



2023

**CORPORATE RESPONSIBILITY
REPORT**

Webster Financial Corporation

WebsterBank[®]

Mission

We deliver leading financial solutions to businesses, individuals, families and partners.

Culture

At Webster, our culture is centered around delivering for our colleagues, clients and communities; strong risk management; responsible corporate citizenship; diversity, equity, inclusion and belonging; and transparent governance.

Values

Our values are reflected in our sustained dedication to serving our clients and our communities.



INTEGRITY

We do what's right.

I live by the highest ethical standards.
I act for the greater good, not self-interest.
I am consistent and reliable.
I communicate transparently and openly.



COLLABORATION

We're better together.

I seek the input and talents of others.
I share my ideas, issues, solutions, resources and information.
I promote cooperation and teamwork across our organization.
I work well with others and bring a positive spirit to the team.



AGILITY

We embrace change and adapt quickly.

I am curious and eager to grow.
I innovate, test and learn to raise the bar continuously.
I proactively anticipate trends and understand their potential impact.
I challenge the way it has always been and welcome new ways of working.



ACCOUNTABILITY

We own and deliver on our commitments.

I show initiative and ask, "what more can I do?"
I demonstrate a make-it-happen attitude.
I take responsibility and ownership of delivering quality results.
I lead by example and empower others.



RESPECT

We treat everyone with dignity.

I value diversity in people and listen for new ideas.
I assume and approach interaction with positive intent.
I create and support an inclusive, welcoming environment.
I recognize and celebrate the accomplishments of others.



EXCELLENCE

We strive for the highest standards.

I have high expectations of myself and others.
I deliver quality results that matter with speed and efficiency.
I go above and beyond to create value.
I give and receive feedback for the betterment of myself and our organization.

2023 Awards & Recognition

In the past year, Webster has earned more than 50 recognitions for our performance, our focus on excellence and serving our clients and communities. Our accomplishments over the years are due to the dedication, teamwork and commitment to values demonstrated by our colleagues every day. Webster is making meaningful progress toward becoming one of the highest performing commercial banks in the country. Along the way, we are pleased to have been recognized for our overall accomplishments as a bank, as well as for the individual achievements of our colleagues. The recognition we receive builds on our momentum and confidence as we focus on our strategic priorities.



Webster Bank was recognized as a **Corporate Citizen of the Year** by *Long Island Business News* in the publication's 2023 Corporate Citizenship Awards.

Long Island Business News annually publishes this list to showcase companies that promote and prioritize giving back to the Long Island community. Corporate Citizenship honorees are recognized for their impact on multiple nonprofit organizations through financial contributions, fundraising and volunteer efforts.



Webster Bank was again named a **Top Corporate Contributor honoree** by the *Boston Business Journal* in its annual 2023 Corporate Citizenship Awards, a recognition of the region's top corporate charitable contributors.

The *Business Journal* annually publishes this list to showcase companies that promote and prioritize giving back to their communities. This year, 100 companies have qualified for the distinction by reporting at least \$100,000 in cash contributions to Massachusetts-based charities last year. The honorees this year include companies from such industry sectors as financial and professional services, health care, technology, retail and professional sports.

Newsweek Most Trusted Companies *Newsweek* recognized Webster Bank for the second consecutive year as one of its Most Trusted Companies in the United States.



Yonkers Partners in Education (YPIE) recognized Webster as the **YPIE Corporate Honoree**,

for its continued generous support of the YPIE-Webster Finance Lab, providing students with access to financial empowerment and exposure to careers in the financial industry.



Connecticut Green Bank Annual Awards

The Connecticut Green Bank honored Webster for its outstanding partnership and support of Green Bank initiatives, including residential and commercial solar PV, Green Liberty Bonds and C-PACE.

Sun River Health honored Webster for their support and commitment to the health of communities in the Hudson Valley, New York City and Long Island.



Women's Enterprise Development Center (WEDC) presented Webster with its **Corporate Partnership Award**

for its many years of support for WEDC's services and training programs for underserved women and minority small business owners in Westchester and the Hudson Valley (NY).



Women's Housing and Economic Development Corporation (WHEDco) honored Webster with their **2023 Corporate Leadership Award** for the important role they play in supporting WHEDco's broader efforts to improve Bronx residents' access to financial products.

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About Us

\$74.9B

Total Assets

\$60.8B

Total Deposits

198

Banking Centers

3M+

HSA Accounts

As of 12/31/23

Webster Bank (NYSE:WBS) is a values-based, leading commercial bank with more than \$70 billion in assets focused on delivering financial solutions to businesses, individuals and families. With headquarters in Stamford, Connecticut, our footprint spans the Northeast from the New York City metropolitan area to Rhode Island and Massachusetts.

We offer differentiated lines of business including, Commercial Banking, Consumer Banking and our HSA Bank division, one of the country's largest providers of employee benefits solutions. In addition, Webster offers Banking as a Service (BaaS), which enables FinTechs and other non-bank institutions to digitally deliver customized banking and payment capabilities that enhance their customer experiences, and BrioDirect, our direct-to-consumer digital banking solution.

This report contains forward-looking statements, including our commitments, targets and other statements that are not historical facts. These statements are subject to risks and uncertainties and are not guarantees of future performance. Factors that could cause actual results to differ materially from those expressed or implied by such statements are set forth in our SEC filings. All forward-looking statements are based on management's current assumptions, estimates and projections.

From Our CEO

Our colleagues live our values of Integrity, Collaboration, Agility, Accountability, Respect and Excellence, and we're guided by those values in the way we do business every day.

Dear Shareholders,

Our 2023 Corporate Responsibility Report is a demonstration of our ongoing commitment to environmental, social and governance principles. It summarizes our strategic approach to creating a positive social and environmental impact within an effective governance framework, based on strong ethics and risk management.

This Report demonstrates how our values drive our collective commitment to serving our clients, our communities and each other every day.

During the past year, we marked several achievements that helped grow our businesses, while supporting our sustainability initiatives. Under the leadership of Chief Corporate Responsibility Officer Marissa Weidner and her team, we launched a multi-year Community Investment Strategy bringing greater scale and additional resources to the communities we serve. In the two years since its inception, this investment strategy is creating an even stronger foundation to provide more opportunities and value across our footprint.

As part of our Community Investment Strategy, we introduced the "Webster You're Home" program, a new Special Purpose Credit Program designed to increase access to home ownership. We launched our Minority and Women Owned Business Enterprise program, which delivers financial solutions and serves as a catalyst for economic empowerment and self-sufficiency through greater access to capital. We also expanded our signature Webster Finance Lab initiative by working with nonprofit partners in New York, Connecticut and Massachusetts to empower youth, help them learn about the financial industry and build our future workforce.



John R. Ciulla
President and
Chief Executive Officer

ECONOMIC VITALITY**VALUING OUR PEOPLE****OUR ENVIRONMENT****RESPONSIBLE GOVERNANCE**

Our colleagues live our values of Integrity, Collaboration, Agility, Accountability, Respect and Excellence, and we're guided by those values in the way we do business every day. They form the cornerstone of our culture, bringing us together to create a great place to work, and to attract and retain talent.

Our Diversity, Equity, Inclusion and Belonging Council, which I co-chair, helps shape our program throughout the organization. During the past year, our Business Resource Group members volunteered their time to network, build awareness and foster belonging with their colleagues. They also support our communities by sharing their time and talents. We strive to be an employer of choice, providing colleagues with opportunities to grow and develop professionally in a challenging and rewarding business environment.

Building on our strong governance foundation, we continue to incorporate recognized ESG frameworks into our reporting to further enhance transparency. We believe in conducting business in a responsible manner that supports the well-being of our cities and towns. We continue to advance plans to create efficiencies in our operations and seek to maintain low-emission and energy-smart work environments.

We are embedding our environmental and social priorities within our business processes, elevating our approach to these important initiatives. All of these efforts are possible because of the unwavering support from my Webster colleagues to the shared values and mission that drive our progress.

As always, I would like to thank our passionate colleagues whose selfless contributions and dedication to excellence have helped make our company and the communities we serve a better place. Webster moves forward in 2024, proud of our achievements, and with a steadfast commitment to continue to make progress with purpose.

Sincerely,

John R. Ciulla

President and Chief Executive Officer

This commitment to excellence drives our corporate responsibility strategy.

CCRO Q&A



What are your reflections on the Office of Corporate Responsibility journey to date?

Since we established the Office of Corporate Responsibility (OCR) in 2022, we have continued to execute on our multi-year Community Investment Strategy (CIS), with a focus on our commitment to driving economic vitality in our communities.

OCR has made tremendous progress in the two years since we began. We have built and maintained solid partnerships both internally across the enterprise and externally with community partners, especially our Community Advisory Councils. These relationships have created the strong foundation for our execution against the CIS. With a focus on both qualitative and quantitative measures, we're helping to create meaningful impact in our communities and we're proud to be a part of this effort.

The CIS is a major commitment for Webster, and our entire leadership team has not only embraced it but they're actively working to support its success. I'm also grateful for the continued enthusiasm and engagement of our colleagues. This truly shows the Webster values of Integrity, Collaboration, Agility, Accountability, Respect and Excellence in action.

What were some of the achievements in 2023?

2023 was a busy and productive year. We launched "Webster You're Home," our Special Purpose Credit Program aimed at expanding homeownership opportunities for low- to moderate-income (LMI) first-time homebuyers. We know that homeownership strengthens our neighborhoods and helps individuals and families build generational wealth, and this new program will provide greater access to credit in economically-disadvantaged communities.

We introduced Webster's Minority and Women Owned Business Enterprise (MWBE) team. These colleagues work to support the growth and development of minority- and women-owned small businesses across our footprint. Webster has also partnered with a number of organizations that support women- and minority-owned businesses in New England and New York.

Webster's signature Finance Lab initiative continued to expand as we opened our third Finance Lab and announced three new Finance Labs in Connecticut and Massachusetts.

We measure our progress not only by the milestones we reach, but also in the way our colleagues have matched our ambitions with actions.



Marissa Weidner
Chief Corporate
Responsibility Officer

Continuing our collaborative approach to corporate responsibility, we strengthened our partnerships with nonprofits across our footprint. We also engaged more deeply with internal teams to successfully launch our “Webster You’re Home” program, grow our Supplier Diversity program and expand community development lending and other OCR efforts.

How is Webster continuing its approach to Corporate Sustainability?

Our approach is tied to our mission and values: a strategic program clearly focused on positive social and environmental impact within an effective governance framework based on ethics and risk management.

Responsible governance is the cornerstone of everything we do at Webster. Our Board continues to oversee our Environmental, Social and Governance (ESG) efforts, with the Nominating and Corporate Governance Committee having primary responsibility for coordination of that oversight.

We’re firmly focused on achieving our community commitments and making the right long-term investments to support the economic vitality of our communities. We measure our progress not only by the milestones we reach, but also in the way our colleagues have matched our ambitions with actions.

As investors continue to demand more consistent and relevant ESG information, we’ve expanded

our Corporate Responsibility reporting. This year, we added disclosures from the Task Force on Climate-Related Financial Disclosures (TCFD) framework to our Sustainability Accounting Standards Board (SASB) disclosures. 2023 also marks the first time we have reported greenhouse gas (GHG) emissions.

What are some new Corporate Responsibility initiatives for 2024?

As we continue to execute on our multi-year Community Investment Strategy, we’ll be announcing three new Finance Labs, expanding this signature initiative for a total of nine programs across our footprint. We’re excited to grow our Supplier Diversity program, creating more opportunities for increased revenue, profit and growth for diverse small businesses in the communities we serve. We’re creating a multicultural campaign to engage with more communities in our footprint. We’ll also continue to develop our ESG strategies, creating a more formal program and maturing our processes.

These and other programs and projects are built on the foundations of our four Corporate Responsibility pillars: Economic Vitality, Valuing Our People, Our Environment and Responsible Governance. They create value across our business as they help to strengthen the systems and organizations that drive shared prosperity in our communities.

OCR brings together Community Reinvestment Act (CRA) and Fair and Responsible Banking; Community Investment, Engagement and Philanthropy; Government Relations and Public Affairs; Supplier Diversity; and, of course, all Environmental, Social and Governance efforts, all in one business unit. This structure allows us to plan more strategically, support enterprise goals more effectively and use our resources more efficiently.

Economic Vitality



Office of Corporate Responsibility



Webster believes strongly in empowering people and strengthening communities by expanding access to capital.

Reflecting our shared values of Integrity, Collaboration, Agility, Accountability, Respect and Excellence, Webster’s Office of Corporate Responsibility (OCR) manages all community-facing activities across the company: Supplier Diversity; Community Reinvestment Act (CRA) and Fair and Responsible Banking; Community Investment, Engagement and Philanthropy; Government Relations and Public Affairs; and ESG efforts.

Led by Chief Corporate Responsibility Officer Marissa Weidner, OCR partners with Human Resources to drive our Diversity, Equity, Inclusion and Belonging efforts. OCR also provides oversight of Community Engagement and Philanthropy programs related to Webster’s Business Resource Groups.

The OCR oversees Webster’s Community Investment Strategy (CIS), created in 2022 to drive economic vitality in the communities we serve. We gathered input from more than 100 community groups across our footprint to develop the CIS, and continue to meet regularly and review CIS progress with our Community Advisory Councils, made up of nonprofit partners in New York, Connecticut and Rhode Island/Massachusetts. Our multi-year Community Investment Strategy is focused on four key areas:

Affordable Housing

Access to affordable housing and homeownership for low- and moderate-income (LMI) communities across our footprint, including LMI residential lending and multifamily lending.

Community Development

Making critical community services more accessible for LMI communities with community development lending and investments.

Small Business Lending

Making capital more accessible to entrepreneurs and small businesses with a focus on minority- and women-owned businesses.

Community Support

Support for programs that address community needs, including affordable housing, food scarcity, workforce development and financial empowerment, with a focus on equity and economic inclusion.

We are proud of the efforts made to deepen our investments in the communities we serve, and conscious that there is still more work to be done. In 2023, we published a [summary of the progress](#) made in the first year of our Community Investment Strategy.

Affordable Housing

Special Purpose Credit Program

This year, Webster announced the launch of our first Special Purpose Credit Program (SPCP) aimed at expanding homeownership opportunities in historically underserved areas. Designed to support LMI first-time homebuyers, and those who are seeking to refinance, the “[Webster You’re Home](#)” program provides an alternative to traditional loan programs and terms, offering up to 97% financing for the purchase of properties located in defined, underserved markets.

The program is designed to assist borrowers in specific demographic Geographic Assessment Areas and Majority Minority census tracts in the Bank’s footprint. Borrowers in these areas are eligible for both purchase and rate and term refinance transactions.

Multifamily Lending Best Practices

As a good corporate citizen, we recognize the value of preserving affordable housing, fostering improved compliance by landlords in the rent-regulated housing market and supporting the legal rights of both tenants and owners. We launched Webster’s [Multifamily Lending Best Practices](#) in 2023, developed with input from longtime community partners with expertise in affordable housing.

CLO Program

Webster’s [Community Liaison Officer](#) (CLO) program was launched in 2022 as part of our CIS. Working in partnership with the Office of Corporate Responsibility, the CLOs provide support and financial education to LMI and minority borrowers. They also work to increase lending opportunities to meet local credit needs, especially for first-time homebuyers. In 2023, Webster Bank partnered with 104 community development organizations to provide 128 financial literacy and homebuyer workshops to 4,385 participants.

In 2023, Webster made 150 affordable home loans, totaling \$22,593,020.

Webster partners with nonprofit organizations and state agencies to provide additional residential lending products and services across our footprint.

New York

SONYMA

HDF SmartMove

HPD HomeFirst

CHI Renters to Own

Co-op Lending

Connecticut

CHFA Time to Own

HDF SmartMove

Equity Builder Program

HDF Live Where You Work

Housing Our Workforce

Rhode Island/Massachusetts

Mass Dreams

MHP One Plus Boston

Equity Builder Program

Housing Our Workforce

Community Development

We believe in taking a collaborative approach to community development lending, illustrated by the Matinecock Court project in Huntington, New York. Funding an historic affordable housing development on land that had been vacant for nearly 50 years, Webster's participation includes a \$50M construction loan and an investment in \$37M of Low-Income Housing Tax Credits. The project is scheduled for completion in 2025.

The project is led by sponsor developer The D+F Development Group, LLC in partnership with Long Island-based nonprofit Housing Help, Inc. The multifamily building will provide much-needed rental inventory in an underserved community. "We are beyond grateful to Webster for their unwavering support of our mission, and for recognizing the crucial need for safe and affordable housing for all individuals and families," said Pilar Moya-Mancera, Executive Director of Housing Help, Inc.



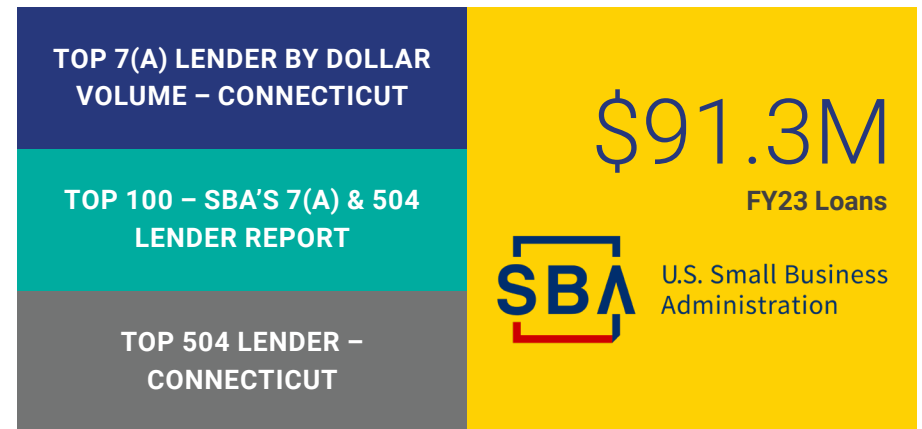
Small Business Support

Webster's Minority and Women Owned Business Enterprise (MWBE) team went live in 2023. The MWBE team supports the growth and development of minority- and women-owned small businesses and organizations focused on community and economic development in underserved areas.

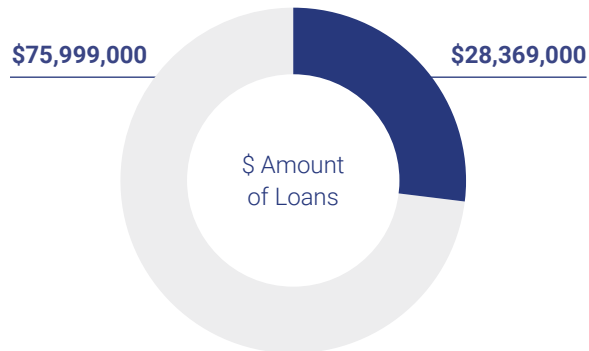
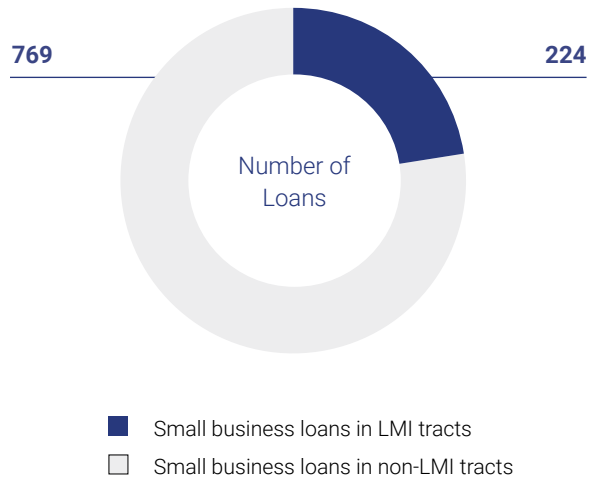


The MWBE program offers small business banking solutions, such as checking and savings accounts, credit cards and lending programs, to meet the needs of minority- and women-owned businesses.

SBA Lending Highlights



2023 Loans to Small Business with Revenue ≤\$1M



Webster Finance Labs

The Webster Finance Labs are a signature OCR initiative, designed to help nonprofit partners in LMI communities create opportunities for students to gain the skills needed for economic empowerment and financial success. Funded by grants from the Webster Bank Charitable Foundation, the Finance Labs provide support for technology and curriculum, and also offer volunteer opportunities for Webster colleagues.

In 2023, our first Connecticut-based Finance Lab opened in partnership with the Wakeman Boys and Girls Club of Bridgeport, Connecticut. In addition, we announced three new Finance Labs, collaborating with The Hispanic Coalition of Greater Waterbury Inc. and the YWCA Hartford Region, both in Connecticut, and Taunton Area School to Career (TASC) in Massachusetts, bringing our total to six Labs and a two-year investment of \$900,000.

Webster Connect Checking

Webster Connect Checking provides unbanked and underbanked clients with access to financial services with limited fees to help them save, grow and access their money in a reliable way. This product has been certified by the Cities for Financial Empowerment for meeting the [Bank On National Account Standards for 2023–2024](#).

Introduced in the New York Metro area in 2022, Webster Connect Checking was expanded to all Webster locations in 2023. We are working with our Community Banking Center Managers and our Community Liaison Officers to promote the product, as well as partnering with the Bank On coalitions in CT and MA.



Community Reinvestment Act

Webster Bank has a responsibility under the Community Reinvestment Act (CRA) to help meet the credit needs of its communities, including low- and moderate-income (LMI) neighborhoods. We believe that helping to meet these needs, particularly for LMI individuals, as well as consumers and businesses in LMI areas, is necessary for the continued growth and vitality of our communities and our company. In our most recent CRA Performance Evaluation Report, we received an overall rating of “Outstanding.”

Our Community Investment Strategy is informed by the thrice-annual engagement of our Community Advisory Councils in New York, Connecticut and Rhode Island/Massachusetts. These Councils are comprised of leaders of local nonprofit organizations that span the arenas of affordable housing, small business, CDFIs, workforce development and economic revitalization. Our current Strategy includes lending to LMI residential projects in order to support affordable housing and homeownership; lending to small business with attention to women-owned and minority-owned enterprises; and lending to support community development, including our continued support of energy conservation projects in residential and commercial buildings located in LMI neighborhoods, through the Connecticut Neighborhood Assistance Tax Credit Program. We are further supporting our communities by increasing financial literacy programs through our Finance Labs initiative and our Community Liaison Officer program.

In 2023, Webster Bank partnered with 104 community development organizations to provide 128 financial literacy and homebuyer workshops to 4,385 participants.

Social Supply Chain/ Supplier Diversity



Webster believes that diverse suppliers should have the opportunity to compete for contracts in a fair and equitable environment. We understand the value of a diverse supply chain and we welcome all suppliers that have the capabilities to provide our business with goods and services. Our Supplier Diversity Program has three main objectives:

Support Local Businesses

As a regional bank, we understand the importance of supporting the economic development of local, diverse businesses within our market areas of Connecticut, Massachusetts, New York and Rhode Island.

Provide Opportunity

We are committed to embracing diversity in all areas of our business. As a result, we seek to identify capable diverse suppliers and provide them access to opportunities to become our business partners.

Diversity and Inclusion

We strive to ensure our business practices reflect our commitment to diversity and inclusion in support of the local communities we serve.

Our [Supplier Diversity portal](#) was launched in 2023, allowing vendors to submit their company information for entry into Webster’s supplier database. The database is connected to a national organization, giving vendors an opportunity for greater visibility.

Developing our Supplier Diversity program has been an enterprise-wide effort. Working collaboratively with Strategic Sourcing and Accounts Payable, we developed an alternative reporting framework with consistent invoicing methodology and automated monthly reporting. Strategic Sourcing also helped to

Spectrum Designs — A Webster Diverse Supplier

Spectrum is a custom apparel and promotional products business employing over 70 people. More than 50% of its workforce are young adults on the Autism spectrum. One of the largest employers of its kind in New York, Spectrum's clients include Google, Visa, Uber, NY State Parks, Voya — and now Webster Bank. Learn more about [Spectrum Designs](#), their mission and their products.



Reflecting Webster's collaborative approach to supplier diversity, our Commercial Nonprofit Banking Team connected Spectrum with our Supplier Diversity program, and Webster Strategic Sourcing helped to onboard them using our new process for low-risk vendors.



fine-tune our vendor onboarding processes, reducing barriers to entry for low-risk vendors. Ongoing partnerships with IT and Finance help to track our Diverse spend more accurately.

To emphasize the important role our colleagues play in making the Supplier Diversity program a success, we developed two training courses. Contract and relationship managers are required to complete a more detailed course, while general colleagues have the option to access an introductory version.

The training was supplemented by a series of internal Supplier Diversity Road Shows rolled out across the footprint in 2023. These in-person programs, developed in partnership with Strategic Sourcing, were designed to help reinforce awareness of supplier diversity opportunities and resources, including the addition of a vendor diversity status question to our Strategic Sourcing platform. The Road Show series is scheduled for completion in 2024.

As our [Supplier Diversity program](#) grows, we can create more opportunities for increased revenue, profit and growth for diverse small businesses in the communities that we serve.

As part of the OCR, Supplier Diversity progress is reported to the Corporate Responsibility Committee, comprised of C-suite executives. This Committee in turn reports to the Nominating and Corporate Governance Committee of the Board of Directors.

Valuing Our People



Human Capital Management



At Webster, we strive to be an outstanding place to work, where everyone has the opportunity to thrive in an inclusive, safe and healthy environment.

As a values-driven organization, we are committed to offering competitive and comprehensive compensation, professional development opportunities, and robust health and welfare programs. Accordingly, we seek to implement policies and practices that align with applicable laws and regulations and are in the best interest of our stakeholders.

Webster believes in upholding the principles of safety and observing fair labor and employment practices throughout our organization, including providing equal opportunities. We recognize the importance of having engaged colleagues, and we support the personal development of our colleagues to help them achieve their career goals.

In 2022, we launched an intensive, company-wide culture activation program, building on our shared values and mission. In 2023, we conducted our first colleague engagement survey as a combined company. The results reflected our commitment to enhancing a positive culture; a majority of colleagues view our greatest strengths as “our sense of purpose” and “inclusion.” Colleagues also offered many actionable ideas for improvement, demonstrating their engagement and investment in continuously evolving our organization.

We have begun to transform and modernize our talent management practices by implementing a Human Capital Management (HCM) technology platform to enable leaders to better attract, develop and manage talent. We are committed to pay equity and regularly review our compensation model to ensure fair pay practices across our business.

We support the personal development of our colleagues to help them achieve their career goals.



Javier Evans
Chief Human Resources Officer

Our compensation program is designed to attract, retain and reward performance and align incentives with achievement of our strategic plan, and both short- and long-term operating objectives. Webster has an Incentive Compensation Oversight Committee that reviews and approves all business-line incentives and sales plans each year, which ensures consistent governance and behaviors.

Our Rewards and Recognition program drives a culture of appreciation. Whether originating from the CEO or a colleague, this program provides opportunities for peer-to-peer gratitude. Colleagues are also provided with meaningful monetary awards, as well as nonmonetary recognition.



In 2023, we completed an analysis of gender pay equity at Webster and determined that our pay equity exceeded our internal target of 90% for the year. To address remaining gender pay gap issues, we will continue to review our pay by function and job level, as well as internal peer comparisons.



Our Board of Directors plays an important role in providing oversight of our efforts to ensure responsible compensation practices. Among other responsibilities, the [Compensation Committee](#) is charged with annually reviewing and approving annual corporate bonus objectives and results, and all long-term incentive compensation. The Compensation Committee reviews and makes recommendations to the Board with respect to the annual compensation recommendations for all members of our executive team, including our CEO and Executive Chairman, and approves any severance and/or change in control or similar agreements for executive team members.

In accordance with our compensation philosophy established by the Compensation Committee, we believe our executive pay is well-aligned with performance, creating a positive relationship between our operational performance and shareholders. At the annual meeting of shareholders on April 26, 2023, Webster held an advisory vote on executive compensation. Approximately 94% of shareholders voted in favor of the compensation for the Named Executive Officers (NEOs) as discussed in Webster's 2023 [Proxy Statement](#).

We are committed to attracting all qualified applicants and ensuring that our workforce is provided with career advancement opportunities, irrespective of race, color, sex, age, religion, national origin, sexual orientation, disability, veteran status or other categories. Our pay practices have strong governance processes, including reviewing competitive market data from more than 25 surveys each year.

We also offer competitive benefit packages that reflect the needs of our workforce. We continually review and evolve our benefits plans as necessary to remain competitive and meet the needs of our workforce. Our benefit cost structure is tied to salary level, so that lower-salaried employees bear less cost. Webster includes LGBTQ+ partners and families in benefits coverage.



Health & Wellness

- Medical, dental and vision plans
- Prescription benefits
- Life insurance and disability benefits
- Health Savings Accounts (HSAs)
- Wellness incentives
- Health coaching
- Telemedicine



Other Benefits

- Paid parental leave
- Paid time off (PTO) and paid holidays
- Matching 401(k) retirement savings plan
- Employee Stock Purchase Plan
- Colleague Bank (exclusive colleague discounts on our financial services)
- Employee Assistance Program
- Backup child and elder care
- Student loan repayment program
- Pet insurance
- Wellness programs (such as gym reimbursements, incentives for well-being activities and fitness challenges)

Learning and Talent Management

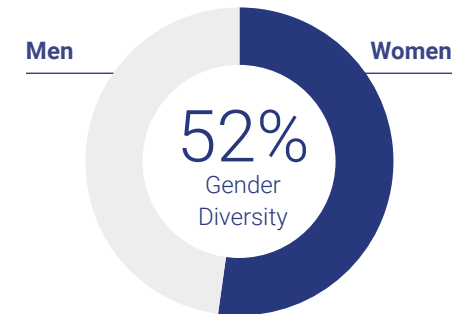
We are focused on investing in our current and future talent by actively supporting the success, growth and career progression of our colleagues. Our colleagues have access to nearly 450 courses offered through Webster Bank University, our internal learning resource that offers on-demand virtual instructor-led training, e-learning and in-person learning programs. Webster also provides unlimited access to self-directed e-learning courses taught by industry experts with curated learning paths designed for specific professional interests.

We make significant investments in formal development programs to build our talent pipeline. Our internship program hosted 25 individuals in 2023, who worked in eight lines of business across the bank. The 10-week program included four in-person days (Orientation, Volunteer Day, Teambuilding/Yellow Belt training and National Intern Day). Other program highlights included professional development virtual instructor-led training (VILT) and various networking opportunities. The program concluded with presentations by each intern to Webster leaders and coworkers. Our Rotational Program offers early-career, high potential college graduates rotating assignments throughout the bank over either an eighteen month or a two-year period, with tracks in Commercial Banking, Finance, HSA Bank, Audit and Consumer Banking. Nine individuals were hired into the two-year Commercial Banking program and four were hired into other areas of the bank. After completing the program, all 13 Rotational Analysts were hired in 2023.

The program includes opportunities to work in at least three areas of the business, as well as networking, mentoring and learning through multiple professional development virtual instructor-led classes.

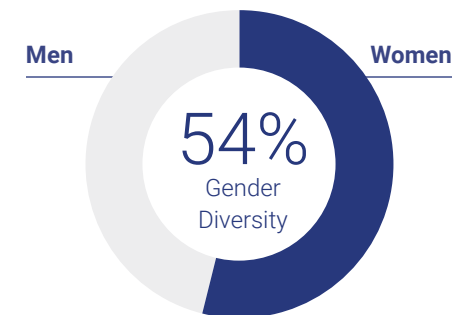


2023 Internship Program Diversity



Asian	24.0%
Black or African American	12.0%
Hispanic or Latino	8.0%
Two or more races	8.0%
White	48.0%

2023 Rotational Program Diversity



Black or African American	7.7%
White	92.3%

Diversity, Equity, Inclusion & Belonging



We believe that Diversity, Equity, Inclusion and Belonging (DEIB) is critical to our growth and success as a leading commercial bank. This commitment starts with Webster’s senior leadership, who work to ensure that our commitment to DEIB is integrated with the way we do business. Meeting the increasingly diverse needs of our clients is a key to our long-term success.

Having a workforce with diverse backgrounds and experiences better helps our clients and the communities we serve achieve their financial goals.

We understand the importance of attracting, developing and retaining a workforce that is diverse in background, knowledge, skills and experience. We hold ourselves accountable to provide a supportive environment where all colleagues have the opportunity to reach their potential. We are committed to providing equal employment opportunities with regards to recruiting, compensation, performance and promotion decisions based on merit, without discriminating on the basis of gender, sexual orientation, age, family status, ethnic origin, nationality, disability, religious belief and any other characteristics that are legally protected. DEIB remains an important component of Webster’s Corporate Responsibility reporting framework, which we formally communicate through this Report and other regulatory filings.

We believe that diverse recruitment efforts are a top priority. Our Recruitment team has worked to create meaningful relationships with local colleges with diverse student bodies and high LMI student populations. The Recruitment team also began collaborating with our Business Resource Groups (BRGs) to leverage their expertise and familiarity with diverse communities.



Our DEIB Council serves as a platform where senior leaders and representatives of our various BRGs meet quarterly to shape the strategy and actions of our DEIB efforts. The Council makes recommendations on ways to integrate DEIB in the areas of education and awareness, talent development, colleague engagement, and client and community service. The Council reports quarterly to the Corporate Responsibility Committee (CRC), providing an additional level of accountability. The CRC reports to the Nominating and Governance Committee of the Board.

Comprised of colleague members from across the organization, the DEIB Council is co-chaired by our Chief Executive Officer and Executive Vice President of Business Banking. This oversight sends a clear signal that DEIB is a priority for Webster. We have a Senior Managing Director of DEIB, whose responsibilities include strengthening Webster’s diversity, equity and inclusion efforts with our colleagues, clients and community partners and promoting a diverse workforce in an open, inclusive environment.

In 2022, we developed a diversity scorecard to measure the recruitment, retention and promotion of underrepresented groups—reinforcing that DEIB is a driver of performance. The scorecard outlines key performance indicators (KPIs), various DEIB benchmark measurements and overarching organizational goals, and examines a range of metrics.

Notable progress was made in 2023 in the areas of Diversity Turnover, Diversity Tenure and DEIB Learning and Development Training Hours, with all three indicators exceeding 2023 goals. Areas of focus for 2024–2026 include Senior Managing Directors and above who are women and/or Persons of Color, New Hire Diversity and the Diversity Promotion Rate. We will also take a more granular look at Pay Equity data by Gender and Ethnicity in 2024.

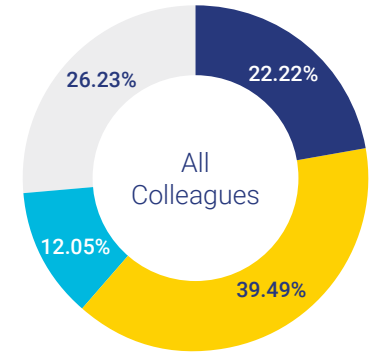
We are focused on creating an inclusive and high-performing culture throughout the company. Our diversity education efforts are an important component of this work, addressing topics like understanding, recognizing and interrupting negative biases and advancing allyship. In 2023, 4,504 colleagues participated in 144 diversity-specific educational activities.



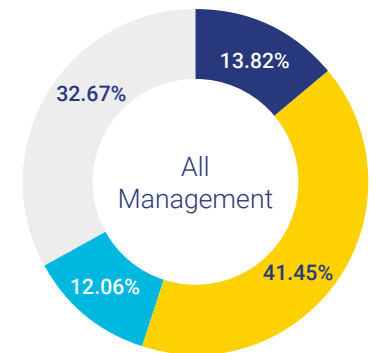
I want to get every colleague to think about what DEIB means to them and how they can become more engaged with DEIB at Webster.

~Teshia Levy-Grant

2023 Workforce Diversity*



- Diverse Women
- Non-diverse Women
- Diverse Men
- Non-diverse Men



* As of 12/31/23

Webster Bank was selected to participate in a pilot program aimed at establishing best practices for leveling the playing field for all employees. We've partnered with the Center for WorkLife Law at the University of California Law, San Francisco, and The Conference Board to implement a workshop aimed at teaching participants how to identify and interrupt bias in everyday workplace interactions, and we are collecting metrics to track the impacts of this training on employee perceptions of the workplace culture.



Webster proudly supports a host of BRGs that provide our colleagues with an authentic experience of diversity, equity, inclusion and belonging. Based on mutual respect and acceptance, these groups recognize and explore our individual identities in an environment that fosters personal and professional growth. Inspired by our values of Integrity, Collaboration, Agility, Accountability, Respect and Excellence, all BRGs are inclusive and all colleagues are welcome to join any BRG. Through a robust slate of activities and events, we celebrate the rich cultures and experiences that make up our workforce while embracing the unique contributions we bring to work each day.

926 Webster colleagues participate in BRGs, connecting with each other and with community stakeholders through innovative programs, community outreach and partnerships.

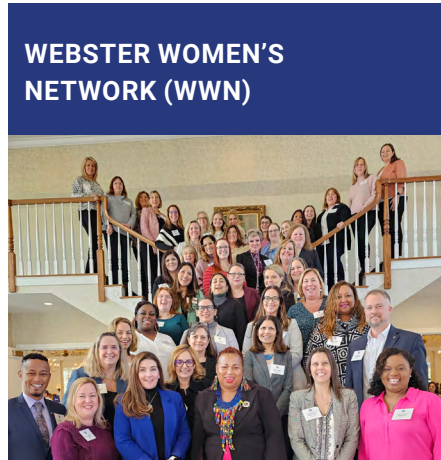
Our Military Veterans Community Network (MilCom) BRG and our Recruitment team partnered with Veterans On Wall Street (VOWS) for one of their recruitment events.

VOWS is an initiative dedicated to honoring former and currently military personnel by facilitating career and business opportunities in the financial services industry. They spoke with veterans who are interested in the financial industry about the benefits of working at Webster. The partnership with VOWS allows us to ensure we are creating a space where veterans feel they have equal opportunity.



To provide the BRGs with consistent visibility and support within the organization, each BRG is partnered with two Executive Chairs and one Executive Ally. These roles are held by senior executives, whose participation in BRG meetings and events helps to encourage colleague engagement.

With the support of our BRGs, we actively practice inclusion by celebrating cultural recognitions throughout the year, including Black History, Women's History, Asian Heritage, Mental Health Awareness, Pride and Hispanic Heritage, among many others.



Community Service



We work to build vibrant and healthy communities through a variety of regional and local initiatives, along with key partnerships. Our colleagues have opportunities to make an impact as they share their time and skills in our communities. Webster provides all colleagues with 16 hours of paid time to volunteer at the organizations of their choice.

16,900

Community Service Hours in 2023

Serving

486

Organizations

Webster measures success not only in financial terms, but also in community impact. We believe that the success of our local communities is a shared responsibility and we strive to use our capabilities, reach and resources to make a meaningful difference.

In 2023, we onboarded a new software platform to track volunteer activities across the company. In addition to volunteer event management functions, the platform allows colleagues to log their individual volunteering efforts in the system, and provides information about skills-based volunteering opportunities. We also introduced a volunteer recognition campaign, featuring awards for Volunteer of the Year and Webster's Top 10 Community Service Stars.

Some colleagues take their commitment a step further, serving as board members for nonprofit organizations. Beyond financial support, board members provide ongoing access to expertise, skills and connections, supporting nonprofit organizations and their mission of service to community.

Recognizing the importance of board service, Webster launched a pilot program in 2023 to match colleagues with nonprofit partners. Fifteen colleagues were matched with nonprofit boards as part of the pilot, and the program will continue in 2024.



Our Environment



Environmental Sustainability

We believe that our focus on environmental sustainability provides a strategic benefit by reducing costs and improving operational efficiencies. Webster has undertaken several initiatives designed to reduce our impact on the environment and to promote environmentally-friendly projects and practices.

We continue to evaluate green equipment for office use, such as Energy-Star® appliances, motion detector lighting and high-efficiency HVAC units. Over 99% of the Company's total active office space utilizes LED lighting. Our older office technology is donated to local non-profits, and we contract with a certified e-waste company for disposal of outdated equipment.

We further extend our commitment to the communities we serve by financing commercial loans with companies involved in renewable energy, environmental remediation and energy-efficient components. In 2023, Webster Bank created or maintained commitments for approximately \$757.7 million in loans for renewable energy, environmental remediation and energy-efficient components, primarily in Connecticut, as well as in Massachusetts, New York, Pennsylvania, Florida, Georgia, South Carolina and Washington D.C.

In 2023, Webster:

- Encouraged continuance of environmentally-friendly work practices by supporting the recycling of plastic, glass and paper
- Began collecting climate risk data for collateral and business locations related to wildfire, drought, flood and rising sea levels
- Onboarded software tools to help us track and manage emissions more effectively
- Retrofitted 26 branches with energy-efficient lighting fixtures, with an estimated annual energy savings of 690,029 kWh
- Increased the use of e-records and e-signing technology resulting in reductions in paper waste and carbon emissions
- Diverted 3,228 devices and 16,828 pounds of miscellaneous electronics to e-Waste disposal

Greenhouse Gas Management

Webster’s management team plays a crucial role in assessing and managing climate-related risks and opportunities. Our Corporate Responsibility Committee has oversight of, and is responsible for, Webster’s sustainability program, monitoring evolving climate-related risks and opportunities, and reporting to the Board on a quarterly basis. Together with leadership, the ESG Council is responsible for operationalizing sustainability initiatives that address climate-related issues throughout Webster.

We recognize the importance of the transition to renewable energy and have been working to increase our use of renewable power. In 2022, we purchased renewable energy certificates, known as RECs, in our New York market. We partnered with Green-e to invest in these projects to address our emissions from our operations for December 2022 through December 2026. In 2024, we will expand our REC purchases in our New York and Massachusetts markets.

In 2023, Webster began to evaluate climate and other environmental considerations as part of our broader commitment to identifying risks associated with climate change and GHG. Over the past year, we developed and implemented the process of collecting portfolio data to cultivate a greater understanding of the potential impact environmental risks could have on our stakeholders.

Accordingly, we are taking meaningful climate action and expect to grow our program in 2023 and beyond. As we work to reduce our own emissions, we are also realizing sustainability opportunities in our supply chain.

We believe that our focus on environmental sustainability, with the objective of reducing costs and improving operational resiliency, provides strategic benefit. Going forward, we will continue measuring and managing these impacts to conserve resources, reduce costs and promote ethical practices.

* Webster Bank’s organizational boundary includes all owned and leased spaces for which we have operational control. Facilities in which we do not have operational control (e.g., co-working spaces, spaces subleased to a third party) are excluded from this boundary. Scope 2 emissions for select sites were estimated. In such cases, emissions factors were sourced from the United States Environmental Protection Agency’s Emissions & Generation Resource Integrated Database (eGRID), 2022.

AWS Cloud Migration Carbon Emissions Data

Estimated AWS Emissions

0.934

MT CO₂e

Emissions saved on AWS

146.006

MT CO₂e

Emissions saved from
AWS renewable
energy purchases

145.329

MT CO₂e

Emissions saved
using AWS
computing services

0.677

MT CO₂e

2023 GHG Emissions

11,170.3

MT CO₂e*

3,656.2

Scope 1

7,514.1

Scope 2

Responsible Governance

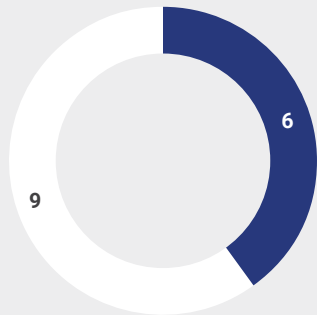


Oversight

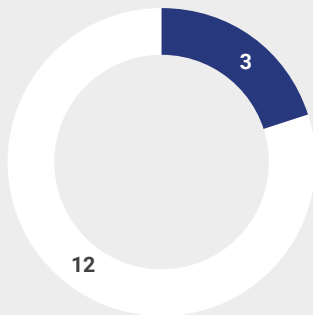
Webster is committed to achieving excellence in our corporate governance practices.

This commitment starts with comprehensive governance structures, policies, management committees and practices designed to ensure transparency in reporting and accountability for our Board of Directors and senior management. Our governance policies and procedures ensure that we maintain the highest levels of ethics and integrity, as well as data security and client privacy safeguards. We also maintain robust programs to manage operational risks and uphold compliance with all applicable laws, regulations and rules governing ethical business conduct.

AS OF DECEMBER 31, 2023



FEMALE DIRECTORS



DIVERSE DIRECTORS



6
Number of Committees

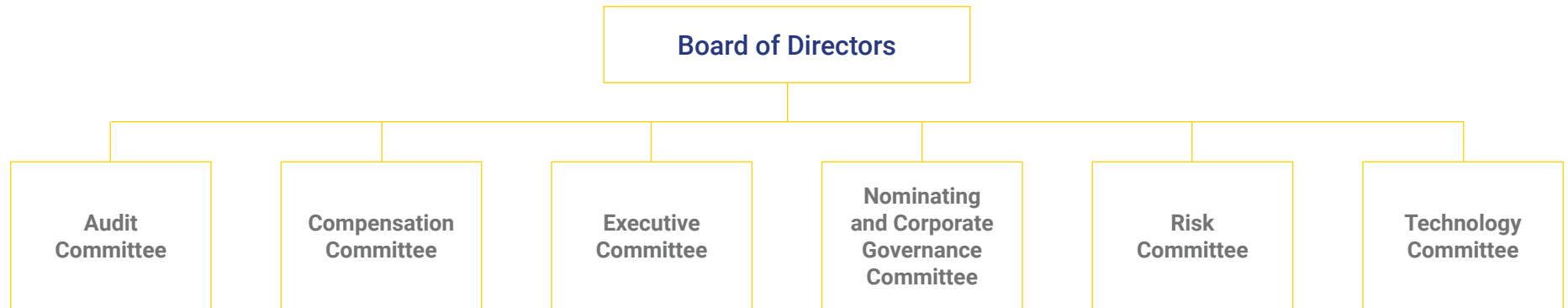
13
Independent Directors

4
Executive Sessions of Independent Directors

Webster believes that its Board should be composed of directors with diverse experience in business and in areas that are relevant to the company. Our Board of Directors is comprised of a majority of independent directors as defined by the NYSE listing standards and the Board's Corporate Governance Guidelines. With the exception of the Executive Committee, our Board committees consist entirely of independent directors. Our directors bring valuable expertise and insight to help Webster realize its corporate goals.

Our Board believes that director education is essential to the ability of our directors to provide oversight and fulfill their roles. New directors are generally required to participate in an orientation program, which includes the introduction of the new directors to the Company's principal officers and presentations by senior management to familiarize new directors with the Company's strategic plans and business efforts. Throughout the year, our directors participate in continuing education activities and receive educational materials on a wide variety of topics (including corporate governance, ESG, the financial services industry, cybersecurity, BSA/AML, executive compensation, risk management, finance and accounting). These educational opportunities provide our directors with timely updates on best practices among our peers and in the general marketplace and further supplement our directors' significant business and leadership experiences.

Webster's Board Structure



As directors retire, our robust succession program identifies new Board members who can bring additional qualities and experience to help us continue to innovate and succeed. Each year, the Board undergoes a self-assessment process to evaluate performance of the Board and Committees. As part of the self-assessment process, the Board considers which attributes and skill sets are important to ensure optimal performance of the Board. The information learned through this process is utilized when considering outside director candidates. The Board is committed to sustaining a board that achieves balance between depth of experience in the oversight of Webster and fresh approaches to oversight and strategic deliberations, particularly as Webster's business and best practices of corporate governance, as well as corporate sustainability, evolve.

As a market-leading, client-centered, values-driven financial institution, it is incumbent upon us to ensure that our operations are conducted in a manner that is both consistent with our ESG initiatives, and supportive of the communities in which we operate. Our Board and senior leadership actively promote sustainable corporate governance and risk management across the bank. This culture of Integrity, Collaboration, Agility, Accountability, Respect and Excellence affirms our unwavering commitment to building sustainable value.

Our Board of Directors continues to oversee Webster's ESG efforts, led by the [Nominating and Corporate Governance Committee](#). Our Corporate Responsibility Committee is comprised of senior executive leadership, overseeing the ESG Council activities and reporting on ESG efforts to the Nominating and Corporate Governance Committee. Our management-level ESG Council includes a cross-functional team with representatives from our lines of business, Audit, Compliance, Corporate Responsibility, Investor Relations, Legal, Operations and Risk. The Council meets on a quarterly basis.



Governance Practices & Policies

- [Code of Business Conduct and Ethics](#)
- [Corporate Governance Policy](#)
- [Director Qualifications Guidelines](#)
- [Insider Trading Policy](#)
- [Executive Stock Ownership Guidelines](#)
- [Shareholder Rights Plan Policy](#)



Ethics

Webster Bank has adopted a Code of Business Conduct and Ethics (the Code) which sets out basic conduct and ethics policies and principles that all of our directors and colleagues (including Webster employees, officers, contractors, agents and vendors) are expected to follow. Webster encourages all of its directors and colleagues to speak up promptly if they suspect something is wrong or if they believe an action has been taken that may violate the Code. Any such concerns are investigated thoroughly and addressed so that Webster can maintain the utmost compliance with applicable securities laws and regulations, accounting standards, audit practices and fair behavior. Any Webster colleague or other person who has concerns may directly contact their manager, Human Resources, the Company's General Counsel, Chief Audit Officer or other members of the Executive Management Team. Colleagues may also report concerns through a third-party vendor supported [Webster Ethics Hotline](#). Please refer to Webster's Code for more information on reporting concerns. All concerns are reported to the Company's Audit Committee and are subject to Audit Committee oversight.

In 2023, Webster conducted an internal audit of the Webster Ethics Hotline to ensure its reporting process thoroughly addresses concerns in a timely manner. The Code is communicated to new hires and to colleagues annually through ethics training.

The Code is also supplemented by Webster's Financial Code of Ethics for the Chief Executive Officer and Senior Financial Officers (the Financial Code of Ethics). In addition to complying with the provisions of the Code, Webster's principal officers must take steps to ensure full, fair, accurate, timely and understandable disclosure in reports and documents that Webster files with, or submits to, the US Securities and Exchange Commission, the Federal Reserve, the Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency and in public communications made by the Company. The Financial Code of Ethics, which is reviewed and approved at least annually by the Audit Committee and the full Board of Directors, has been developed to satisfy the Sarbanes-Oxley Act and the NYSE rules. Any concerns regarding violations of the Financial Code of Ethics may be made by colleagues and others to Human Resources, the Company's General Counsel, Chief Audit Officer or the Board, or reported through Webster's Ethics Hotline.

Risk Management

The Board has appointed a Risk Committee whose primary function is to assist the Board in fulfilling its oversight responsibilities regarding the Company's enterprise risk management, receiving information regarding the Company's policies, procedures and practices relating to risk. The Committee reviews and discusses materials related to Webster's top risks: Credit, Financial, Information, Compliance, Operational, Strategic and Reputational Risk, as well as emerging risks and concentrations. During 2023, the Risk Committee held 5 meetings.

Co-led by our Chief Risk Officer and Chief Credit Officer, we continue to develop and refine our risk management framework for measuring and managing climate risks that could impact the bank's operations and lending activities. Webster has developed a comprehensive enterprise risk management framework, providing a structured approach to identify, assess and manage risk. Our independent risk management teams support the business units by ensuring risk management programs are effectively implemented and executed across the bank. Management provides mandatory ongoing colleague, manager and director training on

a wide-variety of risk-related topics, including requirements associated with key regulations such as Fair Lending and Bank Secrecy Act (BSA), which includes identifying and reporting unusual or suspicious activity. Webster is required to comply with applicable US federal and state laws, including those that obligate Webster to provide government officials with customer information and close customer accounts in certain circumstances.

Maintaining a strong control environment is a critical priority at Webster. Our internal Risk Management team oversees the design and execution of our risk management framework, including policies and programs to ensure our products and operations remain compliant with applicable laws, regulations and policies. They provide subject matter expertise to the lines of business as they identify, assess, monitor and mitigate risk.

Information Risk Management specialists design and oversee the execution of information and cyber risk controls, including training for colleagues and the Board. All colleagues and certain contractors are required to complete an annual series of training courses that cover a wide range of applicable risk management and regulatory topics, including ethics, cybersecurity, applicable laws and regulations and bank policies. Webster considers client protection to be a top management priority and has developed a client protection management framework that reflects our values. Our client protection advocacy is a firm-wide effort led by Consumer Banking that works to create an environment in which financial services are delivered safely and responsibly through fair selling practices and transparency.

To oversee this framework, we maintain a management-level Client Protection and Advocacy Council (CPAC) to examine and champion the client interest in a variety of aspects of Webster's processes, products and channels. Established in 2012, CPAC is a cross-functional team with representation from Consumer Banking, Consumer Lending, Business Banking, Commercial Banking, Risk Management, Compliance, Legal, Internal Audit and other support areas. CPAC, which incorporated the previously separate Sales Integrity Council in 2023, regularly reviews customer complaints in addition to deposit and lending products.

CPAC manages overall client protection with a quarterly review of customer complaints, sales integrity, fraud, regulatory topics and overall issues concerning client protection. CPAC reports quarterly to the executive-level Regulatory Compliance Committee that in turn reports to the Executive Risk Management Committee and the Board of Directors.



Cybersecurity

Ensuring the privacy and security of data is critical to the success of our business as well as building the trust of our stakeholders.

The primary goal of our cybersecurity program is to maintain cybersecurity defenses with capabilities that are best in class within our industry. We use examination guidelines, frameworks and privacy laws to guide us in consistently meeting legal and regulatory requirements. Ensuring the privacy and security of data is critical to the success of our business as well as building the trust of our stakeholders.

Our robust information security and technology risk programs are managed by the Chief Information Security Officer, with additional oversight by our management-level Information Risk Committee and Enterprise Risk Management Committee, as well as the Risk Committee of the Board of Directors. We have a broad and comprehensive approach to data security and privacy issues, including an extensive cybersecurity strategy, foundational pillars of privacy and robust efforts to fight global fraud. Because cyber threats continue to evolve, we prioritize the continued development and enhancement of our controls, processes and practices that are designed to protect our systems, computers, software, data and networks from attack, damage or unauthorized access, and facilitate the recovery of any compromised assets. Regular tabletop exercises are held at management and Board levels to validate roles and responsibilities and response protocols respective to potential security incidents. In addition, extensive penetration testing is performed to assess the effectiveness of our security controls. In the event of a data breach, we would follow guidance issued under the Gramm-Leach-Bliley Act, as well as local data breach notification laws.

The Information Risk Committee (IRC), a subcommittee of the Enterprise Risk Management Committee (ERMC), is responsible for overseeing information technology and security risk. The IRC is responsible for approving information technology policies, which align with regulatory guidance and industry standards, as well as monitoring the effectiveness of the information security program. The Director of Information Risk serves as the chair of the IRC, and its members include key leaders from the Technology and Risk organizations, including the Chief Information Officer, Chief Risk Officer and Chief Information Security Officer.

Webster expects all colleagues and third parties to protect the security and confidentiality of client information. Information Security training is required at the time of hire and annually thereafter. Regular phishing simulation activities are conducted to assess colleagues' competency at identifying potential threats. All third parties with access to customer data undergo rigorous due diligence prior to onboarding and ongoing monitoring to ensure they maintain required security controls. Our Security Operations team works 24/7 using a combination of industry leading tools and innovative in-house technologies to help protect our stakeholders against cybercriminals and fraudsters. Webster is committed to disclosing data breach in compliance with relevant laws and regulations.

This cross-functional, multilevel approach to cybersecurity promotes leadership engagement on strategic data initiatives and associated risk management. We also offer ongoing practice and education for colleagues to recognize and report suspicious activity. Furthermore, all colleagues are responsible for complying with our cybersecurity standards and complete mandatory training throughout the year to understand the behaviors and technical requirements necessary to keep information secure.



Our Cybersecurity Program Features Include:

- Our commitment to data and cybersecurity starts with oversight by the Risk Committee and the Board of Directors.
- Our IT security teams partner with third parties to perform annual penetration testing, vulnerability scanning and monitoring of any potentially suspicious activity across our enterprise.
- Cross-functional, multilevel approach to IT that promotes leadership engagement on strategic data initiatives and associated risk management that lends itself to our safety and soundness risk model.
- A communications campaign for October's Cybersecurity Awareness Month provided internal and external audiences with helpful tips and information each week. In addition to weekly emails for Webster colleagues, the messaging was shared in the internal e-newsletter, on screens in our office locations and ATMs, and in social media posts.

Annex

This annex expands transparency through key quantitative data compiled in accordance with the SDG, SASB and TCFD frameworks, along with additional details on our workforce, revenues, sales and stakeholders. In developing our Report, we have compiled metrics organized by key ESG themes incorporated within our tables and throughout our organization. Webster is best categorized in the Sustainability Accounting Standards Board classifications for Commercial Banks, Consumer Finance and Mortgage Finance. Our reporting reflects that classification.



UN Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) are a series of interlinked goals adopted by UN member states in 2015. These goals focus on creating a fairer, more just world with more sustainable economic and environmental practices.

Webster supports the SDGs, and we have identified several goals that best align with our business.

SUSTAINABLE DEVELOPMENT GOALS



No Poverty
End poverty in all its forms everywhere.



Quality Education
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



Affordable and Clean Energy
Affordable, reliable, sustainable, and modern energy for all by 2030.



Decent Work and Economic Growth
Promote sustained, inclusive, and sustainable economic growth; full and productive employment; and decent work for all.



Reduce Inequalities
Reduce all forms of inequality within and among countries.



Climate Change
Take urgent action to combat climate change and its impacts.



Peace, Justice, and Strong Institutions
Dedicated to the promotion of peaceful and inclusive societies for sustainable development, the provision of access to justice for all, and building effective, accountable institutions at all levels.





Sustainability Accounting Standards Board (SASB) Table

The below disclosures reflect data from the 2023 reporting period, unless otherwise noted.

Commercial Banks

Topic	Metric	SASB Code	Response
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), and (3) number of account holders affected	FN-CB-230a.1	Any material breaches would be reported in our Form 10-K .
	Description of approach to identifying and addressing data security risks	FN-CB-230a.2 FN-CF-230a.3	<p>Webster is committed to prevention, detection and timely response to incidents that may impact the confidentiality, integrity and availability of information assets. Our robust information security and technology risk programs are managed by the Chief Information Security Officer, with additional oversight by our Information Risk Committee, which reviews the development, implementation and maintenance of Webster's Information Security Program and its related comprehensive set of technology policies. A dedicated Threat Intelligence expert identifies and assesses emerging risks and threats facing Webster, and these risks are reported through senior management and the Board as part of our Cyber Risk reporting. Webster additionally performs regular vulnerability scanning to proactively identify potential data security risks. Penetration testing by external firms is conducted periodically, and identified vulnerabilities are remediated based on severity and risk.</p> <p>Our program is aligned with regulatory guidance and leverages the National Institute of Standards and Technology special publication 800-53 (NIST 800-53), which is an industry standard. Because the inherent risk of and exposure to cybersecurity threats remain heightened, we prioritize the continued development and enhancement of our controls, processes and practices that are designed to protect our systems, computers, software, data and networks from attack, damage or unauthorized access, and facilitate the recovery of any compromised assets. We've also emphasized risk mitigation with control development work in line with the Center for Internet Security (CIS) Top 18 Controls. The CIS Controls are:</p> <ul style="list-style-type: none"> • Based on NIST 800-53 • Prioritized starting with essential cybersecurity actions and moving on to advanced techniques • Based on real attack data • Consensus-developed and validated by a global cyber defense community. <p>Webster requires that all workers with access to client and Webster data, including vendors and contractors, complete training to protect the confidentiality of client information and attend annual compliance training that covers cybersecurity compliance. In the event of a data breach, we follow guidance issued under the Gramm-Leach-Bliley Act, as well as local data breach notification laws.</p>


Commercial Banks (cont.)

Topic	Metric	SASB Code	Response
Financial Inclusion & Capacity Building    	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	FN-CB-240a.1	<p>(1) 2,371 loans (2) \$1,245,153,250 value of loans</p> <p>Webster Bank has a responsibility under the Community Reinvestment Act (CRA) to help meet the credit needs of its communities, including low- and moderate-income (LMI) neighborhoods. We believe that helping to meet these needs, particularly for LMI individuals, as well as consumers and businesses in LMI areas, is necessary for the continued growth and vitality of our communities and our company. In our most recent CRA Performance Evaluation Report, we received an overall rating of “Outstanding.” Our community investment strategy is informed by the thrice-annual engagement of our Community Advisory Councils in New York, Connecticut and Rhode Island/Massachusetts. These councils are comprised of leaders of local nonprofit organizations that span the arenas of affordable housing, small business, CDFIs, workforce development and economic revitalization. Our current community investment strategy includes lending to LMI residential projects in order to support affordable housing and homeownership; lending to small business with attention to women-owned and minority-owned enterprises; and lending to support community development, including our continued support of energy conservation projects in residential and commercial buildings located in LMI neighborhoods, through the Connecticut Neighborhood Assistance Tax Credit Program. We are further supporting our communities by broadening digital access and increasing financial literacy programs through our Finance Labs initiative and our Community Liaison Officer program.</p>
	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	FN-CB-240a.2	Webster does not currently track the number and value of past due and nonaccrual loans qualified to programs designed to promote small business and community development.
	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	FN-CB-240a.3	<p>Webster Connect Checking provides unbanked and underbanked clients with financial services with limited fees to help them save, grow and access their money in a reliable way. This product has been certified by the Cities for Financial Empowerment for meeting the Bank On National Account standards for 2023–2024.</p> <p>Introduced in the New York Metro area in 2022, Webster Connect Checking was expanded to all Webster locations in 2023. We are working with our Community Banking Center Managers and our Community Liaison Officers to promote the product, as well as partnering with the Bank On coalitions in CT and MA.</p>

Commercial Banks (cont.)

Topic	Metric	SASB Code	Response
Financial Inclusion & Capacity Building (cont.)	Number of participants in financial literacy initiatives for unbanked, underbanked or underserved customers	FN-CB-240a.4	<p>While we do track the number of participants in our financial literacy initiatives, we do not currently track those that are considered unbanked, underbanked or underserved.</p> <p>In 2023, we expanded our signature Webster Finance Lab initiative with the opening of our third Finance Lab in Bridgeport, CT, and the announcement of three new Finance Labs for Hartford, CT; Waterbury, CT; and Taunton, MA, to open in 2024. The Finance Lab initiative helps create financial empowerment opportunities for youth in LMI communities. Partnering with existing educational nonprofits, the Webster Finance Labs provide students with a unique opportunity to learn about finance, foster youth leadership and help to build our future workforce. Each Finance Lab is funded with a \$100,000 Webster Bank Charitable Foundation (WBCF) grant.</p> <p>In 2023, Webster Bank partnered with 104 community development organizations to provide 128 financial literacy and homebuyer workshops to 4,385 participants.</p>
	Commercial and industrial credit exposure, by industry	FN-CB-410a.1	Please see our 12/31/23 Call Report available on the FFIEC Database .
Incorporation of Environmental, Social and Governance Factors in Credit Analysis	Description of approach to incorporation of environmental, social and governance (ESG) factors in credit analysis	FN-CB-410a.2	<p>In efforts led by our Chief Risk Officer and Chief Credit Officer, we continue to develop and refine our risk management framework for measuring and managing material climate risks that could impact the Bank's operations and lending activities. Webster engaged with a third party to support the evaluation of the bank's overall exposure to climate risk. This analysis revealed that Webster's physical- and transition-related climate risk is relatively low.</p> <p>Given the global shift away from a carbon-intensive economy, transition risk in general is concentrated within two key sectors: 1) Mining, Quarrying, and Oil and Gas Extraction and 2) Utilities. Webster's credit exposure to these sectors is <1% of our total Commercial Loan balances.</p> <p>Webster has relatively limited exposure to climate risks in our operations and lending portfolio. Given Webster's limited climate exposure, the bank's loan portfolio, operations and strategy are resilient to typical climate scenarios such as rising sea levels, higher temperatures, stronger storms and a more rapid transition to more sustainable energy sources in the short and medium term.</p>


Commercial Banks (cont.)

Topic	Metric	SASB Code	Response
Business Ethics 	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	FN-CB-510a.1	Any material losses would be reported in our Form 10-K.
	Description of whistleblower policies and procedures	FN-CB-510a.2	<p>Webster Bank has adopted a Code of Business Conduct and Ethics (the Code) which sets out basic conduct and ethics policies and principles that all of our directors and colleagues (including Webster employees, officers, contractors, agents and vendors) are expected to follow. Webster encourages all of its directors and colleagues to speak up promptly if they suspect something is wrong or if they believe an action has been taken that may violate the Code. Any such concerns are investigated thoroughly and addressed so that Webster can maintain the utmost compliance with applicable securities laws and regulations, accounting standards, audit practices and fair behavior. Any Webster colleague or other person who has concerns may directly contact their manager, Human Resources, the Company's General Counsel, Chief Audit Officer or other members of the Executive Management Team. Colleagues may also report concerns through a third-party vendor supported Webster Ethics Hotline. Please refer to Webster's Code for more information on reporting concerns. All concerns are reported to the Company's Audit Committee and are subject to Audit Committee oversight.</p> <p>In 2023, Webster conducted an internal audit of the Webster Ethics Hotline to ensure its reporting process thoroughly addresses concerns in a timely manner. The Code is communicated to new hires and to colleagues annually through ethics training.</p> <p>The Code is also supplemented by Webster's Financial Code of Ethics for Chief Executive Officer and Senior Financial Officers (the Financial Code of Ethics). In addition to complying with the provisions of the Code, Webster's principal officers must take steps to ensure full, fair, accurate, timely and understandable disclosure in reports and documents that Webster files with, or submits to, the US Securities and Exchange Commission, the Federal Reserve, the Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency and in public communications made by the Company. The Financial Code of Ethics, which is reviewed and approved at least annually by the Audit Committee and the full Board of Directors, has been developed to satisfy the Sarbanes-Oxley Act and the NYSE rules. Any concerns regarding violations of the Financial Code of Ethics may be made by colleagues and others to Human Resources, the Company's General Counsel, Chief Audit Officer, the Board, or reported through Webster's Ethics Hotline.</p>

Commercial Banks (cont.)

Topic	Metric	SASB Code	Response
Systemic Risk Management	Global Systemically Important Bank (G-SIB) score, by category	FN-CB-550a.1	Webster Bank is not classified as a Global Systematically Important Bank (G-SIB).
	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	FN-CB-550a.2	<p>Although Webster is not required by the Office of Comptroller of Currency or the Board of Governors Federal Reserve Bank to conduct capital stress testing; we have continued to execute a robust stress testing program as a key component of enterprise risk management, strategic planning and capital planning processes. The objective of the stress test is to assess the adequacy of capital and holding company liquidity by conducting forward-looking assessments of potential impacts of various adverse events and circumstances and estimating their effect on regulatory capital ratios and holding company liquidity. The capital stress test helps management identify and link forward-looking risks and vulnerabilities to business strategy and capital planning decisions. The results of the stress test are used to establish internal capital operating ranges consistent with Webster's risk appetite and risk profile.</p> <p>The Stress Test Committee reviews the results of the stress test with the Board of Directors annually and provides a detailed analysis of the risk impacts to future capital ratios and strategic operating results. The Board utilizes the results of the stress test to assess the adequacy of capital planning and risk appetite limits. During our March 2023 Investor Day, Webster disclosed capital targets, ratios and other financial metrics to our investors. Our public presentation is located on our website.</p>
Activity Metrics	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	FN-CB-000.A	Webster Bank discloses the value of checking and savings accounts by segment in our Form 10-K. To streamline 2023 reporting efforts, we have not compiled metrics beyond the 10-K.
	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	FN-CB-000.B	Webster Bank discloses the value of loans by segment in our Form 10-K. To streamline 2023 reporting efforts, we have not compiled metrics beyond the 10-K.

Consumer Finance

Topic	Metric	SASB Code	Response
Customer Privacy 	Number of account holders whose information is used for secondary purposes	FN-CF-220a.1	<p>100%</p> <p>All financial companies need to share clients' personal information to run their everyday business. We obtain consent/acceptance of our Privacy and Opt-Out Notice when individuals open an account, and customers may opt out of sharing by either calling us, completing a form online or visiting a Webster banking center. Our Privacy and Opt-Out Notice, Digital Privacy Statement and California Consumer Privacy Act (CCPA) Notice, which are available on our website, describe the information we collect from our clients and how we use it. We do not sell personal information, and we do not share personal information for purposes of cross-context behavioral or targeted advertising as defined under the CCPA.</p> <p>Webster is required to comply with applicable US federal and state laws, including those that obligate Webster to provide government officials with customer information and close customer accounts in certain circumstances.</p>
	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	FN-CF-220a.2	Any material losses would be reported in our Form 10-K.
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), and (3) number of account holders affected	FN-CF-230a.1	Any material breaches would be reported in our Form 10-K.
	Card-related fraud losses from (1) card-not present fraud and (2) card-present and other fraud	FN-CF-230a.2	Webster does not offer credit cards.
	Description of approach to identifying and addressing data security risks	FN-CF-230a.3	Our response to this item can be found on page 38 of this report due its similarity to FN-CB-230a.2.

Consumer Finance (cont.)

Topic	Metric	SASB Code	Response
Selling Practices	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold	FN-CF-270a.1	<p>Variable pay is a component of many compensation packages at Webster Bank, which are designed to attract, retain and reward performance and align incentives with the achievement of our strategic plan and both short- and long-term operating objectives. Our colleagues selling credit products are eligible for sales and service incentives that provide recognition for their performance while aligning with our ethical conduct guidelines to ensure fair lending and sales practices are upheld. Webster's variable remuneration is tied to sales production and is structured as either a percentage or flat fee on funded dollars or units. Variable pay is not tied to the terms and conditions of Webster's products and services.</p> <p>Performance targets are determined by management based on factors such as Webster's strategy, industry trends, forecasts, past performance, market opportunity and goals. Incentives based on performance targets could include earned commissions, annual incentives, job promotions or recognition/positive exposure—while penalties could include earning a portion of a commission, not receiving a raise or termination of employment. For the Residential & Consumer Lending Department specifically, targets are specific to each role and may be tied to revenue generation, production, service, risk mitigation, efficiency, support, compliance and personal development. Employee performance is measured against criteria outlined under job function performance objectives.</p> <p>Webster has an Incentive Compensation Oversight Committee that reviews and approves all business-line incentives and sales plans each year, which ensures consistent governance and behaviors.</p>
	Approval rate for (1) credit and (2) pre-paid products for applicants with FICO scores above and below 660	FN-CF-270a.2	Webster does not offer credit cards or pre-paid products.
	(1) Average fees from add-on products, (2) average APR, (3) average age of accounts, (4) average number of trade lines, and (5) average annual fees for pre-paid products, for customers with FICO scores above and below 660	FN-CF-270a.3	Webster does not offer credit cards or pre-paid products; Webster does not offer add-ons as defined by SASB.
	(1) Number of complaints filed with the Consumer Financial Protection Bureau (CFPB), (2) percentage with monetary or nonmonetary relief, (3) percentage disputed by consumer, and (4) percentage that resulted in investigation by the CFPB	FN-CF-270a.4	(1) 11 (2) 1% (3) 0% (4) 0%

Consumer Finance (cont.)

Topic	Metric	SASB Code	Response
Selling Practices (cont.)	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	FN-CF-270a.5	Any material losses would be reported in our Form 10-K.
Activity Metrics	Number of unique consumers with an active (1) credit card account and (2) pre-paid debit card account	FN-CF-000.A	Webster does not offer credit cards or pre-paid debit accounts.
	Number of (1) credit card accounts and (2) pre-paid debit card accounts	FN-CF-000.B	Webster does not offer credit cards or pre-paid debit accounts.



Mortgage Finance

Topic	Metric	SASB Code	Response			
Lending Practices	(1) Number and (2) value of residential mortgages of the following types: (a) Hybrid or Option Adjustable-rate Mortgages (ARM), (b) Prepayment Penalty, (c) Higher Rate, (d) Total, by FICO scores above and below 660	FN-MF-270a.1	NUMBER			
			FICO <=660	FICO >660	FICO Score Not Available	
			Hybrid or Option ARM	304	4,322	790
			Prepayment Penalty	79	11,029	13
			Total Residential Mortgages	1,437	44,316	1,942
			LOAN VALUE			
			FICO <=660	FICO >660	FICO Score Not Available	
			Hybrid or Option ARM	\$61,606,906.82	\$2,424,993,174.11	\$77,265,806.64
			Prepayment Penalty	\$4,901,541.85	\$550,946,294.04	\$366,049.84
			Total Residential Mortgages	\$162,453,575.28	\$9,230,703,844.61	\$331,076,692.86
				Webster does not currently track higher rate mortgages in the context of the SASB definition.		


Mortgage Finance (cont.)

Topic	Metric	SASB Code	Response												
Lending Practices (cont.)	(1) Number and (2) value of (a) residential mortgage modifications, (b) foreclosures, and (c) short sales or deeds in lieu of foreclosure, by FICO scores above and below 660	FN-MF-270a.2	<table border="1"> <thead> <tr> <th></th> <th>NUMBER</th> <th>LOAN VALUE</th> </tr> </thead> <tbody> <tr> <td>Mortgage Modifications</td> <td>71</td> <td>\$10,131,359.85</td> </tr> <tr> <td>Foreclosures</td> <td>16</td> <td>\$1,950,845.00</td> </tr> <tr> <td>Short Sales or Deeds in Lieu of Foreclosure</td> <td>3</td> <td>\$ 624,593.68</td> </tr> </tbody> </table>		NUMBER	LOAN VALUE	Mortgage Modifications	71	\$10,131,359.85	Foreclosures	16	\$1,950,845.00	Short Sales or Deeds in Lieu of Foreclosure	3	\$ 624,593.68
				NUMBER	LOAN VALUE										
			Mortgage Modifications	71	\$10,131,359.85										
Foreclosures	16	\$1,950,845.00													
Short Sales or Deeds in Lieu of Foreclosure	3	\$ 624,593.68													
Webster does not currently track these items by FICO score.															
Total amount of monetary losses as a result of legal proceedings associated with communications to customers or remuneration of loan originators	FN-MF-270a.3	Any material losses would be reported in our Form 10-K.													
Description of remuneration structure of loan originators	FN-MF-270a.4	<p>Variable pay is a component of many compensation packages at Webster Bank, which are designed to attract, retain and reward performance and align incentives with the achievement of our strategic plan and both short- and long-term operating objectives. Our colleagues selling credit products are eligible for sales and service incentives that provide recognition for their performance while aligning with our ethical conduct guidelines to ensure fair lending and sales practices are upheld. Webster’s variable remuneration is tied to sales production and is structured as either a percentage or flat fee on funded dollars or units. Variable pay is not tied to the terms and conditions of Webster’s products and services.</p> <p>Performance targets are determined by management based on factors such as Webster’s strategy, industry trends, forecasts, past performance, market opportunity and goals. Incentives based on performance targets could include earned commissions, annual incentives, job promotions or recognition/positive exposure—while penalties could include earning a portion of a commission, not receiving a raise or termination of employment. For the Residential & Consumer Lending Department specifically, targets are specific to each role and may be tied to revenue generation, production, service, risk mitigation, efficiency, support, compliance and personal development. Employee performance is measured against criteria outlined under job function performance objectives.</p> <p>Webster has an Incentive Compensation Oversight Committee that reviews and approves all business-line incentives and sales plans each year, which ensures consistent governance and behaviors.</p>													

Mortgage Finance (cont.)

Topic	Metric	SASB Code	Response
Discriminatory Lending  	(1) Number, (2) value, and (3) weighted average Loan-to-Value (LTV) ratio of mortgages issued to (a) minority and (b) all other borrowers, by FICO scores above and below 660	FN-MF-270b.1	(1) 47,695 (2) \$9,724,234,112.75 Webster does not currently track the remainder of these data points, including the minority status of borrowers, in the context of the SASB definitions.
	Total amount of monetary losses as a result of legal proceedings associated with discriminatory mortgage lending	FN-MF-270b.2	Any material losses would be reported in our Form 10-K.
	Description of policies and procedures for ensuring nondiscriminatory mortgage origination	FN-MF-270b.3	Webster is committed to making banking credit services available to all prospective and existing clients on a fair basis, offering fair and equitable treatment to all individuals, providing clear and complete communications regarding products and services, and responding to client concerns promptly and courteously. Webster supports fair and responsible banking principles, opposes discrimination and is committed to offering and delivering banking products and services on a fair and equitable basis to all prospective and existing clients regardless of race, color, religion, national origin, sex, marital status, age (provided the applicant or client is of legal age and has the capacity to enter into a legal contract), receipt of public assistance, good faith exercise of rights under the Federal Consumer Protection Act, gender identity or expression, disability or any other prohibited basis under federal or state laws or regulations. Webster maintains a Fair Lending Compliance Policy and Program (Fair Lending Policy). Webster's Fair Lending Policy is supported by line of business procedures that encourage sound and fair banking practices to help meet the credit needs of the communities across its footprint. Lending products are evaluated on sound credit factors and Webster does not tolerate discrimination towards any individual by any of its employees, officers, colleagues or agents. No one is discouraged from applying for credit or other banking products or services and all applicants are provided the assistance they require in the preparation and processing of their request. Credit terms and conditions, including pricing, are applied based on objective and consistent Bank underwriting and pricing standards. Procedures, controls and colleague training courses have been designed to ensure loans originated or purchased comply with Fair Lending laws and regulations.

Mortgage Finance (cont.)

Topic	Metric	SASB Code	Response
Environmental Risk to Mortgaged Properties 	(1) Number and (2) value of mortgage loans in 100-year flood zones	FN-MF-450a.1	(1) 1,568 (2) \$522,995,280.61
	(1) Total expected loss and (2) Loss Given Default (LGD) attributable to mortgage loan default and delinquency due to weather-related natural catastrophes, by geographic region	FN-MF-450a.2	Webster does not currently track these data points in the context of the SASB definition.
	Description of how climate change and other environmental risks are incorporated into mortgage origination and underwriting	FN-MF-450a.3	<p>We consider climate-related risks in our business operations and in our lending activities.</p> <p>With regard to business operations, we assess the physical locations of our offices and our key vendors and maintain appropriate back-up/business resiliency arrangements and insurance. Risks are considered at the time of signing contracts and managing our portfolio of properties and vendors, and appropriate risk mitigation is established to ensure our overall risk profile remains in line with our risk appetite.</p> <p>With regard to our loan portfolio, we assess climate risk at the transaction level and at the portfolio level. For residential mortgages, at the transaction level we consider the property locations and maintain standards for insurance. At the portfolio level, we review metrics periodically to assess concentrations.</p> <p>For our loan portfolio, we periodically analyze our portfolio's exposure to physical and transition risk. For physical risk, we map the geography of our loan and real estate portfolio across various physical climate risk data sets (wind, fire, flood, etc.) to identify concentrations. We take into consideration the level of insurance. We also periodically assess our commercial loan exposures to determine our exposure to high climate risk-sensitive industries.</p> <p>Webster has relatively limited exposure to climate risks in our operations and lending portfolio. Given Webster's limited climate exposure, the bank's loan portfolio, operations and strategy are resilient to typical climate scenarios such as rising sea levels, higher temperatures, stronger storms and a more rapid transition to more sustainable energy sources in the short and medium term.</p>

Mortgage Finance (cont.)

Topic	Metric	SASB Code	Response		
Activity Metrics	(1) Number and (2) value of mortgages originated by category: (a) residential and (b) commercial	FN-MF-000.A	MORTGAGES ORIGINATED		
				RESIDENTIAL	COMMERCIAL
			Number	3,528	481
			Value	\$1,135,496,188.00	\$3,298,351,373.00
			MORTGAGES PURCHASED		
				RESIDENTIAL	COMMERCIAL
	(1) Number and (2) value of mortgages purchased by category: (a) residential and (b) commercial	FN-MF-000.B	Number	268	0
			Value	\$117,055,365.07	\$0

Task Force on Climate-Related Financial Disclosures (TCFD) Table

The below disclosures reflect data from the 2023 reporting period, unless otherwise noted.

TCFD Element	Disclosure	Response
<p>Governance</p>	<p>a) Describe the Board's oversight of climate-related risks and opportunities.</p>	<p>Webster's Board of Directors and its committees ensure that corporate responsibility principles, including environmental, social and governance (ESG) activities, are integrated into our business strategy in ways that optimize opportunities to make positive impacts while advancing long-term goals. We are committed to conducting our business in a safe, environmentally responsible and sustainable manner, and in a way that reflects our responsibilities to our stakeholders.</p> <p>Climate risks and opportunities are managed at the enterprise level. Webster's Board of Directors oversees the Company's approach to risk management and delegates its authority on these issues to the Board's Risk Committee and to Webster's independent control functions.</p> <p>Internal Audit and Credit Risk Review perform assessments and evaluations of risk management practices and internal controls, identify issues, make recommendations and inform the Board of Directors and executive management on matters that require remediation. Informed by the above, Webster maintains a Risk Appetite Statement which provides guidance to Management regarding the nature and level of residual risk that it is willing to take in pursuit of its objectives. The appetite balances a qualitative risk appetite statement, which is approved annually by the Board of Directors, with quantitative metrics in the form of board-level and management-level scorecards comprising key risk indicators with established risk tolerance levels. Tolerance levels are periodically reviewed by the respective oversight committees to ensure the alignment between Webster's risk profile and its designated risk appetite.</p>
	<p>b) Describe management's role in assessing and managing climate-related risks and opportunities</p>	<p>The Enterprise Risk Management Committee (ERMC) is chaired by Webster's Chief Risk Officer and is the senior most management committee responsible for overseeing the implementation and execution of the Company's Risk Management Framework. The framework includes monitoring the severity, direction and trend of current and emerging risks relative to business strategies and market conditions; assessing the quality of risk programs to manage and mitigate risks; and ensuring alignment of the Company's risk appetite and strategy. Climate risks are discussed at the ERMC and its applicable subcommittees. The Executive Management Committee, which is chaired by the CEO, considers climate-related strategies and opportunities.</p> <p>In efforts led by our Chief Risk Officer and Chief Credit Officer, we continue to develop and refine our risk management framework for measuring and managing material climate risks that could impact the Bank's operations and lending activities. Webster engaged with a third party to support the evaluation of the bank's overall exposure to climate risk. This analysis revealed that Webster's Physical and Transition related Climate Risk is relatively low.</p>

TCFD Element Disclosure

Response

Strategy



a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.

Risks

Physical Risk is derived from extreme weather, flooding and wildfires as well as longer-term physical risks including extreme heat, sea level rise and more frequent/prolonged drought. Events such as these could disrupt our operations and those of our customers or third parties on which we rely through direct damage to assets and indirect impacts from supply chain disruption or market volatility. The preponderance of our portfolio’s residential and commercial real estate assets is within the Northeast United States, which is an area susceptible to hurricanes and high winds. We mitigate this risk to our portfolio through diversification and insurance.

Transition Risk is derived from changes in consumer preferences and additional regulatory requirements that could impact our customers or impact our strategies. Our reputation and client relationships may also be damaged because of our direct or indirect involvement in certain industries or projects associated with causing or exacerbating climate change. Given the global shift away from a carbon intensive economy, transition risk in general is concentrated within two key sectors: 1) Mining, Quarrying, and Oil and Gas Extraction and 2) Utilities. Webster’s credit exposure to these sectors is <1% of our total Commercial Loan balances.

Opportunities

Webster continues to increase its level of financing for commercial loans with companies involved in renewable energy, environmental remediation and energy-efficient components. In 2023, we created or maintained commitments for approximately \$757 million for these environmental loans, an increase from \$661 million in 2022.

Webster identified several climate-related opportunities that we are currently leveraging in our operations, including energy efficiencies, federal incentives and renewable energy procurement.

- We prioritize energy-efficient measures by seeking to maintain low-emission and energy-efficient working environments across our footprint. Recent initiatives include installing two car charging stations at our Waterbury, Connecticut, campus and engagement with a federal solar incentive program to install solar panels on the roof of our Waterbury campus. We also have a longstanding lighting upgrade initiative which is being implemented across our banking centers and offices. At the end of their useful lives, heating, ventilation and cooling systems are replaced with more energy-efficient systems.
- In our efforts to use lower-emission sources of energy we have also been working to increase our use of renewable energy. We recognize the importance of the transition to renewable energy and have been working to increase our use of renewable power. In 2022, we purchased renewable energy certificates, known as RECs, in our New York market. We partnered with Green-e to invest in these projects to address our emissions from our operations for December 2022 through December 2026. In 2024, we will expand our REC purchases in our New York and Massachusetts markets.

As we continue to evolve our climate strategy, we expect to identify further opportunities to reduce our impact and that of our customers.

TCFD Element	Disclosure	Response
<p>Strategy (cont.)</p>	<p>b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.</p>	<p>Our operational strategy has also been influenced by climate-related issues as Webster has taken steps to more actively track and reduce our GHG emissions, including onboarding a new software platform to monitor and manage natural gas, electricity and water consumption. In addition to working towards a thorough GHG inventory, we have also reduced our electricity usage with LED lighting upgrades throughout our banking centers and offices, and we have purchased renewable energy credits (RECs) to offset our GHG emissions in our New York market.</p> <p>The opportunities associated with the energy transition inform our commitment to finance our customers' renewable energy and energy-efficiency projects.</p>
	<p>c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>Given the global shift away from a carbon intensive economy, transition risk in general is concentrated within two key sectors: 1) Mining, Quarrying, and Oil and Gas Extraction and 2) Utilities. Webster's credit exposure to these sectors is <1% of our total Commercial Loan balances.</p> <p>Webster has relatively limited exposure to climate risks in our operations and lending portfolio. Given Webster's limited climate exposure, the bank's loan portfolio operations, and strategy is resilient to typical climate scenarios such as rising sea levels, higher temperatures, stronger storms and more rapid transition to more sustainable energy sources in the short and medium term.</p>
<p>Risk Management</p>	<p>a) Describe the organization's processes for identifying and assessing climate-related risks.</p>	<p>We consider climate related risks in our business operations and in our lending activities.</p> <p>With regards to business operations, we assess the physical locations of our offices and our key vendors and maintain appropriate back-up/business resiliency arrangements and insurance. Risks are considered at the time of signing contracts and managing our portfolio of properties and vendors and appropriate risk mitigation is established to ensure our overall risk profile remains in line with our risk appetite.</p> <p>With regards to our loan portfolio, we assess climate risk at the transaction level and at the portfolio level.</p> <ul style="list-style-type: none"> • For residential mortgages, at the transaction level we consider the property locations and maintain standards for insurance. At the portfolio level, we review metrics periodically to assess concentrations. • For commercial loans, at the transaction level, we consider the borrower's industry and if categorized as a high climate risk industry, the specific climate related risks applicable. At the portfolio level we review credit metrics and concentrations.

TCFD Element	Disclosure	Response
<p>Risk Management (cont.)</p>	<p>b) Describe the organization's processes for managing climate-related risks.</p>	<p>Our Enterprise Risk Management framework includes a Three Lines Model with the following roles and responsibilities for managing risk, including climate risk:</p> <ol style="list-style-type: none"> 1. Line of Business Units: Line of business units have responsibility for identifying, assessing, escalating, controlling and mitigating risks inherent to their business activities arising from their chosen strategy and ongoing operations. 2. Independent Risk Management: Risk management functions operate independent of the line of business and facilitate development and implementation of risk management practices, provide risk guidance and assist the lines of business in identification and mitigation of risk, monitor adequacy of risk responses and timeliness of remediation and perform control testing. 3. Independent Control Functions: Reporting directly to the Board of Directors, the Internal Audit function performs assessments and evaluations of risk management practices and internal controls, identify issues, make recommendations and inform the Board of Directors and executive management on matters that require remediation. <p>Executive management reinforces risk culture through strategy setting, formulating objectives, approving resource allocations and establishing and maintaining effective systems of internal controls. A strong risk culture is the foundation of effective risk management because it influences the decisions of management and employees when weighing risks and benefits.</p>
	<p>c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.</p>	<p>Webster's Risk Management Framework provides an integrated, forward-looking approach to identifying, prioritizing and managing all risk categories across the organization: information, reputational, operational, credit, compliance, financial and strategic. Climate-related risks cross these categories and would be considered, when deemed material, in our risk assessments.</p>
<p>Metrics and Targets</p>	<p>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>For our loan portfolio, we periodically analyze our portfolio's exposure to Physical and Transition Risk. For Physical Risk, we map the geography of our loan and real estate portfolio across various physical climate risk data sets (wind, fire, flood, etc.) to identify concentrations. We take into consideration the level of insurance. We also periodically assess our commercial loan exposures to determine our exposure to high climate risk sensitive industries.</p> <p>Within our operations, we track our energy use as an indication of our exposure to increased costs or reputational factors that may be associated with high energy use and its associated greenhouse gas emissions. To further address our climate footprint, we monitor reduction of our electronic, plastic and paper waste streams.</p>
	<p>b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p>Webster's Scope 1 and Scope 2 greenhouse gas emissions can be found on page 27 of this Report.</p>
	<p>c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p>	<p>Webster does not currently have targets related to managing climate risks; however, we are taking steps to develop a more comprehensive GHG emissions inventory. These will then inform a baseline year from which we will be able to explore a GHG reduction target.</p>

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