



Community Reinvestment Act Strategic Plan 2024 - 2028 September 2023

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Table of Contents

Section I:	Introduction	4
A.	General Information	4
B.	Term of the Strategic Plan	5
Section II:	The Bank's Commitment to CRA.....	6
A.	CRA Commitment	6
B.	Management and Board Oversight	6
C.	CRA Program	6
Section III:	The Bank's Assessment Area	8
A.	Assessment Area	8
B.	Assessment Area Information	8
Section IV:	Performance Context.....	10
A.	Business Plan	10
B.	Current Consolidated Reports of Condition and Income	11
C.	Economic Forecast	11
D.	Competitive Environment.....	15
E.	Bank Capacity and Growth	15
F.	Legal and Business Model Constraints	16
Section V:	Community Needs Assessment	17
A.	Outreach	17
B.	Community Needs	17
Section VI:	CRA Strategic Plan Measurable Goals	18
A.	Goal Setting Methodology	18
B.	Responsive CRA Activities	18
C.	Measurable Goals	19
D.	Rating Measurable Goals	23
Section VII:	Other Information	24
A.	Development of the Strategic Plan.....	24
B.	Change to the Strategic Plan	24
C.	Monitoring Strategic Plan Performance	24
Section VIII:	Exhibits	25
A.	Exhibit 1 – Assessment Area Map	26

TriState Capital Bank
CRA Strategic Plan

B.	Exhibit 2 – Proof of Publication of Opportunity for Public Comment	27
C.	Exhibit 3 – Public Input	28

TriState Capital Bank

Community Reinvestment Act

Strategic Plan

Section I: Introduction

A. General Information

TriState Capital Bank (the “Bank”), a wholly owned subsidiary of TriState Capital Holding Company LLC which is wholly owned by Raymond James Financial, is organized as a commercial bank in the Commonwealth of Pennsylvania and headquartered in Pittsburgh, PA. The Bank opened for business on January 22, 2007.

The Bank’s primary focus is providing lending and liquidity management services to investment advisory services firms and their advisors and clients, regional middle market companies and real estate developers, specialized payment service platforms, and high-net-worth individuals. We supplement this with expertise in other large corporate or institutional firms that provide large deposit solutions.

The Bank recognizes and welcomes its responsibilities under the Community Reinvestment Act (“CRA”) to identify and assist in meeting the credit needs of its communities. As a result of its business model, the Bank does not possess many of the typical characteristics of a “traditional” community bank that serves the retail public residing in the vicinity of bank offices. Specifically, the Bank has a limited product line, does not offer many traditional CRA qualifying products and services, and lacks a branch network to serve retail customers.

The Bank believes that it has an affirmative obligation to meet the credit needs of its communities and has chosen to meet those obligations for purposes of the CRA under a Strategic Plan. The Bank has operated under an FDIC approved Strategic Plan since January 1, 2013. Effective June 1, 2022, TriState Capital Holdings was acquired by Raymond James Financial which is traded on the NASDAQ Global Exchange under the Ticker Symbol “RJF”. On August 1, 2023, the Bank became a member of the Federal Reserve which now serves as the Bank’s primary regulator along with the PA Department of Banking and Securities. This Strategic Plan builds on the Bank’s success in meeting the credit needs of its communities under its 2021-2023 FDIC approved CRA Strategic Plan.

B. Term of the Strategic Plan

Since 2015, the Bank has operated under concurrent three-year CRA Strategic Plans. In connection with its new Member Bank status with the Federal Reserve, and consistent with the strategic plan approved for the affiliate Raymond James Bank, the Bank is requesting approval to move to a five-year CRA Strategic Plan beginning with the January 1, 2024, plan year and ending on December 31, 2028. Bank management expects this to provide greater consistency for the Bank to meet the needs of the communities it serves as well as to ensure stability in managing the current market environment.

Section II: The Bank's Commitment to CRA

A. CRA Commitment

The Bank acknowledges its important obligation to serve the needs of the communities from which it draws its deposits. Consistent with this obligation and safe and sound banking practices, the Bank is committed to a robust CRA program of community development lending, investment, and service to meet the credit needs of its assessment area and the broader statewide and regional area. Management administers the Bank's CRA program with the objective of materially exceeding its minimum obligations and aspires to achieve a performance rating of "Outstanding."

B. Management and Board Oversight

The Bank has appointed a CRA Officer to oversee its CRA program. The Bank's CRA Officer, Vice Chairman, President/CEO, Chief Administration Officer, Market President(s) and loan officers actively evaluate the credit needs of the Bank's assessment area and develop programs and transactions responsive to identified needs on a routine basis.

The Board of Directors oversees the Bank's CRA program receiving periodic updates from management regarding the Bank's CRA performance and management efforts to achieve program objectives.

Bank management has also established an internal Community Engagement Group, with oversight provided by the CRA Officer, to assess and respond to the needs of various nonprofit organizations for volunteering efforts. This group has helped improve staff involvement in corporate stewardship by three-fold since 2021.

C. CRA Program

The Bank fulfills its CRA obligations through direct lending, investment, and service activity. The Bank executes its CRA lending activities directly and through relationships with assessment area and regional community development organizations.

The Bank participates in affordable housing and economic development initiatives sponsored by public and private partners, including Bridgeway Capital, Action Housing, and Jumpstart Philly; and financial assistance and education programs of community-based organizations including Paramount Pursuits, the Urban League of Greater Pittsburgh, Junior Achievement of Western PA, Junior Achievement of Philadelphia, local governments, and urban redevelopment authorities in its assessment area.

The Bank invests in Qualified Investments that support affordable housing for low- and moderate-income persons and makes CRA qualifying charitable grants to community-based organizations that engage in community development activities within its assessment area and the broader statewide and regional area that includes its assessment area.

The Bank has an active program of management and employee community development service to low- and moderate-income persons. Bank employees provide financial and management expertise to community development organizations that provide financial education to youth, supportive housing, and services to the homeless. Employees and management provide financial and management expertise to community development organizations through board service and other forms of volunteer support.

The Bank collaborates with community leaders, non-profit organizations, and others to identify credit needs in its assessment area and to form community development partnerships to assist it in achieving its CRA objectives. These partnerships include active relationships with the economic development and housing authorities of the counties within the Pittsburgh MSA, The Allegheny Conference on Community Development, The Pittsburgh Community Reinvestment Group, and Pennrose Foundation.

A key component of the Bank's CRA program is its multi-year financial and service commitments to the Wilkesburg Community Development Corporation, Fayette County Cultural Trust, McKees Rocks Community Development Corporation, Triboro Ecodistrict Sharpsburg Neighborhood Organization, Tube City Renaissance, McKeesport Community Development Corporation, Beaver Falls Community Development Corporation, and Hill District Uptown Partnership to support the economic revitalization of several low- and moderate-income communities in the Pittsburgh MSA. Additionally, to support the academic success of low- and moderate-income students, the Bank's CRA program partners with Junior Achievement of Pittsburgh and Philadelphia, The Neighborhood Academy of Pittsburgh and Philadelphia, Pittsburgh Promise, Drexel Neumann Academy, Cristo Rey Philadelphia High School, and the Scholastic Opportunity Scholarship Fund.

Section III: The Bank's Assessment Area

A. Assessment Area

Pursuant to the requirements of the CRA regulation, the Bank has defined its assessment area as the Pittsburgh MSA (38300) for purposes of evaluation under the CRA. The proposed assessment area is drawn around the Bank's Pittsburgh headquarters. The Pittsburgh MSA contains the counties of Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland.

Exhibit 1 contains a map of the Bank's assessment area.

B. Assessment Area Information

Table 1 below shows the median income and annual income range for low, moderate, middle, and upper income populations within the Pittsburgh assessment area.

Income Classification of Assessment Area					
Assessment Area	2022 FFIEC Est. Median Income	Low Income	Moderate Income	Middle Income	Upper Income
Pittsburgh MSA	\$94,800	Below \$47,030	\$47,466 to \$75,821	\$75,887 to \$113,741	\$114,101 and Up

Table 1: Income Classification of Assessment Area

Based on the US Census American Community Survey 1 year data set for 2022 (2022 ACS), the Pittsburgh MSA assessment area contains 724 census tracts located in Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland Counties. There are 51 low income (7.0%), 177 moderate income (24.4 %), 304 middle income (42.0%), 169 upper income (23.3%), and 23 unknown income (3.2%) tracts in the assessment area. The bank's main office is in Allegheny County within the MSA. According to the 2022 ACS, the population of the assessment area was 2,370,930. Of this population, 118,674 (5.01%) reside in low-income census tracts, 497,226 (20.97%) reside in moderate income census tracts, 1,012,679 (42.71%) reside in middle income census tracts, 722,240 (30.46%) reside in upper income census tracts, and 20,111 (0.85%) reside in unknown income census tracts.

There are 708,073 owner occupied housing units in the assessment area. Of these units, 18,488 (2.61%) are occupied by low income, 141,612 (20.0%) moderate income, 327,611 (46.27%) middle income, 219,214 (30.96%) upper income, and 1,148 (0.16%) unknown income families. This is summarized in Table 2 below.

Census Tracts and Families for Pittsburgh MSA (38300)	
Total Tracts: 711	Total Number of Families: 611,943
Low: 51 (7.0%)	Low: 24,064 (3.97%)
Moderate: 177 (24.4%)	Moderate: 126,479 (20.86%)
Middle: 304 (42.0%)	Middle: 268,981 (44.36%)
Upper: 169 (23.3%)	Upper: 185,227 (30.55%)
Unknown: 23 (3.2%)	Unknown: 1,547 (0.25%)

Table 2: Census Tracts and Families for Pittsburgh MSA

Section IV: Performance Context

A. Business Plan

Tristate Capital Bank is, as of June 30, 2023, a \$17.3 billion asset commercial and private bank headquartered in Pittsburgh, Pennsylvania. It offers loan and deposit services targeted primarily to middle market businesses with annual revenues between \$10 million and \$300 million, as well as to professionals and high net worth individuals. The Bank is a wholly owned subsidiary of TriState Capital Holdings, Inc., a one bank holding company also headquartered in Pittsburgh. The Bank operates out of its Pittsburgh main office and loan production offices (LPOs) in Philadelphia, PA; Cleveland, OH; Edison, NJ; and New York City, NY. TriState Capital Bank operates a wholly owned subsidiary, TSC Equipment Finance, LLC, which provides loans and leases for capital equipment financing to middle market businesses. TSC Equipment Finance, LLC was formed in June 2019. The Bank has 409 employees of which 373 are located at the Pittsburgh headquarters and Philadelphia LPO as of June 30, 2023.

For its business customers, the Bank offers a focused suite of lending and deposit and liquidity management banking services and products. These can be grouped into three lines of business: Commercial Banking lending, Private Banking lending, and Deposits and Treasury Management. Its Commercial Banking loan products include commercial and industrial loans, asset-based loans, commercial real estate term loans, select construction and land development loans, acquisition financing, and letters of credit.

For its Private Banking lending, the Bank offers loans and lines of credit collateralized by securities and cash value of life insurance, and, to a very limited extent, unsecured loans and lines of credit. The majority of the Bank's consumer lending is non-residential loans and lines of credit offered to high-net-worth individuals in connection with their registered investment advisors, trust companies, family offices, and life insurance companies. Private Bank loans originate on a national basis and do not generate community development loan activity.

The Bank's deposit products and treasury management services include commercial checking and cash concentration accounts, CDs, MMDAs, ICS, remote deposit capture, online balance reporting, online bill payment, wire and ACH services, escrow agent services, corporate purchasing card programs, controlled disbursement, and merchant processing services. The Bank clients access their accounts, transfer funds, manage working capital, pay bills, and perform other account functions primarily online or by phone or email with our relationship managers or service teams. Since we do not manage

any cash, access to cash is provided through third-party ATMs or via wire or ACH transfers to third-party bank accounts.

As a result of its limited and specialized business model, the Bank's services and products are built to optimize its operational and risk management strengths which do not fully meet the needs of the general retail public. For example, the Bank does not operate retail branches, manage cash, or originate residential mortgages. Existing and potential customers visit the Bank by appointment and conduct their primary banking needs by phone, U.S. mail, email, online business banking, and remote deposit. The Bank does not utilize advertising, marketing, or signage common to a traditional bank.

B. Current Consolidated Reports of Condition and Income

As reflected on the Bank's June 30, 2023, Consolidated Reports of Condition and Income (Call Report), the Bank had total assets of \$17.3 billion. Total risk-based capital comprised 15.18% of total risk weighted assets at the end of the second quarter, 2023 reflecting a high level of ongoing capitalization.

On June 30, 2023, the Bank's \$12.65 billion loan portfolio was predominantly through its private bank lines of credit collateralized by marketable securities or other liquid collateral. With respect to borrower types, the loan portfolio was composed principally of commercial and industrial (C&I) loans (41%), loans to individuals (31%), and nonresidential commercial real estate (CRE) loans (13%). At the end of the second quarter, 2023, the Bank held smaller portfolios of single-family residential mortgage loans and lines of credit (1%) multifamily mortgage loans (6%), and construction and development loans (5%).

C. Economic Forecast

For purposes of its Commercial Banking lending, the Bank primarily targets middle-market businesses with revenues between \$10 million and \$300 million located with the primary markets of Pennsylvania, Ohio, New Jersey, and New York.

On July 31st, 2023, the unemployment rate in the Pittsburgh MSA was 3.7% compared to the national unemployment rate of 3.5%. The current labor market shows promising unemployment rates due to availability of jobs and increasing wages. Factors that indicate the labor market coming into better balance include high labor force participation, nominal wage growth, and declining vacancies. Labor demand still exceeds the supply of available workers. Unemployment rates in the Pittsburgh MSA are shown below.

Table 3 details the unemployment rates for the counties within the Pittsburgh MSA as of July 31st, 2023.¹

Area	Unemployment Rate		Net Change from July 2022 to July 2023	Variance from July 2023 US Rate
	July 2022	July 2023		
United States	3.5	3.5	0.0	0.0
Pittsburgh, PA MSA	4.7	3.7	-1.0	0.2
Allegheny County, PA	4.4	3.6	-0.8	0.1
Armstrong County, PA	5.4	4.1	-1.3	0.6
Beaver County, PA	5.7	4.3	-1.4	0.8
Butler County, PA	4.2	3.4	-0.8	-0.1
Fayette County, PA	6.5	4.8	-1.7	1.3
Washington County, PA	4.9	3.6	-1.3	0.1
Westmoreland County, PA	4.8	3.8	-1.0	0.3

Table 3: Unemployment Rates for Pittsburgh MSA

Higher interest rates and a tightened monetary policy is causing volatility in lending and investment activity, increased potential for economic uncertainty, and negatively affecting the availability of credit to consumers and businesses. This trend of higher interest rates is expected to continue by many economic experts, as illustrated below.

Member of the Federal Reserve Board of Governors, Michelle Bowman, said, “Since March 2022, the FOMC has been tightening monetary policy as part of our ongoing effort to lower unacceptably high inflation. Since then, we have seen some progress, and inflation has declined from last year’s very high level. Most recently, after more than six months of stubbornly high readings, the June consumer price index showed lower core inflation, a measure that excludes food and energy prices. While this development is a positive sign that monetary policy is contributing to lower inflation, both total and core inflation remain well above our 2 percent target.

At the same time, the economy and the labor market have remained strong as the FOMC has tightened monetary policy. Real gross domestic product grew slightly more than 2 percent at an annual rate in the first half of the year, well above many forecasters' expectations. Consumer spending has been robust, and the housing sector appears to be rebounding with accelerating growth in house prices and a pickup in new housing starts. The most recent employment report showed a strong labor market with

¹ Source: PA.Gov “Metropolitan Statistical Areas – Pittsburgh 2023”

low unemployment and solid job gains. The pace of job gains has slowed, which is a sign that labor market demand and supply are coming into better balance. But the demand for workers continues to exceed the supply of available job seekers, adding upward pressure on prices.

The banking system continues to be strong and resilient. While banks have tightened lending standards in response to higher interest rates and funding costs, there have not been signs of a further sharp contraction in credit from the stress earlier this year that would slow economic activity. Though loan balance growth has slowed, banks have continued to increase lending to households and businesses.”²

In PNC’s Economic Outlook, Chief Economist Gus Faucher, wrote “Economic growth slowed in 2022 as the Federal Reserve aggressively raised interest rates throughout the year to push back against high inflation, but the U.S. economy remains solid in early 2023. In particular, the labor market is historically strong, with continued solid job growth and the lowest unemployment rate in more than 50 years. Consumers continue to increase their spending despite high inflation and rising interest rates, thanks to solid job and wage gains.

The Federal Reserve has aggressively tightened monetary policy, pushing up interest rates to cool off economic growth and slow inflation. Higher interest rates are weighing on the economy, in particular the housing market, with falling home sales and housing starts and declining home values. With inflation still elevated, the Fed will continue to raise interest rates over the next few months, leading to a further slowing in growth this year.”³

As of April 2023, the Fourth Federal Reserve District, where TriState Capital Bank’s CRA Assessment Area is located, reported generally flat aggregate economic activity. Consumer spending and demand for discretionary items has remained relatively resilient as households are faced with continued pressure from inflation and rising interest rates. These increasing interest rates have also hindered the demand for commercial and residential real estate acquisitions and construction, including multifamily and residential construction.⁴ Further, Chairman Jerome Powell had indicated that monetary tightening policy is designed to destroy demand, which certainly would meaningfully slow economic activity.

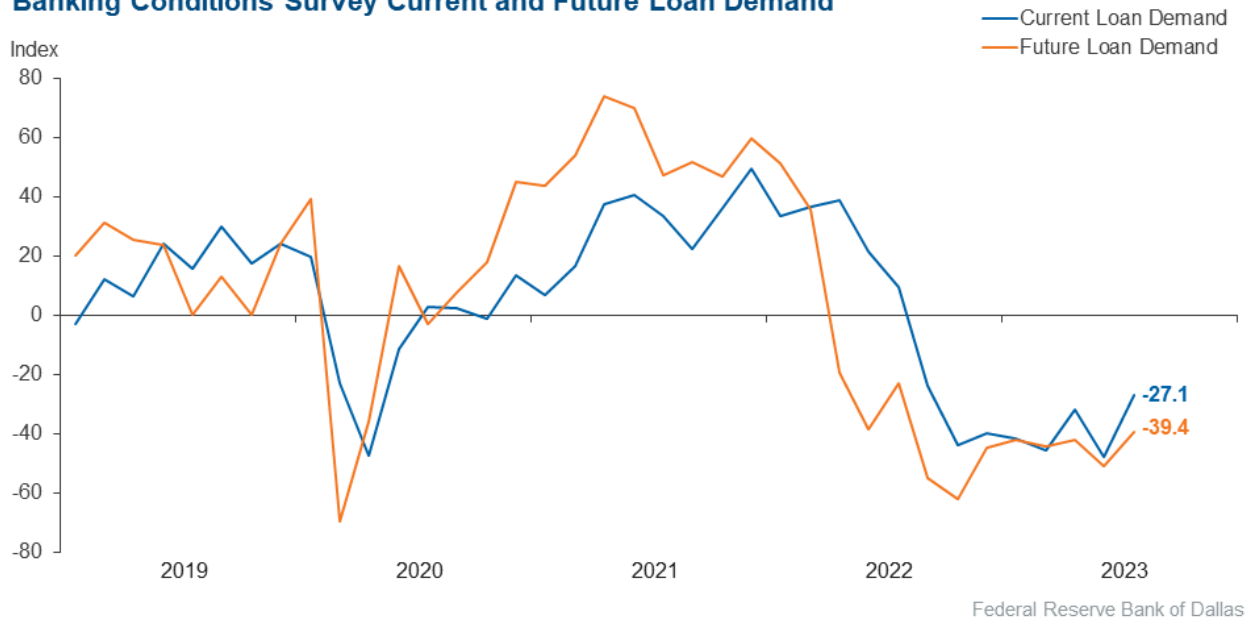
² Federal Reserve Governor Michelle W. Bowman, Brief Remarks on the Economy and Monetary Policy, August 5, 2023

³ PNC National Economic Outlook, February 2023

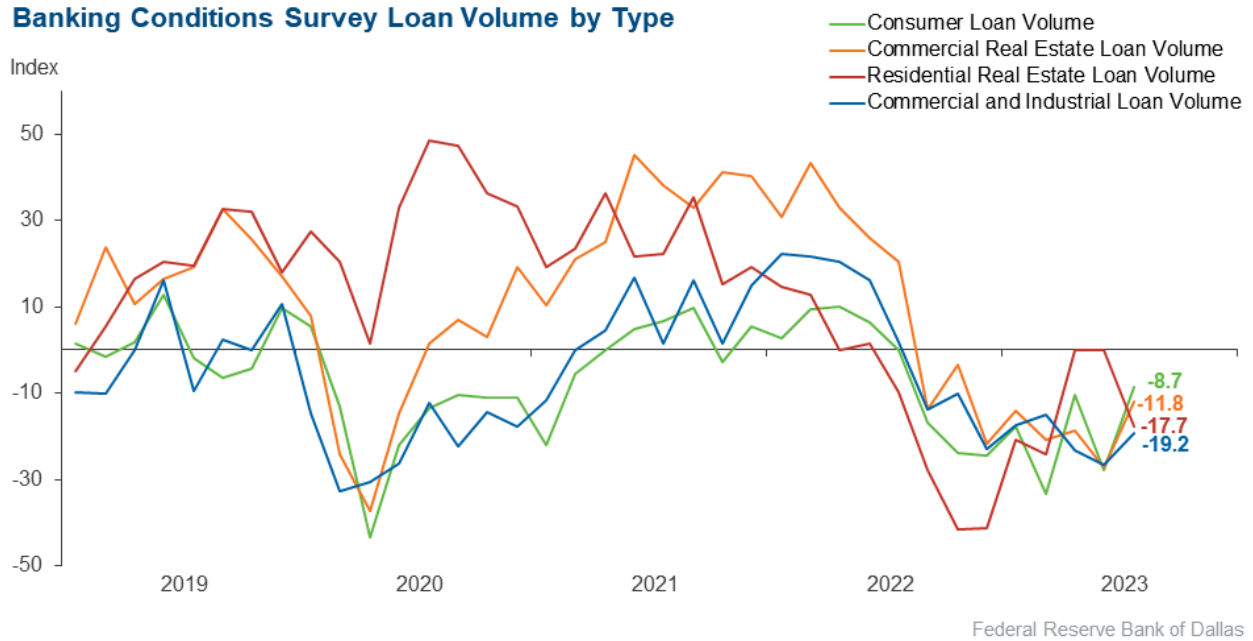
⁴ Federal Reserve Beige Book, April 19, 2023

Even if interest rates do not increase more, we expect that interest rates will persist at elevated rates for the foreseeable future, which we expect to continue pressuring real estate acquisitions and construction trends. Relatedly, loan demand continues to decrease in this environment, as reported by the Federal Reserve Bank of Dallas.

Banking Conditions Survey Current and Future Loan Demand



Banking Conditions Survey Loan Volume by Type



Additional dramatic negative change in the economic conditions of the Bank's assessment area could affect the ability of the Bank to lend, remain profitable, and perform under this Plan.

D. Competitive Environment

The June 30, 2023, FDIC Summary of Deposit data shows that there were 689 competing branch offices of 52 commercial banks and thrifts with over \$218 billion in deposits operating in the Bank's assessment area. As of that date, the Bank had a 7.21% percent market share of deposits in FDIC-insured institutions in the assessment area.

With respect to support of community development, the Bank competes in its assessment area and in its broader statewide and regional area with banks, thrifts and other financial institutions with established track records and expertise in sourcing, structuring, and financing community development initiatives. Demand for financing of community development initiatives has slowed due credit availability and increasing interest rates. As inflation attempts to stabilize, banks and businesses continue to try and find ways to expand their community development presence nationwide.

E. Bank Capacity and Growth

The Bank's total assets grew 59% from \$9.8208 billion to \$15.596 billion in the period December 31, 2020, to December 31, 2022. Total loans grew 52% from \$8.237 billion to \$12.530 billion in the same period. Loans originated in the Commercial & Industrial and Commercial Real Estate channels, which are the bank's only source of the community development loans, comprised 41% of total loans on December 31, 2020 and 37% of total loans at December 31, 2022. In comparison, loans originated in the Private Bank channel, comprised 59% of total loans at December 31, 2020 and 63% of total loans at December 31, 2022. Growth in the Private Bank loan portfolio is expected to continue. As of June 30, 2023, the Private Bank loan portfolio continued to comprise 60% of total loans and is projected to be 63% of total loans by December 31, 2023. It is anticipated the Private Bank loan portfolio will continue to grow at a more rapid pace than the Commercial and Industrial and Commercial Real Estate loan portfolios.

As a result of changing economic conditions beginning in 2022, the Bank has witnessed a significant shift in the type of asset growth. From December 31, 2022, to June 30, 2023, total assets grew 11.1% to \$17.333 billion. Historically, the rate of growth has been a function of loan opportunities in the commercial and private banking portfolios. However, total loans have grown only 1% to \$12.646 billion during this time period. Instead, most of the asset growth has been achieved in increased deposits that are being held on balance sheet as cash at elevated liquidity ratio levels in response to changes in

liquidity markets in 2023. As of June 30, 2023, the Bank's loan-to-deposit ratio was below 80%, compared to 96% as of December 31, 2020, and 89% as of December 31, 2022.

In terms of future lending, given current economic conditions and forecasts, the Bank believes it can achieve average cumulative annual growth of 10-15% in total loans outstanding while maintain its business design. The Bank will enter its eighteenth year of operation in January 2024 and expects to continue to maintain positive rates of growth in its earnings.

F. Legal and Business Model Constraints

There are no legal constraints on the Bank preventing it from executing its business plan. As described above, under the Bank's business model, the Bank does not offer retail banking products and services.

Section V: Community Needs Assessment

A. Outreach

In developing this Strategic Plan, during 2021, 2022 and the first half of 2023 the Bank has met with representatives of community organizations, community development organizations, credit intermediaries, and government affordable housing and economic development entities to ascertain the credit needs of its assessment area. The credit needs remain substantially similar to those identified in previous years. A summary of the Bank's community outreach is contained in Exhibit 3.

Additionally, as demonstrated by community development lending and investment activity in the Bank's broader statewide and regional area, the Bank identified and responded to unmet credit needs in the region.

B. Community Needs

The following summarizes the assessment area credit needs identified by the Bank:

Neighborhood Revitalization – Community representatives identified financing for community development neighborhood revitalization as a need in the Bank's assessment area. Credit needs identified included those for community service organizations and commercial businesses in distressed low- and moderate-income geographies.

Affordable Housing – Community representatives identified financing for affordable rental housing and homeownership opportunities for low- and moderate-income persons, including senior citizens and disabled persons, as a need in the assessment area. Credit needs identified included those for renovation/rehabilitation of rental properties to combat blight and support neighborhood revitalization efforts.

Economic Development – Community representatives identified financing for business district revitalization and job creation in low- and moderate-income geographies and for low- and moderate- income persons as needs in the assessment area.

Consumer Financial Education – Community representatives consistently reported on the value of expert provided consumer financial education.

Credit needs identified in the broader statewide and regional area include financing for affordable rental housing, community services targeted to low- and moderate-income persons, and neighborhood revitalization.

Section VI: CRA Strategic Plan Measurable Goals

A. Goal Setting Methodology

The Bank met with representatives of community organizations, community development organizations, and governmental bodies to discuss the credit needs within the Bank's assessment area, especially the unmet needs of low- to moderate-income individuals. These needs were reviewed and compared with the Bank's products, overall business goals, and objectives. CRA Measurable Goals were then established to address the identified credit and community development needs of the Bank's assessment area.

B. Responsive CRA Activities

Based on its business model and plan, the Bank has identified the following activities as responsive to its community needs assessment:

Community Development Lending – The Bank will support neighborhood revitalization through the financing of commercial businesses, community service organizations, community development financial institutions and community-based organizations serving low-and-moderate income persons and in low-and-moderate income communities.

Affordable Housing Lending – The Bank will finance affordable rental housing and real estate development for low- and moderate-income homeownership opportunities directly and, where practical, through consortia.

Qualified Non-Charitable Investments - The Bank will make qualified non-charitable investments that may include investments in Low-Income Housing Tax Credits (LIHTC); Equity Equivalent investments (EQ2), and mortgage-backed securities. All these investments will be included within the assessment area and/or broader regional area. While the bank has periodically provided additional investments into Small Business Investment Credits (SBICs) and Historic Tax Credits, these have been done on a case-by-case basis and will be evaluated if the opportunity arises.

Non-Charitable Grants and Donations – The Bank will make qualified investments in the form of charitable grants to community development organizations through state programs (such as the PA Neighborhood Assistance Program) that are included within the assessment area and broader regional area. Support will also be provided to organizations supporting educational opportunities for youth from low- and moderate-income families in both the assessment area and broader regional area.

Community Development Services – The Bank will provide consumer financial education to low- and moderate-income youth through its partnerships with organizations such as Junior Achievement, Paramount Pursuits, the Urban League of Greater Pittsburgh, and individual schools within its assessment area and broader regional area. The Bank will extend its financial and management expertise through board service, teaching, and other means to the assessment area and broader regional area community development organizations and community organizations providing services to low- and moderate-income persons.

C. Measurable Goals

The Bank has established Measurable Goals (“Goals”) for assessing annual “Satisfactory” or “Outstanding” ratings in fulfillment of its obligations under the CRA over the period of this Plan. The Goals incorporate community development lending; qualified investment, including charitable grants; and service activities responsive to identified community needs within the Bank’s assessment area and the broader regional area that includes the Bank’s assessment area. The Bank has identified its broader regional area as Ohio, New Jersey, and New York. The Goals are within the capacity and constraints of the Bank and its business model.

The Bank developed its Goals considering primarily the credit needs of its assessment area and its broader regional area, and the capacity of the Bank to be responsive to those needs.

The Bank’s Plan contains two core Bank-wide Measurable Goals: Aggregate Community Development Lending and Investment (CDL/CDI) and Services. The Bank’s Aggregate CDL/CDI goal contains a sub-goal for Qualified Investments in the form of charitable grants.

The Bank’s CDL/CDI Measurable Goals may be met with qualifying activity in both the Bank’s assessment area and the broader regional area that includes the Bank’s assessment area. The Bank has also established an aggregate CDL/CDI sub-goal which must be met with qualifying activity only within the Bank’s assessment area.

Qualifying activity for the Bank’s CDL/CDI annual measurable goals is the sum of the total origination amount of all new community development loans and the total origination amount of new qualified investments made in a Plan year, including new charitable grants, plus the book value of (non-grant) qualified investments originated in prior years and outstanding at the Plan year-end.

The annual aggregate CDL/CDI goal is established based on the annual average assets of the Bank for the previous calendar year. Management believes average assets is the most accurate and predictable indicator of financial capacity available to the Bank on which to base its CDL/CDI goal.

As part of its annual CDL/CDI goal, the Bank expects to make qualified Investments in the form of charitable grants to CRA qualifying organizations in its assessment area as well as in the broader statewide and regional area that includes the Bank's assessment area. At least seventy-five percent of the Bank's charitable grant goals must benefit the Bank's assessment area.

Service goals were developed on the basis of identified community needs, the Bank's recent community development service performance, and current staffing levels during the individual CRA Strategic Plan year. Service goals for each year will be based on the number of total staff of Tristate Capital Bank on January 1st of each plan year.

Service goals may be met with qualifying activity in the Bank's assessment area as well as in the broader statewide and regional area that includes the Bank's assessment area. At least seventy-five percent of service goals must benefit the Bank's assessment area.

Productions in excess of outstanding goals for any year may be applied towards the following year's goals in the same goal category.

1A. Aggregate CDL/CDI

Table 4 below shows the CDL/CDI goals, for Satisfactory and Outstanding ratings, as percentages of average assets for the previous calendar year. The table also distinguishes between Bank-wide and assessment area-wide CDL/CDI goals.

TriState Capital Bank
CRA Strategic Plan

PLAN YEAR	SATISFACTORY RATING		OUTSTANDING RATING	
	PERCENT OF AVERAGE ASSETS FOR THE PREVIOUS CALENDAR YEAR ⁵		PERCENT OF AVERAGE ASSETS FOR THE PREVIOUS CALENDAR YEAR	
	Bank-wide total including Assessment Area	Assessment Area Sub-goal	Bank-wide total including Assessment Area	Assessment Area Sub-goal
2024	1.00%	0.25%	1.25%	0.3125%
2025	1.00%	0.25%	1.25%	0.3125%
2026	1.00%	0.25%	1.25%	0.3125%
2027	1.00%	0.25%	1.25%	0.3125%
2028	1.00%	0.25%	1.25%	0.3125%
Plan Cycle	5.00%	1.25%	6.25%	1.5625%

Table 4: Aggregate CDL/CDI

⁵ Average Assets for the previous calendar year is derived from averaging the average asset figures shown on Schedule RC-K line 9 for each of the four respective quarterly call reports. The Measurable goal percent of average assets calculation is the ratio of total new community development loans and new qualified investments for the Plan year, plus the book value of qualified investments (excluding grants) originated in prior years and outstanding at the Plan year end to average assets for the previous calendar year.

1B. Charitable Grants

Table 5 below shows grant goals for Satisfactory and Outstanding ratings. .

PLAN YEAR	SATISFACTORY RATING	OUTSTANDING RATING
2024	\$1,100,000	\$1,400,00
2025	\$1,100,000	\$1,400,000
2026	\$1,100,000	\$1,400,000
2027	\$1,100,000	\$1,400,000
2028	\$1,100,000	\$1,400,000
Plan Cycle	\$5,500,000	\$7,000,000

Table 5: Grants

2. Services

Table 6 below shows services goals for Satisfactory and Outstanding ratings.

PLAN YEAR	SATISFACTORY	OUTSTANDING
2024	2 hours per FTE	2.5 hours per FTE
2025	2 hours per FTE	2.5 hours per FTE
2026	2 hours per FTE	2.5 hours per FTE
2027	2 hours per FTE	2.5 hours per FTE
2028	2 hours per FTE	2.5 hours per FTE

Table 6: Services

D. Rating Measurable Goals

The Bank's CRA rating will be derived from total Bank performance against Measurable Goals. The Bank must substantially meet all Satisfactory Measurable Goals in order to achieve a Satisfactory rating. The Bank must substantially meet or exceed all Outstanding Measurable Goals in order to achieve an Outstanding rating.

Section VII: Other Information

A. Development of the Strategic Plan

In developing its Strategic Plan, the CRA Officer, Bank executive management and the Bank's CRA Committee reviewed the Bank's business model and the merits and challenges of continuing to execute the Bank's CRA program under a Strategic Plan. As discussed above, the Bank considered input on community needs from assessment area community development officials and organizations.

After developing its Strategic Plan, the Bank will place its CRA Strategic Plan notice in the Pittsburgh Post Gazette on October 18, 2023, requesting comments from the public. A copy of the newspaper notice will be provided to the FRB upon submission.

B. Change to the Strategic Plan

If there are material changes in circumstances affecting the capacity of the Bank to perform under this Plan, including any economic or market downturns or changes to the Bank's business model and financial forecast, the Bank will request that the Federal Reserve approve an amended plan prior to the next CRA examination. In the event of an increase in the Bank's assessment areas, the Bank expects to work with local communities and community development organizations to understand community credit needs as part of developing an amended plan submission. Should the geographic designation of an existing assessment area change, the Bank will continue to apply the Plan's Measurable Goals to the amended assessment area designation.

C. Monitoring Strategic Plan Performance

In addition to CRA program monitoring routinely performed by the Bank's CRA Officer, the Bank has established a management CRA Committee to monitor performance under this Strategic Plan. The CRA Committee meets not less than quarterly to discuss the Bank's CRA program and actively monitors the Bank's lending, investment, grant, and service performance against Strategic Plan Measurable Goals. Management reports to the Board on the Bank's CRA program objectives and performance, and routinely advises the Board of the Bank's performance against the Measurable Goals established in this Strategic Plan.

Section VIII: Exhibits

Exhibit 1 – Assessment Area Map

Exhibit 2 – Proof of Publication of Opportunity for Public Comment ***(to be provided upon ad submission)***

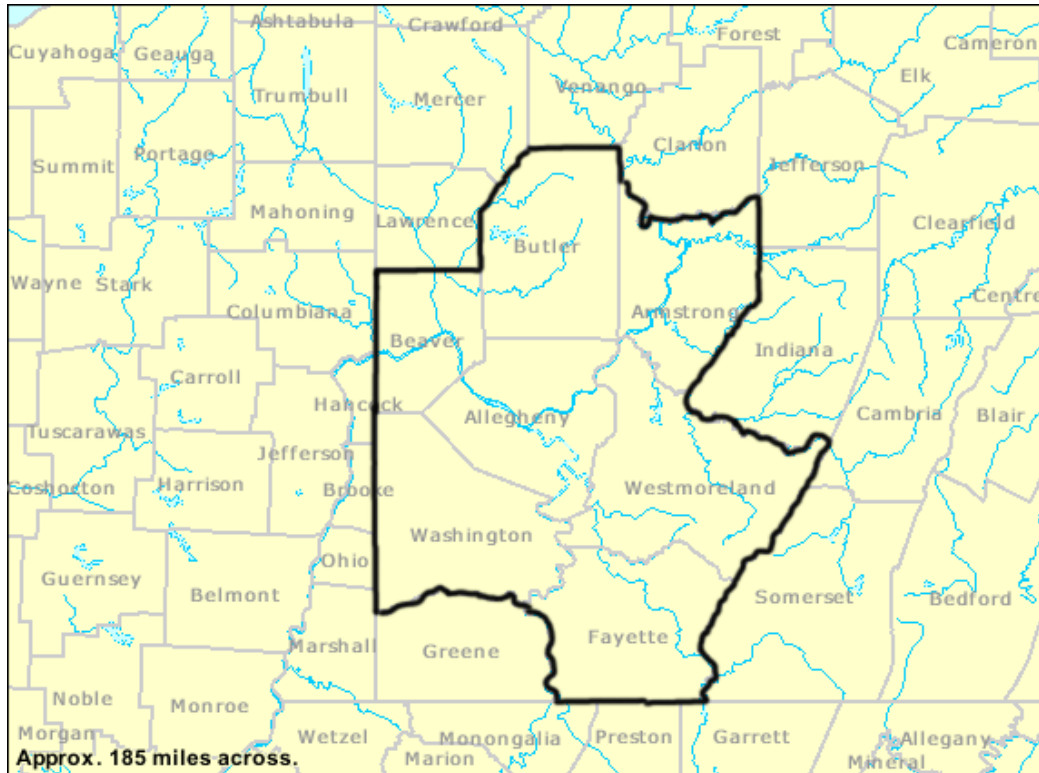
Exhibit 3 – Public Input

Exhibit 4 – Benchmark Bank Analysis

A. Exhibit 1 – Assessment Area Map

Pittsburgh MSA

(38300)



B. Exhibit 2 – Proof of Publication of Opportunity for Public Comment

C. Exhibit 3 – Public Input

The following is a summary of outreach meetings conducted by TriState Capital Bank and its representatives in developing this Strategic Plan to help the Bank understand the credit and community development needs of low- and moderate-income persons and communities within its assessment area.

Allegheny Conference on Community Development (ACCD)- The Bank's Vice Chairman is Chair of ACCD's Strengthening Communities Partnership (SCP) and has worked to assess and remediate community needs for sixteen (16) predominantly low-and-moderate income areas in Southwestern PA. The Bank's CRA Officer is an active member of this group and through this partnership, has helped multiple communities address needs for support and funding for revitalization of business districts; job creation; and preservation of affordable housing in low- and moderate-income communities. In addition to the sixteen (16) identified communities, the ACCD along with organizations within the communities noted below (including their Community Development Corporation, Mayor's Office, National Association for the Advancement of Colored People (NAACP) and post-secondary schools) has specifically noted the following needs in several communities:

- Beaver Falls – improving structural economic development with a focus on affordable housing.
- Aliquippa – upskill their existing workforce to prepare for upcoming investment opportunities. They are also looking to expand transportation options to regional employment hubs including the Pittsburgh Airport and City of Pittsburgh.
- New Kensington – primary focus is for workforce development through the expansion of pathways to opportunity for disinvested communities in the robotics, Artificial Intelligence, and technology industries as well as providing access to entrepreneurs to create products and launch small businesses.
- Connellsville – the focus is on structural economic development through their Main Street revitalization project and the Great Allegheny Passage tourism development.
- Butler – the focus is on policy and advocacy by finding funding to complete a study that results in local tax reform and developing the main street in the City of Butler.

- McKees Rocks – the focus is on structural economic development within their downtown business district and affordable housing.

Wilkinsburg Community Development Corp. (WCDC) – The Bank’s Vice Chairman and CRA Officer are actively involved with the WCDC and meet with the Board, Executive Director, and staff on a regular basis. We learned of their continued need for operating and program grants to support their mission of neighborhood revitalization through business and residential development.

The primary themes garnered through discussions with the individuals involved in the ACCD and Wilkinsburg CDC were further supported through conversations with the following:

- *Fayette County Cultural Trust*
- *Triboro Ecodistrict Sharpsburg Neighborhood Organization*
- *Tube City Renaissance*
- *McKeesport Community Development Corporation*
- *Hill District Uptown Partnership*
- *Paramount Pursuits*

D. Exhibit 4 – Benchmark Bank Analysis

Strategic Plan Benchmark Banks

The table below presents Measurable Goals for the Bank's three agency approved Strategic Plan benchmark banks. Benchmark bank goals are for combined CDL and CDI performance expressed as a percent of bank average assets over an exam cycle.

All the benchmark banks rely heavily on community development investments and CDL/CDI measurable goals and include carry-over value of investments made in prior years and still outstanding. As described in Section VI. CRA Strategic Plan Measurable Goals above, TriState Capital Bank has established combined measurable goals for both lending and investment activity based on new activity in each Plan year plus the carry-over value of investments made in prior years and still outstanding.

Strategic Plan Benchmark Bank Measurable Goals

CDL/CDI as a Percentage of Total Average Assets

Bank	Satisfactory	Outstanding
Merrick Bank	1.35%	1.90%
BMW Bank of NA ⁶	1.25%	1.75%
Optum Bank	1.10%	1.45%

Table 7: CDL/CDI as a Percentage of Average Bank Assets

Source: FDIC CRA Performance Evaluations

Merrick Bank

South Jordan, UT 84095

⁶ BMW Bank of NA only uses Community Development Investments in its goal.

Merrick Bank information was compiled using data from the FDIC's Community Reinvestment Act Performance Evaluation dated February 6, 2023.

Merrick Bank is a benchmark bank because of its asset size (\$5.9 billion) and non-retail structure. The bank has one retail office, conducts lending activities throughout the country, does not solicit walk-in business, maintain branch offices or deposit-taking automatic teller machines (ATMs) nor offer a wide range of loan or deposit products. The bank's main lending products are credit cards and recreational vehicle loans.

BMW Bank of North America

Salt Lake City, UT 84109

BMW Bank of North America information was compiled using data from the FDIC's Community Reinvestment Act Performance Evaluation dated March 15, 2021.

BMW Bank of North America is a benchmark bank because of its asset size (\$11.9 billion) and non-traditional, limited business focus. The bank's primary business is indirect automobile loans on a nationwide basis. The bank operates from a single office and has no retail branches. Most of the bank's loans are originated outside its assessment area and transactions are conducted via the Internet or by U.S. mail.

Optum Bank, Inc

Draper, Utah 84020

Optum Bank, Inc information was compiled using data from the FDIC's Community Reinvestment Act Performance Evaluation dated May 1, 2023.

Optum Bank, Inc is a benchmark bank because of its asset size (\$15.7 billion) and non-traditional, limited business focus. The bank operates from a single, non-retail office and is designated as a wholesale bank. The bank does not offer home mortgage, small business, small form, or consumer loans to retail customers.