

# U.S. Bank Completes Acquisition of MUFG Union Bank: **A Deal for Communities**



## **Bringing together**

*two committed organizations  
committed to the communities  
they serve.*

## **Investing**

*in priorities such as financial  
inclusion, closing racial  
wealth gaps and environmentally  
beneficial businesses.*

## **Serving**

*low and moderate-income  
communities and customers.*



# Creating more equitable communities

## By The Numbers



**\$62**  
million

Corporate contributions and foundation giving in 2021



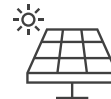
**\$197**  
million

Provided by U.S. Bank in 2021 to black-owned or led businesses and organizations as part of our Access Commitment program



**\$1.32**  
billion

Invested by USBCDC in 2021 in Low Income Housing Tax Credit (LIHTC) and New Markets Tax Credits (NMTC) equity, helping create more than 28,486 affordable housing units across the nation



**\$830**  
million

Invested by USBCDC in 2021 in Renewable Energy Tax Credit (RETC) equity



**\$6.1**  
billion

Loaned and invested to revitalize low-to-moderate income communities in 2021



**\$43.6**  
billion

Invested in environmentally beneficial business since 2008



**\$1.9**  
billion

Provided in SBA loans in 2021



\*Data from the USB 2021 ESG Report

# Our Community Benefit Plan

In May 2022, we announced a five-year, \$100 billion community benefit plan (CBP), developed in partnership with the National Community Reinvestment Coalition (NCRC), the California Reinvestment Coalition (CRC) and the Alliance to Close the Racial Wealth Gap, to expand the work already being done by U.S. Bank and MUFG Union Bank to support equitable access to capital for the communities we serve.

The CBP was informed by multiple listening sessions with more than 200 community groups participating, as well as a public hearing organized by regulators, and expands the important work underway by both organizations to build and support equitable access to capital for the communities we serve, including rural areas and Native Americans living in rural communities.

The plan focuses on foundational components of community and economic development where the company can have the most impact:

- Access to Homeownership
- Small Business Access to Capital & Technical Assistance
- Community Development Lending & Investment
- Philanthropy & Community Service
- Branch Services in California
- Environmental Stewardship & Commitment
- Advancing a Diverse & Equitable Workforce
- Diverse Segment Outreach
- Supplier Diversity
- Plan Implementation & Accountability

**“Banks are the economic engines of our communities. As such, we can make meaningful and significant impacts in supporting the ability of low- and moderate-income (LMI) communities and communities of color to access capital and build wealth,” said Andy Cecere, Chairman, President and CEO, U.S. Bank. “Our CBP is outcome-focused and blends the best programs and thinking of U.S. Bank and MUFG Union Bank. We want our actions today to create a ripple effect that will lift future generations.”**



# Case study: How we support small businesses

## **We are proud to support 1.1 million small business clients across the company's banking, payments and software offerings.**

Nationwide, during both our 2020 and 2021 rounds of funding, U.S. Bank processed and completed nearly 175,000 loans totaling \$10.8 billion. Nearly 90 percent of loans facilitated by U.S. Bank were for less than \$100,000, and 94 percent went to businesses with 20 or fewer employees.

In 2021, U.S. Bank earned recognition from both the Small Business Administration Minnesota District and Colorado Governor for our efforts to help small businesses during the COVID-19 pandemic.

In Colorado, U.S. Bank helped to process nearly 11,600 PPP loans as of July 1, 2021, helping small businesses survive the devastating impacts of the pandemic.

In Minnesota, U.S. Bank had the highest participation in traditional SBA-backed loan programs for national lenders in the district, based on the number of SBA-approved loans from July 1, 2020 to June 30, 2021.



# Case study: How we support job creation in communities of color

**USBCDE, U.S. Bank's community development entity (CDE), has invested more than \$870 million in communities across the country, which helped create more than 59,000 jobs.**

In November 2022, USBCDE received \$60 million of New Markets Tax Credit (NMTC) allocation from the U.S. Department of Treasury to further its efforts of creating jobs in communities of color by helping economically distressed communities attract private investment capital.

With the new allocation, USBCDE financed an expansion of the Dewberry, a multi-tenant healthcare facility in Birmingham, AL serving low income uninsured and under-insured people living with HIV/AIDS.

The allocation also allowed USBCDE to finance the purchase of equipment and inventory for Ogaakaaning Wild Rice in Bemidji, Minnesota, which is the first business owned by the Red Lake Nation of Chippewa to operate off the Red Lake Nation Reservation, among other projects.



# Resources

**Learn more about U.S. Bank's story at**

[www.usbank.com](http://www.usbank.com)

**and Union Bank's story at**

[www.unionbank.com](http://www.unionbank.com)

**View U.S. Bank's [2021 Community Impact Report](#) and [2021 ESG Report](#)**



# Forward-Looking Statements

This press release contains forward-looking statements about U.S. Bancorp. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements and are based on the information available to, and assumptions and estimates made by, management as of the date hereof. These forward-looking statements cover, among other things, anticipated future revenue and expenses and the future plans and prospects of U.S. Bancorp. Forward-looking statements often use words such as “anticipates,” “targets,” “expects,” “hopes,” “estimates,” “projects,” “forecasts,” “intends,” “plans,” “goals,” “believes,” “continue” and other similar expressions or future or conditional verbs such as “will,” “may,” “might,” “should,” “would” and “could.”

Forward-looking statements involve inherent risks and uncertainties, including the following risks and uncertainties and the risks and uncertainties more fully discussed in the section entitled “Risk Factors” of Exhibit 13 to U.S. Bancorp’s Annual Report on Form 10-K for the year ended December 31, 2021, which could cause actual results to differ materially from those anticipated. Deterioration in general business and economic conditions or turbulence in domestic or global financial markets could adversely affect U.S. Bancorp’s revenues and the values of its assets and liabilities, reduce the availability of funding to certain financial institutions, lead to a tightening of credit, and increase stock price volatility. In addition, changes to statutes, regulations, or regulatory policies or practices could affect U.S. Bancorp in substantial and unpredictable ways. U.S. Bancorp’s results could also be adversely affected by changes in interest rates; the impacts of the COVID-19 pandemic on its business, financial position, results of operations, liquidity and prospects; increases in unemployment rates; deterioration in the credit quality of its loan portfolios or in the value of the collateral securing those loans; deterioration in the value of its investment securities; legal and regulatory developments; litigation; increased competition from both banks and non-banks; civil unrest; the effects of climate change; changes in customer behavior and preferences; breaches in data security, including as a result of work-from-home arrangements; failures to

safeguard personal information; the impacts of international hostilities or geopolitical events; impacts of supply chain disruptions and rising inflation; effects of mergers and acquisitions and related integration; effects of critical accounting policies and judgments; and management’s ability to effectively manage credit risk, market risk, operational risk, compliance risk, strategic risk, interest rate risk, liquidity risk and reputation risk. In addition, U.S. Bancorp’s proposed acquisition of MUFG Union Bank presents risks and uncertainties, including, among others: the risk that the cost savings, any revenue synergies and other anticipated benefits of the proposed acquisition may not be realized or may take longer than anticipated to be realized; the risk that U.S. Bancorp’s business could be disrupted as a result of the announcement and pendency of the proposed acquisition and diversion of management’s attention from ongoing business operations and opportunities; the possibility that the proposed acquisition, including the integration of MUFG Union Bank, may be more costly or difficult to complete than anticipated; delays in closing the proposed acquisition; and the failure of any closing conditions in the definitive purchase agreement to be satisfied.

For discussion of these and other risks that may cause actual results to differ from those described in forward-looking statements, refer to U.S. Bancorp’s Annual Report on Form 10-K for the year ended December 31, 2021, on file with the Securities and Exchange Commission, including the sections entitled “Corporate Risk Profile” and “Risk Factors” contained in Exhibit 13, and all subsequent filings with the Securities and Exchange Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934. In addition, factors other than these risks also could adversely affect U.S. Bancorp’s results, and the reader should not consider these risks to be a complete set of all potential risks or uncertainties. Readers are cautioned not to place undue reliance on any forward-looking statements. Forward-looking statements speak only as of the date hereof, and U.S. Bancorp undertakes no obligation to update them in light of new information or future events.

