

Community Reinvestment Act (CRA) Update

Quarter Ending: March 31, 2026

Exam Cycle: January 1, 2026 – December 31, 2028

Our Commitment

At City National Bank, we are committed to supporting the communities we serve and fulfilling both the letter and spirit of our Community Reinvestment Act (CRA) obligations. We strive to be responsive to our communities by listening to their needs and activating organizational capabilities and relationships with community organizations across our assessment areas to drive solutions that improve affordability, access, and quality of life for the people and businesses in those communities. In collaboration with our community partners and clients, we continue to take significant steps to fulfill our responsibilities and support traditionally underserved communities, including low- to moderate-income (LMI) communities.

Understanding our Communities: Needs Assessment Survey

City National's CRA department continues to maintain ongoing, two-way communication with diverse community partners to identify key needs and priorities. Building on the comprehensive community needs assessment conducted in 2024 and 2025, we continue to solicit formal and informal feedback from community groups to ensure our strategy and activities remain aligned with the most pressing community needs throughout City National's assessment areas.

The three major pillars that emerged from our prior assessment continue to drive our strategy and community development activities:

- **Lack of Access to Affordable Housing**
 - **Housing Cost Burden:** Many LMI households continue to experience a significant housing cost burden, with over 30% of their income allocated to housing expenses, limiting capacity for other essential expenditures and heightening financial vulnerability.
 - **Shortage of Affordable Rental Units:** A marked scarcity of affordable housing options persists, particularly for extremely low-income renters, exacerbating housing instability and homelessness.
 - **Increasing Homelessness:** The need for targeted support in affordable housing solutions remains pressing, particularly in the wake of 2025 California wildfire displacement.
- **Financial and Operational Needs of Small Businesses**
 - **Capital Access Challenges:** Small businesses, particularly those with annual revenue of \$1 million or less or located within LMI areas, continue to face barriers to accessing capital, hindering business growth and community economic development.

- **Technical Assistance and Business Development Support:** Many small businesses in our assessment areas lack access to technical and operational assistance resources, including business planning, financial management, and growth strategy coaching.
- **Financial Education and Literacy**
 - **Financial Literacy Gaps:** LMI individuals and families continue to exhibit a critical need for financial education, particularly in budgeting, credit management, and basic financial planning.

Community Development Activities to Address Community Needs

City National is committed to providing the support our communities need most. The findings of our community assessment continue to guide our strategy and community development activities and investments. Below are updates on the activities CNB has undertaken in Q1 2026 to meet our communities' critical needs, aligned to these major pillars. (All data below reflects the period January 1, 2026 – March 31, 2026, the first quarter of our 2026–2028 CRA exam cycle.)

CRA Disaster Response – California Wildfire (Ongoing – Q1 2026)

City National continues to provide disaster recovery assistance to customers and communities affected by the 2025 California wildfires. In Q1 2026, key program activities include:

- Mortgage and HELOC Deferral Program update from 12/31/2025:
 - Deferrals continued to be granted on mortgages and HELOCs to approximately 110 clients with outstanding balances as of March 31, 2026.
 - Additional 100 insurance claims checks received, and custodial accounts opened as of March 31, 2026.
- Credit Protection: The bank continued to ensure that no adverse information related to approved loan payment deferrals is reported to credit bureaus, safeguarding customer credit profiles during this hardship.
- CalHFA Mortgage Fund Program – CalAssist: City National maintained participation in the CalHFA Mortgage Fund Program. 5 applications received and approved as of March 31, 2026.
- Building on the bank's ongoing commitment to help the communities impacted by the fire rebuild and recover, City National donated \$25,000 to Octavia E. Butler Magnet Middle School to help restore youth soccer programs and provide much-needed equipment. This support will help the students return to the field, reconnect with teammates, and get back to the joy of playing soccer.

Products

- Fannie Mae HomeReady: City National continued offering HomeReady financing, designed to expand access to homeownership and help address barriers to credit for LMI homebuyers through flexible underwriting and reduced down payment requirements, in partnership with available down payment assistance programs.

- Ladder Up Home Loan Grant: City National continued offering grants of up to \$20,000 for qualifying clients to fund down payments, reduce closing costs, or buy down interest rates when purchasing or refinancing homes in majority-minority census tracts in qualifying markets in California, New York, and New Jersey.
- Safe Check Account: City National continued offering its Bank On-certified Safe Check Account, a non-interest-bearing account designed to help account holders avoid overdrafts while promoting financial stability and accessibility.
- Small Business Ladder Up Program: City National continued its lending program that helps underserved small businesses.

Affordable Housing Initiatives

City National continues to prioritize initiatives that expand affordable housing options and support individuals at risk of homelessness through community development loans, community development investments, grants, and accessible mortgage products as evidenced during the prior exam cycle (January 1, 2022 – December 31, 2025), City National financed and invested approximately \$1.1 billion in affordable housing, creating or preserving approximately 28,700 affordable units of transitional housing, permanent housing, and workforce rental housing – including \$215 million to the Housing Authority of the City of Los Angeles for the creation of 9,700 affordable units.

Continuing the work, in Q1 2026:

1Q2026

- Financed approximately \$8 million in community development loans, creating or preserving approximately 18 affordable units of transitional housing, permanent housing, and/or workforce rental housing.
- Currently underwriting over \$75 million in creating over 100 affordable units that is expected to close during the 2nd quarter of 2026.
- Currently underwriting approximately \$50 million in investment to support the creation or preservation of affordable housing units, including new construction and preservation of existing properties.

City National Bank continues

Financial and Operational Support of Small Businesses and Revitalization and Stabilization Efforts for LMI Neighborhoods

Access to Capital

1Q2026

- Financed approximately \$102 million in small businesses.

- Provided \$2.2 million in financing to support the acquisition of properties, including industrial properties and shopping centers, in LMI census tracts. helped to stabilize and revitalize LMI neighborhoods while supporting job creation and retention.
- \$2,500 Secured Credit Card Initiative: City National continued its \$2,500 secured credit card initiative into Q1 2026, supporting approximately 8 small businesses and entrepreneurs. The program helps underserved businesses establish banking credit history and gain access to capital. Over 300 total businesses served since program launch.
- Invested \$7.5 million in SBICs and/or private equity focused on supporting businesses – including startups and growing enterprises – to drive job creation and economic growth.
- In the process of closing \$1 million in EQ2 investments.

Technical and Operational Assistance

- Capital Readiness Classes: City National launched its 2026 Capital Readiness initiative, collaborating with nonprofits to deliver workshops that help small businesses in LMI neighborhoods gain the tools and knowledge needed to secure funding and grow sustainably. Completed 85 volunteer hours in Q1 2026, reaching over 1,300 participants.
- Homeownership Education: City National conducted targeted homeownership education classes in LMI areas to empower residents with resources, financial literacy, and access to opportunity. Provided approximately 210 volunteer hours supporting over 200 individuals in Q1 2026.
- City National continued to collaborate with and support CDFIs, SBDCs, SCORE, and nonprofits through grants that provide technical and operational assistance to small businesses.

Financial Education and Literacy

Teaching sound money management skills is critical to the future success of individuals, families, and communities. City National continued its financial education programs in Q1 2026, providing approximately 1,500 hours.

- Dollars + Sense (K–12): City National continued its partnership with the American Bankers Association Education Foundation and EverFi to provide financial literacy programming for K–12 students.
- EverFi (Adults): City National continued working with EverFi to provide financial education to LMI adults, in collaboration with nonprofits, multifamily affordable housing communities, and schools in underserved areas.
- Reading is the Way Up® Book Vending Machine Program: City National will continue to expand its book vending machine program in 2026, building on the 9 machines gifted to LAUSD and Ontario/Montclair School District schools in 2025.

Building Stronger Communities

City National’s deep commitment to strengthening communities – including LMI communities – underpins all of our community reinvestment and development work. In Q1 2026:

1Q2026 – Community Services Lending

- City National financed approximately \$6.6 million in support of community services, supporting nonprofit organizations that serve low- and moderate-income individuals and families.
- Recipients included organizations dedicated to supporting K-12 students, particularly from LMI and underrepresented communities with financial literacy, with workforce readiness and entrepreneurship skills.

1Q2026 – Volunteering

- City National employees contributed approximately 1,720 volunteer service hours during Q1 2026, including: homebuyer education workshops, technical assistance for small businesses, board service for nonprofit organizations, and financial literacy programs.

1Q2026 – Grants

- City National awarded over \$1 million in grants during Q1 2026 to various nonprofit organizations in support of economic development, affordable housing, and community services.
 - Funding includes grants to facilitate specialized training for housing professionals, the publication of critical research, and the enhancement of online data tools. These initiatives will result in the creation or preservation of 4,000 affordable homes, serving 11,500 LMI residents through 40 training sessions and 60 new research publications.
 - Funding includes grant to provide \$5,000 gap grants to 35 families to help make their dream of homeownership come true.
 - Funding includes grant to support the mission of ending hunger by supporting multiple food banks.

1Q2026 – Federal Home Loan Bank (FHLB) of San Francisco

- City National Bank sponsored 11 Affordable Housing Program (AHP) applications in Q1 2026 under the FHLB of San Francisco Affordable Housing program.

Meeting our Commitments – 2026 Plan and Focus Areas

Building on the momentum established in 2024 and 2025, City National’s 2026 strategy is focused on deepening relationships and collaboration with nonprofits and community organizations to address pressing local community needs across our assessment areas. Key initiatives for 2026 include:

- Capital Readiness Classes – Collaborating with nonprofits to deliver workshops that help small businesses in LMI neighborhoods gain the tools and knowledge needed to secure funding and grow sustainably.
- Homeownership Education – Conducting targeted classes in LMI areas to empower residents with resources, financial literacy, and access to opportunity for achieving homeownership.
- Expanding Presence – Identifying strategic opportunities to increase visibility and engagement in underserved LMI locations, ensuring our support reaches all communities across our assessment areas.

APPENDIX

I. Survey and Assessment Approach

City National’s community needs assessment, conducted comprehensively in 2024 and 2025, continues to inform our 2026–2028 exam cycle strategy. The assessment attracted responses from 32 organizations with diverse areas of focus throughout our assessment areas, supplemented by qualitative discussions through in-person and virtual meetings, industry conferences, and regulatory agency initiatives.

Focus Areas of Surveyed Organizations

- Affordable Housing – 65.6%
- Education and Financial Literacy – 59%
- Small Business Development – 53%
- Health and Community Services – 41%
- Workforce Development – 28%
- Disaster Preparedness – 10%

II. Selected Media Coverage

I. Selected Media Coverage

Selected examples of news coverage highlighting City National’s commitment to our communities

- America Today: [FHLBank San Francisco Committed More Than \\$185 Million to Affordable Housing, Homeownership and Economic Development in 2025](#) (Jan. 26, 2026)
- Culver City Crossroads: [Jubilo Village Breaks Ground: Church Partners with Non-Profit for Affordable Housing](#) (Mar. 13, 2026)
- Inland Empire Community News: [Holocaust Survivor Donates Land for San Bernardino’s \\$28 Million Veteran Housing Project](#) (Mar. 31, 2026)
- Los Angeles Business Journal: [Fire Relief Sees New Deliveries](#) (Jan. 19, 2026)