

M&T Bank

WILMINGTON  
TRUST

A bank for  
communities

Making a  
difference

# Welcome to our first Environmental, Social and Governance Report

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# 2020 highlights

## Our governance

# 85%

of Board members were independent

# 40%

of members represented diverse groups on our Board

## Our environment

# \$493.3m

funded in renewable energy projects over the past three years

## Our communities

# \$34.9m

contributed to nonprofits by M&T through corporate giving and the Charitable Foundation

# \$1.299bn

in affordable housing lending

## Our people

# 60%

of our workforce and 48% of our managers were women

## Our customers

# \$1.213bn

assets under management in ESG strategies at Wilmington Trust

# \$7.0bn

of paycheck protection support funded, helping to keep 765,000 people employed during COVID-19

# Top 10

Small Business Administration (SBA) lender nationwide for 12 years consecutively





# Funding bright futures for the communities we serve

Welcome from René Jones, Chairman and CEO, and John D’Angelo, Executive Vice President and Director of ESG.



“As a company, and as a society, we are stronger and more committed to creating a positive impact than ever before.”

**René F Jones**  
Chairman and CEO

It is our pleasure to welcome you to our first Environmental, Social and Governance (ESG) Report. We’d like to share with you some reflections on why we feel this report is so important, and to identify our focus for the road ahead.

The financial system sits at the heart of our global economy. This local and global ecosystem, moderated by robust regulation and oversight, has enabled capitalism to support the sustained growth we’ve seen in the last hundred years. Yet this growth has come at a price: costing the environment, our communities and individuals too.

The trusted, credible scientific evidence is clear – many of our collective actions are having a detrimental impact on the environment, and ultimately on health and human safety. As society’s understanding of these impacts grows, expectations are changing regarding the role of the organization and its leadership to encompass a higher societal purpose.

We understand the world is always changing and, throughout our 160-year history, we have demonstrated our ability to evolve. Although we’re at the start of developing our comprehensive and strategic approach to ESG, the concepts are in our DNA.

Here at M&T and Wilmington Trust, our purpose has always been to make a difference in people’s lives. Serving all of our stakeholders: customers, employees, communities, vendors and shareholders is just what we do. What’s new is that now we have decided to formalize the disclosure of our efforts into this single report and increase our transparency of those efforts under the umbrella of “ESG”.

We are a bank focused on communities – advocating for and supporting the customers and constituents who make up our ecosystem (see pg 4, A Bank for Communities). This approach is what makes us unique. We work to understand the specific and individual needs of our neighborhoods and interest groups so we can work together to find solutions to solve particular challenges. We empower local teams to make decisions to support our stakeholders. Throughout this report, we will highlight initiatives – like Ignite and Buffalo Promise Neighborhood – and show examples of how we tailor our services – such as accessible checking accounts, small business loans, investing in renewable energy development and financing affordable housing across our footprint – specifically to meet our communities’ needs, translating our philosophy into tangible, positive action.

# Funding bright futures for the communities we serve

continued

Our efforts have also been recognized by the industry. In 2020, we were awarded 22 Greenwich Excellence Awards and 3 Greenwich Best Brand Awards across Business Banking and Middle Market, bringing our total awards to 137 since 2011.

We also work to ensure our colleagues feel they belong and can be their authentic selves at work. While the pandemic made the job market less active in 2020, we believe our focus on investing in and supporting our people is reflected in their commitment to us, as employee engagement has risen while staff turnover has fallen every year since 2016.

No year in modern history has changed our lives as much as 2020. The year posed a number of challenges to us as individuals, as an organization and as society as a whole, but we've come out stronger.

Protecting our employees and our customers is always our foremost concern and we are impressed, but not surprised by, the resilience our teams and communities have shown in response to the COVID-19 pandemic.

It deeply affected our families, communities and local economies and our many colleagues who fell ill. We are grateful that the new practices and safeguards we implemented to protect our people and our customers, and to support them financially, emotionally and medically were well received and helped to limit and mitigate negative impacts.

Unfortunately, the hardest burden fell on those already struggling the most. We're proud of the leading role we played in ensuring those in need received Paycheck Protection Program (PPP) payments.

We know we share the sentiments of our PPP team when we say how immensely rewarding it has been to know that our user-friendly portal and the passionate dedication of our staff helped keep nearly 35,000 businesses operating and 765,000 people in employment during COVID-19. We shared our automated solution, connecting to the SBA's approval systems with five other banks that had been struggling with a manual process to increase the recovery impact.

The trust communities place in our organization has always been key to our business model. Robust governance is essential to building that trust and stability, so ethical business practices and behavior are core to our business. We have expanded the diversity of our Board of Directors and senior leadership team and remain committed to accountability and transparency but we know there is always more work to be done.

What is good for our stakeholders is good for the financial services industry, and vice versa, and we will join others and use our influence to support a collective effort to transform the industry.

We must, and will, do more to make our society better and empower our communities – one community at a time.

We are proud of our history of stakeholder capitalism and will strive for continuous improvement in our actions, as we understand how important this is for our collective future.

**René F Jones**  
Chairman and CEO

**John D'Angelo**  
Executive Vice President and  
Director of ESG



John D'Angelo  
Executive Vice President  
and Director of ESG



## A Bank for Communities

We are a bank for communities characterized by:

- responsible lending based on the advantages of local knowledge and scale
- straightforward products that are easily understood by our customers
- a philosophy that we compete on customer experience and value, not solely on price
- an operating belief that employees are our most valuable strength
- prudent stewardship of our shareholders' capital
- a commitment to our wide-ranging communities – whether they share a neighborhood, a belief system or a common interest.

## About us

# Our purpose

Great companies have an enduring sense of purpose. Ours is to make a difference in people's lives. We're driven to help, encourage and enable our customers and communities to thrive. Founded in 1856, we have cared deeply about those we serve. By asset size, we are a top 20 full-service US-based commercial bank, with a long history of community-focused banking.

### Our mission

We live and work alongside our customers, developing deep, lasting relationships in communities, supporting local businesses, schools, universities, sports, arts and social organizations and government institutions. Our company supports projects that drive economic growth and commits to causes that make our communities better places to live.

We succeed when our employees, customers and shareholders succeed. We have been pursuing positive social and environmental impact for many years. We deliver the capabilities of a big bank with the care and empathy of a locally focused one. We offer advice, guidance, expertise and solutions across the entire financial spectrum, combining M&T's traditional banking services with the wealth management and institutional capabilities offered by Wilmington Trust.

We understand the world is always changing and throughout our history we have demonstrated our ability to evolve. We put the customer at the center of all that we do, continuing to demonstrate our hallmark care and empathy as we listen and develop new products and services to meet our customers' evolving needs and expectations.

### Our employees

Our 17,373 employees, drawn from the diverse communities we serve, strive to make a difference every day for our customers. We have a concentration of our people in the mid-Atlantic and Washington DC but have colleagues across the nation and internationally too.

# 17,373

Employees

### Our footprint

We have over 750 offices spanning nine states and Washington DC. By tailoring our services to the needs of our communities, M&T is a hometown institution in every market we serve. Wilmington Trust also expands our reach, with a number of small offices abroad including Europe.

# 750

Offices

### Our financials

Assets

# \$142.6bn

Loans and leases

# \$98.5bn

Deposits

# \$119.8bn

Net income

# \$1.35bn

Total shareholders' equity

# \$16.2bn



# About us

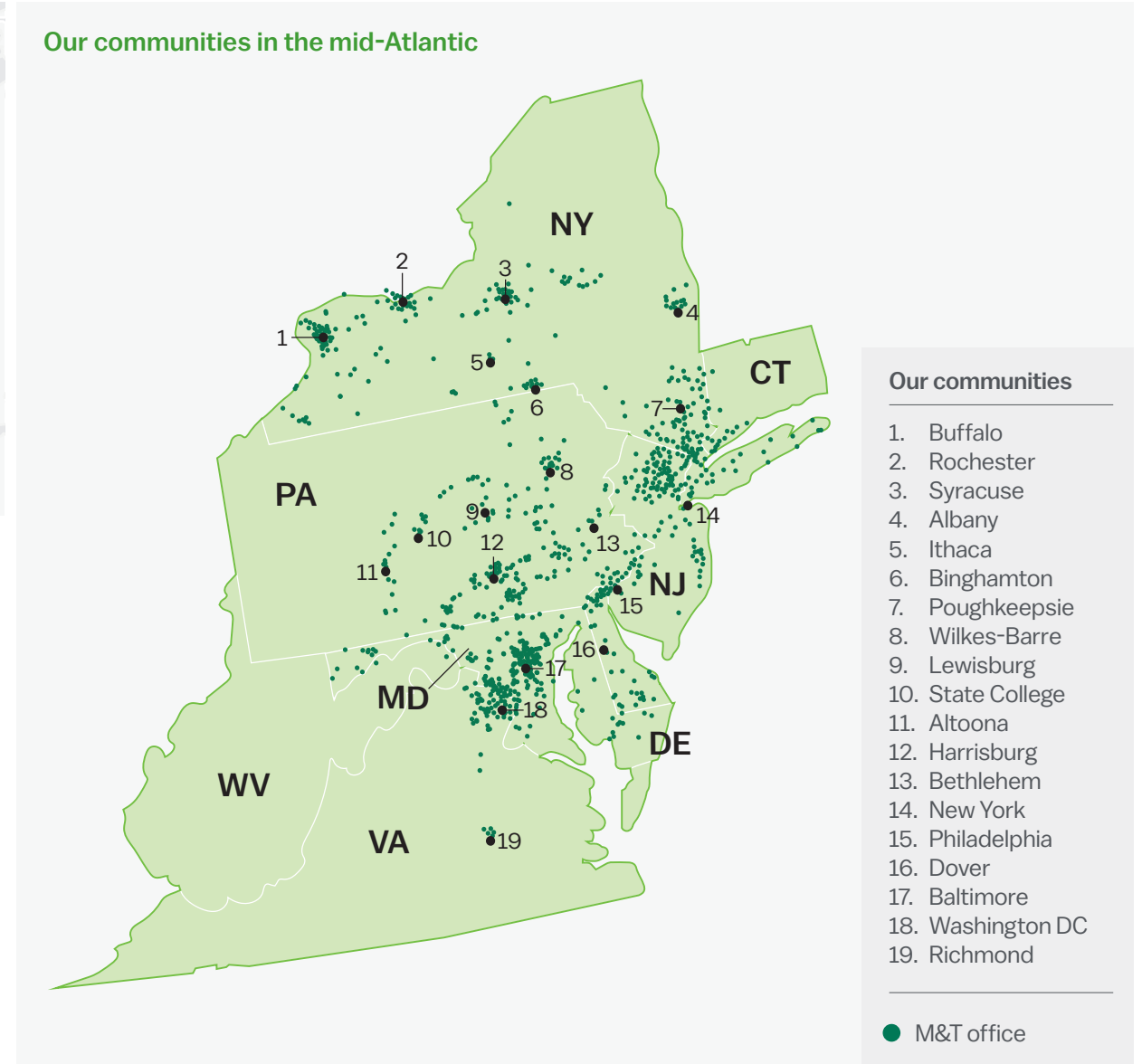
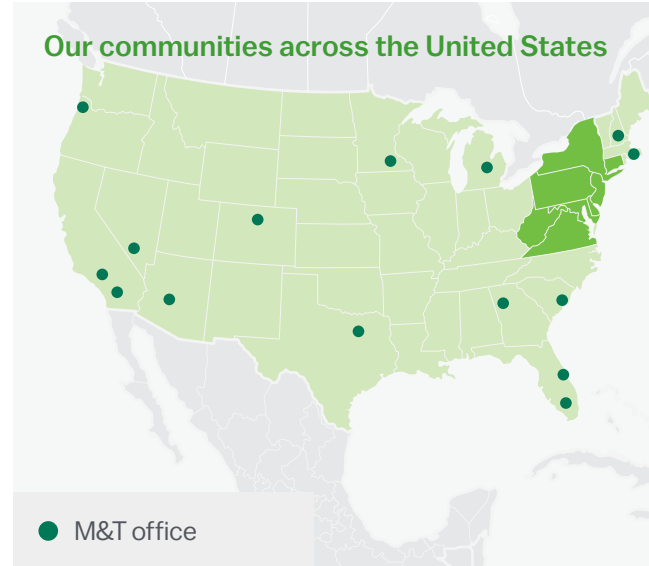
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## Our performance

We have been profitable for 178 consecutive quarters: more than 42 straight years. We were one of two commercial banks in the S&P 500 at the start of the 2008 financial crisis to maintain its dividend through the crisis. We have accomplished this through a strong credit culture (with less than 50% of the industry average net charge offs over the last 20 years) and strong returns (20.0% ROTCE compared to 13.6% ROTCE peer median over the last 20 years).

## What we do

We served 4.1 million customers last year, offering advice, guidance, expertise and solutions across the entire financial spectrum, combining M&T's traditional banking services with the wealth management and institutional capabilities offered by Wilmington Trust. We do this through more than 750 offices, nearly 1,800 ATMs and a variety of online and mobile services.



## Our approach to ESG

# Our commitment to future success

The enduring purpose of our organization is to make a difference in people's lives. Our local focus is the cornerstone of our success: we are a part of the glue that binds our communities together.

The world has not stopped changing since we opened our doors more than 160 years ago. The financial services industry is evolving, and so are we. In areas where we have insight and expertise, such as helping to grow small businesses, our responsibility is to help lead the transformation toward best practice. On issues increasing in importance to our customers and communities, such as climate change, we will continue to focus on partnerships and collaboration to learn best practices that will deliver impactful and necessary outcomes.

### Our approach

We are proud to publish our inaugural ESG Report, to help tell the story of the work that's already underway in our organization. It details the passion, commitment and positive social and environmental impact of our people, products and services.

This report also helps set a firm ground on which to further build our ESG efforts in 2021 and beyond. As we formalize our ESG strategy and begin developing a more transparent, cohesive, enterprise-wide approach, it has become clear to us that ESG is already deeply embedded in the DNA of our organization.

It's ingrained in the way we've built Advisory Councils across our footprint to hear from stakeholders, and the way we develop locally oriented initiatives to support our communities. It's also integral to how we engage our people to be their best selves at work: we are our people.

While tracking our progress isn't new to us, we're now focused on accounting for that progress holistically and sharing it transparently. This report reflects an enterprise-wide, cohesive view of our organization so that we can develop a focused approach to measuring, monitoring and reporting on our ESG efforts.

We continue to learn from our experience and to consult with diverse stakeholders to help us understand what leadership looks like on these evolving issues. We're inspired and guided by the values we share with all our colleagues: integrity, candor, collaboration, ownership and curiosity. These principles underpin this journey, guiding us to make a difference in people's lives.

“Our organizational commitment to social responsibility is what attracted me, and so many of my colleagues, to M&T. This commitment comes to life throughout the report and I'm honored to help guide our team into our next chapter of serving our customers and communities.”

### John D'Angelo

Executive Vice President  
and Director of ESG

# Our approach to ESG

continued

## Our values



### 1. Integrity

Integrity is core to all that we do. Ethical business practices are central to the success of the entire financial services industry and are crucial to retaining the trust of our stakeholders. We always strive to treat others with respect – and do the right thing – even when no one is watching. From the Boardroom to the branch, we incorporate our purpose, mission, values and behaviors into everything we do. This means integrating ethical, equitable and responsible practices into our day-to-day work. It also means enhancing sustainable growth efforts while being mindful of the environmental and social risks that exist in our increasingly interdependent economy.



### 2. Candor

Providing transparency to our stakeholders is crucial, and we aspire to more. We believe that being open and honest, seeking and sharing feedback, and questioning behavior that challenges our values improves all our outcomes. We are open in our ambition for our team to more accurately reflect the diversity of the communities we serve and in having dialogue to address challenging issues such as unconscious bias. We are looking at the make-up of our own workforce and investing in improving diversity, equity and inclusion to ensure that everyone works in an environment where they feel they belong. Our ambition extends beyond our workforce: it also includes using our supply chain expenditure to help support a diverse range of minority-owned businesses.



### 3. Collaboration

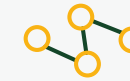
We're an integral part of the communities we work and live in, so supporting our neighbors means business success. We invest in our communities, championing projects that drive economic growth and committing to causes that make our communities better places to live. This is what we have always done. We continue to lead because our work is personal: alongside our professional motivation, we are driven to action for our families, friends and neighbors too.

We work together as a team to build relationships and listen to all our stakeholders and look for solutions that provide good outcomes for everyone. We facilitate increased investment in affordable housing and community development, and support causes in the communities where we operate through the M&T Charitable Foundation and our colleagues' volunteering efforts.



### 4. Ownership

We believe in acting responsibly to help safeguard our collective future. ESG is being deeply embedded and owned across our business model – we don't see it as a separate or standalone interest. The impact and cost of climate change is clear and is affecting our people, our communities and our economy. So we are striving to take action to help reduce our environmental footprint as a business. M&T is proud to be using our financing capacity to help accelerate the transition of our broader economy to a more sustainable future.



### 5. Curiosity

Our biggest impact comes via the solutions, products, services, advice and guidance that our 4.1 million customers rely on, and how those solutions enable our customers to build their communities, provide for their families and reach their potential. We strive to approach all challenges with curiosity, continually learn, encourage creativity, be empathetic and actively listen. We constantly explore new ways to deliver on our mission even more effectively and adapt how we deliver value. We do this through offering ESG investment funds, developing innovative financial products for the unbanked or underbanked, and supporting minority customers to overcome the additional barriers they face to financial success. We use our portfolio to help drive positive social and environmental outcomes, toward a more sustainable economy.





# Doing business with integrity

The right thing



The right way



## Our governance

# Doing business with integrity

Our commitment to high standards of corporate governance is key to helping build trust and confidence between us and our communities, especially during uncertain times. Our employees, shareholders, customers and communities need to be able to trust the organizations they rely upon to be fair, transparent and as working for the common good. We hold ourselves to the highest ethical standards in all of our business dealings with customers, shareholders, regulators, communities and business partners. This helps give our customers confidence that their finances are in safe and supportive hands, reducing stress and allowing them to seize opportunities – such as buying a home or starting a business.

Our Code of Business Conduct and Ethics sets out our expectations of honest and ethical behavior for all our employees, officers and directors, while our Corporate Governance Standards provide a foundation for addressing director responsibilities, qualifications, expectations and independence. Our Enterprise Risk Framework outlines a structure to identify, assess, monitor and manage risk and provides the Board with the transparency needed for its risk oversight responsibilities.

Other specific policies and frameworks support and promote our culture of integrity, including ensuring full, fair and accurate reporting of our financial performance and establishing rigorous protocols to safeguard customer information and manage risk.



### In this section:

- Committed to good governance
- An independent and engaged Board
- Fair compensation for our executive management
- A culture of integrity
- Addressing anti-bribery and anti-corruption
- Protecting whistleblowers
- Managing risk and compliance
- Our political activities
- Protecting information security
- Active against fraud
- Transparent over tax

“We’re proud of our ongoing dedication to sound governance and continue to strive to expand and enhance how we serve all of our stakeholders.”

**Laura O’Hara**

Executive Vice President and General Counsel

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The Board added three new directors in 2020, including two women and one person of color

40%

of our Board members represented diverse groups

85%

of our Board members were independent

*As of December 31, 2020. Criteria for independence was according to the New York Stock Exchange requirements, as well as M&T’s Corporate Governance Standards.*

# Upholding good governance and sound decision-making

## Committed to good governance

We recognize that robust and effective governance is fundamental to helping us deliver sustainable value for our stakeholders. To that end, we have adopted policies, standards and procedures for numerous aspects of corporate governance. We are committed to complying with the highest standards of business ethics and integrity.

Society's expectations have evolved as our collective understanding of the ways in which we impact the world around us have deepened. This has broadened the role of the corporation to encompass a higher societal purpose under the banner of environmental, social and governance standards for corporate conduct.

“Delivering long-term value to all stakeholders, customers, employees, shareholders and communities, is fundamental to our responsibility as directors, and how M&T has been run for the last 30+ years.”

**Gary Geisel**  
Independent Director

We have embraced these new norms and are committed to increasing our transparency on these issues.

We do not see these evolving ESG standards as merely checking a box. Instead, we see them as a pathway to impactful, much-needed change across many of the major issues of our day.

## An independent and engaged Board

Our Board governance is designed to help promote our organization's long-term performance; encourage discipline in taking risk; and help deliver sustainable value to shareholders – all while supporting a culture of openness and debate. Our directors represent a range of backgrounds, professions, skills, experiences and communities. This variety of viewpoints, skills and experiences allows for more effective discussions and oversight.

Just as we strive to foster an inclusive and diverse workplace that respects and values individual differences, we also believe it is important that our Board is inclusive and diverse. In 2020, we added three new directors, including two women and one person of color. As of December 31, 2020, 40% of our directors including our Chairman, represented diverse constituencies of gender, race or

sexual orientation. Women comprised 21% of our Board members as of December 31, 2020. We recognize that we need to continually strive to be better by regularly reviewing our Board to make it more representative of the communities we serve.

As of December 31, 2020, 85% of our directors met the criteria for independence required by the New York Stock Exchange as well as our Corporate Governance Standards. With nearly half of directors having a tenure of five years or less, the Board is subject to strong refreshment practices, balancing new directors who have different expertise and fresh perspectives with experienced, longer-tenured directors who possess deep organizational knowledge. In addition, members on our Board's committees are appointed annually and the members of the Audit and Examining Committee, Nomination, Compensation and Governance (NCG) Committee, and Risk Committee are entirely comprised of independent directors.

The Board provides robust oversight of executive management and, through the NCG Committee, conducts an annual independent evaluation of CEO performance and compensation.

The Board and each of the Board committees also reviews their own performance through annual self-evaluations.

## Fair compensation for our executive management

A primary objective of an executive compensation program is to help attract and retain executives who can maximize benefit for their business and shareholders. We endeavor to establish compensation that is competitive, and around the median of the market for our peer group, which is also subject to bank, business and individual performance. Through our executive compensation program, we strive to create a strong alignment between pay and performance while discouraging excessive risk taking. We retain an independent consultant to advise and support the NCG Committee and we also conduct an annual risk assessment of our incentive compensation plans.

Our executive compensation program provides for a market-competitive mix of base salary, short-term cash incentives and long-term equity-based incentives that vest over time in alignment with our compensation philosophy and the objectives cited above.

# Upholding good governance and sound decision-making

continued

In 2020, the COVID-19 global pandemic impacted our performance. As a result of reduced earnings, discretionary incentive pools in 2020 were reduced by approximately 30% over 2019 levels and the organization funded a more limited salary increase budget. For retention and continued shareholder alignment, long-term incentive awards for named executive officers in 2020 were maintained at 2019 levels or incrementally increased.

Part of our executive compensation program is an expectation of our non-executive and executive management to acquire and retain M&T stock. We expect that, within five years of becoming eligible under the compensation program, such officers achieve and maintain a certain level of stock ownership that is related to their position. For Board members this is two times their annual retainer amount and it increases for senior independent members and the CEO and Chairman.

Our executive compensation program and philosophy, including specific pay decisions for our executives, is discussed in detail in the Compensation Discussion and Analysis section of our annual proxy statement, available on our website.

## A culture of integrity

Our Code of Business Conduct and Ethics applies to all employees. It sets out our standards relating to ethical conduct and compliance with the law. It also covers specific issues such as conflicts of interest, insider trading, discrimination and harassment. We expect all employees to act with integrity and honesty. Our complaints procedures support employees in navigating potentially difficult situations and enable employees to submit any concerns, complaints or other information anonymously (see right).

Our CEO and Senior Financial Officers are bound by the Code of Ethics for CEO and Senior Financial Officers. The code is designed to ensure fair, accurate, timely and clear disclosure in periodic reports required to be filed with the SEC.

It also obligates our CEO and Senior Financial Officers to report violations of the Code, and covers actions to be taken should a Code violation occur.

Personnel working in the brokerage, investment and certain other lines of business are also subject to additional conduct related obligations including, in some cases, arising under the law of foreign countries.

## Addressing anti-bribery and anti-corruption

We require compliance with all applicable anti-bribery and corruption laws in all markets and jurisdictions in which we operate. These laws include the UK Bribery Act and the Foreign Corrupt Practices Act. Our policy regarding anti-bribery and anti-corruption is a component of our Code of Business Conduct and Ethics, available on our website.

## Protecting whistleblowers

Our See or Suspect Something – Say Something Framework encourages and supports employees in reporting violations of our code of conduct or other wrongdoing without fear of retaliation.

Concerns relating to fraud, illegal or unethical conduct, or any other employment-related concerns, can be reported to line managers, Human Resources, or the employee hotline.

Complaints can be made anonymously, 24 hours a day, 7 days a week, by phone or through our dedicated online portal.

## Managing risk and compliance

All employees, as well as the Board, play a vital role in managing risk. The Risk Committee of the Board, comprised entirely of independent directors, assists the Board of Directors in its oversight of risk management functions. It provides independent challenge, and reviews and approves key risk management policies, procedures and practices.

Our Enterprise Risk Framework (“Framework”), which is reviewed and approved by the Risk Committee at least annually, is the structure through which we identify, assess, monitor, control, communicate and escalate risk. It includes the policies, processes, controls and systems through which risk is managed.

The Framework incorporates a three lines of defense model (business areas, enterprise risk management and internal audit), which details our approach to risk taking, risk oversight, and risk assurance practices. It also clearly defines roles and responsibilities and risk management policies and procedures, including our Risk Appetite Statement and Risk Governance Committee oversight. The Risk Governance Committees are predominantly chaired by members of Independent Risk Management. All such committees report to the Management Risk Committee, which is chaired by the Chief Risk Officer, and serves as the executive level committee responsible for the implementation and oversight of the Framework.

*The report covers the period of January 1 – December 31, 2020 and is as of December 31, 2020 unless otherwise noted.*

## Being a responsible corporate citizen

### Our political activities

We support our employees in having a voice in their communities through our employee-funded Political Action Committee (PAC). Employees on the committee decide how to allocate funds appropriately. Distributions from the PAC in 2020 totaled \$39,550.

We also have policies and procedures for compliance with federal, state and local laws and regulations relating to political contributions, gifts to and entertainment of public or government officials, political action committees, lobbying and participation in political campaigns or any other activities that may involve political influence. Our approach is detailed in our Political Activities Policy.

Our lobbying efforts are disclosed in accordance with the Lobbying Disclosures Act. This includes details on issues on which we have lobbied and total expenditure.

### Protecting information security

The protection of our customers' information is paramount. Our Information Security Program is built on a strong foundation of policies and procedures designed to help

protect customer and corporate information. In this way, our Information Security Program helps M&T strive for compliance with government and industry regulations while leveraging proven tools, technologies and practices.

Our program includes several core security principles, such as the Principle of Least Privilege, where information is disclosed on a "need-to-know" basis. We also follow the security principle of Segregation of Duties, which is designed to prevent fraud and errors by sharing the tasks and benefits for a specific business process among multiple users. Every employee is responsible for properly safeguarding all company information.

Our cybersecurity program is aligned with the five core functions of the National Institute of Standards and Technology (NIST) Cybersecurity Framework to identify, protect, detect, respond and recover.

Cybersecurity and Business Continuity teams attend regular training to help ensure competency and to stay up-to-date. Members of staff also participate in external professional

organizations. Of the teams as of December 31, 2020, nearly 70% hold advanced certifications and 60% are members of professional organizations.

### Active against fraud

As fraud techniques continue to evolve and become more sophisticated, we are committed to ensuring our technology and staff adapt to keep our customers safe. Our fraud prevention systems include multiple layers of protection and monitoring for various payment methods and channels, such as card, checks, online banking and telephone support. They also include a wide range of behavioral monitoring tools, authentication methods, biometrics and always-on monitoring.

### Transparent on tax

As strong corporate citizens, we disclose all current and deferred federal and state taxes within our periodic reports filed with the SEC.

Additionally, we participate in the IRS Compliance Assurance Process to collaborate with the IRS to resolve issues prior to filing our tax returns and to help achieve an acceptable level of assurance for the IRS regarding the accuracy of the return. M&T has been accepted into the Compliance Assurance Process program by the IRS for tax years through 2021.

“At M&T Bank protecting customers’ data is of the utmost importance. Confidentiality, availability and integrity of customer data are imperative for all we do in service of our customers.”

**Andrew Hartridge**  
Chief Information Security Officer



## Bringing people together

Collaborating,  
connecting



Creating an  
environment  
of belonging

## Our people

# Bringing people together

Our people are what set us apart, reflecting our values of integrity, ownership, collaboration, curiosity and candor. Many of our dedicated team members have been with us for decades, fostering a deep understanding and knowledge of those we are privileged to call our customers. We are a family of more than 17,000 people who come from the communities we serve. This means our motivation is not only professional, but personal – our efforts have an impact on our own neighborhoods and networks.

Our talent is key to how we do business and differentiate ourselves in the market. By living, working, volunteering and engaging with our communities, we have a deep understanding of the needs of our stakeholders.

The economic and social events of the past year have shown there is an urgent need for leadership. Our collective national reflection on matters of race and culture must serve as an impetus for us to reflect on our own corporate culture, acknowledging and correcting any barriers that may stand in the way of realizing the full potential of our current and potential employees. We strive to unite against injustice of any kind that affects our stakeholders, whether our customers, employees, vendors or shareholders.

We strive to build an environment in which the talents and perspectives of each employee are valued, respected and leveraged. We invest in career development, education and benefit programs to develop and nurture our teams, while identifying and cultivating exceptional new talent.



M&T volunteers cheering on participants in the Ride for Roswell

“We want a workplace where everyone feels a sense of belonging and where every unique perspective is valued.”

**Tracy Woodrow**

Executive Vice President and Chief Human Resources Officer



Our employee engagement has continued to rise while staff turnover has fallen every year since 2016

60%

of our workforce and 48% of our managers were women

23%

of our workforce and 14% of our managers were people of color

455,192

courses completed by employees

### In this section:

- Recruiting exceptional talent
- Ramping up diversity in recruitment
- Developing our teams
- Ongoing performance management
- Supporting our people
- Keeping our people safe in 2020
- Spotlight: Nurturing tech talent at the Tech Academy
- Deepening diversity
- Committed to fair pay and equal opportunities
- Pay equity
- Building communities
- Focusing on racial equity
- Improving the diversity of our supplier pool

## Bringing out the best in our people

Tony Williams, an M&T employee, volunteers at a nonprofit farm



### Recruiting exceptional talent

We take a multi-pronged approach to attracting new talent. This includes internal recruiting, leveraging external partners, employee referrals and five unique development programs focused on bringing in top talent through campus recruiting.

For over 30 years, our Executive Associate and Management Development programs have attracted and developed talent that was instrumental to our organization.

“The Management Development Program provided me with critical exposure to form a deep understanding of M&T’s culture of leadership and collaboration along with an immediate network within the bank for continued professional development and mentorship.”

**Nigel Smith**

2019 Management Development Program, Skidmore College

Many of our leaders have joined us via these programs, including Chairman and CEO René Jones and President and COO Richard Gold. Our Executive Associate (EA) program recruits top-tier MBAs into full-time roles at the bank, supported with a one-year development program including a banking simulation, innovation project, networking and communication course. Our Management Development Program (MDP) recruits recent undergraduates, alongside a cohort of exceptional internal talent, into full-time roles with a one-year development program. EAs and MDPs receive ongoing benefits from the strong network of leaders throughout the bank and career counseling.

In 2019, we launched a Technology Development Program (TDP) focused on recruiting undergraduates with experience in software engineering. The aim of the program is to expand the pipeline of tech talent into the organization while increasing diversity. TDP is a two-year rotational program with a self-directed model allowing TDP participants to build essential soft skills as they develop and manage the program in concert with their roles. 2020 welcomed in our second TDP class.

Of these, 25% were women, 10% were Black and 12% were Hispanic/Latinx.

We also recruit and develop talent through our Relationship Management Development Program for talent interested in Commercial Lending and sales and the Operational Development Program for talent focused on operations and logistics.

## 10%

of Technology Development Program participants were Black compared to 6.2% industry average<sup>1</sup>

### Ramping up diversity in recruitment

To help meet our recruiting goals for diversity, we have launched several new initiatives to augment our traditional recruiting efforts.

In 2020, we expanded our relationships for graduate and early careers recruitment to 13 Historically Black Colleges and Universities (HBCUs). These include Bowie State University, Lincoln University and the University of Maryland Eastern Shore. We also

partnered with the Thurgood Marshall College Fund, a significant talent pipeline for the Black college community and other diverse populations.

We built an alliance with William Paterson University, a Hispanic-serving institution, and we strengthened relationships with women’s colleges such as Barnard College, Wellesley College and Smith College. Activities included M&T representation on panels, in workshops and at career events.

We’ve had an ongoing partnership with the HBCU, Delaware State University, to recruit into our development programs and to offer Executive Mentoring from senior managers at M&T to juniors and seniors of color.

To deepen connections with the communities we serve, in 2020 we engaged in recruiting efforts with The Consortium, the National Black MBA Association, Reaching Out MBA, MBA Veterans, Prospanica, the National Society of Black Engineers, the Society of Hispanic Professional Engineers, Black Is Tech and the Technica Corporation in 2020.

<sup>1</sup> According to the Bureau of Labor statistics.



## Bringing out the best in our people

continued

Our hunger to find the talent who we may not reach through traditional recruitment channels led us to pilot our Talent Acquisition Ambassadors program in 2020 which has radically transformed the diversity in all the programs that we offer. Forty of our colleagues across our network divisions were trained and tasked with expanding community relationships and promoting awareness of career opportunities at M&T among diverse talent pools, in particular in campus environments.

Our Talent Acquisition Ambassadors spent 300 hours in 2020 advancing diversity, equity and inclusion in myriad ways, including speaking on university and college panels, at community workshops and at conferences such as Black is Tech. They also attended virtual career fairs; 71% of the fairs support individuals from diverse backgrounds.

Through all of these partnerships and programs, plus recruiting events and networking sessions, we have engaged with Asian American/Pacific Islander, Black, Latinx and LGBTQ+ candidates, women, veterans and individuals with disabilities, as well as other diverse groups.

This ensures that a broad range of perspectives shapes our growth and helps us to better reflect and represent the communities we serve.

### Developing our teams

We want our employees to grow and succeed individually, in high-performing teams and through the stakeholders they serve. We provide opportunities to enhance knowledge, boost performance and maximize positive impact.

E-learning and in-person training are available via our learning and development program Workday Learning. Courses, classes and webinars cover personal and professional development, leadership skills, technical skills and specialized options for specific roles. Our learning development program is geared to identifying internal high potential talent from under-represented groups and accelerating their progression through training and sponsorship into leadership positions.

We are proud that our Center for Learning and Development in Buffalo received a \$4 million overhaul in 2018. We pivoted to digital delivery in 2020

due to the pandemic, but we look forward to making the state-of-the-art facility our hub of learning and growth again. To ensure training is as powerful, effective and as time-efficient as possible, in 2020 our Enterprise Training Optimization team reassessed course content to streamline it and remove duplication. Despite these changes, we still saw more than 450,000 training courses completed. This equates to an average of 21 hours logged on average per employee. This compares well to 2019, where the average training hours per employee were 24 hours.

### Ongoing performance management

Development doesn't take place just in classes and courses: it's part of everyday work. We believe that ongoing performance management helps staff excel in their roles while preparing them for next steps. The essential elements of performance management are measurable goals based on our purpose and values; managers being required to provide ongoing, informal assessment; and staff requesting and giving feedback.

To deliver a consistent framework and guide leadership development, we've defined the leadership qualities most highly valued at our organization through leadership competencies (see spotlight). This enables staff to visualize and take concrete steps to progress toward leadership success.



### An M&T leader:

- Creates vision
- Inspires followers
- Builds alliances
- Influences
- Delivers results
- Develops talent
- Innovates
- Grows value



## Bringing out the best in our people

continued

“To show their support for my boys, each of my team members went out on an Autism Walk in their neighborhood with their families and wore blue (which is the color we use in the Autism Community to show support). They surprised me today with a picture during our team meeting. I’m so grateful to have all of them on my team! This is one of the reasons I have stayed at M&T Bank. We have the best people!!”

**Claudia Gamero**

Senior Sales Strategy Manager



Supporting, motivating, and empowering staff increases engagement and productivity. So those are the foundations of our Manager Acceleration Program, which offers comprehensive training for any employee moving into a managerial role. A science-based approach to leadership is offered by the Precision Leadership® program. As a collaboration with the Aubrey Daniels International consultancy, this training uses the science of behavior to turn concepts into practices, and those practices into effective leadership habits.

### Supporting our people

For the past 20 years we have been conducting employee engagement surveys. We carefully analyze the results and plan actions to improve our people’s experience. This covers all our team members from executive management through to frontline employees. Examples of action over the past few years include launching an initiative on job architecture to evaluate and normalize compensation, developing an equitable Parental Leave policy and adapting our Paid Time Off benefit.

These efforts to listen and learn from our teams have resulted in consistently high levels of engagement and low levels of turnover. The average tenure for staff at M&T is 10 years, compared to an average of 4.8 years for financial services<sup>2</sup>. We track engagement through our regular Employee Engagement Surveys. In 2020, our employee willingness to recommend us as an employer hit a high of 88%. This compares to an overall banking industry average of 87%, according to employee survey experts Perceptyx. Our staff turnover also fell to a historic low of 8%, in part because of the pandemic.

We believe that happy and healthy staff are key to exceptional customer experience and value creation.

We support our colleagues’ well-being with the following benefits:

- a medical plan, supported by concierge vendors to help employees navigate healthcare challenges
- paid time off, ranging from 15 to 30 days, depending on job grade and length of service
- 12 weeks of paid parental leave, with job reinstatement protection on return. M&T also offers break time and private rooms for nursing mothers

- a confidential support program, online clinic courses and an always-on behavioral health hotline
- contributions to retirement savings plans
- online budget coaching
- the Tuition Assistance Program for financial training and certified financial planning courses. In 2020, 201 employees benefited from the program

## \$1.5m

provided to employees to reimburse tuition costs

### Keeping our people safe in 2020

Ensuring the health of our employees and our customers is always our top priority. At the start of the COVID-19 pandemic, we acted swiftly. In less than one week, we rapidly shifted 85% of the workforce to a remote working environment and began the process of outfitting our essential on-site employees with protective equipment.

<sup>2</sup> According to the Bureau of Labor statistics.

## Bringing out the best in our people

continued

During the pandemic, our approach has been to proactively protect and support staff, while ensuring we are listening to their concerns and responding accordingly – in particular by taking weekly ‘pulse’ surveys. These helped to regularly touch base with our employees to see how they were doing and to get feedback on how to help them feel safe and stay healthy throughout the crisis.

As a result of this feedback, we were able to change practices to meet the needs of both staff and our customers. We improved working from home systems and created better tools and resources to support employees with a dedicated New Normal Playbook and New Normal Hub. We supported employees with wellness resources, conducting a monthly webinar series called Balancing Your Personal and Professional Life.

We created access to our network through secured virtual private networks, ensured staff had office equipment. DocuSign, e-sign capabilities and virtual notaries were introduced.

Learning and Development created remote-ready learning courses, while flexibility around scheduling helped those juggling care and working commitments.

Adjustments were made to pay and benefits with additional paid time off, and extensions on the time available to use carried-over paid time off. A temporary 15% pay premium was introduced for those working on-site. Medical benefits were enhanced to cover COVID-19 diagnostic testing and time off for vaccinations, as well as stress and mental health support. Free membership to Care@Work was provided to help working families at home access support for caring responsibilities, we sent high quality face masks to all employees and we waived on-site parking fees.

On-site, we modified our delivery models to improve safety, including adjusted opening hours, drive ups, ATM and appointment only options. When we started a phased re-opening on July 20, we made mask wearing mandatory in common areas. We installed social distancing barriers, increased janitorial and cleaning services in all buildings and branches, and arranged weekly PPE and care package deliveries.



### Nurturing tech talent at the Tech Academy

The way customers engage with financial organizations like M&T is being transformed through technology innovation. In this fast-moving world, technology skills, experience and expertise are key to ensure that we offer the best service, where and when the customer wants it. To stay at the forefront of this change, it’s crucial we’re able to bring in the best and brightest tech talent, and enhance the skills base of our current colleagues.

Perpetually upskilling our people helps us retain our competitive edge and we also realize that providing technological opportunities to those from non-traditional backgrounds can transform careers and lives.

These motivations are at the heart of our thriving Tech Academy program. Its purpose is threefold: to upskill or reskill tech professionals; to increase the technical literacy of our workforce; and to nurture new talent from non-traditional backgrounds.

In 2020, acutely aware of the negative impacts of COVID-19 on employment opportunities, we focused on free learning resources, instructor-led virtual courses and remote immersive courses for those economically impacted by the pandemic. We also established the Tech Learns Teams page as a forum where our people can learn not just from experts, but from each other.

That cooperative spirit drives the Tech Academy, and it’s given rise to two exciting projects. The WNY Tech Skills Initiative – a collaboration with regional stakeholders and industry partners such as General Assembly – is a free, community-facing program.

It’s focused on people who are unemployed or underemployed due to COVID-19, who are entry-level and need to upskill, or who are from underserved segments of our communities. We’ve already enrolled nearly 500 people.

Candidates from nontraditional backgrounds are the focus of our other exciting project: The Z Development Program Apprenticeship. Focused on building talent for the Z platform, this collaboration with IBM® and Franklin Apprenticeships® trains mainframe developers and system programmers via 12 months of virtual classes and on-the-job mentoring. Ten apprentices are participating in its first phase.

## Creating an environment where everyone belongs

### Deepening diversity

Visible change is the aim of our diversity, equity and inclusion strategy, driven by the voices of our people. Those voices were key to helping us develop our strategy:

- We want to be the bank of choice for diverse customers in the communities we serve
- We want our colleagues to truly feel like they belong and can be their authentic selves at work

- We aim to have diverse leadership pipelines at all levels that reflect our broader employee base and those we serve.

To promote a diverse, equitable and inclusive environment, our Diversity and Inclusion office, led by our Chief Diversity Officer, works across the organization to engage the hundreds of passionate employees leading change initiatives.

Initiatives include sponsorship and mentorship programs, unconscious bias training, hiring and promotion programs, product and service development, journey mapping the unique experiences of our diverse talent and many more.

A key initiative to increase diversity in our leadership is our Rising Leaders Development Program. The 11-month program seeks high potential diverse candidates to accelerate their careers through skills building, networking, mentorship and exposure to leadership. The benefits continue long after the program has finished, as a strong and vibrant alumni network drives change across the bank. Since its launch in 2014, 273 people have participated.

### Committed to fair pay and equal opportunities

Our compensation philosophy includes elements designed to reinforce our purpose and values, engage our colleagues and maximize long-term organizational performance. We employ various governance tactics to ensure that our colleagues are paid fairly based on the job that they hold and their performance in that role.

We've made considerable investments in our compensation programs over the last few years, including increasing our minimum pay rates to \$15-18 per hour in 2020, depending on geography, twice updating our salary ranges to more accurately reflect the market, and rearchitecting our jobs so that they more precisely articulate the valuable work performed by our colleagues – resulting in an off-cycle pay increase for 7,200 of our colleagues.

### Pay equity

At M&T, we are committed to fair and equitable pay practices – it is simply the right thing to do. We maintain pay guidelines and compensation programs – such as market-based salary ranges, promotional and lateral guidelines and annual compensation cycles with multiple leadership reviews embedded within the process – to help ensure employees are paid appropriately for their job.

The process does not stop there – we regularly conduct pay evaluations to identify outliers, making adjustments where warranted to address disparities.

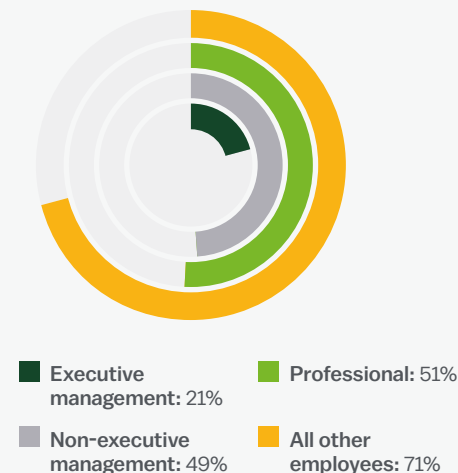
We are familiar with the regulatory landscape and are continuously tracking developments in the field that will guide our path forward in this critical area.

“At M&T Bank, our Diversity Equity and Inclusion 2025 Vision, launched in 2020, focuses our efforts around three major themes. Creating an ecosystem where our colleagues and communities:

- Can see themselves at every level of the organization.
- Are encouraged and supported to be their best authentic selves.
- Are empowered to help build, develop and lead us to being the bank of choice FOR each and every one of the many diverse communities we serve.”

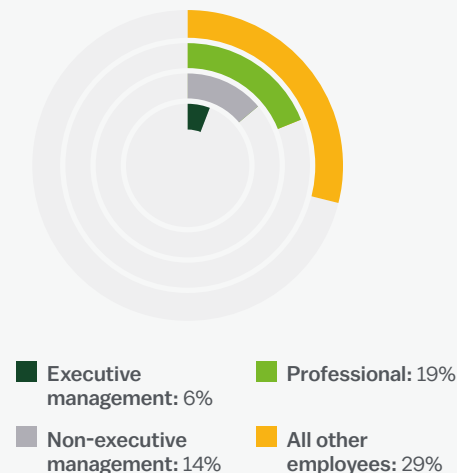
**Glenn Jackson**  
Chief Diversity Officer

### Gender diversity at M&T in 2020 (Female %)



Categories based on the EEOC job classification guide

### Ethnic diversity at M&T in 2020 (People of color %)



# Creating an environment where everyone belongs

continued

## Building communities

Our people have a wide range of identities, talents, interests and passions, and we celebrate and value the different perspectives of our colleagues. One way we nurture diversity is through our 14 employee resource groups and 70 chapters. These are voluntary, employee-driven and based on shared characteristics and interests. Over 6,000 employees are members and each group has at least one Executive Sponsor. Building strong networks, serving communities and making an enormous impact in the organization, these groups provide mentoring, generate business and serve as ambassadors. This creates a win-win, because these activities enhance the members' professional development, and bolster our ability to recruit and retain talent.

We are also immensely proud to be designated as one of the [Best Places to Work for LGBTQ+ Equality](#) by the Human Rights Campaign Foundation, and one of the [Best Places to Work for Disability Inclusion in the 2020 Disability Equality Index](#).

## Focusing on racial equity

The national reckoning in 2020, sparked by George Floyd's death but reflecting centuries of deep rooted violence and injustice toward Black people and people of color, deeply impacted our communities. Our response was a concerted effort to listen carefully and openly to our colleagues, friends, customers and other stakeholders, and to respond appropriately, for example by updating our language and messaging, and increasing our work on diversity, equity and inclusion.

We supported grassroots initiatives from our colleagues that addressed the impact for local people and businesses and helped scale them.

In Rochester, our people formed the This Time Will Be Different committee. The focus of this initiative is to support local businesses, particularly in inner cities, that were affected by the civil unrest and the pandemic in 2020.

Together with city governments, we've offered advice, mentoring and partnership opportunities.

In Syracuse and Albany, the Encouraging Diversity, Growth and Empowerment (EDGE) groups hosted townhalls after the death of George Floyd to enable colleagues to share their feelings and find ways to help. The group continues to focus on supporting our overall diversity, equity and inclusion efforts, in particular, to drive more diverse recruitment through partnerships with local organizations. Leaders from across the business have approached EDGE for advice on forming chapters. These include the Boston, mid-Atlantic and Rochester regions.

## Improving the diversity of our supplier pool

Economic development in underrepresented communities can be advanced by focusing our spending power. Diverse suppliers accounted for 4.8% of sourceable spend in 2020. We are working to build on this by proactively seeking to make M&T a trusted partner of businesses owned by women, people of color, veterans, the LGBTQ+ community and people with disabilities.



## Employee resource groups at M&T

We support 14 employee resource groups and 70 chapters across our organization. 50% of our managers and 36% of our people participated in one or more resource groups in 2020. They are:



African American Resource Group (AARG)



Asian Pacific American Resource (APARG)



Welcome Resource Group



Intrapreneurship Resource Group (IRG)



Think Green Resource Group



Wellness Resource Group



Hispanic Resource Group (HOLA)



PRIDE Resource Group (PRIDE)



Intergenerational Resource Group (iGen)



Native American Resource Group (NARG)



Veterans Resource Group (VRG)



STEM Resource Group (STEM)



Women's Interest Network (WIN)



Disability Advocacy Network (DAN)

To achieve that goal, we have a Supplier Diversity program development strategy that emphasizes three themes: thought leadership, data focus and program evolution. We are increasing our active participation in external networks such as the Buffalo Purchasing Initiative and the Capital Region Minority Supplier Development Council in order to connect with more diverse suppliers.

We are also collaborating with internal stakeholders to maximize our positive impact on underrepresented businesses and encourage transparency in the bidding process, including detailed post-bid feedback and coaching for underrepresented suppliers.

Want to know more?



[Human Capital Report](#)

# Working with our communities

## Working together



## Uplifting our communities

## Our communities

# Working with our communities

Our organization is part of the glue that binds us all together, driving the economic progress and support services that help to move our communities forward, improving the lives of those who live there.

Our services help nurture neighborhoods in myriad ways, such as through small business lending, innovative community development, providing loans and mortgages to people on low to middle incomes, to name a few. These efforts are evaluated by both the Federal Reserve and the NYS Department of Financial Services through the Community Reinvestment Act (CRA). M&T has received the highest possible CRA rating on every exam since 1982 by the Federal Reserve and since 1989 by the NYS Department of Financial Services.

What makes us different is that we deliver the services of a “big” bank with the care and empathy of a locally focused organization. Our customers are the “difference makers” – the people and businesses who, despite uncertainty and challenges, believe they can create a better future for themselves, their families and wider society. They work hard to make a positive impact on the world around them and want a banking partner who does the same – who believes in their

dreams, understands their needs and shares their values; one who advocates on their behalf, supporting them through good times and bad.

We rank as the fifth largest Small Business Administration (SBA) lender nationally – despite operating in only eight states. What’s more, we’ve been in the top ten nationwide SBA lenders for the last 12 years consecutively. This illustrates how committed we are to our local communities. We hold the number one market share for middle market banking in most of our regions. In 2020, we were awarded 22 Greenwich Excellence Awards and 3 Greenwich Best Brand Awards across Business Banking and Middle Market, bringing our total awards to 137 since 2011.

This deep connection to our stakeholders has enabled us to pivot quickly to meet rapidly changing needs during 2020. We provided millions of dollars in community investment loans and COVID-19 grants to keep people and the businesses that support them afloat during the pandemic.

The M&T Charitable Foundation provides support for a diverse range of organizations through grants, employee volunteerism and in-kind services. We also provide our teams with opportunities and paid time off to build strong, healthy communities.



David Alima, The Charmery

“We are on a journey to make sure we do our part to celebrate all of the people that make up our communities.”

**René F Jones**  
Chairman and CEO

### In this section:

Boosting affordable housing

Helping first-time buyers and supporting homeowners

Educating homebuyers

Keeping people in their homes

Financing our communities

Targeted grants and lending during COVID-19

Supporting paychecks through COVID-19

Listening to our customers

Committed to our many cultures

Spotlight: Healthy neighborhoods

Spotlight: Igniting the future

Driving the engine of small business

Expanding entrepreneurial opportunity

Integrated in our communities

Strengthening nonprofits through philanthropy

Giving our time to good causes

Spotlight: Building communities through education

**\$34.9m**

awarded in charitable funding

**\$1.299bn**

in affordable housing lending

**Top 10**

SBA lender nationwide for 12 years consecutively

**51,656**

hours spent by staff volunteering

The report covers the period of January 1 – December 31, 2020 and is as of December 31, 2020 unless otherwise noted.

## Nurturing through finance

### Boosting affordable housing

We are deeply connected to our communities and committed to advocating on their behalf. Affordable housing is a key tool in tackling inequality. Housing is deemed 'affordable' when it consumes no more than 30% of a household's income<sup>3</sup>. Yet a full-time worker earning minimum wage cannot afford a two-bedroom apartment in any county in the United States<sup>4</sup>. This crisis disproportionately impacts communities of color and the most vulnerable, including the elderly, people with disabilities and veterans. COVID-19 has further exacerbated the crisis nationwide.

Solving this challenge requires long-term commitments from the public and private sectors. Affordable housing units have rent or income restrictions to help keep them below market prices. Both M&T Bank and M&T Realty Capital Corporation have helped play a pivotal role in supporting the creation of affordable housing units, from financing construction and bridging loans to mortgage financing.

<sup>3</sup> As established in section 213 (a) of the Housing and Urban Development Act (1969), raised to 30% in 1981.

<sup>4</sup> As documented in the 'Out of Reach' reports by the National Low Income Housing Coalition.

In 2020 we were ranked #17 by lending volume with \$1.299 billion by the [Affordable Housing Finance magazine](#). Additionally we invested \$149 million through the Low Income Housing Tax Credit (LIHTC) which added 1,837 new affordable units in 2020. This brings our total book value of our existing LIHTC investments to \$742 million.

# \$1.299bn

in affordable housing lending in 2020

### Helping first-time buyers and supporting homeowners

We offer a wide array of affordable mortgage products to help residents achieve the dream of home ownership, particularly in challenged areas such as inner-city neighborhoods. In 2020, we made 3,219 home purchase loans to low- and moderate-income residents. This accounted for 37% of all mortgage loans we made in 2020.

Our success lending to low- and moderate-income residents

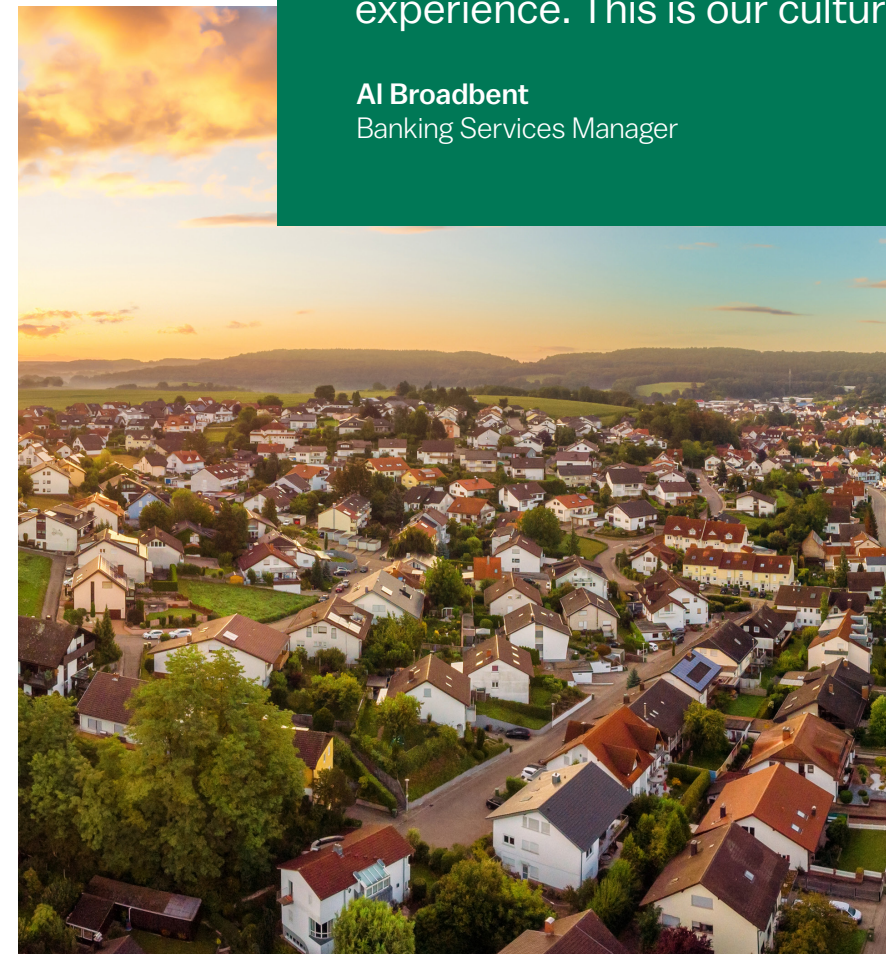
contributes to our Outstanding CRA rating. This was achieved in part through the efforts of 14 dedicated Community Reinvestment Mortgage Loan Officers who specialize in working with low- and moderate-income homebuyers.

### Educating homebuyers

We actively support our customers and communities with financial education focused on homebuying through our first-time homebuyer webinars and by supporting and funding housing counseling agencies. These programs answer frequently asked questions, counter common homebuying myths and clarify areas of confusion. We also help would-be buyers with one-to-one assessments of their homebuying readiness.

"I've been with M&T Bank for over 30 years. At no time have I been more proud of this organization. Our fellow associates are stepping up to get the work done so none of our customers have a bad experience. This is our culture!!"

**Al Broadbent**  
Banking Services Manager





## Nurturing through finance

continued

“You may have saved my life. Before: directionless. After: empowered... I gained self-confidence and emotional strength from counseling and coaching.”

“My coach went above and beyond the call of duty. The website is awesome... I found another job within two weeks. I owe it to my coach and her expertise. I want to thank my lender for passing on my name for the job search. I felt relieved that a burden was lifted off my shoulders.”

NextJob participants and M&T customers



### Keeping people in their homes

Helping our customers to stay in their homes and avoiding foreclosures is a priority to us at all times. During COVID-19, we rapidly redeployed our employees to handle a massive volume of calls from customers who were experiencing pandemic hardship and made decisions to go above and beyond what was mandated by the government, providing forbearance on all mortgages, not just government-backed mortgages as well as suspending all vehicle repossessions, including in states without loan moratoriums. We waived late fees and suspended adverse credit bureau reporting on our consumer book and overdraft recoupment opportunities.

Since 2013, we have supported homeowners during job uncertainty with our NextJob program. The program is designed to assist homeowners who meet certain unemployment/underemployed criteria gain employment training and job coaching as they prepare to re-enter or advance in the workforce. In 2020, 37% of those who went through the program confirmed they had been hired. The impact of these initiatives on people's lives is tremendous.

### Financing our communities

We continuously seek new ways to help meet the financial needs of the organizations serving our communities. Two of the many ways we do so include our investments through New Market Tax Credits and providing loans to Community Development Financial Institutions (CDFI). We started our New Market Tax Credit (NMTC) program in 2018 and provide equity investments in projects that create jobs and services for Low and Moderate Income (LMI) community members. Our investments in NMTC was \$57 million by the end of 2020. Through traditional lending we provide CDFIs low cost loans so they are able to provide capital to their constituents.

Our investments through the New Market Tax Credits program was \$57 million by the end of 2020. We lend through our traditional avenues as well as providing Community Development Financial Institutions with low cost loans to provide capital to their constituents.

### Targeted grants and lending during COVID-19

A substantial number of grants and loans have been specifically targeted to support those suffering from the impact of the COVID-19 health and economic

crisis across our regions, from loans to help neighborhood businesses stay afloat to programs which enhance students' job skills. One such example is the NY Forward Loan Fund, to which M&T pledged \$1.5 million. The fund was created to address historically disenfranchised communities as they attempt to re-open and recover from the impacts of the pandemic. It targets small businesses with fewer than 20 employees, nonprofits and small landlords who have seen sharp rental income reductions as their tenants lost their income and ability to pay. By December 2020, the fund had paid out more than 509 loans totaling over \$23 million.

Additionally, M&T provided a \$1.0 million loan as the first private sector participant in the Garden State Relief fund.

Launched by New Jersey Community Capital (NJCC) in March 2020, the fund assists small businesses and nonprofits negatively impacted by the COVID-19 pandemic. Eligible borrowers include businesses and nonprofits, with 3 to 75 full-time employees. Loan sizes are between \$10,000 up to a maximum of \$75,000. To date 627 applications have been submitted and 113 loans have closed, totaling \$6.2 million.

## Nurturing through finance

continued

“Banking with M&T has allowed us to continue to grow and continue to stay relevant, and make the changes we needed to make to be competitive in today’s environment. We’ve been with M&T Bank for over 90 years and they’ve been with us every step of the way.”

**Garrett Mayer**  
MAYER BROTHERS



Garrett Mayer,  
MAYER BROTHERS

### Supporting paychecks through COVID-19

The Paycheck Protection Program (PPP) has been an important resource to help small businesses remain open and keep people working. To smooth the process for customers, we worked hard to design an application system that was clear, efficient and straightforward, with webinars and step-by-step guides to help people navigate the process. Our passionate employees stepped up to the challenge, reaching out to customers to see if they needed help, and taking the time to guide people through the applications and banking processes step-by-step.

These efforts meant that, during a three-week period, our dedicated employees processed 30 times the number of SBA loans that we would ordinarily do in a full year. Our teams processed 34,600 PPP applications in round one of PPP loans and 1,110 standard SBA loans during the 2020 fiscal year. To achieve this, our SBA lending team rapidly scaled up by over 100 times. Bringing together customer journey mappers, technologists and our partners at Blend, a fintech company, the team developed and implemented a loan application portal within 72 hours that complied with rapidly evolving PPP rules.

The newly formed team guided customers on their journey to ensure frictionless application, approval and funding. We treated every customer as if they were our only customer, and their mission as our own.

We are proud of the role we’ve been able to play in helping businesses access these much-needed financial resources. We helped by securing funding for over 35,000 loans totaling more than \$7 billion to companies that together employ over 765,000 people.

We processed 92% of the PPP loans for businesses with 50 or fewer employees and approved more loans in healthcare and/or social assistance than any other industries. We also were proud to open the second tranche of PPP support to existing and new customers of the bank.

We are touched and thankful for all the positive feedback we received, with many people commenting on how they felt they were “the only customer” and were touched that staff had reached out to them to see how they could help. Others noted how M&T people had guided them through the process, in many cases, working late into the night to ensure that customers didn’t lose out. These efforts also contributed to M&T receiving a ‘Standout’ rating for the bank’s COVID-19 response in the 2020 Greenwich Crisis Response Index.

## \$7.0bn

of paycheck protection program support funded, helping to keep 765,000 people employed

### Listening to our customers

Our success is dependent upon responding to the needs of our customers. This is why we empower local teams of employees who are close to our customers to respond and make decisions and suggestions regarding practices and products to meet their customers’ needs. We reinvigorated this approach through a focus in Baltimore in 2019 called Mission Maryland and have been scaling that approach throughout our footprint since.

Empowering our employees who work directly with our customers has a profound impact. For example, we introduced iPads into branches to help immerse customers in our digital banking experience and also used them to help capture customer feedback. That method gathered one and a half times more feedback in one month than in an entire previous year. This led to the launch of an Ambassador program to connect customers directly with the M&T team they needed, while improving satisfaction and attracting new customers.

## Nurturing through finance

continued

### Committed to our many cultures

We want to be the financial services provider of choice for our customers, employees, communities and stakeholders of all cultures, beliefs and backgrounds. To do so we must actively serve, and partner with, multicultural communities across our footprints.

Language and cultural barriers can prevent us from fully serving our communities. Communicating clearly is crucial. Our Multicultural Banking team, which was created in 2020, is focused on more effectively tailoring our services to our customers' needs and proactively identifying barriers. Our goal is to engage with multicultural customers to develop a deep understanding of diverse cultures, be actively involved in multicultural communities and leverage our relationship-focused delivery of products, services and resources.

To help meet this goal we spent the past year listening to key stakeholders, working across the enterprise, and developing a comprehensive plan to Multicultural Banking. Our approach includes a holistic view of the multicultural customer experience, across all channels and services.

While we are only just beginning this journey, we have already made exciting changes:

- Identifying specific branches to pilot our multicultural plans and reach our most impacted populations as quickly as possible. For example, the addition of Korean speaking staff in the Howard County, Maryland branch where nearly 20% of the neighborhood's population is Korean

- Deploying signs and marketing materials in six languages to selected branches based on neighborhood demographics
- Launching Business Banking educational materials in Spanish, Korean and Chinese

In response to the pandemic we acted swiftly to meet the immediate needs of our customers, translating our emergency website and branch messaging into Spanish, Korean, Burmese, Chinese, Russian and Polish to help our communities navigate this challenging time.



### Healthy neighborhoods

We value the investment, pride and passion Baltimore City citizens have to their neighborhoods. Which is why M&T was a founding partner, lead investor and managing member of the Healthy Neighborhoods Loan Pool. Healthy Neighborhoods, a nonprofit organization founded in 2004, helps strong but undervalued Baltimore neighborhoods increase home values, market their communities, create high standards for property improvements, and forge strong connections among neighbors.

Since its inception Healthy Neighborhoods has raised and invested more than \$200 million in Baltimore neighborhoods through their program offerings, including: capital for purchase and rehabilitation by owners from their Loan Pool, professional advice for rehabbers, community projects with support positive images, neighborhood marketing, encouraging block projects and resident leadership, and many more.

Since our initial \$7 million commitment to the inaugural \$40 million loan pool in 2005 many other banks now provide capital. We are pleased to announce that in 2020 we committed \$10 million of support for a third loan pool of \$35 million, with applications opening in early 2021.

Mark Sissman, President of Healthy Neighborhoods, said: "M&T's commitment to Healthy Neighborhoods and the 46 Baltimore neighborhoods it serves has been unwavering. The scale of its commitment to the loan pool and its willingness to support innovative terms set a high bar. Significant public sector commitment to the neighborhoods followed bank commitments and investments. You can see the results. Improved homes, public investment in parks and schools and community spaces and increased home values."

## Nurturing through finance

continued



### Igniting the future

Our Ignite program addresses the challenges faced by minority- and women-owned businesses. These include conscious and unconscious bias, and inadequate access to mentorship, networks, capital and government contracts.

At the heart of the Ignite program is our dedicated Minority- and Women-Owned Business Banking team. Launched in Baltimore in 2019, the program focuses on identifying needs, creating solutions and providing support to minority- and women-owned businesses. It has already recruited 86 new clients, 84% of whom are classified as minority and/or woman-owned businesses, and the program has won two national banking awards, and six regional market awards.

Our 0-100 Small Business Accelerator program coaches ambitious members of our communities to break down the barriers to success.

The 10-week program covers key topics including sources of capital, business planning, insurance and marketing.

We intend to expand Ignite across our entire footprint. We're also working to change the industry more widely by participating in local, state and national panels to enhance financial support for minority- and women-owned business. In 2021 we're working to meet this need by creating a program to provide access to credit for minority and women owned businesses that do not fit our conventional credit standards.

### Driving the engine of small business

M&T ranked fifth nationwide for small business lending in 2020.

We extended 1,110 loans totaling \$157 million over the course of the year. We topped the SBA lenders list in Baltimore, Buffalo/Rochester, Delaware, Philadelphia, Syracuse and Washington D.C.

In 2020, we were awarded 22 Greenwich Excellence Awards and 3 Greenwich Best Brand Awards across Business Banking and Middle Market, bringing our total awards to 97 since 2011.

Our Mission Maryland approach shows what impact we can make locally. We have been Baltimore's premier SBA lender for the thirteenth year in a row, originating 54% of all SBA loans in the district – up from 52% in 2019 and 47% in 2017. In the district, we are also the number one bank for family-owned businesses, and our Net Promoter Score (Customer Satisfaction) in Greater Baltimore is top in the market (58.4).

Natalie Karyl, Owner of Dollhouse Boutique



### Expanding entrepreneurial opportunity

We strive to get to know our customers as individuals and seek to understand their unique needs, as well as the challenges that may hold them back. This understanding helps us build better banking solutions to help entrepreneurial individuals start or grow businesses that make an impact. That's why we launched a team focused on minority and women-owned businesses to better serve the 564,000 small businesses classified as minority-owned in the mid-Atlantic region (see Spotlight).

“There’s so much you don’t know. I’m a designer, I’m an artist. So when it comes to the business aspect, everything from your point of sale to your retirement planning. M&T has helped me through all that. It’s a partnership.”

Natalie Karyl  
Owner of Dollhouse Boutique

## Top 10

SBA lender nationwide for 12 years consecutively

## Strengthening our communities

“I never wanted a child in my class to feel they couldn’t learn. The most gratifying aspect of what we do is seeing how our alumni succeed. They were with us when the school was in its infancy. Those first kids are now in colleges around the country. We established a vision and values with the help of M&T and we’re accomplishing them.”

### Chevonne Hall

Baltimore Leadership School for Young Women

### Integrated in our communities

In order to support our stakeholders, it’s crucial to be a consistent, reliable and responsive partner. We get regular input and feedback from the people and businesses in the areas where we operate through many channels, including our network of Directors Advisory Councils in each region. Each Directors Advisory Council includes M&T colleagues across business lines and local leaders representing the local community, local businesses and government organizations.

The councils meet regularly to identify issues, discuss opportunities to collaborate and track progress. It’s our way to listen closely and proactively address community challenges through our work.

Our Ambassador program, our employees’ volunteering efforts and the M&T Charitable Foundation’s involvement in many local groups and charities combine to provide great insight about the needs of our communities as well as valuable communication channels.

We also listen to our customers through our Office of Customer Advocacy and an enterprise-wide process designed to support customer experience and risk management by managing customer complaints received through multiple communication channels. Customer complaints are quickly categorized and analyzed, escalated to compliance risk management if needed, and shared with the business units through our customer experience teams to advocate for action to help improve the customer experience. The majority of complaints are resolved and logged at the first point of contact by the customer-facing associate.

### Strengthening nonprofits through philanthropy

Healthy communities are the foundation of successful businesses. Established in 1993, the M&T Charitable Foundation supports thousands of nonprofit organizations to improve the quality of life for our customers, employees and neighbors in our communities. Working directly in each community and empowering local teams to make funding decisions helps to ensure grants are tailored to community needs. The M&T Charitable Foundation offers financial support and other resources to many types of organizations, including those that represent arts and culture, civic affairs, healthcare, education and human services.

In 2020, M&T and the M&T Charitable Foundation together donated \$34.9 million to more than 2,800 nonprofit organizations. Over the past decade M&T and the M&T Charitable Foundation have together donated \$264.3 million to 7,500 nonprofit organizations.

From providing career training to mental health support, money management education to youth development services, the projects service a wide range of needs to produce tangible outcomes which improve people’s lives. This money has tackled issues such as food security, homelessness, frontline healthcare services, and racial equity needs exposed and magnified by the pandemic, like digital access, workforce development and microloans and grants to minority- and women-owned businesses.

During the pandemic, we have provided unrestricted funding to support our longstanding nonprofit partners. Of the \$34.9 million donated, \$3.7 million was allocated to focus directly on urgent COVID-19 relief.

## \$34.9m

contributed in 2020 by the M&T Charitable Foundation



Chevonne Hall, CEO, Baltimore Leadership School for Young Women

## Strengthening our communities

continued

### Giving our time to good causes

We empower our people to be active in their communities, and we responded to our employees' desire to support the causes close to their hearts by giving every full-time employee 40 hours of paid time off each year to volunteer. We've also introduced a new volunteering platform to improve visibility of volunteer opportunities and to track volunteer time, given concerns that many hours were going unrecognized.

In addition to contributions made by the M&T Charitable Foundation across our footprint, our employees donated more than \$1.5 million to address social needs through the United Way. Despite the pandemic, our staff still dedicated over 50,000 hours to our communities in 2020. Much of this volunteering happened virtually, and to keep staff and our community partners protected in a range of environments, we provided safe volunteering, travel and social gathering guidance.

COVID-19, combined with staff getting used to our new volunteer platform, meant that we were disappointed not to reach the 294,000 hours recorded in 2019, or the 333,000 hours recorded in 2018, but as volunteering plays such a strong role in our culture, we know the numbers will bounce back.

Our approach to supporting causes is very locally oriented. A good example of this approach is the Buffalo Promise Neighborhood (see right). In addition to full-time bank personnel, we have 400 dedicated employee volunteers who give their time to this project.

# 51,656

hours spent volunteering by our employees



### Building communities through education

The Buffalo Promise Neighborhood grew from our belief that a large company could directly help a community by revitalizing the education of its children. This is because education and opportunity are directly linked, and strong schools lift their entire community.

Thus, the Buffalo Promise Neighborhood was born. A long-term collaboration, beginning in 1993 with a Buffalo Public School, between M&T Bank and its community, this unique project brings together a team of dedicated professionals from business, academia and social work who are focused on revitalization through education.

Over the past three years, 1,200 volunteers have donated more

than 8,000 hours of their time to the project. In addition, more than 15 M&T Bank employees are solely dedicated to the mission of Buffalo Promise Neighborhood.

Buffalo Promise Neighborhood focuses on the education and empowerment of students, their families and their community.

Children at four schools receive a well-rounded and engaging education including technology, arts and music. Elementary students have an average attendance rate of 93%: the second best of all 39 Buffalo Public Schools. And 65% of 8th graders are accepted into Buffalo's best high schools. This is supplemented by extracurricular learning, sports and family events, strengthening the connection between educators, parents and caregivers, and the community. For instance, there are a total of 12 block clubs in the neighborhood.

Buffalo Promise Neighborhood ensures equal opportunities to our students and families – in education, and also healthcare, nutrition, housing, higher education and vocational training. We also provide opportunities for our students to attend private high schools through our Promise Scholars Program.

Our innovative Parent Achievement Zone (PAZ) also provides parents with one-on-one coaching to assist with financial stability, continuing education, career advancement and family well-being. Since its inception, the program has engaged with more 1,700 parents and families. One of the participants, Kendra Campbell, said "With the help of the entire PAZ team, I was able to graduate from nursing school – with distinction. I also recently bought my own home. I could not have done it without the PAZ team, I owe so much to them."

# Protecting our environment

## Evolving



## Building for the future

## Our environment

# Protecting our environment

Climate change is having large-scale impacts on our customers, communities, employees and shareholders. As we continue to listen and learn, we believe in the power of we – the power of collective effort to solve the challenges that lie ahead. That’s our way forward. One thing we at M&T need to address is operational impacts: adapting our ways of working to help play our part in shifting toward greener ways of doing business.

Listening to science, caring for the environment and helping to drive the transformation to a low carbon economy also entails looking at how we, as a financial organization, can contribute to a greener society. Funding renewable energy infrastructure is one of the ways we can do this. Assessing the carbon content of our loan book and dedicating resources to accelerate incorporating climate change risks into our business strategy is another.

We’re at the start of our journey in sharing data to be transparent and acknowledge where we are today, but we know that we have a long way to go. This is just the beginning, and we appreciate that some of this year’s impact reductions will be the result of COVID-19 induced changes in working practices – many of which may be temporary. Which means we’ll need to work harder to decrease our impact on the environment.

Knowing where we stand will help us chart the course to a brighter, greener and more vibrant future for the bank and our communities. We already have the mindset to do what is best for our communities and the greater good. Now we are focused on applying this attitude and energy to our impact on the environment and we look forward to sharing our progress in future ESG reports.



Heather Vineall, an M&T employee, volunteers at an environmental organization

“M&T succeeds when the communities we serve are healthy and vibrant. Without action, climate change has the potential to have significant effects on our communities, our customers, our team and our economy. That is why we are committed to action.”

**Kevin Pearson**  
Vice Chairman

### In this section:

Targeting emissions

Empowering employees

Supporting greener buildings

Conserving resources

Renewable energy investment

Addressing climate risk

Spotlight: Albany center of excellence around renewable investment

**7%**  
reduction in our total electricity usage

**Silver**  
LEED rating on our Baltimore regional headquarters

**\$175.4m**  
investment in renewable energy

The report covers the period of January 1 – December 31, 2020 and is as of December 31, 2020 unless otherwise noted.



## Reducing operational impacts

“Throughout the past year we’ve turned challenges into opportunities to better our relationship with the environment. Thinking before we print and making paper a last resort may seem small, but collectively we are creating real change in our pursuit of a paperless future. We are thrilled to have the opportunity to stand together with the M&T family as we take digital transformation to the next level.”

### Jacob Rybak

Senior Procurement Agent and ThinkGreen member



Carine Joannou,  
President, Jamis Bicycles

### Targeting emissions

We consider environmental impact in decisions regarding the management of our facilities, and when implementing new initiatives.

We aim to reduce emissions from direct activities such as the amount of electricity, natural gas and oil used in our buildings. These are called scope 1 and 2 greenhouse gas (GHG) emissions. The biggest contributor to our carbon emissions is from electricity usage. In 2020, our electricity consumption decreased by 7% from 2019, building on the 7% reduction achieved between 2018 and 2019. Overall, this means we have reduced our electricity consumption by 13% since 2017. This is enough to keep one billion smart phones charged. Usage of natural gas, primarily used to heat buildings, reduced by 17% from 2019. This means we reduced our gas consumption by 6% since 2017. We also reduced our oil consumption in 2020 by 17% and since 2017 we’ve reduced it by 21%.

As a result of our decreased consumption of oil, natural gas and electricity in 2020, we’ve seen a decrease in our CO<sub>2</sub> emissions for that year. Our total GHG emissions from the usage of oil and natural gas (referred to as scope 1) decreased

by 32% year-on-year, bringing our total reduction in absolute terms since 2017 to 24%.

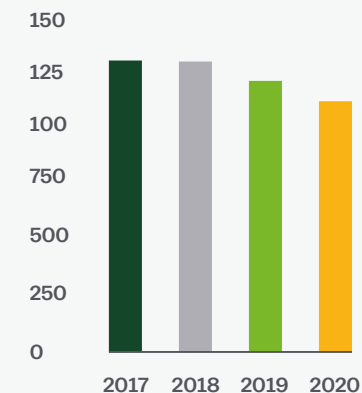
Our total GHG emissions from electricity (referred to as scope 2) decreased by 11% year-on-year, bringing our total reduction in absolute terms since 2017 to 17%. This means our directly attributable (scope 1 & scope 2) GHG emissions reduced by 17% in 2020. We also reduced our carbon intensity (calculated per average employee in 2020) reduced from 4.00 in 2019 to 3.28 tons of CO<sub>2</sub> in 2020, a reduction of 18%. Our carbon reduction is the equivalent of 1,143 passenger vehicles driven for one year taken off the roads.

In 2020, a substantial portion of our reduction was related to reduced activity at our sites because of the pandemic. We know we still have work to do to ensure long-term and permanent emissions reduction, much of which will be achieved through empowering employees (see below), and to improve our measurement and management of our GHG emissions beyond our direct operational control.

### Empowering employees

In order to tread more lightly, we are investing in improving our office efficiency and in changing behaviors.

### Electricity consumption 2017-2020 in MWh



For instance, in recent years, we shaved approximately 1,300 tons off our carbon footprint by installing higher efficiency equipment, such as laptops and printers, reducing our energy usage by 1.5%.

We have improved office energy efficiency by engaging our people on how their everyday actions can make a real difference in energy savings. In 2020 we made progress through, amongst others, extraction of 15% of our multifunctional devices, data literacy for digital financial reconciliations and launching DocuSign across PPP, Mortgage and Consumer Lending, Mergers and Acquisitions and Private Banking.

## Reducing operational impacts

continued

### Supporting greener buildings

Another way in which we reduce our impact is by rationalizing office occupation and locations. We utilize green building standards and materials in new construction and renovations where possible. For example, in 2018 we relocated our Baltimore regional headquarters to One Light Street, which received a silver Leadership in Energy and Environmental Design (LEED) rating in 2019.

We started a project to measure oil consumption in 2020, which we employ in some of our sites for back-up generators and heat generation. In 2020, we used 68,338 gallons of oil in back-up generators, which produced the equivalent of around 70 tons of CO<sub>2</sub>e. This is the equivalent of eight tanker trucks full of oil. We will continue to monitor our consumption and over time find ways to reduce our impact.

Measurement is the key to management and mitigation – that's why we started recording our waste volumes for the first time in 2020. This helps us ensure we can identify hot spots and begin to track the impact. In 2020, we produced 1,891 tons of waste, both recycling and waste to landfill, across our operations. This is a 15% decrease year-on-year and our waste volumes are down by 21% since 2017. We will continue to monitor our waste production and over time find ways to reduce our impact.

### Conserving resources

In the running of our day-to-day operation, we are careful to conserve resources, such as paper and water.

We are proud that our water use has fallen in each of the last four years, cutting between 13-16% off the amount we use each year between 2017-2019. Our water use decreased by a further 43% in 2020: saving enough water to fill 58 Olympic swimming pools.

Overall, we have reduced our water consumption since 2017 by 58%. However, we believe the additional reduction in 2020 was the result of the pandemic and we will, therefore, continue our efforts to find long-lasting ways to conserve this valuable resource.

Over recent years, we saved the equivalent of 1,300 trees per year by standardizing double-sided printing, thereby reducing our annual paper consumption by 11 million sheets. We also saved an estimated 7,000 trees by using recycled paper as our standard copy paper. In 2020, we also recycled 1.8 million pounds of paper into new paper and saved an estimated 350,000 kWh of energy through our sensitive-document recycling program.

Employees also have the facilities to recycle paper, for non-sensitive documents, and waste items such as newspapers, bottles and cans. We also cut down on plastic waste and the carbon that would be created by bottled water delivery trucks, by changing from bottled water to filtered water at all facilities.

### Going down

Paper used in 2019 (sheets)

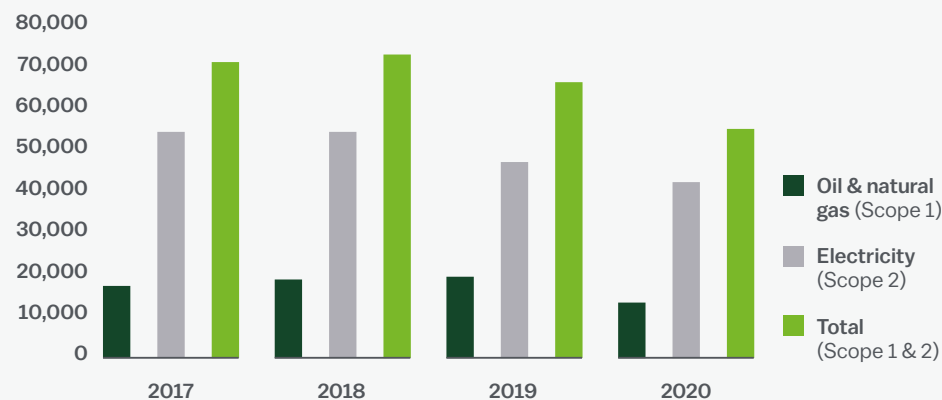
111,790,500

Paper used in 2020 (sheets)

61,327,500

Our Digital 1st strategy aims to build on the dramatic paper reduction sparked by the pandemic by focusing on digital tools and smart printing to make reduced paper use business as usual.

### Total annual carbon emissions or CO<sub>2</sub> equivalent (metric tons)<sup>5</sup>



<sup>5</sup> Conversion factor is the annual average US figure (1,037 Btu per ft<sup>3</sup>) from the EIA calculated in 2019 and cited on [the Environmental Protection Agency Greenhouse Equivalencies Calculator](#).

Conversion factor from [the eGrid US national average](#) using 2018 figures for 2017 & 2018, and 2019 figures for 2019 & 2020.

Conversion factor from the annual average US figure (429.61 kg per 42 gallon barrel of heating oil) from [the EPA Greenhouse Equivalencies Calculator](#).

## Tackling climate change

### Renewable energy investment

We seek to bring about positive and substantive change in our communities by investing in the global energy transformation. We are an active investor in renewable energy and believe this sector will drive substantial economic growth and job creation, both locally and in the broader national and global arena. Decarbonization of the electrical generating fleet, electrification of transport, energy storage solutions and transmission upgrades all need to be met by various forms of bank capital. We are here to meet that challenge.

We have made a long-term commitment to financing high quality renewable energy projects. We also know that energy storage and an enhanced transmission infrastructure are essential to increasing levels of intermittent generating sources into the fleet. As a result, we are exploring options to finance energy storage solutions over the next two years to support higher levels of renewable energy generation.

We have funded \$493.3 million in renewable energy projects over the past three years, with the bulk of investment in solar. We focus on projects that create substantial and

positive environmental impact, ranging from large-scale projects which supply utilities and municipalities to considerably smaller projects that sell power to partners such as school districts, private colleges and housing authorities. Going forward we are focused on driving even more investment into projects located in the bank's communities.

We have already shown our dedication to growing this area of our business, having financed projects that have added over 1GW of solar generating capacity to the grid since 2018. In 2019, we increased our investment ten-fold from \$28.6 million in 2018, to \$289.2 million. COVID-19 related market instability reduced our investment in 2020 to \$175.4 million, but we anticipate being able to report significant growth in 2021 and return to pre-COVID-19 levels in 2022. Our 2018-2020 investments (over 98% solar with the rest in small hydro retrofits) are expected to avoid a total of 339,943 metric tons of CO<sub>2</sub> equivalent annually. This is equivalent to removing over 73,000 cars from the road every year<sup>6</sup>.

<sup>6</sup> Figures reflect M&T share of impact based on investment as a percentage of project fair market value and energy production numbers represent production added by new projects in the year closed.

# \$175.4m

invested in renewable energy investment

Another way we're increasing green investment is through the Green Bonds program run by Fannie Mae to create environmentally friendly housing. We're on a select providers list and over the past ten years have consistently facilitated multi-family loans for green building. In 2020 we originated \$547 million in Fannie Mae, Freddie Mac and FHA green program loans.



“DESRI is delighted to build its partnership with M&T in financing utility-scale solar projects in the U.S. By their nature, long duration infrastructure assets like these require partners with long time horizons and a steadfast commitment to the success of projects, even in the face of short-term market volatility. We could not ask for a better partner than the M&T team. They are reliable, creative and willing to do the hard work to solve problems when needed (global pandemics included). DESRI is excited to continue developing this partnership over the years to come.”

**Thomas de Swardt**  
DESRI

# Tackling climate change

continued

## Addressing climate risk

As our climate changes, we recognize it will impact our practices for identifying, assessing, monitoring and managing risk. There are significant implications that will result from changes to our climate. The increased likelihood of flooding, altered weather patterns and extreme weather events, combined with government policy or technological advancements that encourage lower carbon emissions, all have complex implications to the communities we serve and the long-term viability of the financial system.

As a financial services firm it is critical that we properly manage climate change risk. In addition to the physical and transition risks that must be managed to ensure the safety and soundness of our company, we intend on supporting our customers as they adapt and directing the flow of finance to support the shift to a greener, more sustainable economy.

We've committed to incorporating Climate Change Risk into our risk framework and joined the New York State Department of Financial Services Climate Change Roundtable. This will impact how we manage various types of risks in the years to come, with emphasis on the risks related to our lending, investing and operations. While continually improving the manner in which we manage Climate Change Risk, we are committed to partnering with other banks, regulatory agencies and governmental agencies to develop both short-term and long-term solutions that are enduring, prudent and considerate of the existing challenges our stakeholders face.



## Albany: center of excellence around renewable investment

As we work to meet the unique needs of our stakeholders, we develop deep experience and insight which we can then apply to improve society more widely. One such instance is in Albany, New York where we have built a center of excellence focused on innovation in local renewable energy generation.

Through hosting education and events, as well as traditional financing, we support four hydro power producers. We also are proud of our multi-year relationship with an innovative

fuel cell manufacturer with a patented process for creating green hydrogen, enabling clean power for warehouses across the country. We also have a deep relationship with an energy company transitioning Class 7 and 8 truck fleets from diesel to compressed natural gas. This significantly reduces emissions to meet low carbon standards, as well as converts supply from brown natural gas to renewable natural gas.

Our support of these projects allows us to not only build expertise in the renewables area, but to also act as a conduit between the projects, their communities and each other. This enables them to network, share learnings and challenges; and to collaborate on potential solutions together with the whole community of stakeholders.

# Using finance to drive change

## Driving change



## Making an impact

## Our investments

# Using finance to drive change

Financial services can serve as a powerful force to fight poverty, build sustainable communities and increase equality in our society. We are a bank built on the belief that the success of our communities – and the people within them – is a shared responsibility. We offer advice, guidance, expertise and solutions across the entire financial spectrum, combining M&T's traditional banking services with the wealth management and institutional capabilities offered by Wilmington Trust.

We are committed to using our business to support our stakeholders – our employees, our customers and our communities – in gaining access to the resources, support and guidance they need to make a difference.

We do this through a continued understanding of our customers – and their needs, wants and goals. This includes wielding influence and investment clout through our sustainable investment strategies. We also help by providing support for the needs of everyday life by improving access to financial services. This enables people to build prosperous, stable lives.

We endeavor to listen to our stakeholders' needs, and respond to them, shaping our services so they help to empower people to shape a shared future that is stronger, greener and more inclusive.



Kenneth Woods, Sylvia's

“ESG principles can help companies achieve long-term sustainability, improving outcomes for all stakeholders.”

**Steve Norcini**

Head of Sustainable Investing

## \$1.213bn

invested in sustainable strategies through Wilmington Trust

## \$10.5bn

in loans allocated to nonprofits, education and healthcare

### In this section:

Investing in sustainability

Wilmington Trust's ESG equity offering

Accelerating responsible lending

Influencing from the inside

Spotlight: Bridgeport Rescue Mission

Improving access to finance

The report covers the period of January 1 – December 31, 2020 and is as of December 31, 2020 unless otherwise noted.

## Expanding sustainable investing

### Investing in sustainability

In response to increased client demand, and a desire to support responsible businesses, Wilmington Trust, N.A. made available for clients in January 2020 a separate investment management account equity strategy that integrates ESG criteria in all phases of the investment process. Later in the year, Wilmington Trust, N.A. also launched an ESG diversified portfolio advisory service that includes fixed income and cash equivalents in addition to equity investments. Wilmington Trust had already enhanced its third-party manager investment platform in 2015 to include a number of sustainable and socially responsible funds and separately managed accounts.

Sustainable investing strategies together with third-party socially responsible and ESG investments totals \$1.213 billion as of December 31, 2020.

### Wilmington Trust's ESG equity offering

Our Wilmington Trust, N.A. ESG Equity Strategy seeks to outperform the Russell 1000 Index while explicitly integrating ESG criteria in all phases of the investment process. Wilmington Trust, N.A.'s ESG Equity Strategy seeks

to maintain higher ESG standards than those of its peers<sup>7</sup>. Using proprietary ESG scoring model ratings, Wilmington Trust, N.A. quantifies and actively monitors ESG standards in the companies being considered for inclusion into the strategy. The investment process incorporates data from leading ESG ratings platforms and independent third-party data providers. We include numerous factors in our environmental score, and climate change is a major consideration for the strategy, especially in the energy, materials, industrials, and utilities sectors.

The ESG Equity Strategy seeks to invest in companies that demonstrate a commitment to ESG principles, and which also have attractive valuation and quality characteristics and/or favorable momentum trends. The portfolio team undertakes rigorous due diligence to examine a company's competitive position, financial flexibility, management strength and total return expectation. Our investment approach reflects the view that undervalued, high-quality companies should generate higher risk-adjusted returns over time than lower-quality companies. We also believe that risk management should be an essential component of the investment

process. Accordingly, we combine our proprietary ESG scoring model with our traditional fundamental analysis to create a portfolio that meets our team's risk/reward standards as well as our ESG standards.

### Accelerating responsible lending

As financial credit plays a crucial role in our economic system, we realize that we have to evaluate whether we can accelerate the transformation toward a more sustainable economy through the allocation of our credit. In 2020, we took a first look at this, looking specifically at our commercial and industrial loan book (excluding real estate lending, personal mortgages and personal loans). We identified that \$10.5 billion of our loan book was allocated to nonprofit organizations, education and healthcare, among an overall exposure of \$65 billion in commercial loans at the end of December 2020. We also identified that we provided \$611 million in loans to mining, quarrying, oil & gas extraction and utility companies. In this process, we realized that without a more detailed examination of our commercial and industrial loan book, we cannot fully determine how we accelerate responsible lending. So, by harnessing the expertise gained in developing our Wilmington Trust ESG Equity Strategy and through our other

ESG work, we are evaluating how to incorporate ESG risks into our lending and relationship decisions.

This will build on our current commercial loan business approach which actively seeks out opportunities to serve organizations that provide support to our stakeholders. Categories of organizations include those focused on alleviating poverty, combating hunger and malnutrition and providing basic services; healthcare organizations with activities which support the under-insured and un-insured; and charities delivering education. Through our hands-on, community-focused business model, we are often able to meet these organizations' needs when other financial institutions cannot.

### Influencing from the inside

Wilmington Trust's ESG investment philosophy reflects the belief that investing based on a set of socially conscious standards is key to ensuring long-term sustainability and ethical behavior of a company. The Strategy's investment team believes that engagement by shareholders with management is crucial to companies improving and maintaining their ESG commitments. Portfolio management for the ESG Equity Strategy evaluates

the progress companies are making in improving their ESG profile over time and may engage with companies through proxy voting, dialogue with management, thought leadership, and/or interaction with various stakeholders. If engagement proves unsuccessful, Wilmington Trust, N.A. may divest securities held in accounts for the Strategy that no longer meet its investment standards. Portfolio management for the Strategy develops a focus every year for its corporate engagement: in 2020, this was for-profit prisons. Wilmington Trust, N.A. also engaged several of the companies invested in through the ESG Equity Strategy on a variety of important issues such as reporting and disclosure efforts, board diversity, and executive compensation practices.

<sup>7</sup> When referencing its peers for this strategy, the ESG Custom Peer Group is constructed by searching Morningstar's separate account and open-ended mutual fund databases for any managers of separate accounts and actively managed funds classified as "Domestic Large Cap, with ESG Intent," having more than \$500 million in assets and fewer than 100 stocks. The ESG Custom Peer Group also includes any separate accounts and actively managed funds of over \$500 million in assets that hold less than 100 stocks who have a Morningstar Sustainability Rating of "High" or "Above Average". Note that certain funds in the ESG Custom Peer Group do not reference ESG in their name nor do they list ESG as an investment objective in their prospectus and other fund documents.

## Transforming our services



### Bridgeport Rescue Mission

It's not always individuals who are underserved; many small organizations that have a social purpose also struggle to access finance or supportive financial terms and conditions. One such organization is the Bridgeport Rescue Mission. It fights poverty by providing food, shelter, clothing, education, job training and counseling to their neighbors in need, specifically those self-described as living on the edge and the 1,000+ people who are homeless on any given night in Bridgeport, Norwalk and Stamford, all in CT. To meet the needs of the local community, the Mission wanted to build a transitional housing and administration facility in Bridgeport.

Our team worked with the Mission to obtain a \$2.5 million Affordable Housing Program grant from the FHLBNY. But this grant required spending and then reimbursement, something that is difficult to manage for a small organization focused on using every penny to support people on the frontline. So our team worked to arrange a \$5 million bridge M&T loan to cover the period between paying for the works and receiving the FHLBNY reimbursement. M&T's loan also bridged the receipt of Bridgeport's capital campaign pledges, which accompanied the AHP grant. We worked with our tax credit investment group to make a \$14.125 million New Market Tax Credit investment, alongside our finance, to help complete the project. This project really brought together different parts of the bank to work in unison to support a valued community partner. We're honored to work with organizations like Bridgeport Rescue Mission who transform lives and fight poverty in our communities.

### Improving access to finance

In 2020, we defined one of our target customer segments as Essential Banking, dedicating resources to understand and address the unmet financial service needs of unbanked, underbanked and underserved groups. Defined as:

- **Unbanked.** Those who don't have access to the services of a bank or similar financial organization.
- **Underbanked.** Those who have a bank account but who sometimes rely on alternative financial services such as money orders, check-cashing services and payday loans, often because they lack access to convenient, affordable banking services.

- **Underserved.** Those whose financial needs are not well met by existing products, or the products that do exist are not easily accessible to them.

Understanding these different needs enables us to better serve and target those who struggle most to access the life-altering benefits of banking services. This greater understanding has led to us developing several new products and services, including:

- **Our online education portal.** In 2020, we launched the Financial Education Center. This online financial education portal found at Financial Education Center M&T Bank includes more than 30 relevant topics such as building emergency savings, credit management and investing in the future. Interactive lessons take just three to six minutes to complete, making it easy to fit financial education into busy lives.

- **MyWay Banking Account.** A checkless checking account, with no overdraft fees or risk of overdrawing, designed to serve customers previously ineligible for checking accounts due to prior banking issues. This account has low or no monthly service charges, depending on the monthly amount deposited. It has improved access to banking services for a wider range of users, including minors aged 13-17 with a parent or guardian. In 2020 we opened 36,810 new MyWay checking accounts.
- **Secured Credit Card.** We realized our customers needed access to a credit card which enables those starting from scratch, or who need to rebuild their credit, to access a credit card while tracking their credit score. So we created the Secured Credit Card. We issued 7,115 new secured credit cards in 2020.





# Conclusion

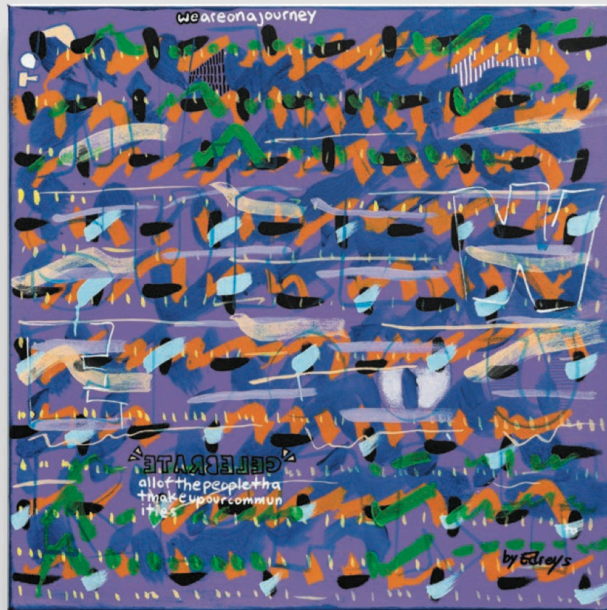
# Learning

# Leading



## Looking ahead

# What's ahead for 2021 and beyond?



Painting by Buffalo artist, Edreys Wajed, "we are on a journey"

“At M&T Bank, our Purpose is to make a difference in people’s lives. In the months to come, we’ll focus on expanding the conversation around ESG as we strive to make a difference for stakeholders across each of the communities we serve.”

**Richard Gold**  
President and Chief Operating Officer

As we strive to fulfill our mission we look forward to sharing with you – our stakeholders – our aspirations, accomplishments, challenges and lessons. We know that through shared accountability and transparency we can go further, faster. With this in mind here are our goals for 2021, with the aspiration to improve our shared future:

### Governance

Develop and strengthen our approach to ESG across the whole of our business. This will include integrating ESG into our approach to risk across all of our business endeavors and clarifying ESG governance responsibilities.

### People

Develop targets around diversity, equity and inclusion as a part of our 2025 Vision. These will help us to ensure everyone who works with us understands our vision and feels like they belong and can be who they want to be.

### Communities

Improve our collaboration across communities to enrich how we support individual communities with the best practices we’ve learned from others.

### Environment

Set emissions targets and goals and share them transparently. We will enhance our approach to measuring and monitoring our exposure to climate risk and will collaborate with partners to speed up this work.

### Investments

Further invest in developing our sustainable investment strategy at Wilmington Trust to better serve our customers and deliver a positive impact through our assets.

Enhance our work to reach audiences that have been underrepresented, from unbanked or underbanked customers to entrepreneurs or families from disadvantaged groups that systematically face a lower level of opportunity.

## About this report

For this first time, M&T is publishing this report to better meet the needs of our stakeholders and to help illustrate how we bring our purpose to life through our business activities. We share information about our environmental, social and governance (“ESG”) efforts through several channels – including various reports and presentations, our website, regulatory filings, press releases and conversations with stakeholders. This report is designed to summarize our ESG approach and key ESG efforts and performance data for the financial year ending December 31, 2020, focusing on issues that we believe are most important to our stakeholders. This report is intended to provide a high-level overview of our ESG approach and efforts with selected examples; it is not a comprehensive description, a financial report, or a comprehensive financial presentation or legal summary of our ESG programs and involvements. Accordingly, this report should be read in conjunction with our 2020 Annual Report on Form 10-K (including the “Forward Looking Statements” and “Risk Factors” sections in that filing) and our 2021

Proxy Statement, which contain additional information about our organization. Those documents can be found on our website [here](#).

All information and reporting and performance data in this report is provided for the financial year ending December 31, 2020, unless otherwise noted. Where possible, we have included up to three years of prior data to allow the reader to understand the longer-term trends. Information in this report, including that from or attributed to M&T, has been obtained from sources believed to be reliable, but its accuracy is not guaranteed and M&T does not assume any responsibility for its accuracy, efficacy or use. We have not conducted a third-party independent verification of the information in this report. Some information contained in this report has been obtained from third-party sources and has not been independently verified by M&T. ESG data and metrics in this report are based on assumptions and are not prepared in accordance with generally accepted accounting principles (“GAAP”) or audited. Any forecasts, projections,

forward-looking statements or other goals discussed in this report are aspirational; as such, no guarantees or promises are made that any such goals will be met. Information contained in this report may not be comprehensive or up-to-date, and is subject to change without notice. M&T has no obligation to update the information or data in this report. M&T assumes no liability (direct or consequential or any other form of liability) for any errors in or reliance upon the information contained in this report.

There are a number of frameworks and standards-setting organizations that guide reporting of ESG efforts of companies; we have not used any one specific framework for the reporting of data in this report. However, we have included an index that indicates where content in this report is specifically aligned to the Sustainability Accounting Standards Board (“SASB”) standards for both the Commercial Banks and the Asset Management and Custody Activities industries.

This report uses certain terms, including those that the Global Reporting Initiative (“GRI”) Guidelines refer to as “material” topics, to reflect the issues we believe are of greatest importance to M&T and our stakeholders. Used in this context,

these terms are distinct from, and should not be confused with, the terms “material” and “materiality” as defined by or construed in accordance with securities law or as used in the context of financial statements and reporting.

The material presented in this report is for general, informational purposes only. This report is not intended to provide legal, tax, accounting, financial, investment or other professional advice, and is not to be used as such. This report does not constitute a recommendation or advice by M&T of any kind. Information in this report is not tailored to specific requirements, circumstances and / or investment philosophies, and does not take into account any particular investment objectives, strategies, tax status or investment horizon. This report should not be used as the primary basis for any investment decisions; you should evaluate and assess the information in this report independently in light of your particular circumstances. M&T is not, by virtue of providing the material presented herein or otherwise, undertaking to manage money or act as your fiduciary. We encourage you

to consult your own investment, legal, tax and/or financial advisors.

Use of our products and services is subject to various regulations and regulatory oversight. This report, and the statements contained herein, is not an offer or solicitation to buy or sell any product, service, investment, security or financial instrument or to pursue any trading or investment strategy, including in any jurisdiction where or to whom it would be unauthorized or unlawful to do so, and should not be construed as such. This report is not intended for distribution to, or use by, any person or entity in any jurisdiction or country in which such distribution or use would be contrary to local law or regulation. Persons into whose possession this report comes are required to inform themselves about and to observe any restrictions that apply to the distribution of this document in their jurisdiction. This report may not be reproduced or disseminated in any form without the prior written consent of M&T.

## About this report

continued

M&T and Wilmington Trust are corporate brand names of M&T Bank Corporation (NYSE: MTB). The terms “M&T”, “Wilmington Trust”, “we,” “us” and “our” in this report may be used as a generic term to reference the corporation as a whole and/or its various subsidiaries generally, when or where appropriate. This report, however, is limited to information and data relating only to M&T’s wholly owned U.S. subsidiaries, and does not cover information or data relating to M&T’s non-US subsidiaries or operations outside of the U.S. Third-party logos and product, service, business, and program names are trademarks and/or service marks of their respective owners.

Wilmington Trust is a registered service mark used in connection with various fiduciary and non-fiduciary services offered by certain subsidiaries of M&T Bank Corporation including, but not limited to, Manufacturers & Traders Trust Company (“M&T Bank”), Wilmington Trust Company (“WTC”) operating in Delaware only, Wilmington Trust, N.A. (“WTNA”), Wilmington Trust Investment Advisors, Inc. (“WTIA”),

Wilmington Funds Management Corporation (“WFMC”), and Wilmington Trust Investment Management, LLC (“WTIM”). Such services include trustee, custodial, agency, investment management, and other services. Loans, credit cards, retail and business deposits, and other business and personal banking services and products are offered by M&T Bank, member FDIC. WTIA, WFMC, and WTIM are investment advisers registered with the U.S. Securities and Exchange Commission (“SEC”). Registration with the SEC does not imply any level of skill or training. Additional Information about WTIA, WFMC, and WTIM is also available on the SEC’s website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov).

Bank deposit products and services are provided by M&T Bank, Member FDIC. Important Investments Information: Brokerage and insurance products are: Not FDIC Insured • Not Bank Guaranteed • Not a Deposit Not Insured By Any Federal Government Agency • May Lose Value

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## Cautionary note regarding forward-looking statements

This report may contain forward-looking statements regarding M&T Bank Corporation (“M&T”) within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that do not describe historical or current facts are forward-looking statements, including statements regarding M&T’s strategic approach to ESG, sustainable investments, expectations or predictions of future financial or business performance or conditions as well as statements regarding the potential effects of the COVID-19 pandemic on M&T’s business, financial condition, liquidity and results of operations.

Forward-looking statements are typically identified by words such as “believe,” “expect,” “anticipate,” “intend,” “target,” “estimate,” “continue,” “positions,” “prospects” or “potential,” by future conditional verbs such as “will,” “would,” “should,” “could,” or “may,” or by variations of such words or by similar expressions. Forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions which are difficult to predict. Forward-looking statements speak only as of the date they are made and M&T assumes no duty to update forward-looking statements. Actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. A number of factors, many of which are beyond M&T’s control, including those described below, could cause our actual results, events or developments, or industry results to be materially different from any future results, events or developments expressed, implied or anticipated by such forward-looking statements and so our business and financial condition and results of operations could be materially and adversely affected.

The following factors, among others, could cause actual results to differ materially from forward-looking statements or historical performance (in addition to factors previously disclosed in M&T’s reports filed with the U.S. Securities and Exchange Commission (the “SEC”)): global socio-demographic and economic trends; climate-related conditions and weather events; risks and uncertainties relating to the impact of the COVID-19 pandemic; and legislation and/or regulation affecting the financial services industry as a whole, and M&T and its subsidiaries individually or collectively, including tax legislation or regulation. For more information about such risks and uncertainties, please refer M&T’s filings with the SEC, including the “Forward-Looking Statements” and “Risk Factors” sections of M&T’s 2020 Form 10-K and subsequent Form 10-Qs.

# SASB report

Big  
enough  
to matter



Small  
enough  
to care

# SASB report

## About this report

We have a responsibility to be more transparent and accountable about our impacts on the economy, society and the environment. That's why we published this inaugural ESG Report. It looks back on the previous year and gives all of our stakeholders an opportunity to read more about what we do and, importantly, how we do it.

For readers that want a simpler way to view our performance against industry standards, we include this appendix. The Sustainability Accounting Standards Board (SASB) is an independent standards-setting organization that supports reporting standards for companies to identify, manage and community sustainability information to their stakeholders. This 2020 ESG Report is M&T's first disclosure pursuant to the SASB standards, and as such, our disclosures on these topics will likely evolve and mature with time.

SASB guidelines differ depending on the industry. This report provides SASB information for the 2020 calendar year, referencing SASB's reporting framework for 'commercial banks' and 'asset management and custody activities' industries. For more information on SASB, visit [www.sasb.org](http://www.sasb.org). All data covers the period of January 1- December 31, 2020 and is as of December 31, 2020 unless otherwise noted.

Certain information is not included below as the information (1) is not considered material or is privileged or confidential; (2) could cause competitive disadvantage to our business if publicly disseminated; or (3) is not currently collected in a manner wholly correlative with the related SASB metric. Where possible we have shared alternative information that we believe

| Topic  | Activity Metric  | 2020  | SASB Code   |
|--|--|---|-------------|
| <b>Commercial Banks</b>  |  |   |             |
|  | Number of checking and savings accounts by type: (a) personal and (b) small business*      | (a) ~1.9 million checking accounts; ~1.2 million savings accounts, money market and time deposit accounts<br>(b) ~200 thousand checking accounts, ~60 thousand savings accounts | FN-CB-000.A |
|  | Total value of checking and savings accounts by type: (a) personal and (b) small business* | (a) ~ \$19.2bn checking accounts, \$24.0bn deposits in savings accounts<br>(b) ~\$12.0bn deposits in checking accounts, ~\$2.8bn deposits in savings accounts                   | FN-CB-000.A |
|  | Number of loans by type: (a) personal, (b) small business* and (c) corporate               | (a) ~1.2 million personal loans<br>(b) ~79 thousand small business loans (excluding credit cards)<br>(c) See <a href="#">10K page 67</a>  | FN-CB-000.B |
|  | Total value of loans by type: (a) personal, (b) small business* and (c) corporate          | (a) ~\$16.2bn in outstanding balances<br>(b) ~\$8bn in outstanding balances on small business loans (excluding credit card)<br>(c) See <a href="#">10K page 67</a>              | FN-CB-000.B |
| *Small business is generally defined with M&T as businesses with less than \$10 million in revenue |  |   |             |

| Topic  | Activity Metric                            | 2020   | SASB Code   |
|--|--|--|-------------|
| <b>Asset Management and Custody Activities</b> |  |  |             |
|  | Total registered assets under management   | See <a href="#">10K pages 91 and 92</a> for combined registered and unregistered assets under management; we do not disclose the breakdown between registered and unregistered assets under management | FN-AC.000.A |
|  | Total assets under custody and supervision | Not disclosed – see introduction   | FN-AC-000.B |

# SASB report

continued

| Topic  | Accounting Metric  | 2020  | SASB Code    |
|--|--|---|--------------|
| <b>Commercial Banks</b>                        |  |   |              |
| <b>Data security</b>                           | Number of data breaches  | Not disclosed – see introduction  | FN-CB-230a.1 |
|  | Percentage of data breaches involving personally identifiable information (PII)  | Not disclosed – see introduction  | FN-CB-230a.1 |
|  | Number of account holders affected   | Not disclosed – see introduction  | FN-CB-230a.1 |
|  | Description of approach to identifying and addressing data security risks  | See page 13   | FN-CB-230a.2 |
| <b>Incorporation of ESG in credit analysis</b> | Commercial and industrial credit exposure, by industry   | See <a href="#">10K page 67</a> ; additional detail on ESG related exposure is included on page 39 of this report | FN-CB-410a.1 |
|  | Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis  | Not disclosed – see introduction  | FN-CB-410a.2 |
| <b>Systemic risk management</b>                | Global Systematically Important Bank (G-SIB) score, by category  | Category 4  | FN-CB-550a.1 |
|  | 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 <a href="#">10K pages 10 and 11</a>   | FN-CB-550a.2 |

# SASB report

continued

| Topic  | Accounting Metric  | 2020   | SASB Code    |
|--|--|--|--------------|
| <b>Commercial Banks</b>                          |  |  |              |
| <b>Financial inclusion and capacity building</b> | Number of loans outstanding qualified to programs designed to promote small business and community development             | See page 26 for new SBA loans in 2020<br>Outstanding # of SBA loans:<br>47,559 loans (including PPP) and 319 loans sold on the secondary market<br>CRA Originations in 2020:<br>Community Development: 161 loans<br>LAR: 42,091 loans<br>*SBA loans and CRA loans are not mutually exclusive | FN-CB-240a.1 |
|  | Amount of loans outstanding qualified to programs designed to promote small business and community development             | Outstanding exposure of SBA loans: \$7.9bn (including SBA and M&T portion of the balances)<br>CRA Originations in 2020: Community Development: \$1.6bn<br>Small Business/Small Farm: \$5.05bn<br>*SBA loans and CRA loans are not mutually exclusive   | FN-CB-240a.1 |
|  | Number of past due and nonaccrual loans qualified to programs designed to promote small business and community development | Not disclosed – see introduction   | FN-CB-240a.2 |
|  | Amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development | Not disclosed – see introduction   | FN-CB-240a.2 |
|  | Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers                        | 70,512 MyWay Accounts (a checkless checking account with no overdraft fee, available to minors and customers who do not qualify for traditional checking accounts)   | FN-CB-240a.3 |
|  | Number of participants in financial literacy initiatives for unbanked, underbanked or underserved customers                | 23,702 people participated in M&T's online financial education program in 2020. Additionally we offer financial education through a number of partnerships for which we do not currently report on participation   | FN-CB-240a.4 |



# SASB report

continued

| Topic  | Accounting Metric  | 2020                             | SASB Code    |
|--|--|----------------------------------|--------------|
| <b>Asset Management and Custody Activities</b>               |  |                                  |              |
| <b>Systemic risk management</b>                              | Percentage of open-end fund assets under management by category of liquidity classification  | Not disclosed – see introduction | FN-AC-550a.1 |
|  | Description of approach to incorporation of liquidity risk management programs into portfolio strategy and redemption risk management  | See <a href="#">10K page 12</a>  | FN-AC-550a.2 |
|  | Total exposure to securities financing transactions  | Not disclosed – see introduction | FN-AC-550a.3 |
|  | Net exposure to written credit derivatives   | Not disclosed – see introduction | FN-AC-550a.4 |
| <b>Transparent information and fair advice for customers</b> | Number of covered employees, with a record of investment-related investigations, consumer-initiated complaints, private civil litigations or other regulatory proceedings            | Not disclosed – see introduction | FN-AC-270a.1 |
|  | Percentage of covered employees, with a record of investment-related investigations, consumer-initiated complaints, private civil litigations or other regulatory proceedings        | Not disclosed – see introduction | FN-AC-270a.1 |
|  | Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers | Not disclosed – see introduction | FN-AC-270a.2 |
|  | Description of approach to informing customers about products and services   | Not disclosed – see introduction | FN-CB-270a.3 |

# SASB report

continued

| Topic   | Accounting Metric   | 2020                     |                 |                          | SASB Code    |
|---|---|--------------------------|-----------------|--------------------------|--------------|
| <b>Asset Management and Custody Activities</b>  |   |                          |                 |                          |              |
| <b>Employee diversity, equity and inclusion</b> | Percentage of gender and racial/ethnic group representation for (a) executive management, (b) non-executive management, (c) professions and (d) all other employees | <b>Groups</b>            | <b>Female %</b> | <b>People of color %</b> | FN-AC-330a.1 |
|   |   | Executive management     | 26%             | 6%                       |              |
|   |   | Non-executive management | 49%             | 14%                      |              |
|   |   | Professional             | 51%             | 19%                      |              |
|   |   | All other employees      | 71%             | 29%                      |              |
|   |   | <b>Grand total</b>       | <b>60%</b>      | <b>23%</b>               |              |

# SASB report

continued

| Topic   | Accounting Metric  | 2020  | SASB Code    |
|---|--|---|--------------|
| <b>Asset Management and Custody Activities</b>                            |  |   |              |
| <b>Incorporation of ESG factors in investment management and advisory</b> | Amount of assets under management, by asset class, that employ (1) integration of ESG issues, (2) sustainability themed investing and (3) screening            | Integration of ESG \$970.5m, Sustainability themed investing \$6.7m, Screening \$235.9m | FN-AC-410a.1 |
|   | Description of approach to incorporation of environmental, social and governance (ESG) factors in investment and/or wealth management processes and strategies | See page 39   | FN-AC-410a.2 |
|   | Description of proxy voting and investee engagement policies and procedures  | See page 39   | FN-AC-410a.3 |

# SASB report

continued

| Topic   | Accounting Metric  | 2020                             | SASB Code    |
|---|--|----------------------------------|--------------|
| <b>Commercial Banks and Asset Management and Custody Activities</b> |  |                                  |              |
| <b>Business ethics</b>  | 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 | Not disclosed – see introduction | FN-CB-510a.1 |
|   | Description of whistleblower policies and procedures   | See page 12                      | FN-CB-510a.2 |

M&T Bank



WILMINGTON  
TRUST

## Further information

Additional information about M&T Bank can be found on the website and in our Letter to Shareholders

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### Want to know more?



Read our 2020 [Message to Shareholders](#) online now.