan includes a commitment of more than \$3 billion in loans and investments focused on these important areas.

Philanthropic and Loan Subsidy Programs: Old National is building upon its strong level of philanthropic support for communities it serves by providing approximately \$24 million in funds over five years to organizations and for causes that provide community benefits as defined under the Community Reinvestment Act. In addition, Old National is establishing a loan subsidy fund of \$2.5 million to assist borrowers in qualifying for residential loans.

Old National has also committed to working with NCRC and other local community groups to identify additional opportunities to support the financially disadvantaged and communities of color.

Added Mr. Ryan “We have a longstanding belief that we are only as strong as the communities we serve. We would like to thank Jesse Van Tol, the team at NCRC and its members for their partnership in creating a Community Growth Plan that will make significant and impactful contributions to LMI and underserved communities in our combined markets.”

NCRC Member Quotes

“The Metropolitan Milwaukee Fair Housing Council looks forward to Old National increasing its home purchase and home repair lending to people and communities of color in Milwaukee and across the state. Its Home Manager Mortgage was created with features specifically designed to address barriers to those seeking to become first-time homeowners. Additionally, with the growth of Community Land Trusts and cooperatives in our city, we are pleased that Old National is committed to working with local NCRC members to evaluate alternative affordable housing options, such as Community Land Trusts.” –**Bethany Sanchez**, Senior Administrator, Metropolitan Milwaukee Fair Housing Council, Milwaukee, WI

“The Fair Housing Center of Central Indiana is pleased to support Old National’s Community Growth Plan that has been reached in partnership with NCRC and fellow community-based organizations. This plan is a positive step in providing needed financial resources for low and moderate communities across their market.” –**Amy Nelson**, Executive Director, Fair Housing Center of Central Indiana, Indianapolis, IN

“HomesteadCS has had a long-standing partnership with Old National Bank and is an active member of NCRC. We are proud to see Old National Bank working together with community organizations, such as ourselves, to build a better, more inclusive partnership. We are looking forward to working with them to bring even more opportunities to our communities.” –**Marie Morse**, Executive Director, HomesteadCS, Lafayette, IN

“Old National Bank is incredibly supportive of the mission and work of the City of Lakes Community Land Trust. We look forward to expanding that relationship in our mutual interest of creating and preserving perpetually affordable homeownership for low-income and under-resourced households in Minneapolis.” –**Jeffrey Washburne**, Executive Director, City of Lakes Community Land Trust, Minneapolis, MN

Organizations Supporting the Community Benefits Agreement

Acts Housing

African Career Education & Resource, Inc

Chicago Community Loan Fund

Chicago Rehab Network (CRN)

City of Lakes Community Land Trust

Fair Housing Center of Central Indiana

Far South CDC

HomesteadCS

Housing Action Illinois

Housing Resources, Inc.

Jewish Community Action

Metropolitan Consortium of Community Developers

Metropolitan Milwaukee Fair Housing Council

NEON

Northwest Indiana Reinvestment Alliance

Northwest Side Housing Center

Prosperity Indiana

REBOUND, Inc.

River City Housing, Inc.

South Bend Heritage Foundation

The Resurrection Project

Universal Housing Solutions CDC

Urban Economic Development Association of Wisconsin (UEDA)

YWCA Southeast Wisconsin

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About the National Community Reinvestment Coalition

The National Community Reinvestment Coalition and its grassroots member organizations create opportunities for people to build wealth. We work with community leaders, policymakers, and financial institutions to champion fairness in banking, housing, and business. NCRC was formed in 1990 by national, regional, and local organizations to increase the flow of private capital into traditionally underserved communities. NCRC has grown into an association of more than 600 community-based organizations in 42 states that promote access to basic banking services, affordable housing, entrepreneurship, job creation, and vibrant communities for America's working families. More can be found at: www.ncrc.org.

About Old National

Old National Bancorp (NASDAQ: ONB), the holding company of Old National Bank, is the largest bank holding company headquartered in Indiana. With \$24 billion in assets, it ranks among the top 100 banking companies in the U.S. and has been recognized as a World's

Most Ethical Company by the Ethisphere Institute for 10 consecutive years. Since its founding in Evansville in 1834, Old National Bank has focused on community banking by building long-term, highly valued partnerships and keeping our clients at the center of all we do. Today, Old National's footprint includes Indiana, Illinois, Kentucky, Michigan, Minnesota and Wisconsin. In addition to providing extensive services in retail and commercial banking, Old National offers comprehensive wealth management, investment and capital market services. For more information and financial data, please visit Investor Relations at oldnational.com.

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Summary of the National Community Growth Plan Between the National Community Reinvestment Coalition and Old National Bank

Old National will lend or invest \$8.3 billion to underserved borrowers and communities over a five-year period.

Mortgage Lending to the Underserved

Commitment: Over \$1 billion in home purchase and home improvement lending to underserved borrowers and communities over 5 years

Old National commits to at least \$948 million in home purchase lending, and at least \$97 million in home improvement lending over a five-year period. In addition, Old National has committed to specific sub goals for home purchase and home improvement lending to Black borrowers, Hispanic borrowers, and borrowers with low-to-moderate income that all represent significant increases over the previous combined lending of Old National and First Midwest. To achieve this, Old National is committed to working with NCRC to explore additional mortgage products designed to increase inclusion and access, including those related to assisting borrowers impacted by the COVID-19 pandemic and clients with ITINs and other specialized products. In addition, Old National will provide a bank-funded loan subsidy program of \$2.5 million over the five-year period to assist borrowers with items such as down payment assistance. Old National is committed to seeking opportunities to work with local community organizations to facilitate the deployment of these loan subsidy funds.

Small Business Lending

Commitment: Over \$1.9 billion over 5 years

Old National also commits to working with CDFIs and small business assistance organizations on a responsible small dollar product with non-predatory features. In addition, Old National will continue to work with local small business organizations to set up referral relationships for businesses that Old National is currently unable to lend to so they can access assistance.

Community Development Lending and Investment (CDLI)

Commitment: \$3.2 billion over 5 years

Old National is committed to working with NCRC on opportunities to support community development activity, including activity related to providing patient capital for social impact investments, affordable housing rental opportunities in underserved census tracts, economic revitalization projects, Low Income Housing Tax Credits ("LIHTC"), small business development, and other such initiatives.

CRA Focused Philanthropy

Commitment: \$3.8 million over 5 years

During each year of the plan, Old National will specifically devote \$500,000 to providing philanthropic support to organizations in Illinois, Wisconsin, and Minnesota that are currently not receiving philanthropic support from Old National. Old National will also work with NCRC to decide how and where to distribute these funds.

Supplier Diversity & Staff Diversity

Old National is committed to maintaining a supplier diversity program that removes barriers to opportunities. To accomplish this, Old National will provide a quarterly listing of the Bank's procurement opportunities and details related to the Bank's supply chain and work with NCRC to identify diverse suppliers within that chain. This will include establishing clear supplier qualification metrics and providing annual workshops that detail how new suppliers can qualify for opportunities provided by the Bank during the upcoming year.

Other Activities to Promote Access, Diversity, & Inclusion

Old National is committed to maintaining appropriate diversity of its workforce that is reflective of the markets that Old National serves. Old National commits to providing its EEOC data to NCRC as part of its annual reporting of the progress of this plan. Old National will continue to partner with organizations that provide adult apprenticeship programs for communities of color and underserved areas because it has recognized that, although community colleges often emphasize youth apprenticeship programs, there is a deficit of such programs for adults. Old National is also committed to ensuring that properties, particularly those located in LMI and/or MM census tracts, are valued independently and

accurately and is committed to evaluating, and as appropriate will participate in, innovative programs that will enhance the evaluation of property values. Old National will also discuss with the newly created Community Advisory Board the possibility of implementing a Special Purpose Credit Program to further the goals of the plan.

Strategic Planning & Implementation

Old National is committed to continuing to engage in regular, ongoing discussions with local organizations to determine community needs and identify opportunities to provide support. Old National will meet with NCRC and community partners on a regular basis to better understand community needs and priorities, and discuss the development local annual market plans. Local market plans and the progress of such plans will be incorporated in the Bank's annual reports and be presented to the Community Advisory Board.

Plan Governance and Annual Report

Old National and NCRC will form a 14-member Community Advisory Board that will review and discuss the progress of the plan's goals and objectives, as well as new issues and opportunities that arise during the implementation of this plan. Old National will provide annual reports of the progress of this plan to the Community Advisory Board, using a format mutually agreed upon with NCRC. These annual reports shall highlight how this plan is increasing wealth and opportunity for LMI individuals as well as people of color throughout Old National's footprint. The reports will provide an overview of loans made to people of color, support for organizations led by people of color, staff diversity within Old National and procurement from businesses owned by people of color. A state-level breakdown on the implementation of the plan will also be included. Old National will also include a summary of the progress of the plan as part of its annual public Environmental, Social and Governance ("ESG") Report. Old National will work with NCRC to update this plan in the event that Old National merges with another financial institution during the term of this plan.