



OUR COMMUNITY DEVELOPMENT STORY

2021



WHY WE EXIST

It is a great pleasure to share our 2021 Community Development Report. Many of the unexpected challenges that we faced in 2020 continued into this year. While the unprecedented posed challenges, I do appreciate how it has caused us to be more creative and nimble in how we operate our businesses.

Through our community development story, you will see how we continue to strive toward our mission of improving the financial lives of our neighbors and businesses and our team's efforts particularly in focusing on small businesses, a few of whom you'll meet here. The pandemic has disproportionately impacted small business owners as well as families in low to moderate income areas, and my hope is by learning their stories you will quickly see that our work is only possible because of strong partnerships with the organizations in our communities that are relentlessly committed to the health and vitality of their neighborhoods.

It's a privilege to come to work every day next to such talented financial professionals and community members, and I look forward to our future together with confidence.



Mike

Mike Price,
President and CEO



IMPACT NUMBERS

1,066

SMALL BUSINESS LOANS
TOTALING MORE THAN
\$200,000,000

\$801,000,000

IN MORTGAGE LOANS
INCLUDING **\$15,000,000** IN
FIRST@HOME LOANS.

625

HOURS OF FINANCIAL
EDUCATION CLASSES

\$46,000,000

COMMUNITY
DEVELOPMENT
INVESTMENT SUPPORT

13,600

EMPLOYEE VOLUNTEER
HOURS

\$2,000,000

COMMUNITY GIVING
SUPPORT



JOB CREATION

WILDMAN
CHALMERS
DESIGN

Communities cannot thrive without a strong foundation of employers that provide stable, good-paying jobs. Employers cannot thrive without a strong foundation of employees to bring their companies to life. The inextricable link between those two is the impact that jobs have on the people, businesses, and communities we serve. Jobs are more than employment- they're a vehicle to promote economic vitality and the method by which people and communities create wealth. It's why we're proud of our work to build economic inclusion through job creation with 1,066 small business loans totaling more than \$200,000,000 in 2021.

PONFEIGH DISTILLERY

At a former 84 Lumber site in Somerset County, Pennsylvania, an entrepreneur is planning to re-establish the roots of American whiskey production through Ponfeigh Distillery, which will initially create 15 local jobs. Bankers from our retail and commercial teams as well as our SBA team partnered to secure a \$4,042,000 real estate acquisition and construction loan through the SBA, which will result in renewed economic activity, opportunity for additional job availability and a restoring a once blighted piece of real estate into a true community asset.

ECONOMIC AND COMMUNITY DEVELOPMENT INSTITUTE (ECDI)

Not every business owner has equitable access to funding, education or the infrastructure to make meaningful innovations. That's why in 2021 we invested \$1,000,000 into ECDI based out of Columbus, Ohio, which supports underserved populations to drive economic growth, particularly minority and women owned businesses.

Since 2004, ECDI has distributed \$91,600,000 in loans and created or retained 13,097 jobs. Entrepreneurs served by ECDI are 47% economically disadvantaged, 62% African American, 49% female and 16% new American.

This investment with ECDI will allow their team to continue to provide small business loans, education for entrepreneurs, professional mentoring and one-to-one business support.

THE PROGRESS FUND

Since its inception in 1997, The Progress Fund in Greensburg, Pa, has made 615 loans totaling more than \$86,700,000 to businesses in order to create and sustain jobs. Through our 2021 investment of \$5,000,000, the organization will continue to provide loans, financial analysis, marketing assistance and referrals to partner economic development groups for the small businesses they serve. With an average loan size of \$150,000, The Progress Fund is making a marked impact on businesses otherwise unable to access capital particularly to recreational businesses, restaurants and manufacturing.



CREATING OPPORTUNITIES TO BUILD CAREERS IN BANKING

Nearly every industry has experienced the challenges of finding qualified talent and the "great resignation" brought on by careers without borders. Recruiting top talent into banking careers has been spurred by virtual career fairs and hiring fests across our footprint for interviews and on-the-spot offers. Under the leadership of our Diversity and Inclusion Officer, Vicki Fox, our internal committee designed to welcome new minority employees and our joint Hiring Fest with the Stark County Community Action Agency are steps we're taking to ensure access to career progression for minority employees.





COMMUNITY INVESTMENT

There are few things more meaningful than using our growth as a company to in return financially support communities in a way that fosters their long-term success. This is possible because we don't just write a check and walk away. We stay invested as a financial partner and as community members.

MAKING MEANINGFUL CONTRIBUTIONS IN OUR COMMUNITIES

By following our community giving principles to support organizations that are committed to financial education, diversity and inclusion, and are committed to sound financial decision-making, in 2021 we continued to provide community development investment support at the local level totaling \$46,000,000 and \$2,000,000 in community giving support. By partnering with our branch managers, business and corporate bankers, and Advisors, Mortgage and Insurance divisions, our teams are making financial giving decisions with the long-term impact in mind. Our teams value the opportunities available in community development relationships that are mutually beneficial and can truly change the trajectory of a community.

GUIDED BY OUR COMMUNITY GIVING PRINCIPLES

Improve financial confidence in our communities

Our mission is to improve the financial lives of our neighbors and their businesses, including supporting organizations focused on financial literacy and education.

Support inclusive organizations that foster diversity, diverse communities and/or communities in need

We are better together, and supporting diversity is not only necessary, but critical for the future of our communities.

Direct gifts to enrich business relationships

We believe that community giving can create mutually beneficial relationships, and we strive to be a financial partner to the community organizations we support.

Empower our employees to make a difference in our communities

Our bankers know their communities, and know where we can make an impact. That's why giving decisions are made locally by local advocates.

OHIO CAPITAL CORPORATION FOR HOUSING, COLUMBUS, OHIO

In 2020, we learned the importance of access to basic resources- food, clothing, and shelter. As the pandemic crept into 2021, a glaring problem became worse in the lack of affordable housing- with home prices increased year over year by 20%. In response to this growing issues, we expanded our investment into affordable housing.

The Ohio Capital Corporation for Housing (OCCH) is a non-profit financial intermediary that works with private and public developers to create affordable housing opportunities using the Low Income Housing Tax Credit program. Since 1989, OCCH has deployed more than \$5,000,000,000 in the construction, rehabilitation, and preservation of affordable housing; creating economic opportunities, stable communities and empowering those most in need. We began our partnership with OCCH in 2019, with an investment of \$1,500,000. In 2021, we expanded our total investment to \$9,500,000.

But we didn't stop there. In 2020, we were approached with the Affordable Housing Trust of Columbus and Franklin County around their partnership with the City of Columbus to create the Housing Action Fund, and we're proud of our \$1,000,000 investment that will create a permanent fund for creating safe and affordable housing in Columbus.



RESOLUTION FAMILY APARTMENTS



HOPE SENIOR VILLAGE



DELAWARE VILLAGE APARTMENTS



FINANCIAL STABILITY

Creating pathways to homeownership and providing the structures needed to help homeowners understand and use their equity is a critical part of our community development work. With the right solutions, the right team, and the right community partnerships, it's all possible. In 2021, we provided \$801,000,000 in mortgage loans including \$15,000,000 in First@Home loans.

CELEBRATING RELENTLESS ADVOCACY FOR HOME OWNERSHIP

Joe Tomaceski, Community Mortgage Lending team lead, was the recipient of the 2021 Community Banking Award at the Black Excellence in Real Estate Gala in Pittsburgh. More than an award, this recognition is a tangible reminder of the impact we can make in partnership with our community organizations to make homeownership possible. Joe has built a community of realtors, title agents, home inspectors and industry leaders to help him make the dream of home ownership achievable. A model that we intend to replicate, we'll continue to build equity within black and brown communities.

IMPROVING ACCESS TO HOME EQUITY

As we watched the refi boom throughout our markets in the past year, we quickly saw the disproportionate affect of that boom in low income areas and people of color. And even though each financial situation is unique, there is an identifiable pattern in both the use of banks and trust of banks for people living in underserved areas.

In response, we expanded our First@Home program and launched Right@Home, both with thoughtfully adjusted requirements including credit score thresholds and loan to value, along with census tract location requirements. By reducing barriers for homeowners, these solutions will allow for generational wealth-building and open the door for us to provide even more banking solutions to our neighbors.



FINANCIAL EMPOWERMENT

TAKING THE TIME TO SHARE WHAT WE KNOW WITH OUR NEIGHBORS



Giving back is at the core of being a community bank. In addition to financially supporting the organizations which make our communities vibrant, our employees give of their time and talents as well. We're proud of the impact our employees have on the communities they live and work in and the effort they put in on their own time to helping us live our mission.

We also believe in the invaluable investment of financial education. Over the last year, our team members taught more than 625 hours of financial education classes. We couldn't have done it alone though, it's through great partnerships with community organizations that the impact of financial education can be seen.

In 2017, we began partnering with Resident Resources Network (RRN), a non-profit in Columbus, Ohio, whose mission is to connect affordable housing residents to supportive that can help to improve housing stability, increase self-sufficiency, and create safe and supportive communities. In 2021, the partnership expanded to include financial education which was offered to Resident Resources Network's resident families 24 times throughout the last year.

As a result, 40 families accessed these educational resources and not only improved their monthly financial picture through budgeting, but leveraged other financial resources through a matching savings program that we helped RRN secure. These types of partnerships truly elevate the importance of financial education and the fantastic tools and resources this education unlocks for families building their financial confidence.

VOLUNTEERISM

#Proud2bFCB

GETTING BACK TO WHAT WE LOVE GETTING TO DO

It has been wonderful to return to in-person volunteer opportunities in our communities and have our boots on the ground again. In 2021, our employees volunteered 13,600 hours, focused on improving homes, distributing and packaging food, providing strategic direction as non-profit board members and more.





ABOUT OUR TEAM

CELEBRATING THE GOOD WORK OF OUR EMPLOYEES EACH DAY

While recognition from outside stakeholders is not a necessary outcome for our efforts, it is a good barometer that we are making a positive difference for our customers, employees and communities. Below are just a few of the acknowledgements we have received either as a corporation or via the tireless hard work of our employees, making a difference in their specialty:

- Forbes World's Best Banks
- Forbes Best in State Banks
- #1 SBA Lender in Pittsburgh
- #4 SBA Lender in Columbus
- Pittsburgh Post Gazette Top Workplaces
- PA Business Central Top 100 Organizations
- Junior Achievement "Above and Beyond" Award, individual and bank
- Junior Achievement Golden Achievement Award, CEO Mike Price
- Employer Support of the Guard and Reserve Patriotic Employer Award



OUR TEAM

Connect with any of our teammates to better understand how First Commonwealth Bank can support your organization and members of your community.



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