

Environmental,  
Social, +  
Governance  
Report

2022

[ HomeStreet ] Bank<sup>®</sup>



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## A message from our CEO

HomeStreet has over 100 years of history serving the communities in which our branches are located. We are proud our mission today remains the same as when our founders first opened their doors—to always strive to meet the financial needs of the people and communities we serve, while also helping provide for their basic needs. In all things we do, we strive to be a good corporate citizen.

Today we face many challenges in our operating environment. We are, however, looking forward to addressing new challenges and embracing opportunities to help our communities be better, healthier, and more sustainable places.

Environmental, social, and governance (“ESG”) initiatives are important to HomeStreet’s business practices, the continuous improvement of our operations, and our relationships with our employees and the communities we serve. We believe our dedication to respecting our key stakeholders, including our employees, the environment, and the communities in which we operate, has a positive impact on our financial results over the long term. While we are early in many aspects of our ESG journey, we have for years been advancing initiatives that fall within the scope of ESG – whether that be products that support access and affordability, our strong record of community involvement, or our commitment to business ethics – and we believe that our business is naturally well positioned to leverage ESG strategies to drive long-term value. We plan to continue to explore, and report on, our efforts to pursue ESG opportunities as we navigate and manage our ESG risks.

To enable our branches to evaluate the benefits each community will derive from HomeStreet

Bank’s presence there, we develop community development plans for each branch, tailored for each unique and diverse community that we serve.

HomeStreet is developing our ESG goals prudently, in concert with our commitments to our shareholders, and consistent with the principles of safe and sound banking practices. Our ESG priorities and workstreams will continue to evolve as HomeStreet examines its own operations and expands our knowledge about the communities in which we operate.

I am proud of the progress we have made through our ESG efforts and initiatives, but we know that we can and will do more. As such, we are working to establish long-term ESG objectives to increase the diversity and lived experience of our workforce through advances in our hiring, inclusion and equal opportunity practices, to preserve and expand the availability of financial services to our communities, and reduce our environmental impact.

I am honored by the commitment to ESG that HomeStreet has demonstrated so early on in our journey, but recognize the work ahead to continue to develop our ESG program, which is important to not only our customers and employees, but also to the communities we serve.

**Mark Mason**  
President and CEO

# About this report



This 2022 ESG Report covers the ESG strategies, activities, progress, metrics, and performance of HomeStreet Inc. (the “Company” or “HomeStreet”) for the fiscal year ended December 31, 2022, unless noted otherwise.

This is HomeStreet’s first ESG Report. It has been prepared in alignment with the Sustainability Accounting Standards Board (SASB) Commercial Banks sector standard. We look forward to continuously improving our performance against these reporting standards as our ESG program progresses. Additional information about the Company’s ESG strategy and programs is available online at [homestreet.com/about-us/our-impact](https://homestreet.com/about-us/our-impact).

Certain topics identified as particularly important to HomeStreet and its stakeholders may be referred to as “material.” The use of “material” or “materiality” in this report is distinct from, and should not be confused with, these same terms as construed in accordance with securities laws or regulations or as used in the context of financial statements and reporting. While HomeStreet believes that our ESG initiatives are important to operating in a sustainable manner, we do not believe that such initiatives are material to our financial results and results of operations, unless disclosed

in our Annual Report on Form 10-K. This ESG Report also contains human capital measures or objectives that may be different from or are in addition to the human capital measures or objectives that HomeStreet is required to disclose in its Securities Exchange Commission filings. For a discussion on human capital measures or objectives that HomeStreet focuses on in managing its business, please see the “Human Capital” section in our most recent Annual Report on Form 10-K for 2022 and the Environmental, Social, and Governance Matters section of our 2023 Annual Meeting Proxy Statement. The information in this ESG Report shall not be deemed to be incorporated by reference in any filing under the Securities Exchange Act of 1934 or the Securities Act of 1933, except as expressly set forth by specific reference. This ESG Report is for general informational purposes only, is not comprehensive and contains only voluntary disclosures. This ESG Report should be read in conjunction with other publicly disclosed material such as our Annual Report on Form 10-K, our current Proxy Statement, our quarterly reports on Form 10-Q, and the investor materials on Form 8-K, with particular attention to the “Forward-Looking Statements” and “Risk Factors” sections of those reports. As used in this ESG Report, “HomeStreet” may refer to HomeStreet Inc. and/or its subsidiary bank, HomeStreet Bank.

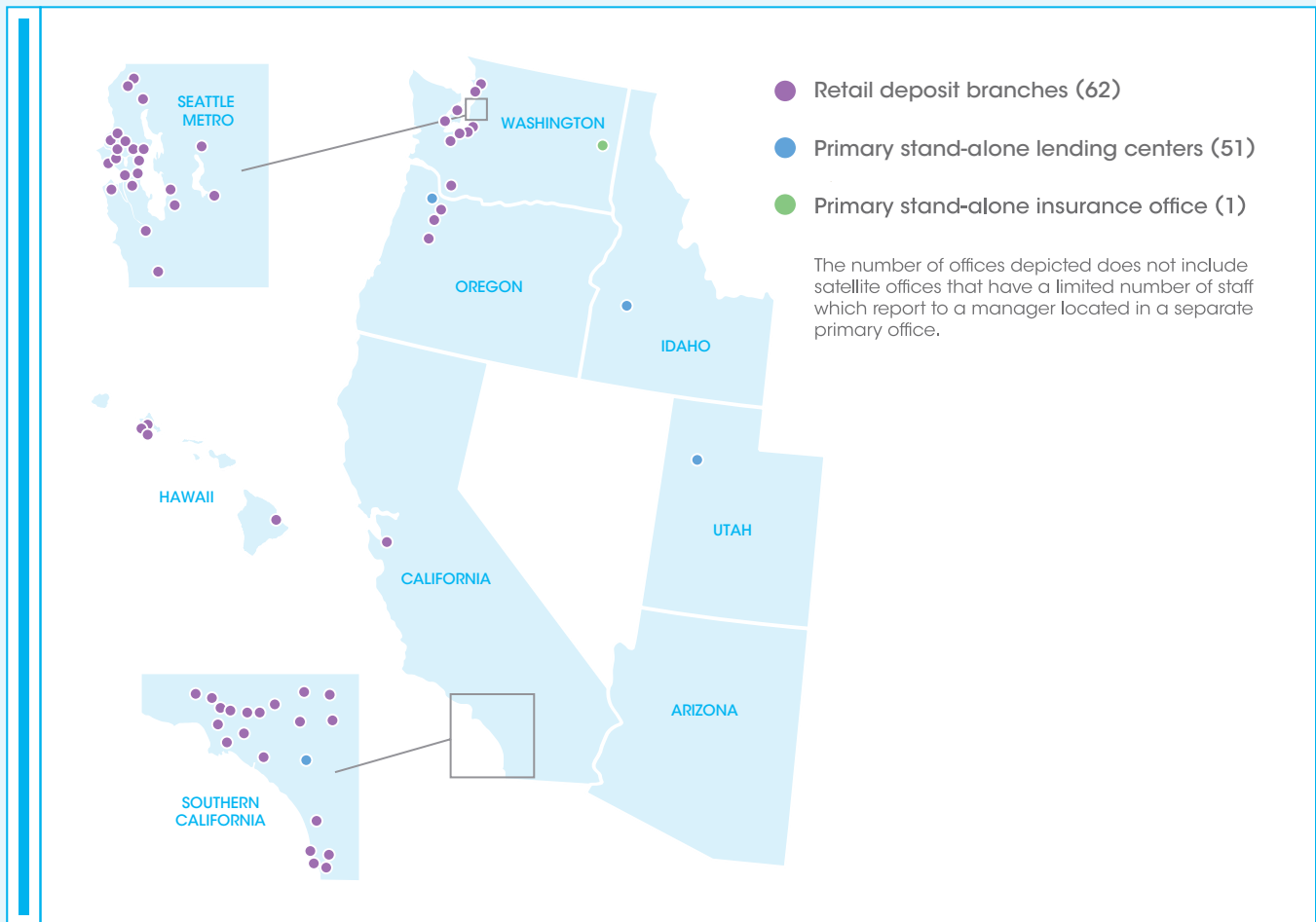




# About HomeStreet

We are a diversified financial services company with offices in Washington, Oregon, California, Hawaii, Utah and Idaho serving customers throughout the western United States. We were founded in 1921 and are headquartered in Seattle, Washington. We provide commercial banking products and services to small and medium sized businesses, real estate investors and professional firms and consumer banking products and services to individuals. As of December 31, 2022, we had \$9.4 billion of total assets, \$7.4 billion of loans and \$7.5 billion of deposits.

FOUNDED IN <b>1921</b>	HEADQUARTERED IN <b>SEATTLE</b>	<b>\$9.4</b> BILLION TOTAL ASSETS
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## OUR MISSION

Through personalized advice, integrity, and community investment, we enrich the financial lives of families and businesses in the communities we serve.

HomeStreet has a deep history, with over 100 years of service in our communities. On August 18, 1921, our incorporation charter was delivered by horseback. Of the nearly 2,900 incorporations filed in the state of Washington that year, only 33 made it to their centennial. Things have changed much during the past century, but HomeStreet has always served its communities with the highest standards and care, surviving the Great Depression, wars, the Thrift Crisis, the Great Recession and the recent global pandemic.

Since 1921, the Company has earned the trust of customers, employees and regulators through its effective management and deep community involvement thereby developing a reputation for reliability, fairness, honesty, and integrity. Our reputation is directly tied to the individual decisions, actions, and sense of business ethics of each and every one of our employees. We believe a high level of trust gives us a competitive advantage in an environment that is increasingly sensitive to business ethics. It is our belief that employees and customers



are attracted to work for, and do business with, a company that prides itself on maintaining the highest ethical standards. For all these reasons, a commitment to fairness, honesty, integrity and community service are core values of the Company.

We don't know all of the challenges that we will face in the future, but with our culture, employees and loyal customers, we feel confident we will continue to thrive despite the challenges.

**For more information on HomeStreet Bank and our business operations and governance, please see our Annual Report on Form 10-K for the year ended December 31, 2022, dated March 3, 2023, and the Proxy Statement related to our 2023 annual shareholders meeting.**

# Award-winning leadership

At HomeStreet, we are extremely proud of our achievements in our communities. Our accolades are a testament to our team and validate the work we're doing to continuously improve a century-old business.



### Best U.S. Banks - 2022

HomeStreet Bank was ranked #8 in the nation by Bank Director in its 2022 Ranking Banking Study. The Study considered several metrics including profitability, growth, credit quality, shareholder return, and leadership.



### America's Best Banks - 2022

HomeStreet Bank is ranked Best Small Bank in Washington State by Newsweek—based on more than 50 different factors and across 26 different categories, including the overall health of the bank, customer service performance and features, digital and branch presence, account and loan options, interest rate offerings and fees.



### Best Small Regional Banks - 2021

HomeStreet Bank was ranked #8 in the nation by Bank Director in its 2021 Ranking Banking Study. The study considered several metrics including profitability, growth, credit quality, shareholder return, and leadership.



### Best Boards - 2021

HomeStreet's Board of Directors (the "Board") was ranked #8 in the nation by Bank Director in its 2021 Ranking Banking Study. The Study evaluated several variables including diversity, expertise, compensation vs. performance, and governance risks and practices.



### Top 5 Corporate Philanthropists in Puget Sound - 2021

For the tenth year in a row, HomeStreet Bank was recognized as a leader in corporate philanthropy for medium size businesses by the Puget Sound Business Journal.



### PSBJ's 50 fastest growing Mid-Market companies-2021

In 2021, the Puget Sound Business Journal ranked HomeStreet Bank among the top 50 fastest growing Middle Market companies in Washington state with revenues between \$25 million and \$1 billion.



## Our ESG Program



# Our approach to ESG

In 2022, we set out on a journey to develop HomeStreet’s approach to ESG by (i) conducting an ESG priorities assessment to identify the ESG priority topics that are relevant to our business and (ii) operationalizing ESG within the organization by forming an ESG Management Steering Committee and multiple ESG Working Groups, which focus on specific ESG substantive areas or work streams. In addition, in 2022 we split the Human Resources and Corporate Governance Committee of the Board into two separate committees: the Compensation Committee and the Nominating and Governance Committee (the “NGC”). The purpose and scope

of the new NGC include oversight of our ESG and human capital management programs, policies and practices. We continue to work as an organization to advance our strategic ESG roadmap by identifying and pursuing ESG work streams.

Our core values play an important role in our approach to ESG. At HomeStreet, we strive to live our core values every day, whether it be through interactions with each other, our customers, our shareholders, our regulators or our communities.

OUR CORE VALUES	<b>CUSTOMER FOCUSED</b>	Each customer contact is more than a transaction—it’s an opportunity to build the long-term value of the relationship on a foundation of knowledge, respect and trust. We make it easy to do business with us and provide products and services that customers need. We keep our promises and do the right thing while providing exceptional service to our customers.
	<b>ONE TEAM</b>	We collaborate across disciplines, regions and teams to achieve a shared purpose and to get the job done for one another, our customers, our communities and our shareholders. We create relationships based on trust and respect listening to each other’s viewpoints and embracing and valuing diversity and inclusiveness.
	<b>EXCELLENCE</b>	We pride ourselves on executional excellence; measurably delivering beyond expectations. We are ethical in our approach with customers and in our daily work and are diligent in our risk management. We have a shared responsibility for being efficient and seeking opportunities for improvement to support company growth and positive change.
	<b>SPIRIT TO SERVE</b>	We maintain a commitment to dedicating time, talent, resources and contributions to support the communities where we live and work. Wherever we can, we support our customers in the causes that hold meaning for them in their communities. We strive to form alliances and community within our workplace with a spirit to support, serve, and learn from each other.
	<b>ALL IN</b>	We are engaged each day in creating solutions that transform possibilities into realities. We embrace change and approach our work with a sense of commitment, urgency, enthusiasm and tenacity to drive company and personal growth.

# HomeStreet's ESG principles and priorities

HomeStreet's approach to sustainability is aimed at generating long-term value for our shareholders, which we believe requires taking into account the interests of all our stakeholders, including customers, employees, communities, and regulators. This focus is guided by our core values and mission.

HomeStreet conducted our first ESG priorities assessment in 2022 to understand and prioritize the ESG topics with the greatest impact on our business strategy, operations and value creation.

## Our Methodology

Leveraging a third-party ESG specialist and peer group practices, our ESG priority assessment included data collection from a variety of sources and methods, including:

- A review of our sustainability context, including the nature of our business operations, to identify relevant ESG topics.
- References to leading ESG standards and frameworks, including the SASB standards, the Global Reporting Initiative and the Task Force on Climate-Related Financial Disclosures.

- Assessments of ESG practices and ratings for our company and peers, together with external benchmarking against the ESG priorities and disclosures by our peer companies and companies in our industry that are identified as best in class according to third-party ESG ratings and rankings.
- A review of the ESG priorities of our shareholders and proxy advisory firms through a review of their proxy voting guidelines, voting records, stewardship principles, ESG policies and other disclosures.

Through this process, we identified a list of relevant ESG topics using the outputs from our business analysis, peer benchmarking and review of shareholder priorities. To prioritize the ESG topics, we engaged with members of our leadership team and internal technical specialists closest to the relevant issues and opportunities to obtain data regarding the relative importance of the ESG topics.

Through this assessment process, HomeStreet's ESG Management Steering Committee identified, and the Board of Directors approved, our priority ESG issues — those deemed most critical to HomeStreet's business success and to the interests and expectations of our key stakeholder groups.

This inaugural ESG Report describes our initial steps to address the priority ESG topics. As we continue to develop our ESG strategy and goals, our aim is to increase the scope of our program and our reporting over time to cover more areas.





# ESG oversight and governance



We believe we operate within a framework of policies, procedures, principles and practices designed to uphold responsibility, accountability, fairness, ethics, integrity and transparency. Sound governance is central to ESG success.

### Board of Directors

HomeStreet’s Board is charged with overseeing our ESG efforts. The Board has the ultimate oversight of and responsibility for HomeStreet’s business strategy, including the risks and opportunities relating to ESG. As of March 31, 2023, the Board comprises 8 members, of which 7 are independent Non-Employee Directors. We believe the Board’s varied backgrounds, skills and experience contribute to an effective and well-balanced Board that is able to provide valuable insight to, and effective oversight of, our senior executive team.

With respect to ESG matters, the Board is also assisted by committees - the Nominating & Governance Committee (“NGC”), Enterprise Risk Management Committee (“ERMC”), and the Audit Committee. All of the members

of each of these committees are independent directors.

### Nominating & Governance Committee

The NGC supports the Board in overseeing the Company’s policies and programs comprising certain environmental, social, legislative, regulatory, public policy, diversity, equity, and inclusion (“DEI”), and other governance matters we broadly consider to be part of ESG. The NGC oversees our commitment to ESG, including implementation of our ESG governance framework, the completion of our ESG priority assessment, development of our ESG policy, and monitoring the evolution of our ESG practices. The NGC is also responsible for, among other things, providing oversight of the Company’s strategic direction on ESG and reporting.

### Enterprise Risk Management Committee

Strong governance is founded on strong risk management. The purpose of the ERMC is to identify, assess and prioritize the most significant enterprise risks that have an impact, both positively and negatively, on

the achievement of HomeStreet's strategic objectives and the execution of its business plan.

The ERM oversees the compliance activities of the Company, reviewing the results of regulatory examination reports and management's responses thereto and regulatory monitoring, the implementation of corrective measures by management, as well as discussing with management significant legal and compliance matters and the steps management has taken to monitor or control such matters.

The ERM is also responsible for oversight of the Corporate Security policy and programs, including information security, physical security and business continuity management programs. At least quarterly, the ERM reviews the status of technology operations and progress against HomeStreet's strategic plans. The members of the ERM receive annual compliance training.

#### **Audit Committee**

HomeStreet's Audit Committee oversees the integrity of our financial reporting and the independence and performance of our independent auditors. The Audit Committee also provides oversight with respect to the internal control environment applicable to material ESG disclosures.

Each year, HomeStreet's senior management team, in conjunction with our internal auditors, conducts a risk assessment to identify the material risks facing our business and their potential impact on our strategy and operations. In addition to these duties, the Audit Committee oversees and reviews "whistleblower" complaints received and the actions taken to resolve the complaints and take, or recommend that the Board take, actions reasonably designed to prevent retaliation or unjustified actions against persons who have, or who have claimed

or are believed to have, reported any such concerns to management, the Audit Committee, the Board, or any regulatory body having authority over the Company.

#### **ESG Management Steering Committee**

The ESG Management Steering Committee is composed of the most senior executives in our company—the CEO, CFO, General Counsel and Chief Administrative Officer, Human Resources Director, Chief Information and Operations Officer and Chief Risk Officer. The CEO is the chairman of the ESG Management Steering Committee.

The ESG Management Steering Committee is responsible for: reviewing and approving programs, policies and practices relating to ESG issues; overseeing and monitoring the implementation of HomeStreet's ESG program; approving publicly communicated or significant internal ESG targets and monitoring progress against such targets; overseeing HomeStreet's compliance with ESG-related legal and regulatory requirements; overseeing and approving HomeStreet's internal ESG governance structure; providing reports and updates to the NGC on HomeStreet's relevant ESG risks and opportunities and risk management strategy; reviewing shareholder and other key stakeholder feedback regarding HomeStreet's ESG program; engaging with key stakeholders as appropriate; reviewing and providing recommendations regarding shareholder proposals and proxy advisory firms recommendations relating to ESG issues that may apply to similarly situated companies; overseeing the effectiveness of appropriate internal controls and procedures with regard to the reporting of ESG targets and metrics; reviewing and approving ESG reports and public disclosures related to ESG; and annually reviewing HomeStreet's ESG program and the adequacy of the resources for administering such program.



## Human Capital Management

# One team



At HomeStreet, the growth and success of our workforce is a top priority. HomeStreet monitors employee turnover and reviews our recruitment and hiring processes regularly. Our Human Resources team works across a broad spectrum of workforce-related issues and works hard to provide a level of customer service to all employees that reflects our company values each day.

The Company relies on its managers to have regular check-in conversations with our employees and encourages regular connections with all employees, and with the help of its Human Resources department, works diligently to mitigate human capital management risks that could otherwise affect our financial performance, operational capabilities, regulatory adherence, reputation, and brand.

In 2022, HomeStreet was recognized by Newsweek magazine with the “Best Small Bank

in Washington” Award, and we are continually focusing on providing a positive employee experience and workforce culture to make HomeStreet an employer of choice. We actively engage our staff and invest in their future with competitive benefits and compensation packages, and professional development as needed. As a company, we seek to create better lives for our employees with mentorship opportunities, volunteer programs, and health and wellness offerings.

We believe that maintaining and keeping a century-old company renewed requires a diverse team powering a culture of belonging. We seek to build a team and culture that is truly inclusive where our employees feel heard, valued, respected, and encouraged to reach their full potential. We understand our obligation to foster an inclusive environment that embraces differences and that values the contributions of each of our team members.



We believe that a more diverse and inclusive company leads to more engaged employees, creates more effective teams, and fosters greater innovation and creativity, which is why we are passionate about advancing this work.

HomeStreet believes in an inclusive, safe and ethical workplace, as demonstrated within our Code of Conduct, Equal Employment Opportunity Statements, and our other human resources policies. Our human resources policies are designed to comply with local laws concerning employment and individuals' rights in every state in which we operate.

The Company works to maintain an employment environment in which all individuals are treated with respect and dignity. Every individual has the right to work in a professional atmosphere that promotes equal employment opportunities and where illegal discriminatory practices, including harassment, are prohibited. HomeStreet's policies for recruitment, advancement, and retention of employees forbid discrimination on the basis of any criteria prohibited by law, including but not limited to race, sex, age, veteran status and disability. Our policies are designed to ensure that employees are treated, and treat each other, fairly and with respect and dignity.

### **Employee Engagement**

At HomeStreet, we recognize that our employees are what makes us successful. We pride ourselves in having a workforce comprising intelligent, diverse, innovative, and engaged individuals who work hard to achieve company goals in partnership with one another. Our 2021 employee sentiment survey demonstrated an overall strong employee satisfaction for working at HomeStreet. With a 75% response rate, 86% of the responding HomeStreet employees stated they are proud of the work they do at HomeStreet.



# Training and development

HomeStreet does not tolerate non-compliance with our governance and regulatory standards. Through mandatory training, our employees are required to be up-to-date on all compliance obligations.

HomeStreet offers our employees the tools and training to excel at their jobs. In 2022, our Learning & Development team launched a range of trainings to enhance our employees' and managers' skills through online platforms that are easily accessible for employees with visual, hearing, motor, or cognitive differences.

These trainings offer employees the opportunity to enhance their professional and technical skills and provide visibility to various career

pathways within HomeStreet. Training offerings include support for compliance-related needs, job specific skills, personal and professional development, and leadership development. Upon hire, all employees are required to complete general new hire training and role-specific training. Many of these trainings are re-assigned annually to our employees. HomeStreet values and considers the long-term employability of our employees, and strives to prepare our employees for the future by facilitating their acquisition of transferable skills and capabilities.





## Benefits

HomeStreet offers a competitive benefits package to help maintain our employees' and their dependents' wellness. Our benefits and wellness programs include medical and prescription, vision, dental, flexible spending accounts, health savings accounts, commuter reimbursement, life insurance, short- and long-term disability insurance, and an Employee Assistance Program. In addition to traditional benefits offerings, we also support the financial health of our employees through 401(k) participation matching contributions. In December 2022, the HomeStreet Retirement Benefits Committee approved offering investment in a mutual fund that follows a sustainable investing approach under the Company's 401(k) plan.

HomeStreet offers paid time off to all employees to promote life-work balance and overall well-

being, and employees are encouraged to utilize their paid time off vacation. Additionally, HomeStreet has various leave of absence programs to support employees through different times of their lives.

During the COVID-19 pandemic, where possible, HomeStreet pivoted from its traditional office and branch workplaces to a hybrid/remote work setting, empowering employees and managers to discuss new ways of working. We trained line managers to comprehensively evaluate the work being performed, and how and where such work is best accomplished. Notwithstanding the many benefits of working collaboratively in an office setting, we appreciate that flexible working options have been shown to improve life-work balance and support the overall well-being of employees.





## Diversity, Equity, and Inclusion

# DEI



DEI is important at HomeStreet. Diversity includes differences in individual characteristics such as race, ethnicity, sex, gender, sexual orientation or identity, disability, religion, age, national origin, military or veteran status, marital status, religion, use of service animal, and other characteristics protected or mandated under applicable law. Diversity also includes differences in backgrounds, experiences, perspectives, thoughts, interests, and ideas. Inclusion means that all employees have opportunities to be heard and involved at work and to collaborate, contribute, and grow in their careers. HomeStreet employees are expected to treat each other fairly and impartially and we provide equal opportunities that are reasonable for all individuals to achieve company objectives.

HomeStreet continues to focus on enhancing the diversity of our organization and having inclusive culture where our employees feel heard, valued, respected, and encouraged

to reach their full potential. We do this by heightening our cultural competence, stimulating conversations, and providing the space for all of us to take collective steps in creating a culture of mutual respect that embraces individual differences and reflects the customers and communities we serve. As we continue building an inclusive workplace that reflects the diversity of our customers and communities, it's important to us that our diversity and inclusion continues to be part of the model we embrace each day.

We support the protection of the rights of individuals who have been historically disadvantaged in the workplace and in society, including the rights of women, individuals from underrepresented ethnic/racial backgrounds, people with disabilities, and individuals who choose to express their sexual orientation or identity. When these values intersect, we will seek to balance competing considerations in a fair and non-discriminatory way. We strive



to create a workplace culture that values and promotes diversity, inclusion, equal employment opportunities that are reasonable, and a work environment free from harassment and hostility.

This may include:

Applying reasonable principles of equality to achieve equal employment opportunities for qualified individuals of all backgrounds.

Attracting, recruiting, retaining, engaging, supporting, developing, and advancing diverse employees.

Ensuring that HomeStreet includes in its applicant pool at least one woman and/or underrepresented member of the population for any posted Senior Vice President, Executive Vice President of Board positions, if possible.

Promoting respectfulness, cultural awareness, and inclusivity by fostering a collaborative work environment in which all employees are given opportunities to participate and contribute; and empowering employees to express themselves, exchange ideas, and feel heard in a psychologically safe environment.

We believe that people should receive equal pay for equal work, without regard to gender, race, or ethnicity, and we are dedicated to compensating our employees fairly and equitably. HomeStreet will continue to comply with all applicable laws, including, among

others, those related to recruiting and hiring, employment and employer obligations, and data privacy. HomeStreet recognizes that we must continue to challenge ourselves to uphold these values. We are committed to evaluating our programs and adapting or introducing new initiatives as our diversity and inclusion goals evolve.

### DEI Training

As part of HomeStreet's commitment to diversity, equity, and inclusion, every employee participates in diversity, equity, and inclusion training. Our focus is to educate our employees on the fundamentals of diversity, equity and inclusion, and to help employees recognize the benefits gained from understanding others' perspectives and backgrounds and the importance of encouraging psychologically safe environments where our employees can bring their authentic selves to work every day.

HomeStreet has expanded our employee learning resources to increase awareness around diversity, equity, and inclusion within our employee population. This extends to our community affiliations to help us grow our talent pipeline and to improve our management advancement efforts. HomeStreet requires diversity, equity, and inclusion coursework at the time of hire and then annually for all employees. Our Learning and Development Team embedded diversity, equity, and inclusion elements in much of our curricula and, where appropriate, diversity, equity and inclusion concepts are being strategically added to enhance new or existing courses.

HomeStreet's DEI training program seeks to deepen our culture while enhancing broader awareness and support of individuals' social identities.



# Diversity of leadership

HomeStreet has long valued diversity in all areas of the Company – from its front-line managers to its executives and Board of Directors. This focus on diversity includes efforts to recruit, develop, and retain diverse leadership. We believe the diverse perspectives and experiences of members of our leadership make us better financial partners for our customers. From the bottom up and top down, HomeStreet strives to educate, engage, and communicate fostering inclusivity so that employees feel heard, valued, respected, safe and empowered.

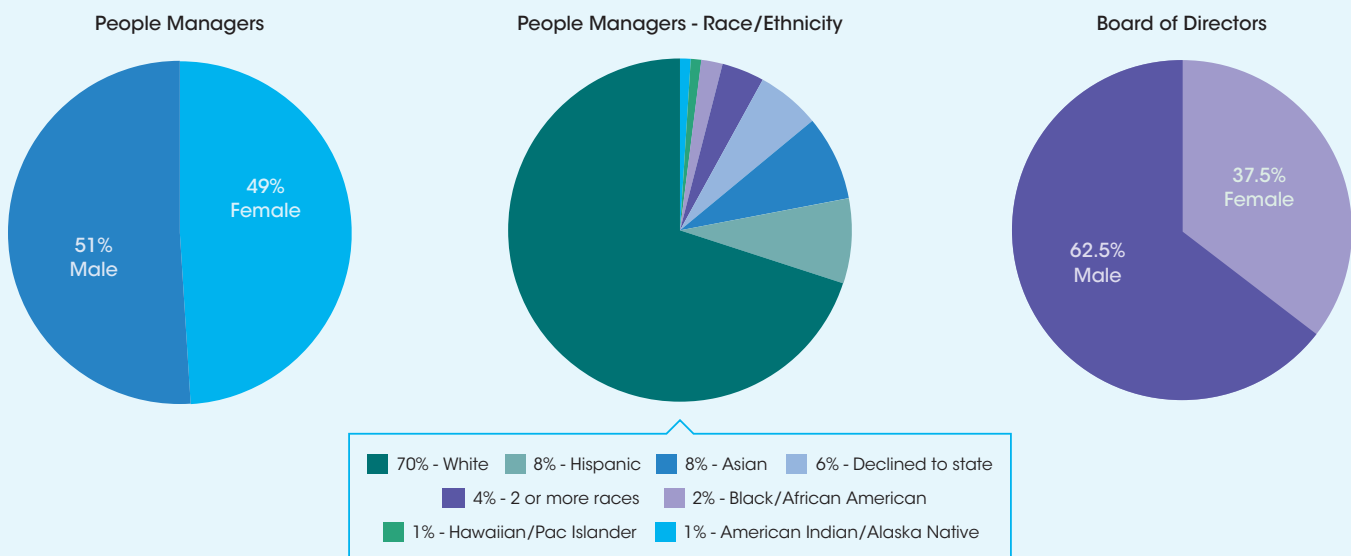
As of December 31, 2022, 49% of HomeStreet’s people managers identified as female and 51% as male. Approximately 70% of our people managers identified as white, 8% identified as Hispanic, 8% identified as Asian, 4% identified as two or more races, 2% identified as Black or African American, 1% identified as Native Hawaiian or Pacific Islander, and 1% identified as American Indian or Alaska Native. 2% of

our people managers disclosed former military service.

As of March 31, 2022, of the eight members of our Board, 37.5% identified as female and 62.5% as male, and 12.5% identified as African American or Black.



**Joanne Harrell**, Director, Board of Directors  
**Godfrey Evans**, EVP, General Counsel, Chief Administrative Officer & Corporate Secretary





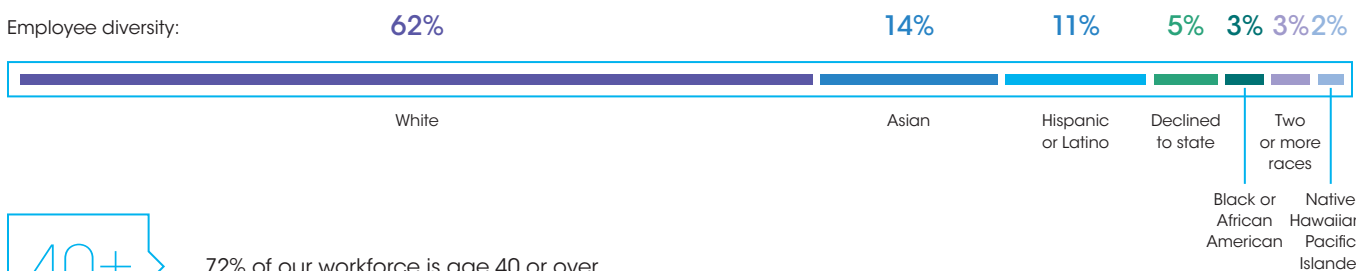
# Workforce diversity

Across the Company, we are focused on increasing a diverse population of employees, fostering a culture of inclusion and belonging, and promoting equity through our community partnerships. HomeStreet celebrates the diversity of the Company’s entire workforce and is proud of the work we have done to increase diversity in hiring. The information provided below is as of December 31, 2022.



Employee breakout:

- 62% Female
- 38% Male



- 40+ 72% of our workforce is age 40 or over
- 4% of our workforce identify as individuals with disabilities
- 2% of our workforce identify as United States veterans

94% of the Company’s employees were full-time and 6% part-time. Our employees are primarily located in California, Washington, Oregon and Hawaii.



# Employee Resource Groups

In 2021, HomeStreet employees launched Employee Resource Groups (ERGs). Employee Resource Groups (ERGs) are employee-led groups aimed at fostering a diverse, inclusive workplace aligned with our organizational mission and values. ERGs are participated in and led by employees who share a characteristic or a common interest. These might include commonalities such as gender, race, sexual orientation, or geography. ERGs are open to anyone who may be interested. In 2022, HomeStreet employees initiated 4 ERGs: African American, Latinx, Women, and Pride.



## EMPLOYEE RESOURCE GROUPS

AFRICAN AMERICAN ■ LATINX

WOMEN ■ PRIDE



As an out and proud member of the LGBTQ+ community, I've always sought a career that supports my rights as a human with an employer who believes in my career/personal growth. For the past 8 years, HomeStreet Bank has been that place for me, and I couldn't be happier. As a member of the Culture Committee and the Pride Employee Resource Group leader, I've had the honor and privilege to be one of many leaders who organize and put on the Seattle Pride Parade, held annually in late June. With over 300,000 parade-goers and 200+ participating groups, HomeStreet Bank has been a Bronze Sponsor of the parade since 2015.

The Seattle Pride Parade is my favorite Bank sponsored event of the year. I really enjoy bringing people together for a day to celebrate love, community, and equality. After months of preparation and hard work, the reward for me is to see the smiling faces of employees, family and friends walk down the street packed with cheering crowds with rainbow painted faces.

HomeStreet Bank's participation in the Seattle Pride Parade demonstrates our unwavering support of diversity, equity, and inclusion in the workforce and the communities we serve. As we head into 2023, I look forward to our involvement in the Seattle Pride Parade again.

**Nathan Messerschmidt (he/him)**  
Ballard Branch Manager

## Recruiting diverse talent

HomeStreet's Human Resources organization has built strategic partnerships with multiple organizations to deliberately continue to grow diverse representation at HomeStreet. By collaborating with key organizations that align with HomeStreet's core values and support our business objectives, we are building a more diverse workforce. In 2022, HomeStreet Bank participated in career fairs that were designed to support job applicants who may be part of traditionally underrepresented groups or who may be members of diverse groups.

As a company, we recognize that creating a diverse workforce and inclusive culture is critical to attracting, developing, and retaining top talent. Each year, HomeStreet focuses on increasing diversity through hiring opportunities for veterans, individuals with disabilities, ethnic minorities, and women, particularly in senior roles where recruiting diverse candidates is more challenging. In addition to posting all job openings on our career website, we also post all job openings with a technology solutions provider focused on diversity outreach and partnerships with companies to ensure positions are posted on niche websites intended to attract candidates who identify as veterans, individuals with disabilities, and various state employment security departments in the areas where we operate.

In light of the growing competitive market for trained diverse talent, HomeStreet has made a strong commitment to fund and help train diverse candidates. Our relationships with Washington State BankWork\$ and JVS Southern California BankWork\$ have provided outstanding diverse candidates for our Retail Banking Division. BankWork\$s' free 8-week bank training program for low-income and

diverse communities provides banking training and placement services with local banks and credit unions.

In addition, HomeStreet Bank's recruiting and marketing teams collaborated to feature a "Job of the Week" and provide other seasonal recruiting advertising on such topics as Disability Employment Month in October and Veterans Hiring Month in November.

HomeStreet strives to be proactive in increasing representation of underrepresented employee populations in our workforce, re-evaluating the effectiveness of events over time and remaining open to alternative strategies moving forward with the goal of representing all our communities.





## Access and Affordability

# Community success is our success

We believe each customer contact is more than a transaction—it is an opportunity to build the long-term value of the relationship on a foundation of knowledge, respect and trust. We strive to make it easy to do business with us and to provide products and services that customers need. We keep our promises and do the right thing while providing exceptional service to our customers.

At HomeStreet, we aim to exceed expectations by providing superior customer care. Our personal style of banking means we focus on our customers and their goals. In fact, we're bankers who pride ourselves on knowing our customers by name. This level of service is why we're one of the select few companies who have been serving the financial needs of our community members for more than one hundred years. And we're proud to have recently been ranked one of the best banks in the nation by Bank Director and Newsweek magazine and MortgageCX 2022 Best-In-Class Lender.

HomeStreet is successful when the communities we serve are successful. Our history and future are interwoven. For more than 100 years, we have lived in, worked in, and helped build our neighborhoods. And utilizing the power of capital to build equitable communities is the best way we can ensure long-term success for HomeStreet and its neighbors.

As a West Coast-based regional bank, the relationships we form with the communities we serve are central to fulfilling our mission and purpose. We seek to cultivate inclusive growth by investing in our communities — individuals, families, and businesses — and creating more opportunities for everyone to achieve their financial goals.

Across our banking and lending teams, we work to increase access to capital by providing access to banking services and loans designed to ultimately benefit low- and moderate-income (“LMI”) individuals. HomeStreet serves customers that are of diverse economic levels with a variety of loan programs and our partnerships with many community organizations that help all of the members of our communities gain access to vital banking services and products.

We believe that focusing on our ESG priorities, which complement our values and expertise, allows us to best serve our communities. By supporting initiatives where we feel that we can have a meaningful impact, we believe that we are well-positioned to continue doing more today and into the future.



# Banking products for everyone

## BankOn – Checking Accounts for those without Banking Relationships

We are committed to assisting customers in managing their financial wellness and are a proud member of the BankOn coalition. BankOn programs provide banking services to members of our communities who have had checking or credit problems in the past or are “unbanked” – defined as those that do not have checking accounts or other bank accounts. Most unbanked individuals utilize non-bank transactions and credit services such as check cashers and pay-day lenders, for which they pay hundreds of dollars in fees every year. The BankOn program works to connect people to safe and affordable financial products and services, giving them access to resources that help lay a solid foundation for banking and financial empowerment.

Since 2008, HomeStreet has offered our BankOn checking account. This account type is specifically designed for unbanked/underbanked or “second chance bank account” customers. Our BankOn program provides customers with a checking account, usually with a minimum opening deposit of \$25, with checks and a debit card that cannot be overdrawn at an ATM or point of sale withdrawal. There are low monthly fees, and no overdraft or insufficient funds fees.

HomeStreet employees are actively involved in local BankOn programs in King County in Washington State through which participating financial organizations offer services and educational resources that help empower people and families to improve their financial capability, health, and independence. HomeStreet Bank employees have provided leadership service for the King County BankOn program.

During 2022, HomeStreet opened 48 low-cost checking accounts through the BankOn program, with a total of 376 accounts held by these customers at the end of 2022.

## Community Partner Checking Accounts

HomeStreet Bank understands the unique needs of non-profit organizations because we have special relationships with hundreds of various types of non-profits across our footprint - educational, faith-based, and environmental charities and foundations. Our community involvement gives us a deep understanding of how our banking solutions can save non-profit organizations time and money. HomeStreet Bank has a retail banking program specifically designed to meet the needs of community non-profit organizations that frequently find that typical individual and business accounts do not meet their needs. At the end of 2022, the Bank held over 3,000 accounts for non-profit organizations.





# Lending to build stronger communities

## A letter from Ken Steiner, former Loan Officer at HomeStreet Bank

I have just retired after a 32-year career as a residential loan officer at HomeStreet Bank. I can't imagine working for any other bank. When I joined, HomeStreet was known as Continental Mortgage and was privately-owned by the Williams family, legendary for their community involvement. Both the founder of Continental and his son received the Seattle-King County First Citizen Award. Before First Time Home-Buyer classes were commonly given by banks, a granddaughter of the founder, Kathy Williams, encouraged me to teach classes at the Douglass-Truth Library in Seattle's Central District. A few of those attendees bought homes in the neighborhood, and now have \$1,000,000 in equity. I wish I had closed a lot more of those loans!

I was amazed that when new leadership was brought in, and HomeStreet became a publicly-traded company reporting to investors on Wall Street, the history of community involvement not only continued, but intensified. HomeStreet encourages all its employees to volunteer for organizations of their choice, and backs us with

generous donations. I have been on the board of the Rainier Valley Community Development Fund, a CDFI that lends to businesses in the Rainier Valley of South Seattle. HomeStreet has supported my work with this community lender with close to \$100,000 in donations, through checks I presented at the Fund's annual meetings, and with the proceeds of a charity golf tournament. I have also served on the board of Seattle Repertory Jazz Orchestra, to which HomeStreet also made generous contributions.

Fair lending and reaching out to the underserved have always been hallmarks of HomeStreet Bank. They have supported my efforts to help build communities 100%. "We do well by doing good," and I am grateful to HomeStreet for being such a great place to work.

Ken Steiner

"We do well by doing good."



# Building business in our communities

## SBA Lending – Supporting Small Businesses

Partnering with small businesses to create jobs, build our communities and develop our economy is at the core of HomeStreet’s business model as a community bank. Small businesses generate sustainable growth, keep money circulating through the economy and create new opportunities for community members. Small businesses are the economic engines of our local communities, and we work to connect them with a variety of specialized tools and products. We work directly with each customer to understand their unique needs and provide them with relevant, useful products that will help them manage and grow their business. By meeting the specific needs of each community, and finding great partners to do so, we help our communities grow.

Small business owners can struggle to grow due to a shortage of capital or lack of financial experience. HomeStreet helps small businesses bridge these gaps through a mix of commercial banking products tailored to the needs of our local businesses.

The U.S. Small Business Administration (“SBA”) furthers the growth and development

of small businesses by guaranteeing small business loans made through lending partners nationwide. HomeStreet is proud to be an SBA Preferred Lender. We assisted our customers through this partnership by providing federally guaranteed loans for small businesses through the SBA’s Paycheck Protection Program (PPP). In 2020 and 2021, HomeStreet disbursed over \$456 million in PPP loans, with 92% of total PPP loans (by dollars) being forgiven through the end of 2022.

HomeStreet also shows support for small businesses and community cultivation through our investments. As part of our investment strategy in response to the Community Reinvestment Act (“CRA”), we invest in Small Business Investment Companies (“SBICs”), which are privately owned and managed investment funds licensed and regulated by the SBA. SBICs use their own capital to make debt and equity investments in small, independently owned and operated businesses. For the year ended December 31, 2022, HomeStreet made 191 CRA-eligible loans to small business and small farms, with a total value of \$61.9 million and 11 CRA-eligible loans for community development, with a total value of \$93 million.



# Community development lending

HomeStreet provides community development loans (“CD Loans”) in underserved locations to support local initiatives for LMI individuals and families. The volume and purpose of our CD Loans are strong indicators of our commitment to community reinvestment. CD Loans are \$1 million or larger, the proceeds of which serve affordable housing, community services, and/or economic development purposes. The majority of the CD Loans provided by HomeStreet support affordable housing initiatives.

## HomeStreet Bank’s Affinity Program

HomeStreet Bank’s Affinity lending program provides the employees of over 180 public- and private-sector partner organizations with no-cost comprehensive financial education, reduced closing costs, and down-payment assistance programs. Since 1994, this program has helped thousands of first-time homebuyers and low- to moderate-income employees of its partner organizations to become homeowners.

The Affinity program enables homebuyers to purchase homes and refinance mortgages at lower cost due to the reduction in closing costs. HomeStreet partners with non-profit housing organizations to provide in-depth credit

and budget counseling and down payment assistance programs.

In 2022, approximately 22% of the borrowers in our Affinity program had incomes of less than 80% of the local median income, 12% were first-time homebuyers, and \$1.2 million of down-payment assistance was utilized.

## Washington Community Reinvestment Association - Affordable Housing Consortia

Another component of HomeStreet’s commitment to community development lending is lending to consortiums. Since 1992, HomeStreet has participated in the Washington Community Reinvestment Association (“WCRA”) loan pools for community development. The WCRA endeavors to expand resources for the creation and preservation of real estate based community development in Washington State and for the financing of non-real estate based loans to emerging nonprofits without access to traditional banking. The WCRA provides shared-risk loan pools delivering a renewable source of permanent financing for small affordable housing projects. In 2022 our total investment in the WCRA was \$1.7 million.



# Enabling home ownership



In 2022, HomeStreet provided **62 loans** totaling **\$16.9 million** for home purchases and home refinances to borrowers for residences in LMI census tracts.

We recognize that homeownership is a key component in wealth building for the communities we serve. Through clear terms and sound information, we help our customers determine if homeownership is right for them, obtain a loan to fit their budget, and make an informed decision. We focus on the right fit for each borrower and offer an array of mortgage products that are helpful for first-time home buyers and LMI families and individuals.

In 2022, HomeStreet provided 62 loans totaling \$16.9 million for home purchases and home refinances to borrowers for residences in LMI census tracts.

We participate in special programs which are designed to assist LMI individuals and families purchase a home. In addition to the full range of standard Federal Housing Administration (“FHA”), Veteran Affairs (“VA”), Rural Housing, and conventional loans (both fixed and adjustable rate) that HomeStreet provides to its customers, we provide the following programs

which benefit low- to moderate-income customers and communities.

## 1 - State Housing Agency Programs

HomeStreet offers state housing and other government agency loan programs for first-time homebuyers. Loan programs offered through state agencies are typically below-market interest rate loans that also allow low down payments when combined with FHA, VA, United States Department of Agriculture, Fannie Mae HFA Preferred or Freddie Mac HFA Advantage loans.

In Washington State, HomeStreet offers the Washington State Housing Finance Commission bond program, House Key Opportunity as well as Home Advantage, a non-bond program consisting of a first mortgage and second mortgage down-payment assistance loan. Home Advantage also offers a “Needs-Based Option” deferred payment second mortgage with 1% interest for a higher amount of assistance. We also offer the Home Advantage product at



high-balance loan amounts, giving us the ability to serve customers in our high-cost footprint who still meet income limits.

In Oregon, HomeStreet offers the Oregon Housing and Community Service’s State Bond program to our customers and service those loans. The Oregon State Bond program features down payment assistance programs called Cash Advantage and Rate Advantage. These programs give borrowers the option of reduced rates or 3% cash assistance in combination with Conventional, FHA or USDA financing. We also acquire Oregon Bond loans on a limited correspondent basis and retain the servicing on these loans.

Also in Oregon, we offer a conventional loan program to veterans through the Oregon Department of Veterans Affairs. The program offers competitive rates versus VA-insured loans, as well as allowing common-sense credit analysis and flexibility for loans at 80% loan-to-value and below (above 80%, private mortgage insurance requirements prevail).

In Idaho, through the Idaho Housing and Finance Association (“IHFA”), we offer the IHFA Advantage and IHFA First Loan programs. IHFA First Loan is specifically designed for LMI first-time homebuyers or those looking to purchase in targeted counties. Household income limits for the First Loan program are lower than for the Advantage program. Either program can be combined with one of three different second mortgage products: the IHFA Second Mortgage, the IHFA Forgivable Grant, or the IHFA HOME silent second. HomeStreet uses these programs on their own and in conjunction with other programs to assist LMI homebuyers. We also offer the IHFA Advantage Preferred No MI and Lo MI programs, which offer reduced or no mortgage insurance coverage up to 97% financing.

## 2 - Department of Hawaiian Home Lands

HomeStreet has been a significant lender for the Department of Hawaiian Home Lands (“DHHL”) for two decades. This is a state governmental program that enables eligible native Hawaiians to become homeowners and is very complicated for lenders. These are leasehold properties with very specific purchase qualifications for the borrowers.

In Hawaii, HomeStreet staff work extensively with the DHHL on the islands of Oahu, Hawaii, and Maui, as well as some of the smaller islands. In addition to originating loans for this program, HomeStreet employees teach classes, participate in orientation sessions, counsel applicants and borrowers, and review applications. There are several different DHHL programs that can be used. In some cases, the borrowers purchase homes in DHHL “turn-key” projects, and in others, the borrowers buy an individual lot on which they build their home. In the latter case, HomeStreet offers our “One-Step” program, through which the borrowers qualify for one loan that encompasses both the construction loan and permanent loan. We use a variety of loan programs to assist applicants in purchasing their homes.

Two of the loan programs that we use are specifically for DHHL:



These loans require a 3.5% down payment and an upfront 3.8% MI premium; refinancing is allowed.



This loan program only requires a 2.25% down payment and a 1% guarantee fee but will not allow rental income or a refinance.



HomeStreet Bank is the only DHHL lender in Hawaii to offer a one-step construction loan and FHA 203(k) loans.

### 3 - Mortgage Credit Certificate Program

A Mortgage Credit Certificate (“MCC”) entitles qualified homebuyers to reduce the amount of their federal income tax liability by an amount equal to a portion of the interest paid during the year on a home mortgage. This tax credit allows the buyer to qualify more easily for a loan by increasing their effective income. This program is for a first-time homebuyer’s primary residence, and there are restrictions as to the income of the homebuyer and the price of the home purchased. Currently, HomeStreet offers MCC programs in California, Hawaii, Idaho, and Oregon.

### 4 - Fannie Mae HomeReady Home Buyers Program

HomeReady is Fannie Mae’s affordable, low down payment mortgage program for LMI borrowers. Income limits apply but expanded income eligibility is available for homes in low-income communities. Pricing is also significantly improved for higher credit quality, with risk-based price adjustments waived with an over 680 credit score and less than 20% down. HomeStreet offers all the income and qualifying flexibilities of HomeReady, including rental income from accessory dwelling units, boarder income, and ability to use non-borrower household income as a mitigating factor for higher eligible debt ratios. Applicants are required to attend a special home buying class. Additionally, HomeStreet offers lender-paid mortgage insurance (LPMI) for loans with less than 20% down on these programs, allowing the borrower to close without having to pay a private mortgage insurance premium.

### 5 - Freddie Mac Home Possible Mortgages

Home Possible is Freddie Mac’s program for LMI borrowers looking for low down payments and flexible sources of funds. Financing is available up to 97% with the Home Possible Advantage Fixed Rate program, limited to 1-unit properties only. Homebuyers looking for adjustable rate mortgages or 2-4 unit properties have access to the standard Home Possible program up to 95%. HomeStreet also offers lender-paid mortgage insurance for loans with less than 20% down on these programs, allowing the borrower to close without having to pay a private mortgage insurance premium.

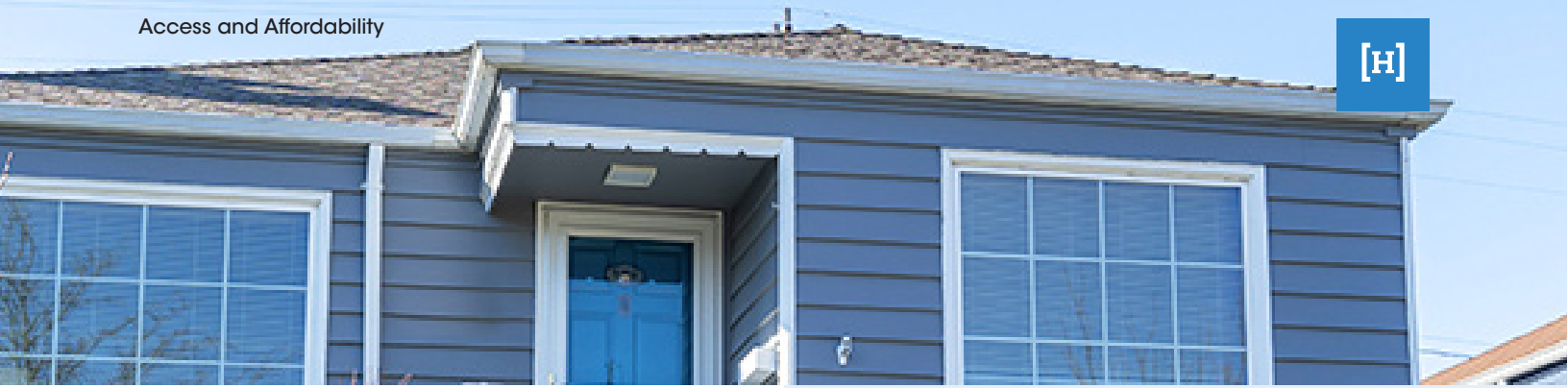
### 6 - USDA/RHS Program

This program is available in all of the states in which HomeStreet lends to LMI households. Borrowers must meet specific income guidelines, and properties must be within a USDA eligible rural area. The maximum loan-to-value ratio can be 100% of appraised value or the cost of acquisition, whichever is less. USDA Rural Development defines the cost of acquisition as the sales price plus the guarantee fee plus closing costs. Based on the definition of the cost of acquisition, the loan amount can be more than the contract sales price. An MCC can be used in conjunction with this program if the loan meets all the requirements for both the MCC and USDA Rural Development programs.

### 7 - Fannie Mae HomeStyle Energy

This program supports homebuyers and homeowners looking to improve the energy efficiency of their homes, and helps them save money in utility payments and protect their communities. This program can finance energy-related renovations up to 15% of the property value when combined with a HomeStyle Renovation loan or the funds can





be used to pay off a property assessed clean energy (PACE) lien for completed energy-related improvements. The program is available for stick-built properties and manufactured homes. For loans requiring manual underwriting with Fannie Mae, debt-to-income ratio flexibilities are available for properties with a high enough Energy Score from the Department of Energy.

#### **8 - Community Second Mortgage and Grant Programs**

HomeStreet works with many community programs that provide second mortgages for qualifying homebuyers. In most cases, the homebuyers must have low-to-moderate income. Many of these programs are limited to a specific geographic area and have other requirements for the homebuyers. In some cases, the loan is interest-only for a period of time, and in other programs, the second mortgages are repaid at the time of the home being sold or when the borrower is no longer living there. Usually, the borrowers are required to complete a homebuyer's class prior to closing. HomeStreet provides the first mortgage which may be a state bond, FHA, VA, or conventional loan, based on the requirements of the program.

#### **9 - Community Land Trusts**

To preserve affordable housing for LMI households, many communities are forming community land trusts to own land that they will lease at affordable prices. The community land trust grants LMI households the right to use the land and improvements. HomeStreet utilizes this program in conjunction with

Fannie Mae community programs, such as HomeReady, as well as with programs available through the Washington State Housing Finance Commission. Down payments and minimum required borrower contributions are based on the program selected, and Community Land Trusts must be approved by Fannie Mae. Some of the community organizations with whom HomeStreet has worked include Proud Ground in Portland, Oregon, Homestead Community Land Trust in Seattle, Washington, Housing Resources of Bainbridge on Bainbridge Island, Washington, and Na Hale O Maui in Hawaii.

#### **10 - Federal Home Loan Bank of Des Moines HomeStart Program**

The Federal Home Loan Bank's ("FHLB") HomeStart program matches the amount borrowers save for a down payment at the rate of three to one. Borrowers work with a lender to set up a special savings bank account into which they make regular deposits. When they are ready to purchase a home, the grant from the FHLB, based on the amount saved in the borrower's account, can be used for closing costs and the down payment.

#### **11 - NeighborWorks America's Neighborhood Let's Invest for Tomorrow (LIFT) Program**

Neighborhood LIFT is a down payment assistance program available in the Seattle, Washington area and the state of Idaho, funded through a partnership between the Wells Fargo Foundation and NeighborWorks America. The program provides up to \$7,500 per homeowner, which can be applied to down payments or used for closing cost assistance. This second

mortgage can go behind any Fannie Mae, Freddie Mac, FHA, or VA first mortgage and is conditionally forgivable after 3 years. Flexible plans are available for active military, reservists, and veterans. Income limits apply.

### 12 - NeighborWorks America's Project Reinvest Program

Project Reinvest is a NeighborWorks America program providing down payment or closing cost assistance in the form of a no-interest second mortgage. This program is available in Washington State and Oregon. Down payment assistance can be used in conjunction with Conventional, FHA, VA, USDA, HomeStyle, and Washington and Oregon state agency first mortgage programs. Community Land Trusts are also eligible. Household income cannot exceed 100% of Area Median Income.

### 13 - FHA Loans for Disaster Victims

HomeStreet offers FHA's 203(h) program for victims of Presidentially Declared Major Disaster Areas (PDMDA). This program allows up to 100% financing for victims of a PDMDA, both homeowners and renters who have lost their primary dwellings. Credit and documentation flexibilities are available for those who lost customary qualifying documentation in the disaster (such as copies of tax returns). HomeStreet also offers a 203(h)/203(k) hybrid program for homeowners wishing to rehabilitate their residence that was impacted by the disaster or purchase a new residence that requires rehabilitation work. HomeStreet is dedicated to serving populations affected by natural disasters, and our rates for this FHA program are lower than for standard FHA 203(b) loans.

### 14 - Discounts on Electric Car Financing

HomeStreet is committed to supporting renewable energy efforts. The Company is

encouraging customers to go green by offering a rate discount of 25 basis-points for any auto loan that finances a new or used electric vehicle. Electric vehicles produce lower greenhouse gas emissions compared to conventional cars and this discount program is part of HomeStreet's commitment to environmental sustainability.

### 15 - Helping Homeowners during the Pandemic

Helping customers to stay in their homes and small businesses to avoid foreclosures are priorities at all times. During COVID-19, we redeployed staff to handle a massive volume of calls from customers experiencing pandemic hardship. We went above and beyond government mandates by providing forbearances, deferments and loan modifications on thousands of mortgages and business loans, both conventional and government-backed. Once we addressed the initial surge in need caused by the pandemic, we then shifted to providing permanent relief, such as deferments and loan modifications for customers who regained financial stability in 2022. We waived late fees and suspended adverse credit bureau reporting on our consumer book and overdraft recoupment opportunities.



# Multifamily lending

## Investing in Affordable and Workforce Housing

Affordable, stable housing is essential for individuals to thrive and meaningfully contribute to a healthy and robust community. HomeStreet's Multifamily Lending team partners with real estate owners who purchase, build, renovate, operate, and preserve multifamily affordable and middle-income rental housing.

There is a widely-acknowledged nationwide lack of affordable and workforce housing, and HomeStreet is focused on being part of the solution to this problem. Overcoming this challenge requires long-term commitment from both the public and private sectors, and HomeStreet is dedicated to supporting multifamily borrowers and renters in need and expanding financing for affordable housing.

HomeStreet has a commercial real estate team dedicated to financing workforce and affordable housing from construction and bridge loans to permanent loan mortgages. In 2022, HomeStreet provided \$81.5 million in financing to 4 multifamily projects for median- and low-income residents, of which \$25.5 million was for a senior housing development for low-income residents.

Additionally, HomeStreet supports the preservation of existing and the creation of new affordable housing units outside our portfolio. We have recently invested funds that will be used to acquire and preserve affordable housing units across the country. We support efforts for collaborative partnerships between private operators and governments to build additional affordable and workforce housing units.



Legend Oaks Gated Community is a 216-unit gated multifamily property in Kansas City, KS. Under Fannie Mae standards, the property is 100% Mission-Driven with 100% of the units below 80% AMI ("Low" Income) and 99% of the units below 50% AMI ("Very Low" Income).

HomeStreet's financing has provided funding for significant repairs to the property, with all units renovated to include new cabinets, flooring, and appliances, more efficient HVAC, and hot water heaters. The rehabilitation included new decking, windows, siding, roofs and repaving and, as the safety of the residents is paramount, new security cameras.

In addition, the property was upgraded with the renovation of the clubhouse/fitness center, pool and pool equipment, and the addition of a dog park, fitness center and sports area (soccer field and volleyball court).



## Data Security— Privacy and Confidentiality



# Privacy and confidentiality

Protecting the privacy and security of personal information entrusted to us is a top priority at HomeStreet. We value the trust given by those who choose to provide us with their personal information and understand the commitment to maintain that trust.

We are transparent with our customers and employees about the information we collect, who we may share their information with, and how we use their information to service their needs. Comprehensive information security and data privacy programs have been established to set the expectations that we do not share personal information with other financial companies for their marketing purposes, nor do we share information about our customer's creditworthiness to non-affiliates or allow non-affiliated organizations to market to our customers. Further information, including our privacy and security policy, can be found on our public website at [homestreet.com/privacy-policy](https://homestreet.com/privacy-policy).

HomeStreet has a dedicated Privacy Program that monitors ongoing data privacy risks and focuses on the privacy and protection of personal information. Our Chief Technology & Security Officer ("CTSO"), and team of information security engineers and analysts, are engaged in the design of and implementation of new and changing products, services, and technologies, and they monitor third-party adherence to the Privacy Program. They partner closely with our Compliance and Legal teams to ensure appropriate controls are in place over personal information, to monitor new and emerging privacy laws, and to implement timely solutions when these laws introduce new requirements or privacy rights afforded to individuals. Our information security team

also conducts privacy risk assessments on an annual basis to complement its ongoing monitoring. Our internal audit function performs annual information security audits to verify that the Company's information security practices comply with the Gramm-Leach-Bliley Act ("GLBA"). On a quarterly basis, the CTSO presents a Cybersecurity Update to the ERM, providing additional oversight on our Privacy Program and our management of privacy risks.

## Cybersecurity

Cybersecurity is a priority ESG topic for HomeStreet. As a highly regulated entity, subject to periodic privacy and cybersecurity reviews by federal and state regulators, in the event of a data security incident, we maintain an Enterprise Incident Management ("EIM") program that, among other things, coordinates internal and external responses to cyber or data security incidents. The EIM program includes communication plans and processes to comply with applicable laws and applicable regulatory and contractual requirements, which also supports notification to affected customers, employees, and other individuals impacted by the events.

We leverage numerous safeguards and defensive capabilities, including continuing education for all employees on proper cybersecurity practices, advanced anti-malware technologies, and regular security testing to prove our defenses against real-world threats. HomeStreet continually assesses best-practice technology control frameworks and incorporates updates to internal control plans to protect data based on risk assessments.



Our control environment includes, but is not limited to, the following:

- Information security policies and procedures that are regularly updated and communicated to employees for compliance.
- Annual assessments reviewing critical risks, including risks specific to financial services, probability of a threat occurring, existing control effectiveness, business impact analysis, and remediation plans.
- Data retention and destruction policy governing all electronic and physical records.
- Data protection controls through defense-in-depth programs.
- Frequent risk reviews of third parties with access to company-sensitive information.
- Employee education, including annual cybersecurity awareness trainings.
- Encryption of data in-transit and at-rest.
- Continuous scanning of the network for vulnerabilities and remediation of identified vulnerabilities.
- Access controls to data so that employees are only granted access to information necessary to complete their job.

HomeStreet partners with federal agencies, local law enforcement, and third-party cybersecurity threat intelligence services to continually monitor for up-to-date information on current and emerging issues and risks.

HomeStreet has a detailed cyber security incident response plan (“CSIRP”) should the Company be attacked through the internet or other electronic means. The CSIRP defines roles that identified employees and leaders have and how they will proceed and coordinate with each other in the event of a cyber-attack. Our Technology and Leadership teams have practiced their responsibilities under our incident response plan. Our data security teams regularly conduct internal and external penetration tests to identify and remediate vulnerabilities. HomeStreet has a SOC2 Type 1 report detailing our current systems and controls in place. The report details the suitability of the design of our controls.

HomeStreet maintains an insurance policy for cybercrime or related occurrences to cover information and privacy liability, business interruption, cyber extortion, website media content, and regulatory defense.

HomeStreet’s cybersecurity program is aligned to the National Institute of Standards and Technology Cybersecurity Framework. We comply with all applicable regulations protecting consumer privacy, including the collection, processing, storage, disposal, use, transfer, retention, and disclosure of Personally Identifiable Information (“PII”), and we comply with provisions that, with limited exceptions, give consumers the right to prevent use of their PII and disclosure of it to third parties. The GLBA and various state privacy laws, notably the California Privacy Rights Act, require us to disclose certain information sharing practices

and any subsequent changes to such practices to consumers, and provide an opportunity for consumers to opt out of certain sharing of their PII.

All our employees serve as a critical first line of defense against cyber threats. Every HomeStreet employee is required to successfully complete an annual training program that includes coverage of cybersecurity, physical security, fraud, anti-money laundering, and customer identification. This training program is mandatory so that every employee is informed and prepared to safeguard customer information.

If a data breach has a material impact on HomeStreet and our business, it would be reported in our public filings and as required by regulations and our contractual obligations.

Due to our focused efforts on protecting client information, to our knowledge, in 2022 HomeStreet did not experience any known data breach to our systems or incurred any material expenses due to cybersecurity incidents, including with respect to penalties and settlements. We understand that cyber

threats are unwavering in this digital age, and because of that we continue to invest in people, technology, and business partners to help us maintain our customer's and employees' confidence in our ability to safeguard their information and data.

### **Fraud Prevention**

HomeStreet utilizes comprehensive and layered fraud prevention and authentication programs to protect our customers from fraud threats. We invest in monitoring tools and early identification practices to inform us of evolving fraud risks across channels including telephone interactions and online banking. As the industry evolves, so does fraud. HomeStreet is devoted to evolving our fraud prevention practices across our systems and products to protect our customers.

To ensure that our customers are educated about emerging cyber threats and fraud trends, we use multiple communication channels such as email, branch signage, online banking messages and social media channels to inform customers about how to best protect themselves.





## Social Responsibility

# HomeStreet has a spirit to serve



HomeStreet maintains a commitment to dedicating time, talent, resources and contributions to support the communities where we live and work. We support our customers in the causes that hold meaning for them in their communities. We form alliances and within our communities and workplaces with a spirit to support, serve and learn from each other.

HomeStreet is dedicated to helping to build a diverse, equitable, inclusive, and sustainable future for groups and individuals who may be impacted by our business and whose actions touch our business. We strive to develop stronger relationships with our stakeholders

and to engage them in discussions to better understand their priorities, issues and concerns.

Service to our local communities was identified as a top ESG priority for HomeStreet by our ESG Management Steering Committee, with a focus on leveraging the Company's ESG efforts to "stay true to our historic foundation of supporting communities at the local level."



# Corporate giving and volunteerism

Our culture of service starts with our employees. We provide growth opportunities and support for the communities in which we live and work. Whether we provide support through corporate giving, financial mentorship, or mobilization in the community, we are passionate about working together for good.

HomeStreet focuses its support on organizations that provide for basic needs like food, shelter, crisis intervention, and public safety. HomeStreet helps more than 320 community organizations, and since 2013, we've given over \$7.5 million in charitable contributions, and over \$1 million in 2022 alone.

## \$7.5 million in charitable contributions since 2013

“At HomeStreet, we believe in supporting our communities, and one of the ways to do that is to get involved in community activities like Home Team Harvest. It's part of our DNA at HomeStreet. We really truly believe that in order for us to provide excellent customer service to our customers, we need to be out in the community and doing things they care about as well. I don't think it takes a lot for each of us to show a little bit of kindness. Let's all wake up and just have a generous spirit about us.”

### Misty Ford

SVP, Corporate Marketing Director

Here are a few examples of the work that HomeStreet does in our communities.



HomeStreet is a sponsor of **Home Team Harvest**, Washington State's largest annual food drive. The Company collected donations of food at its 30 branches in Western Washington. HomeStreet supports food banks and organizations throughout the year in Washington, Oregon, California, and Hawaii.



**Vision House** provides crisis intervention for families experiencing homelessness, including transitional housing in King County, Washington. In 2022, the organization was named as the beneficiary receiving \$50,000 from an annual charity golf tournament hosted by the HomeStreet Foundation, a philanthropic arm of the Bank. Additionally, the Bank donated \$7,500 and over 20 hours of volunteer leadership hours to Vision House.



**Habitat for Humanity** creates affordable housing and supports growth by providing financial education. In 2022, HomeStreet partnered with four Habitat chapters across our footprint, donating a total of \$35,000 and over 80 volunteer hours through employees serving on their local chapter's board of directors or committee.



## Sponsorships and community initiatives

As a community bank, our branches operate under local management and leadership. As a result, many decisions to fund sponsorships and make donations to community organizations are made at the branch level. We look to the leaders in each of our communities to identify the critical philanthropic needs in their neighborhoods, then we support their volunteering and giving strategies from our corporate office. About 75% of the bank's philanthropic budget each year is allocated by this partnership approach.

### Local Community Initiatives

Oftentimes, our most vulnerable neighbors have critical needs. Each branch chooses one or two non-profit organizations working

with low-income communities and identifies opportunities to support those organizations' mission with staff time, financial and leadership expertise, and contributions. In 2022, across our footprint, local staff identified 126 charitable organizations to strategically support, with 82 of these partnerships including leadership services at a committee or board level by an employee.

In Portland, Oregon, our lending manager utilizes both the Community Service PTO and Volunteer Grant programs to support involvement in her child's school, including participation in school field trips where the students learned about native species and removed invasive plants from forested areas.



Bank leadership in San Marcos, California, pose next to donations they gathered for San Diego Food Bank's Peanut Butter Drive.

Five of our California branches hosted food drives to benefit The Jacobs & Cushman San Diego Food Bank. Together, these employees gathered an incredible 1,650 pounds of food, which allowed the food bank to provide 1,300 meals to the 400,000 children, families, active-duty military, and fixed-income seniors that it serves.



Staff from the Queen Anne Helpline star as guest hosts at our branch's Halloween event.



Retail staff in Hawaii present HomeStreet's donation check to the YMCA of Honolulu.

In Seattle, Washington, the Queen Anne Branch hosted a Halloween Trick or Treating event for local customers and invited the Queen Anne Helpline to set up a table at the front door. Queen Anne Helpline prevents homelessness through financial assistance and improves access to foundational resources like healthy food, dignified clothing, and transportation vouchers. Our branch manager serves on the organization's Advisory Board. Through HomeStreet's local partnership approach, branches are encouraged to develop deep local relationships with organizations that provide volunteer, financial, and networking support.

The bank's staff in our Honolulu, Hawaii, branches partner with their local YMCA chapter providing board services, group volunteer services, and funding support for a food program that distributes lunches at Palolo Housing, a Honolulu Section 8 housing community.

### Community Visibility

HomeStreet is enthusiastic in our support of our local non-profit partners and encourage our employees' involvement with them. The Company endeavors to find ways to highlight local organizations on our official social media pages. Our weekly posts on LinkedIn, Facebook, and Twitter allow us to congratulate staff on

new community leadership roles, showcase a non-profit that we donate to, or spotlight a recent volunteer grant. We are honored to introduce our networks to the people who make our communities thrive. As of December 31, 2022, approximately 35,000 people are subscribed or follow HomeStreet's social media.



### HomeStreet Foundation

Since 2013, HomeStreet has hosted an annual charity golf tournament, raising a total of \$550,000 for local non-profits. In 2016, we established the HomeStreet Foundation, a 501(c)(3) nonprofit corporation, to manage the successful tournament and complement the philanthropic efforts of the Bank. In 2022, Vision House, an organization providing transitional housing and wraparound services to families experiencing homelessness in the Puget Sound area, was selected as the tournament’s charity beneficiary receiving a donation of \$50,000 from the HomeStreet Foundation.

### Financial Education

We encourage our employees to teach classes and seminars that utilize their extensive knowledge in the finance and mortgage industry. Staff teach classes on basic financial literacy as well as specific classes for first-time home buyers, which prepare participants to understand the home buying process.

HomeStreet Bank staff work closely with their community partners to provide most of the classes taught across our regional footprint. Through our corporate partnership with EVERFI, we sponsor schools with high percentages of students on free or reduced lunch to access their online financial education courses in communities where we have a smaller employee base. Our partnership currently focuses on schools in our communities in San Diego County, CA and Yakima County, WA. In 2022, HomeStreet and EVERFI reached 785 students in 12 schools.

# HomeStreet Foundation



CEO Mark Mason presents the HomeStreet Foundation’s charitable donation to Vision House, our 2022 tournament beneficiary.

# Employee volunteerism

In addition to the Company's corporate community activities, our employees contribute to a broad variety of community projects that matter to them. Numerous HomeStreet employees have a variety of leadership roles in community service organizations as officers, members of boards of directors, members of finance and fund-raising committees, and other significant service functions. Staff members, managers, and directors use their professional expertise and provide leadership, service, and expertise to many community organizations, including those that are defined as community development organizations and services for the CRA.

Every year, our employees volunteer for and contribute to an array of community organizations and charitable causes, from local initiatives in an individual community to larger organized efforts across our markets. In addition to our acts of volunteerism, our employees work together to raise awareness, generate resources and participate in events that resonate with our local teams, customers and community members.

In 2022, 200 HomeStreet employees recorded over 7,000 volunteer hours with 250 non-profits across our corporate footprint. Of this total, 2,300 of those hours were in leadership roles on the boards of directors of non-profits, and 145 hours were from employees teaching financial education classes to more than 775 participants.

HomeStreet provides each employee with 16 hours of paid time off to volunteer. In 2022, over 20% of our workforce utilized this benefit, totaling 2,200 hours of paid time given back to our communities. Additionally, if an employee

donates blood, they get an additional vacation day.

HomeStreet also provides \$500 grants to organizations where employees invest their time in ongoing service roles. In 2022, 40 employees secured \$20,000 for their favorite non-profit organizations from Washington to Hawaii.

## IN 2022



**7,000 volunteer hours**  
with 250 non-profits



40 employees secured  
**\$20,000 in grants** for their favorite  
non-profit organizations



Employees taught 145 hours of  
financial education classes to more  
than **775 participants**





## Corporate Governance and Business Practices



## Business ethics



HomeStreet's success depends not only on the capabilities of our directors, officers and employees, but also upon our reputation for honesty, integrity, and fairness in the conduct of our business. Our customers, shareholders, and business partners trust us to uphold the highest ethical standards in every aspect of our operations. We believe having an ethical culture that extends throughout the Company is foundational to providing the best possible banking experience for our customers and an engaging workplace for our employees.

We are ardent about conducting our business with honesty and integrity and in full compliance with all applicable laws, rules, and regulations. The core standards of ethical conduct for the Company are laid out in the Code of Ethics and Business Conduct (the "Code"). The Code is applicable to all of our directors, officers and employees, all of whom

are expected to comply with all provisions of the Code and must annually acknowledge that they have read and understood the Code. Our Board and the NGC maintain oversight over the Code.

Under the Code, no employee, officer, or director of the Company may commit an illegal or unethical act, or instruct others to do so, for any reason. Employees, officers, and directors are expected to know, understand, and comply with the laws and regulations that relate to their Company responsibilities.

The Code further provides that:

- All non-public, company information should be considered inside information and should never be used for personal gain.

- All employees have a duty to maintain the confidentiality of information of any customer, supplier, or business associate.
- All employees should avoid situations that present a potential or actual conflict between their interest and the interest of the Company.
- Each employee, officer, and director of the Company shall deal fairly with customers, suppliers, competitors, the public, and one another at all times and in accordance with ethical business practices.
- The Company has a responsibility to provide full and accurate information in our public disclosures about the Company's financial condition and results of operations.

The Company encourages all employees, officers, and directors to report any suspected violations promptly and intends to thoroughly investigate any good faith reports of violations. All reports will be kept confidential to the extent possible. Possible violations may be reported orally or in writing, including anonymously:

- The Ethics Hotline is an anonymous, toll-free, 24-hours a day, seven days a week resource to report concerns. The Ethics Hotline is managed and staffed by independent personnel and is not affiliated with the Company.
- The Company provides a multitude of reporting avenues so that each employee can be certain of an appropriate place to report or discuss any type of concern.



HomeStreet strives to maintain an environment where individuals feel free to raise questions and concerns in good faith. The Company maintains a Whistleblower Policy, under which all HomeStreet officers, directors, and employees have the responsibility to report potential violations of law, regulations, the Code of Business Conduct and Ethics, and/or other Company policies, including potentially illegal or improper conduct by the Company itself, by its leadership, by its employees, or by others on its behalf, including financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices or policies. The Whistleblower Policy prohibits any form of retaliation against an employee who makes a good faith report of misconduct or cooperates in any investigation related to such incidents.

Employees, officers, and directors are trained in applicable laws, rules, and regulations applicable to their roles and responsibilities to ensure ethical business practices. All employees are required to complete annual training in anti-money-laundering, anti-bribery and corruption, privacy, cybersecurity, and fraud and identity theft, among other topics in our mandatory training program. Completion of these educational responsibilities is monitored by the Compliance organization and reported to the executive leadership team and the Audit Committee and Enterprise Risk Management Committee of the Board.

### **Managing Customer Complaints**

We truly value customer feedback, including complaints, as opportunities to improve our products, processes, and services. Using both internal and external data to track, evaluate and enhance the customer experience, we are able to turn this valuable feedback into better

ways to serve all of our customers. Feedback can be received through a variety of channels, including verbally or in writing, through customer/colleague interactions, social media, our branch network, call centers and others.

Customer complaints are reviewed by a dedicated team, centralized within the Compliance Department, as a feedback management process across the Company. Our customer service professionals act as advocates and a consistent point of contact for customers while guiding the process through to resolution. We strive to continuously improve and provide exceptional customer experiences.



## Fair and responsible banking

HomeStreet pursues fair and responsible banking practices. Our Compliance Department is completely integrated into our banking product and service governance processes to ensure that our products are fair and inclusive; that our products are communicated in a way that is accurate, comprehensive, and easy to understand in all of our materials and disclosures; and that our products are implemented equitably. We have embedded strong governance routines in our product development and marketing processes to ensure a responsible, clear, and inclusive approach. The ERMC oversees the policies that govern our commitment to fair and responsible banking and our compliance with Unfair, Deceptive, or Abusive Acts and Practices (“UDAAP”) requirements.

Our cross-functional banking product development process includes our Compliance and business unit teams to ensure that we are

considering products, and all communications about them, through a regulatory-compliant and customer-centric viewpoint. All new products or services, or changes to existing products or services are required to undergo a formal risk assessment to ensure compliance with fair banking requirements and other legal requirements. New products, and significant changes to existing products, are also overseen through risk governance and management review. Our commitment to fairness and consistent treatment continues through the product life cycle extending through the servicing of our accounts. Our Compliance team is fully integrated into our customer service processes to ensure a fair and equitable experience for all our customers. All employees that interact with our customers, or who perform functions affecting them, are trained in UDAAP standards annually.



# Business continuity and disaster recovery

HomeStreet's corporate business continuity program is designed to ensure the continuation and resiliency of business processes, products, and services, with little or no interruption, regardless of the scope or type of incident.

Our Corporate Security team manages the organization's capabilities to provide sustained services to our customers, which requires both continuity (the flexibility of the organization to adapt to potential interruptions) and recovery (the ability to quickly return after a disruption). HomeStreet prioritizes investments in people, processes, technology, and facilities based on business impact, risk, and criticality.

HomeStreet utilizes an integrated collection of tools and utilities to support the business continuity program that includes a Business Impact Analysis ("BIA"), which focuses on identification of critical functions and processes and potential threats and establishes acceptable downtime and loss parameters.

Our BIA provides the following:

- Assessment and prioritization of all business functions and processes, including their interdependencies, as part of a workflow analysis.
- Identification of potential impact of business disruptions.
- Identification of financial, regulatory, legal, reputation and customer services impacts.
- Identification of periodic or seasonal importance for key functions.
- Identification of Key Persons required to continue operations.
- Identification of maximum tolerable downtime, recovery time objectives, recovery point objectives, and recovery interdependencies.

Our business continuity plans are periodically tested and updated as needed to ensure continuing operations.



### Physical Safety

HomeStreet strives to maintain an environment that promotes and protects the safety and health of our employees, customers, and vendors. Keeping our workplaces safe requires the commitment of every employee.

Our customer and employee safety, both at our branches and in our offices, is the primary focus of the Safety and Security Team. Incident training, preparedness and crisis management response processes are in place for a wide variety of possibilities from active shooter situations, pandemic planning, hazardous weather, natural disasters, or any situation that presents a risk to customer and employee safety. Bank branch security follows FDIC guidance, which requires us to adopt appropriate security procedures to discourage robberies and assist law enforcement in the apprehension of bad actors. As such, we

have adopted badge access systems, video surveillance and 24/7 alarm monitoring.

We do not tolerate any violence or threatening behavior. Physical security systems exist at our branches and comply with local laws and regulations. All HomeStreet offices require key cards for entry, and all guests must be signed in. Employees are encouraged to report incidents and threats of violence that they witness.

We monitor for natural disasters and other external events that could impact the well-being of our employees. Further, we encourage managers to connect with potentially impacted employees to determine any impacts to them, accommodations they might need, and offer support. We notify employees by email and text message of any emergency that could potentially affect employees at HomeStreet locations.





## Sustainable Operations and Climate Change



# A sustainable future



Ever since our start in 1921, we've been helping to build healthy, thriving communities. HomeStreet complies with applicable environmental laws and is dedicated to (i) conducting its business in a manner that considers environmental risks across its operations, (ii) identifying opportunities to integrate sustainable practices in its operations, and (iii) minimizing the impact of HomeStreet's operations on the environment.

We are focused on reducing our operational impact on the environment and understanding and managing risks presented by climate change and resulting regulatory and market change.

As part of our ongoing effort, we've identified several opportunities to be more intentional with our infrastructure to lessen our impact

on the environment. Some of the ways that HomeStreet is making environmental issues part of our daily business operations are:

**LED Lighting.** Across our four-state footprint, we've begun rotating out light bulbs for LED lights and low-heat emission bulbs without mercury. These light bulbs use less electricity to produce equal amounts of lighting, meaning safely lit parking areas and branches for our customers with reduced power use. As of 2022, approximately 50% of our branches and office spaces had been at least partially upgraded to LED lighting. Rather than tackle the upgrades at one time, we focus on changing them out when replacements are needed or renovations are due, which reduces waste.

**Heating, ventilation and air conditioning upgrades.** As our existing HVAC units need to

be replaced, we have more energy efficient units installed.

**LEED Certified Buildings.** We are proud to have our headquarters offices at a LEED Platinum certified building, and several of our other larger offices are located in LEED Platinum or Gold designated buildings.

**Water Use Reduction.** HomeStreet reviews ways to reduce water usage in our branches, including the installation of smart irrigation controllers, xeriscaping, and low flow fixtures. We have prioritized our locations in areas affected by high or very high levels of water stress for near-term efforts and initiatives.

**Waste Reduction.** Increasing landfill waste diversion through improved recycling, composting and thoughtful office designs.

**Paper Shredding and Recycling.** HomeStreet participates in a paper shredding and document destruction program. This initiative helps safeguard information while also creating shredded paper that is repurposed by the vendor for future use.

**General Recycling.** Recycling services (typically non-sensitive paper, cardboard, glass and metal) are provided at all of HomeStreet's largest locations and many of our branches.

**Composting.** HomeStreet provides a composting program at our largest location, and is exploring opportunities to expand the program to additional offices and branches.

**EV Car Chargers.** Loop car charging stations are installed at HomeStreet's two newest branches in southern California, providing our customers and community members access to electric car charging.

**Renovating Existing Buildings.** As we expand into new markets, we seek opportunities to renovate or occupy existing real estate where possible. In doing so, we work to preserve existing green spaces and ecosystems and improve the efficiency of facilities by upgrading to newer, more environmentally friendly systems.







To provide our management teams visibility to energy and water usage, HomeStreet tracks usage metrics where we are directly billed on utilities. As of December 2022, we track usage metrics at 53 of our locations.

In addition to the actions that HomeStreet is taking in our own physical footprint, our underwriting guidelines requires an environmental risk assessment for all multifamily and commercial real estate loans.

In addition, we offer the following services and benefits to our employees at our corporate headquarters in downtown Seattle:

- Pre-tax transit passes, 50% employer-subsidized up to \$70/month, for all employees to encourage use of mass transit, including train, ferry, bus and light rail.
- Secure storage for bicycles at our corporate headquarters with showers to encourage commuting by bike.
- Flexible-work policies that allow for a hybrid approach balancing between office hoteling and work-from-home.





HomeStreet 2022  
SASB Index

Our 2022 ESG Report was prepared in alignment with the Sustainability Accounting Standards Board (SASB) Commercial Banks Standard. For several SASB metrics, information is not disclosed because that information is considered confidential or immaterial, or

we do not track information in a manner that corresponds to the SASB metric. Unless indicated otherwise, all disclosed information applies to the Company for the fiscal year ended December 31, 2022.

SASB Code	Accounting Metric	Response or Cross-Reference
<b>Data Security</b>		
FN-CB-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	When public disclosure criteria are met, material data breaches are included in our Form 10-K. We did not experience any known material data breach in 2022.
FN-CB-230a.2	Description of approach to identifying and addressing data security risks	We maintain a robust approach to identifying and addressing data security risks. See the cybersecurity section of this ESG report, pages 38-40; our Proxy Statement, Information Security Risks, and our Form 10-K, Risks Related to Information Technology, for more information.
<b>Financial Inclusion &amp; Capacity Building</b>		
FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	In 2022, we made 191 CRA-eligible loans to small business and small farms, with a total value of \$61.9 million and 11 CRA-eligible loans for community development, with a total value of \$93.0 million.  See the Building Business in Our Communities section of this ESG report, page 29, for more information on our strategy to promote small business and community development, together with our most recent Federal Financial Institutions Examination Council Consolidated Reports of Condition and Income Call Report (" <b>Call Report</b> ") for the period ending December 31, 2022.
FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	We opened 48 low-cost checking accounts during 2022 in the reporting period for previously unbanked or underbanked customers, with a total of 376 low-cost checking accounts held by previously unbanked or underbanked customers at the end of 2022.  See the Banking products for everyone section of this ESG report, page 27.
FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	In 2022, employees taught 145 hours of financial education classes to more than 775 participants.  See the Sponsorships and community initiatives section of this ESG report, page 44, for a summary of our initiatives to enhance the financial literacy of unbanked, underbanked, or underserved customers.

SASB Code	Accounting Metric	Response
Business Ethics		
FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	In 2022, we did not have any material monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations. When public disclosure criteria are met, monetary losses as a result of legal proceedings are included in our Form 10-K.
FN-CB-510a.2	Description of whistleblower policies and procedures	See the Business Ethics section of this ESG report, pages 49-51, for a summary of our whistleblower program, and see our <a href="#">Whistleblower Policy</a> which is made publicly available on our Investor Relations webpage.
Systemic Risk Management		
FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	See the Form 10-K, Regulation and Supervision of HomeStreet Bank, and Capital Resources and Dividends. We are not subject to the U.S. Dodd-Frank Act supervisory stress test requirements.



# Forward looking statements

This 2022 ESG Report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Reform Act”). Generally, forward-looking statements include the words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “goal,” “upcoming,” “outlook,” “guidance” or the negation thereof, or similar expressions. These statements are based on management’s current opinions, expectations, beliefs, plans, objectives, assumptions, or projections regarding future events or results, including, but not limited to, our ESG strategies, initiatives and commitments; our business plans and strategy; our products and services; ESG risks and opportunities; and our stakeholder engagement efforts. These forward-looking statements are only predictions, not historical

fact, and involve certain risks and uncertainties, as well as assumptions. Actual results, levels of activity, performance, achievements and events could differ materially from those stated, anticipated, or implied by such forward-looking statements. While HomeStreet believes that its assumptions are reasonable, there are many risks and uncertainties that could cause actual results to differ materially from forward-looking statements, including the risks discussed under the heading “Risk Factors” in our most recent Annual Report on Form 10-K and subsequent 10-Q filings with the U.S. Securities and Exchange Commission. HomeStreet undertakes no obligation to update or revise any forward-looking statement contained in this report, except as otherwise required by law.



Environmental, Social, +  
Governance Report

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