



2021

ESG REPORT



Meta 
Financial Group®

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About This Report

We are pleased to present Meta Financial Group’s second Environmental, Social and Governance (ESG) Report. It documents our progress in implementing plans, programs and policies in support of our ESG strategy that builds on our company’s culture and purpose to power financial inclusion for all®.

Disclosures in this report align with Sustainability Accounting Standards Board (SASB) Standards. We have also noted where information addresses disclosures from the Global Reporting Initiative (GRI) Standards. Information cited corresponds with our 2021 fiscal year ended September 30, 2021.

This report encompasses Meta Financial Group, Inc. (Nasdaq: CASH), a financial holding company headquartered in Sioux Falls, S.D., and its wholly owned subsidiary MetaBank®, N.A. (“Meta”), a financial company that empowers innovators to increase financial availability, choice and opportunity for consumers and businesses in underserved niche markets. We do this across our strategic service lines including Payments, Commercial Finance and Consumer Solutions, which includes tax services and consumer lending. All financial information is presented in U.S. dollars. Unless otherwise stated, information shared is based on internal company results.

Please send questions or comments about this report to esg@metabank.com. We welcome your feedback.

We have included select ESG performance data in this report. Please visit our [ESG Performance Data](#) to view a comprehensive data set.



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About Meta Financial Group

Meta Financial Group is the holding company for the financial services company MetaBank, N.A. (“Meta”). MetaBank is a leader in broadening monetary access to underserved populations and industries. To do this, we play an important role in distributing and helping build products that expand financial access and ensure people achieve economic mobility. Our purpose is to power financial inclusion for all.

To set individuals and businesses on a secure path for financial stability and growth, we use our national bank charter to provide partners and third-party providers the following banking-as-a-service (BaaS) capabilities:

- To navigate complex compliance requirements
- To deliver financial products which serve the underbanked
- To activate flexible capital solutions for small- and medium-sized enterprises
- To develop scalable, innovative solutions for fintechs

MetaBank is proud to provide these services in market segments that require our specialized expertise to develop solutions mitigating complexity and risk. Our BaaS solutions span these primary business lines:

Payments

MetaBank brings two decades of history and expertise to the payments industry. This service line works with fintech and finserv clients, bolstering them with solid banking infrastructure so they can develop compliant technology and deliver innovative banking programs to provide consumers and businesses with solutions that expand financial access: prepaid cards, deposit accounts and a range of payments-related products.

Tax Services

Tax Services works with over 30,000 independent tax preparation offices nationwide, offering solutions and tools to stay competitive in their markets. We offer tax refund transfer services, refund advance programs, prepaid card solutions, merchant services credit card processing services and tax office business loans. In addition, a variety of services are provided by Tax Services to H&R Block and Jackson Hewitt.

Commercial Finance

Commercial Finance (operating under the trade names Crestmark® and AFS/IBEX) helps small, medium and large businesses by providing flexible finance solutions that support business growth and keep businesses operational and efficient. Our years of experience, strong relationship building and creative execution allow us to offer timely, cost-efficient finance solutions to businesses in many industries.

Consumer Lending

Through a network of innovative partners, our Consumer Lending service line provides underbanked individuals access to credit product solutions. We offer both closed-end installment loans and lines of credit that empower spending options, support reliable access to funds and help under-resourced Americans who want a brighter financial future to establish credit histories and build better credit scores.

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2021 Highlights

Employee & Board Demographics

Total employees

1,133

Women

54%

Men

46%

Racial and ethnic
minorities

16%

Female directors on the
Board of Directors¹

33%

Employee locations



1 3 of 9 Directors.

FY21 Financial Performance

Net income

\$141.7M

(up 35% year over year)

Earnings per share

\$4.38

(up 49% year over year)

Total revenue

\$549.9M

(up 10% year over year)

Community Impact

Total charitable investments

\$697,768

Paid time off for volunteering
hours taken by employees

740

Total employee volunteer
hours tracked

4,096

Numbers reflect activity from January 1, 2021 to December 31, 2021. Numbers were rounded to the nearest whole number.

Environmental Impact

Renewable energy investment
tax credit financing

\$101.1M

LEED certified office space

3 buildings

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CARES Act Participation

MetaBank was the sole financial agent for distributing prepaid debit cards in the second and third rounds of the Economic Impact Payments (EIP) program offered by the federal government for COVID-19 relief in the U.S.

Round 2

Payments distributed

\$7.10_B

Prepaid cards distributed

8.1_M

Round 3

Payments distributed

\$10.64_B

Prepaid cards distributed

4.7_M



CUSTOMER SUCCESS STORY

Bumkins Finer Baby Products

Bumkins Finer Baby Products, manufacturer and distributor of infant feeding products, was created by Jakki Liberman after she saw a niche for better baby products for her young ones. When Bumkins began, the woman-owned company started selling through local boutiques. As the products developed a following, they expanded distribution through major retailers and later through the retailers' online stores.

As the company looked to expand its product line and distribution strategy, the need for commercial financing assistance arose.

"I remember how hard it was to find a bank that would work with us," said Jakki. "We were a small growing company, and banks at that time seemed to want to work with companies with higher growth, or tech companies. We were looking for receivables financing, and Crestmark positioned themselves differently and better than the typical factors in the market at the time. We liked their professionalism and desire to help."

For 15 years, Bumkins continued to work with Crestmark, a division of MetaBank. Having collections handled, coupled with having a partner stay steadfastly alongside them through the years, has kept Bumkins with Crestmark.

"Honestly, it's because it's been easy. It's a nice relationship. It's been set up well. The team is professional and easy to work with, and any issues we've run into have been resolved quickly. Part and parcel, that's what we enjoy about working with Crestmark," said Jakki.

"We are so appreciative to have a relationship with a company that has been a great partner and has been proactive in working with us through two economic downturns."

Message from Brett Pharr, CEO

It was an honor to be named Chief Executive Officer of Meta Financial in 2021, to take leadership responsibility for the expansion of Meta’s businesses and the continued growth of our ESG and Diversity, Equity and Inclusion (DEI) initiatives. I’m proud to introduce our latest ESG Report, which describes the latter in detail.

Meta’s commitment to ESG starts with our Board of Directors, runs deep through our people and is fundamentally aligned with our purpose to power *financial inclusion for all*. Sustainability and inclusion have long been important values, but at this point in Meta’s evolution, as well as that of our economy and society, they are key principles of good business, and our new ESG strategy reflects that.

Internally, our ESG and DEI initiatives are designed to foster inclusive, ethical and environmentally responsible practices, while at the same time enabling us to build the most talented, diverse and effective team possible. We’ve enhanced our emphasis on employee engagement, cast a wider, more inclusive net in recruitment and hiring, invested in developing our talent and provided new opportunities for personal career growth and fulfillment.

“ Our focus on financial inclusion means that we seek out diverse partners and work with them to identify submarkets and micro-markets within communities where people and businesses are underserved.”



ESG and DEI are equally central to the markets we target and the customers we support. Our focus on financial inclusion means that we seek out diverse partners and work with them to identify submarkets and micro-markets within communities where people and businesses are underserved.

We look for gaps and we fill them with programs and services that target commercial customers directly and reach individual consumers through our service partners.

The rapid shift in this country’s energy markets provides a powerful example. A growing segment of our commercial lending portfolio involves alternative energy financing, primarily small-scale projects like community solar farms, which are often overlooked by larger investors. As we support innovators in the energy transition, we also cater to individuals and communities traditionally dependent on fossil fuels that are at risk of being left behind.

An important highlight in 2021, as it was in 2020, was our leadership role in working with the Department of Treasury in the management and delivery of Economic Impact Payments (EIP), a key piece of federal COVID-19 relief. Last year alone, we distributed nearly 13 million prepaid cards for a total of more than \$17.5 billion in EIP payments.

While our participation in the EIP program was a heavy burden on our business and our team, we were proud to play a key role. Looking back on it now, it's also clear that it yielded at least two important benefits. First, it elevated our reputation and credibility as a bank that walks the talk on financial inclusion for all. It also led to balance sheet management insights that we'll continue to apply, which will enable us to do more for more people in the future.

I am also pleased to highlight significant achievements in Meta's direct community outreach in 2021. This featured the launch of a new Community Impact Program designed to elevate the effectiveness of our corporate giving and employee volunteer activities, along with greater intentionality in directing future charitable efforts to historically marginalized communities.

These efforts and achievements, plus a great deal more highlighted in this report, underscore the values and culture that make me proud of Meta today and to which we're committed in the future.

I invite your feedback and look forward to sharing more details of our journey.

Sincerely,



Brett Pharr
Chief Executive Officer



Members of our Payment Network Operations team volunteer at a food giveaway

Message from Anthony Sharett, President

I'm proud of the progress we made on our ESG journey in 2021.

In 2020, we were still formulating our ESG strategy and establishing the foundation for its implementation. In the past year, we've acted on the strategy and prioritized measurement and accountability to ensure our ESG program's effectiveness and sustainability as we mature.

Strategically, one of the keys to Meta's evolution has been to take a more horizontal, enterprise-wide approach to major initiatives. This applies equally to operations in our four primary service lines and the development and deployment of more efficient internal processes, such as with data analytics. This also applies to the rollout of ESG-specific policies and programs including our new DEI strategy.

It's our belief that a more connected and horizontal culture will help us better serve our clients and customers while strengthening our company by empowering our employees and uniting them more closely behind our purpose to power financial inclusion for all.

Last year's creation of our Business Council was an important step to help drive horizontal integration in our go-to-market operations. It's a group made up of my executive colleagues, most of whom head up Meta's lines of business or are leaders of other key functions. The Business Council meets weekly to develop ways to ensure our lines of business operate less like separate portfolio companies and do more to leverage common market opportunities and client and supplier partnerships.

The goal of these changes is more than just efficiency. We're also rethinking our structure to be more innovative when it comes to understanding our customers and developing new products and services. We recognize that to do more to help the underbanked and the underserved we need an approach that's even more customer-centric and empathetic than we've ever had before.

While the Business Council is a leader-led initiative, we're also enabling a bottom-up approach that encourages our employees to take ownership of the ESG strategy with us.

A prime example of this is the formation of our DEI Steering Committee. This employee-led, cross-functional team meets regularly to discuss our DEI strategy, best practices in training and how to measure our progress.

Meta has been conscious of DEI for a long time, but of late we've become more intentional about ensuring it touches the people and communities we serve. Our goal is for DEI to become so ingrained in our culture that it's simply considered part of who we are and what we do. DEI is about acknowledging our people, helping them to feel seen, and there's no better way to achieve that than by engaging them in the development and implementation of our DEI efforts, individually and through our newly reconstituted Employee Resource Groups.

I'm confident we're laying the foundation for even greater achievements for Meta's business, our people, our customers and our purpose in the years ahead.

I invite your feedback and look forward to sharing more details of our journey.



Anthony Sharett
President



“ Meta has been conscious of DEI for a long time, but of late we've become more intentional about ensuring it touches the people and communities we serve.”

Our Approach

Pillars

Meta has long demonstrated our commitment to social good by providing products and services that directly address the foundational financial needs of the people and organizations at the core of our economy.

Our people are dedicated to a spirit of stewardship and service to the communities we serve. Promoting a diversity of perspectives across our organization is vital to achieving these shared economic mobility goals. By growing an employee base that reflects our customer base, we can better understand their challenges and align our solutions accordingly.

The implementation of our ESG strategy in 2021 marks an important step in ensuring our priorities stay aligned with supporting the economic mobility of communities across the country. It follows a period of extensive consultation with internal and external stakeholders, development of critical policies and programs, as well as the hiring of critical leaders to guide our effort. Going forward, leveraging that strategy will enable us to build on our foundation of engagement and responsible practices.

This report, structured in three sections—Governance, Social Impact, Environmental Impact—highlights those efforts and achievements to date and outlines our ambitions across five critical pillars: governance, customers, employees, the community and the environment.



Materiality

The process of identifying, prioritizing and validating the materiality topics on which our current ESG strategy is based originated in 2020.

That year, following an initial compilation of issues and topics thought to be most critical to our business and our stakeholders, we launched a formal materiality¹ assessment, working with a globally recognized sustainability organization. We gathered our primary input from external and internal stakeholders from a cross-section of organizations and functions. We then supplemented that information by surveying two additional sets of internal stakeholders and consulting ESG reporting frameworks, including GRI, SASB and the Task Force on Climate-related Financial Disclosures (TCFD).

The results of that materiality assessment yielded a list of seven topics deemed as strategic priorities for Meta, having been ranked of highest importance in terms of business success (by internal stakeholders) and Meta’s external impacts (by external stakeholders). Those topics are:

- Access to Finance and Affordable Products and Services
- Business Ethics
- Data Privacy and Cybersecurity
- Diversity, Equity and Inclusion (DEI)
- Environmental and Social Impacts from Lending
- Financial Inclusion
- Transparency, Accountability and Reporting

Notably, there was significant overlap between the issues that are most important to the business and those that are most impactful to external stakeholders. DEI, Data Privacy and Cybersecurity, Financial Inclusion, and Access to Finance and Affordable Products and Services ranked in the top five priorities for both groups of stakeholders. These topics, along with Responsible Use of Data (another important material topic for our external stakeholders) and Data Privacy and Cybersecurity, were strongly emphasized in the development of our ESG strategy, completed early last year.

After the development of our ESG strategy, we reviewed the results of the assessment and concluded that our ESG strategy continues to reflect our priorities.

¹ In this report, we use the term “materiality” and “material” with respect to ESG and not as defined by the Securities and Exchange Commission, or by securities laws including, without limitation, as applicable to Meta Financial Group, Inc. Unless otherwise noted, the boundary for the topics is enterprise wide.

ESG Strategy

Meta Financial Group’s purpose to power financial inclusion for all is at the core of our ESG strategy, which we formally launched in 2021.

That strategy is centered around four ESG priorities:

- Enable an Inclusive Financial System
- Engage Our Workforce
- Invest in Environmental Sustainability
- Build Trust through Good Governance

Identification of these priorities was shaped by the materiality assessment process previously described. Measures we’re now taking as we implement our strategy involve both the strengthening and refocusing of existing policies and programs as well as the introduction of new ones. Having identified our priorities, we are better able to understand and begin to work toward achieving opportunities surrounding each.



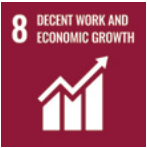

A key step in this process involves benchmarking where we stand and putting tools to measure our progress against it in place.

The other essential element is bringing our strategy to life through our employees, ensuring that the essence of our ESG program is ingrained in Meta’s cultural DNA. We can’t do this work without empowering our employees to be part of the journey.



Sustainable Development Goals

The United Nations 2030 Agenda for Sustainable Development, adopted by all UN Member States in 2015, outlines 17 Sustainable Development Goals (SDGs), 169 targets and 232 progress indicators for action with the primary objectives of protecting the planet, ending poverty, and creating peace and prosperity for all. Meta’s ESG strategy most closely aligns with four SDGs—1, 7, 8 and 10—as described in the accompanying table.

Goals	SDG Targets and Indicators	Alignment
	1.4: By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.	<ul style="list-style-type: none">• Purpose of powering financial inclusion for all• Efforts to offer products and services to the underserved and underbanked• Meta’s FasterMoney line of credit• Small Business Administration loans
	7.2: By 2030, increase substantially the share of renewable energy in the global energy mix. <ul style="list-style-type: none">• 7.2.1: Renewable energy share in the total final energy consumption.	<ul style="list-style-type: none">• Commercial financing for renewable energy infrastructure, including solar farm financing• Community solar financing• Alternative energy production equipment financing
	8.10: Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance, and financial services for all. <ul style="list-style-type: none">• 8.10.1: Number of commercial bank branches and automated teller machines (ATMs) per 100,000 adults.	<ul style="list-style-type: none">• Meta’s lines of business encourage and expand access to banking and financial services• Financial and volunteer support of nonprofit organizations, such as Operation HOPE Inc. and Junior Achievement• Sponsorship of more than 250,000 ATMs and sale of prepaid products through more than 1,100 financial institutions with more than 10,000 branch locations
	10.2: By 2030, empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.	<ul style="list-style-type: none">• Commitment and efforts in DEI• Purpose of powering financial inclusion for all• Community Impact Program support of organizations that facilitate financial inclusion and family and individual empowerment through charitable investments and volunteerism• Meta’s FasterMoney line of credit

Stakeholder Engagement

As we build on our purpose and devote increased resources to our ESG efforts, stakeholder engagement is essential to telling our story, to communicating our ESG goals and actions, and to enabling their success.

Among stakeholders, customers remain key. Standing alongside, we also consider our employees, investors and analysts, government regulators and policy makers, suppliers, industry associations, communities, and not-for-profit organizations as important stakeholders.

Publication of our annual ESG Report is an important step in this engagement process that reaches many audiences. For investors and analysts, our Annual Proxy Statement includes a discussion of our ESG governance, priorities, actions and intentions.

Other ESG-related engagement activities include:

- Engagement with the Department of Treasury, the U.S. Federal Reserve and the Office of the Comptroller of the Currency, in support of our ongoing role in the management and delivery of federal EIP funds, a key part of the government’s COVID-19 relief program.
- Ensuring our employees are not only informed about relevant ESG policies, programs, benefits and activities, but also empowered to take ownership of our efforts and help integrate them into the business and our company culture. Steps include reinforcing the Employee Resource Groups program, linking DEI to Community Impact Program events and employee participation in the DEI Steering Committee.
- Maintaining memberships in the following organizations: American Bankers Association; Business for Social Responsibility; National Minority Supplier Development Council; and Association of Corporate Citizenship Professionals.



Members of our Tax Services team volunteer to serve meals at a local nonprofit

Governance

Rigorous corporate governance is the foundation for Meta's commitment to integrity, ethical conduct and responsible financial enablement, ensuring we earn and maintain the trust of our customers, investors, shareholders and community.



Governance

ESG Governance Structure

Meta Financial Group’s ESG governance structure emphasizes Board and executive management oversight of our company-wide ESG implementation efforts.

In fiscal 2021, Meta established the ESG Committee as one of four full committees of the Board. The Committee’s current Chair is Director Michael Kramer. The ESG Committee meets quarterly to discuss current and emerging ESG topics, and to provide oversight of our ESG policies, risks and opportunities, programs and strategies.

The ESG Committee’s responsibilities are detailed in its Committee Charter. They include oversight of the following: our ESG endeavors; charitable investment policies and programs; DEI; policies related to environmental sustainability, human rights and other social matters; relationships with external stakeholders; and our annual ESG Report.

Executive oversight of ESG efforts is the responsibility of our Chief Executive Officer and our President. Our Vice President of ESG and DEI, a role newly created and expanded in fiscal 2021, leads ESG efforts from a management perspective. The Vice President of ESG and DEI also chairs our cross-functional ESG Working Group that initiates program implementation.

ESG Governance Hierarchy



Select ESG-related Policies, Standards and Guidelines

- Corporate Governance Guidelines (Approved February 24, 2021)
- Code of Business Conduct (Updated December 1, 2021)
- Employee Handbook
- Whistleblower Protection
- People and Culture Policy
- Fair and Responsible Banking Program
- Community Reinvestment Act Strategic Plan (Effective January 1, 2021)
- Legal Pro Bono Program (Implemented August 31, 2020)
- ESG Strategy (Finalized FY21)
- Community Impact Model and Program (Launched May 2021)

“ I am proud to lead our Environmental, Social and Governance Committee in maximizing the way Meta leverages our capabilities to create positive ESG outcomes for our stakeholders.”

Michael Kramer
Director, Meta Financial Group Board of Directors and Environmental, Social and Governance Committee Chair

Ethics

Code of Business Conduct

Meta’s commitment to ethical business practices starts with the Board and the executive leadership team and extends throughout our company. Ethics training, covering topics in our Code of Business Conduct, is assigned to all new hires and all employees on an annual basis.

The Code of Business Conduct, which underwent minor changes in 2021 after being refreshed and rewritten in fiscal 2020, sets the highest standards of ethics and integrity for all employees.

As a company in the financial services industry, whose business is focused on powering financial inclusion, we believe we owe it to our customers, investors, shareholders and community to consistently act in a manner that will preserve the trust

they have placed in us. We foster a culture of “see something, say something” that promotes and enables compliance, which our employees and potential talent respect and appreciate.

The Code of Business Conduct is a comprehensive document that addresses Meta’s purpose, vision and values; the responsibilities of team members, Board members and managers; commitments and rights in working with colleagues, consumers and partners; work in the community; work with the government;

commitments to shareholders; and disclosure and reporting procedures, including whistleblower protection and investigations.

Reporting Hotline and Ethics Officer

In conjunction with the 2020 Code of Business Conduct revisions, we introduced an updated, toll-free ethics hotline number for use by our employees, business partners and vendors. The hotline is managed by a third-party vendor to preserve the anonymity of those who use it. Reports are monitored by our People and Culture and Internal Audit departments, and

reviewed by a cross-section of executives, including our Chief Legal Officer.

In 2021, to continue to foster our culture of “see something, say something,” we created the position of Ethics Officer. Karl Riem has this role in addition to that of Chief Audit Executive. It is the Ethics Officer’s role to serve as the organization’s ambassador for the Code of Business Conduct. Karl is available to answer employee questions about the Code, provide Code training, and will receive and disposition any disclosures.



Interview: Karl Riem, Ethics Officer

In November 2021, Karl Riem, MetaBank’s Chief Audit Executive, was appointed to the newly created position of Ethics Officer. We invited him to expand on his new role and its significance in the following interview.

Ethics Officer is a new position at Meta. Can you describe your role and the scope of your responsibilities?

KR: I serve as a resource regarding Meta’s Code of Business Conduct for all Meta team members and its Board of Directors. While anyone can contact me if they have any question or concern about the Code of Business Conduct, I want to remind everyone that Meta has established several ways to “see something and say something.” We encourage employees to first contact their leader if they are comfortable doing so. Other options are contacting the People and Culture employee relations team, calling the anonymous hotline number (1-866-297-5018) or reporting an issue online at metabank.ethicspoint.com. All of these methods are in place to allow everyone to confidentially share any concerns or potential Code violations of which they are aware, including any potential violations involving Meta’s third parties or other employees.

What are the added benefits in having a member of the executive team as a point person in this role—or, to use CEO Brett Pharr’s description when he announced your appointment, as an “ambassador” for the Code of Business Conduct?

KR: Having a member of the executive team as the Ethics Officer underscores the importance the executive team places on the Code of Business Conduct and our collective adherence to it. As our CEO pointed out, a strong Code of Business Conduct is important for our daily interactions with one another and in the financial services industry as we continue to build trust within our team and with our partners, vendors and customers.

A key principle that underlies Meta’s Code of Business Conduct is a “see something, say something” culture. Can you elaborate on what that means and its importance? How would you like it reflected in practice?



KR: I encourage employees to think about this principle as a reminder of the responsibility each of us has to maintain and build upon the trust we have in each other and our organization. In my years of experience, the internal investigation often uncovers an employee’s recall of having witnessed or experienced behaviors that later seemed out of place, but they didn’t bring to anyone’s attention because they “didn’t have the time,” “didn’t think it was important,” or “didn’t want to get someone in trouble about something they were not certain about.” Each of us can not only talk the talk, but also walk the walk by

bringing any behavior or situation that concerns us to the attention of a company leader, a member of the People and Culture employee relations team, calling the anonymous hotline, reporting the issue online or contacting me.



Continued from previous page

Meta’s Code of Business Conduct was updated significantly in 2020, with minor changes in 2021. What was the focus of those significant updates? Are there additional risks or important issues that are now being formally addressed?

KR: The 2020 changes aimed to make the Code easier to apply by ensuring it included current ethical topics in the news and affecting corporate America. For instance, the revisions highlighted how to recognize the appearance of a conflict of interest as well as actions to take in those circumstances to help avoid any such concerns. Another important adjustment related to romantic relationships and familial relationships in the workplace. The 2021 changes were very minor, such as updating titles.

Part of your role includes working with other senior leaders to administer training to employees in each line and function. What does that training look like?

KR: You can expect training in FY2022 to include sharing specific real-life experiences, either from our company or in the news regarding other companies, that help illustrate the appropriate action each of us should take. I am creating that content and then plan to share the training in various forms, such as in all-hands meetings, leadership forums and in our existing learning and development tool.

How would you describe the response to your appointment from employees, executives and Board members thus far?

KR: I have received positive comments, with a majority of the comments pointing out appreciation for the executive team’s care and priority placed on our Code of Business Conduct and Meta’s strong ethical culture.

What are your priorities and goals going forward?

KR: My top priority is to proactively remind each of us about the Code of Business Conduct. My experience has shown that the time to say, “Oh, I didn’t know that was in violation of our Code” is not when an investigation occurs; by that time, it’s too late. I will strive to help keep all of us from hearing that.

Risk and Compliance

Managing risks and complying with legal and regulatory requirements are essential to the integrity of our business. The scope and nature of Meta’s operations, and our roles as a founder of the prepaid industry and an industry leader in payments, have enabled us to develop policies, programs and actions in these areas that are key differentiators in the financial services marketplace.

Enterprise Risk Management

Our Enterprise Risk Management (ERM) program is designed to promote the principles of sound corporate governance to ensure that risk-taking activities are in line with our strategic objectives, risk appetite and regulatory requirements.

Oversight of our ERM program and processes rests with the Meta Financial Group and MetaBank Boards of Directors, while senior management and other employees put them into operation. The ERM program is applied in strategy setting across the enterprise and works closely with the lines of business to ensure that risks are appropriately identified and managed within the predetermined risk appetite level.

Meta’s risk management system is made up of its policies, processes, employees and control systems utilized to identify, measure, monitor and control enterprise risks. To ensure a comprehensive system, Meta has adopted a Three Lines of Defense model.

Third-Party Risk

Our comprehensive Third-Party Risk Management program is designed to provide oversight and assurance that third parties are appropriately identified and classified, and that risks associated with third-party relationships are appropriately controlled and mitigated.

Meta’s third-party risk department practices a structured and disciplined approach to third-party risk management with the intent to establish risk-based controls that are designed to minimize potential loss and capitalize on emerging opportunities. Our policy and strategy encourage us to:

- Protect our company from avoidable risk and to provide value-added service to business units
- Monitor third-party activities
- Report risk events and material information in an effort to mitigate risk

Business Continuity Management

Business Continuity Management (BCM) ensures that MetaBank has appropriate standards and testing requirements in place to ensure our company remains resilient in the unfortunate event of a disaster. Our standards comply with Federal Financial Institutions Examination Council (FFIEC) and Office of the Comptroller of the Currency (OCC) guidance. The BCM team employs a variety of controls to ensure our processes and applications are being adequately reviewed and tested. BCM maintains transparency of the program through consistent periodic reporting.





**Bank Secrecy Act/
Anti-Money Laundering**

Meta is strongly committed to protecting our customers, partners and our company from the risks of fraud, money laundering, terrorist financing and other illicit activity. Our Bank Secrecy Act (BSA), Anti-Money Laundering (AML) and Sanctions compliance programs include internal controls designed to address ongoing compliance with the BSA, U.S. Sanctions, and other relevant rules and regulations including Fraud Risk Management Guidance. This includes a Customer Identification Program, Information Sharing

Procedures, Suspicious Activity Monitoring and Reporting, and List Screening, among others.

Meta has a robust team dedicated to creating and maintaining effective enterprise-wide AML and Sanctions programs, many of whom are certified in AML or fraud prevention. Meta employees participate in annual AML and sanctions training, with select groups completing more specialized AML and sanctions training for their job functions.

Meta verifies the identity and performs due diligence of customers and third parties. The information collected and verified helps Meta gain a solid understanding of expected activity and helps us identify unusual activity. We utilize sophisticated monitoring systems to identify potentially suspicious customers and activities. Our Financial Intelligence Unit conducts targeted reviews of identified activity, reports suspicious activity to appropriate authorities and closes accounts as needed to prevent further activity.

To address Sections 314(a) and 314(b) of the USA Patriot Act (USAPA), we screen customers against 314(a) lists and report positive matches as required, and actively participate in the voluntary information sharing provisions set forth in Section 314(b). These measures help Meta provide timely and useful information to law enforcement. Meta performs risk-based monitoring, testing and review of business lines as part of our BSA/AML, Office of Foreign Assets Control and Fraud Risk Management programs. We also conduct ongoing reviews of third parties for compliance with our requirements.

Compliance

Our Compliance Management System (CMS) provides oversight and assurance that material compliance risks arising from applicable laws and regulations are adequately identified and mitigated. Our trained personnel in the Compliance area have subject matter expertise that assists in maintaining an effective program in a dynamic regulatory environment.

Meta's CMS is a continuous process that is designed to identify and mitigate material non-compliance with applicable laws and regulations. Our comprehensive CMS is designed to:

- Monitor potential material non-compliance with applicable laws and regulations
- Identify and seek to mitigate exposure arising from such material non-compliance
- Adhere to our compliance policies, standards, guidelines and processes
- Promote compliance awareness among all staff through ongoing training

Significant compliance processes are formally documented, with clear lines of authority and responsibility, and communicated to stakeholders.

Internal Audit

Meta uses a Three Lines of Defense risk management framework. Each department or business, the first line of defense, has processes in place to assess their controls to ensure their activities remain in their range of risk tolerance. Our ERM team, the second line of defense, executes a program designed to promote the principles of sound corporate governance to ensure that risk-taking activities are in line with our strategic objectives, risk appetite and regulatory requirements. Internal Audit, the third line of defense, assesses the adequacy of the risk management activities employed throughout Meta. The three groups collaborate to bring a high degree of coordination to their efforts to remove redundancies where possible.

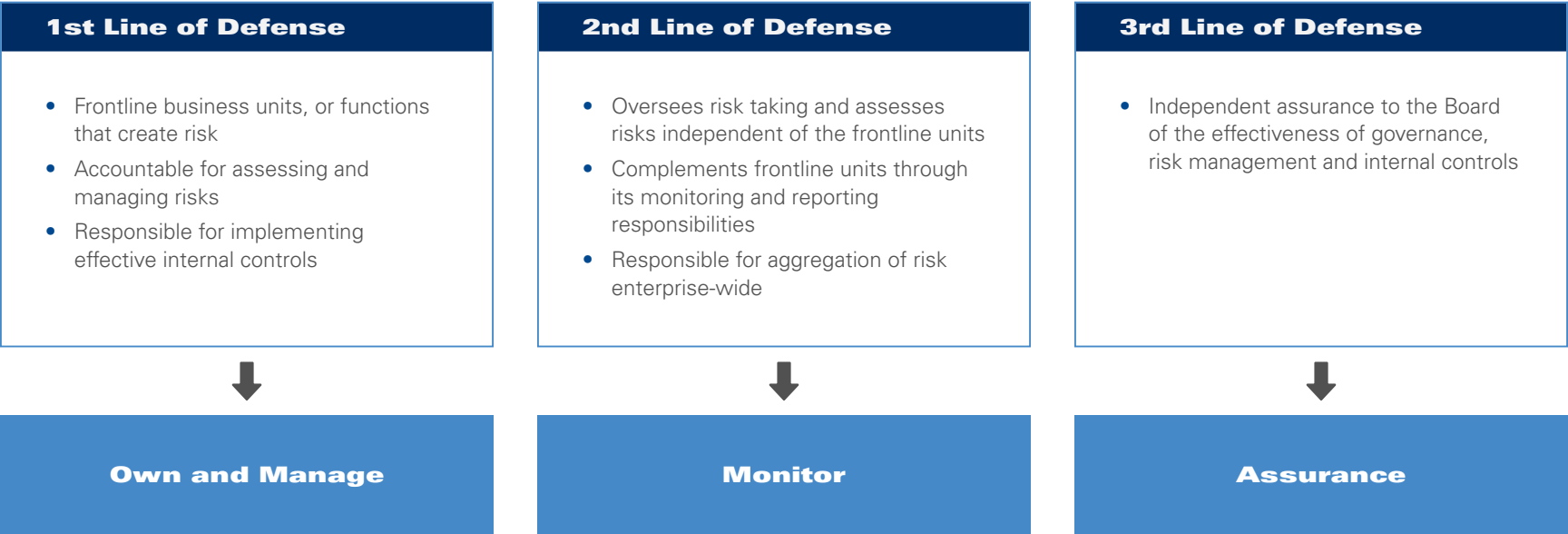
Meta’s Internal Audit department is an important component of Meta’s governance and risk management framework. Internal Audit is viewed as a trusted advisor in Meta. Representatives from Internal Audit attend key committee meetings and strategic planning activities to stay abreast of changes in our organization.

Recent Highlights

In 2021, important risk and compliance-related achievements included:

- Maintaining program effectiveness while operating in a remote environment
- Achieved outstanding rating metrics for all Community Reinvestment Act (CRA) Strategic Plan goals
- 62 second-line BSA reviews completed
- More than 12,600 suspicious activity cases worked (from a total 220,000 suspicious activity and customer due diligence alerts worked)
- With support from Disaster Recovery teams, BCM successfully tested over 70 critical applications in 2021

Three Lines of Defense



Data Privacy and Cybersecurity

At Meta, our value proposition as a company is built on trust. Protecting our own financial assets and data along with the financial assets and data of our customers, our employees, industry partners and other stakeholders, and our operational resilience, are of utmost importance.

We follow industry best practices for threat detection and eradication and monitor privacy regulations in the U.S. and abroad to facilitate leading practices.

In keeping with Meta’s desire to take a more horizontal, enterprise-wide approach to major initiatives in 2021, our Information Security department priorities included work on new structures and approaches to enable it to support that ambition. Responsible use of data, data privacy and cybersecurity were also specifically cited in our new ESG strategy’s fourth pillar (Build Trust through Good Governance).



Executive Compensation

Meta operates in a highly competitive industry for executive talent, so we structure our executive compensation program to attract and retain the critical senior leadership we need to deliver on our business strategy.

Oversight of the executive compensation program rests with the Board’s Compensation Committee, working closely with the executive management team. The Committee believes that executive compensation should reward workplace performance and also reward a culture of compliance and integrity. Thus, the Committee attempts to strike this balance between rewarding both short-term performance and behaviors and performance that enable long-term sustainability. The Compensation Committee has engaged Pay Governance LLC (“Pay Governance”) as its independent consultant to assist with executive and non-employee director compensation. Pay Governance helped the Compensation Committee prepare for fiscal year 2021 executive compensation decisions by reviewing the pay peer group, assessing executive officer and non-employee director pay against the peer group, analyzing the annual cash and equity incentive award plans, and summarizing current market trends.

In 2021, 75% of target compensation for the CEO,¹ and 56% of target compensation (on average) for the other Named Executive Officers, was performance-based and at-risk. Please see Meta’s [2021 Proxy Statement](#) for additional information on our executive compensation.

In 2020, we implemented a formal clawback policy for the adjustment or recovery of incentive-based compensation awards to our officers in the event of an accounting restatement due to fraud or intentional misconduct or certain other detrimental conduct by the officer. The clawback policy is a best practice that underscores our commitment to ethics, compliance and protecting our employees, customers and shareholders.

1 For the CEO as of the end of FY21.

Executive Compensation
Program Highlights

- Performance-based pay metrics
- Annual peer review analysis
- Compensation consultant partnership
- Robust clawback policy
- Strong minimum stock ownership requirements
- Strong Say-on-Pay vote (94%) in 2021
- Mix of cash compensation and equity
- Stockholder engagement

Social Impact

Our purpose to power *financial inclusion for all* influences how we deliver for our shareholders and the bottom line with an unmistakable commitment to achieving positive outcomes for our employees, customers, communities and the environment.



Social Impact

Employee Engagement

At Meta, we recognize that team members who are involved in and enthusiastically committed to their work and workplace, contribute meaningfully to our success. Fostering such engagement is a core aim of the full spectrum of Meta’s people-centered programs and policies. This includes benefits plans and compensation, recruiting and training programs, as well as our DEI and Community Impact initiatives.

Engagement Survey

In mid-2021, we completed a baseline enterprise-wide employee engagement survey. The results of this survey are reviewed with the executive management team and used to prioritize employee programs, initiatives and communications. They are also seen as an overall benchmark of our journey as a people-first organization.

For our company as a whole, Meta’s employee engagement score was 82, a strong result that was two percentage points higher than the benchmark average in data gathered from 446 organizations by employee analytics provider Perceptyx. Overall, 89% employee participation in the survey process was outstanding as well, which is another sign of strong employee engagement in and of itself.



Team members volunteer in support of affordable housing in Nashville, Tennessee.

Diversity, Equity and Inclusion

We place immense value on the diversity of our employees, and we are proud of our commitment to treating them with dignity and respect through an inclusive work environment. We believe that diversity in our organization leads to more innovative solutions for our customers and partners as we seek to better understand the unique needs in the markets that we serve. All employees are expected to contribute to a culture of mutual respect and inclusion.

With the support of our Board of Directors and executive management, we have established more robust core tenets aligned to DEI with respect to our candidates, employees, business partners and the community.

Diversity: We prioritize cultivating a culture that promotes, supports and respects diversity among our employees, customers, partners and community, honoring their unique perspectives that enrich their experience at and with Meta.

Equity: We prioritize designing a workplace experience that recognizes and meets people’s individual needs, while establishing a structure and practices that facilitate equitable access to, and advancement in, areas important to them. For our customers and partners, we commit to identifying ways we can work with people to increase their economic mobility.

Inclusion: We prioritize creating a culture where our employees, customers and partners have a sense of belonging and feel valued in the ways that most resonate with them.





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DEI Strategy

In the past two years, the development of Meta’s DEI strategy has paralleled that of our ESG strategy. DEI first came to the forefront as a top priority in our 2020 materiality assessment.

In 2021, in the course of finalizing our DEI strategy, we increased the management resources dedicated to advancing DEI, starting with the hiring of a Chief People and Inclusion Officer. In July, the ESG Committee of Meta Financial’s Board formally incorporated DEI into its oversight responsibilities. Around the same time, our Vice President of ESG assumed DEI responsibilities and was given the added title of Vice

President of Diversity, Equity and Inclusion, reflecting the alignment of DEI within the ESG fold. We have since expanded our DEI team and have partnered with employees through our employee-led Employee Resource Groups.

Through our Community Impact Program, we prioritize charitable investments and company-sponsored volunteer opportunities to nonprofits that support communities and individuals who have been marginalized historically. That includes low-to-moderate income communities, people of color, people with disabilities, people who identify as LGBTQ+ and veterans. We invite the charitable organizations we

support to report on the demographics of the communities and individuals they serve, and more specifically how our charitable investments impact and reach those we wish to help through our partnerships to facilitate support of diverse populations.

Another important catalyst was the launch of our Talent Anywhere recruitment strategy. While the strategy has multiple goals reflective of the growth of Meta’s business nationally, the approach has allowed us to diversify our workforce in new ways. As of the end of fiscal year 2021, our employee footprint expanded to 38 states, the District of Columbia and Ontario.

While we have made progress, we recognize our work is not done. One area of focus in 2022, for example, is the creation of a DEI curriculum that will provide regular educational and training opportunities for our people around DEI topics such as inclusive leadership, unconscious bias and being an ally or advocate. We have also started gathering more demographic data on our employee population and the populations we serve. In the future, such information will help us better identify opportunities to further integrate DEI into the business.

Employee Demographics

2020	2021
Average age 46	Average age 46
Average tenure 7.3 years	Average tenure 5.7 years
Total number of employees 1,026	Total number of employees 1,133
Total number of female employees 581	Total number of female employees 613
Total number of male employees 445	Total number of male employees 520
Percentage of Hispanic or Latino employees 4%	Percentage of Hispanic or Latino employees 5%
Percentage of Black or African-American employees 4%	Percentage of Black or African-American employees 7%
Percentage of Asian or Asian-American employees 2%	Percentage of Asian or Asian-American employees 4%
Percentage of employees of two or more ethnicities 1%	Percentage of employees of two or more ethnicities 1%
Percentage of employees who did not specify their ethnicity 0%	Percentage of employees who did not specify their ethnicity 1%
Percentage of White employees 87%	Percentage of White employees 82%
Total percentage of ethnic minority employees 11%	Total percentage of ethnic minority employees 16%
Percentage of disabled employees 5%	Percentage of disabled employees 7%
Percentage of veteran employees 2%	Percentage of veteran employees 2%

DEI Governance Structure

As DEI has taken on great prominence at Meta and our approach to the work has become more intentional across the breadth of our organization, our governance for DEI has also evolved.

The evolution reached its current form in 2021, when the ESG Committee of Meta Financial’s Board formally incorporated DEI into its oversight responsibilities.

Currently, at the executive level, DEI decision-making responsibility is shared jointly by MetaBank’s President, our Chief People and Inclusion Officer, and our Vice President of ESG and DEI. They engage with the DEI Steering Committee, a cross-function senior-level consultative resource, while implementation at the program level is led by a DEI manager within the ESG team, in tandem with the ESG Working Group.

DEI Governance Hierarchy



“ Our enterprise-wide approach to ESG is a testament to our commitment to ESG and the positive impacts that our business and the community can realize from thoughtful execution of our strategy.”

Catherine McGlown
Vice President, ESG and DEI



Financial Inclusion for All in Action

A young woman who had been incarcerated needed a path to building a financial future after completing her sentence. She had paid her dues and was committed to moving forward, getting on the right track and making a better life for herself. MetaBank, in tandem with our payments partner Netspend, helped her achieve it.

Netspend’s Prepaid Debit card offers financial access to all. With no credit checks and no credit history required, anyone can gain access to the convenience of digital payments. This young woman got a job right away, opened a Netspend account and was able to setup direct deposit, which enabled easy rent and bill payments. In a time of increased online spending due to the pandemic, she is now included in the digital financial system.

Employee Resource Groups

Employee Resource Groups (ERGs) are an important forum to foster overall employee engagement and help promote DEI.

We had four active ERGs at Meta in FY21. Twenty-three percent of our employee population participated in one or more ERG in 2021, a strong level of support for a program that was significantly rebuilt after it languished in the early months of the pandemic when we first moved to a largely remote work environment.

The groups are intended to provide employees with a safe space to bring their whole selves to work. These voluntary, employee-led groups encourage cross-collaboration between and among affinity groups to leverage synergies, encourage knowledge transfer and fuel business objectives. In addition, each ERG engages in community impact efforts, including organizing donation drives and volunteer events.

ERGs at Meta

Community Impact

The Community Impact ERG focuses on driving employee engagement through coordinated volunteer events, facilitating local engagement, and reviewing disaster relief and recovery funding requests.

Meta Gaming

Meta Gaming brings gamers throughout our company together and gives them opportunities to meet others who share their interests and form positive relationships both in and out of the workplace.

MetaVet

MetaVet supports and serves our employees who are military veterans and their families, as well as allies.

Meta Women’s Network

Meta Women’s Network encourages diversity and inclusion in the workplace and in our communities while empowering women at MetaBank who seek professional and personal growth.

BELIEVE—Black Employees Leading in Inclusion, Excellence, Vision and Education (new in 2022)

BELIEVE supports MetaBank’s Black employees by fostering professional networking and development opportunities, advancing a diverse and inclusive work environment with a focus on Black people and their allies, providing cultural education of the collective African diaspora, and supporting corporate strategies to improve diversity, equality, equity and inclusion.

Talent Recruitment, Training
and Assessment

Our success as a purpose-driven company, committed to financial inclusion for all, is only possible with our caring and dedicated team. Our company purpose is foundational to our ability to attract, grow and retain top talent—talent that desires to have an impact by enabling financial availability, choice and opportunity for consumers and businesses in underserved niche markets.

Recognizing this, the Board, senior management and our people leaders continue to advance policies, programs and initiatives attuned to Meta’s current evolution that foster a culture where those qualities thrive and enable us to successfully acquire, grow and retain the talent we require.

Recruitment

Our talent system emphasizes a combination of internal development and external hires. For the latter, our most important initiative is our Talent Anywhere recruitment strategy. Launched in 2020, as Meta’s business footprint was transforming from a local setting around Sioux Falls, S.D., to a more national base, it reimaged our recruiting strategy as one designed to identify candidates from a much wider geographic and demographic pool and appeal to them by presenting Meta as a

remote-enabled employer of choice. As this remote-enabled strategy matures, our efforts are focused on further developing our recruiting team, systems and tactics to ensure we take full of advantage of its potential.

From the outset, our Talent Anywhere strategy was well aligned with the evolution of our DEI strategy. There, from a talent perspective, we’ve trained our internal recruiters on mitigating unconscious bias in the hiring process and how to assemble diverse candidate slates for open positions. Those practices, coupled with our ability to draw from a wider talent pool with Talent Anywhere, have led to an initial, modest increase in the diversity of our employee base, a trend expected to continue.

Assessment and Development

Assessing talent and leadership development is also critical to our talent growth and retention strategy. In late 2020, we began piloting an enterprise talent assessment framework in our IT department. We have since begun to refine and deploy this framework for use throughout the organization. The aim is to better equip each department to have a clear line of sight on their teams’ strengths or opportunities in terms of skills, diversity and leadership potential.

At a senior level, we’ve introduced a nine-month leadership development program in which participating employees are paired with executive coaches and work on a curriculum that includes strategy setting, being an inclusive leader and managing

diverse perspectives. For other levels, we’ve transformed our training format from traditional classroom-based methods to a more progressive model—using micro learning methods, encouraging department leaders to be coaches for their staff, and creating stretch assignments and soft skill workshops. We’ll continue to add more tools and technologies to support this approach in future.



Employee Well-being

It is vital that we attract, equip and retain a diverse talent pool as we advance financial inclusion through solutions, innovation and accessible options in the markets that we serve. We achieve that, in part, by making MetaBank a safe and healthy workplace in which our employees’ best efforts are supported by strong health and well-being programs.

Health and Safety

Whether they’re in an office or a work-from-home environment, we want our employees to be healthy and be able to bring their whole selves to the workplace. Accordingly, we continue to prioritize all facets of their health and safety by supporting them and their families with access to a variety of health and well-being programs.

COVID-19
Pandemic Response

In response to the COVID-19 pandemic, we enabled our employees to work from home productively by providing equipment, communications technology and monthly stipends for office supplies, and updated our meeting protocols. While we have offices in 11 states, our Talent Anywhere strategy enabled employees to work from 38 states, the District of Columbia and Ontario, Canada, as of September 30, 2021. We are fortunate in that no layoffs, furloughs or salary adjustments have been imposed due to COVID-19. Our support for the community and our business partners during the pandemic continues through our various business and community impact endeavors.

Employee Benefits

MetaBank offers a comprehensive benefits program for both full-time and intermediate employees to help them stay healthy, feel secure and maintain good work/life balance.

Full-time and intermediate employees working at least 30 hours per week receive coverage and benefits for:

- Medical
- Dental
- Vision
- Flexible spending
- Health savings
- Group term life/AD&D
- Short- and long-term disability
- Accidental injury
- Critical illness
- Hospital care
- 401(k)/employer match
- Employee stock ownership
- Legal services/identity protection
- Pet insurance



Work/life balance provisions include:

- Accrued paid time off (20–35 days per year based on service)
- Adoption assistance
- Be Well days
- Bereavement leave
- Military differential pay
- New-parent leave
- Paid holidays

We also offer paid time off for volunteering, matching gifts and access to an Employee Assistance Program, which offers employees and their families information, referrals and short-term counseling for issues affecting their work or personal lives.

Commitment to Human Rights

At MetaBank, we believe that financial inclusion is a human right, and it is our responsibility to respect human rights.¹ We value integrity, trust, inclusion, and respect for our employees and the people with whom we work. We expect our employees to uphold human rights for one another, our customers, our partners and our community by:

- Prohibiting all forms of forced or compulsory labor
- Ensuring we neither utilize child labor nor support human trafficking
- Abiding by the National Labor Relations Act and respecting employees’ right to freedom of association
- Providing safe and human working conditions for employees and requiring workplace safety procedures training
- Encouraging employee well-being through benefits and support for community engagement

¹ Meta’s approach to human rights aligns with the United Nations Guiding Principles on Business and Human Rights.

Community Reinvestment Act

As a federally insured depository institution, MetaBank is subject to the Community Reinvestment Act (CRA), which requires banks to help meet the credit needs of their entire community, including low- and moderate-income (LMI) individuals and those located in LMI geographies within the bank’s assessment areas.

We believe our core businesses are structured to serve LMI customers and small businesses, and in our CRA strategy accordingly set our community

development goals in three performance categories: loans/investments, donations and volunteer services. Our faith in this commitment was validated in our most recent CRA performance evaluation, completed in February 2020, in which MetaBank received an overall rating of Outstanding.

In fiscal year 2021, the Office of the Comptroller of the Currency (OCC) approved MetaBank’s three-year CRA Strategic Plan (2021–2023). We met the Outstanding performance threshold for each of our four strategic plan goals in 2021.¹

2021 CRA Strategic Plan Goals	Performance	Highlights
Community Development Investments in the Sioux Falls Assessment Area (AA)	\$3,400,000	<ul style="list-style-type: none">Invested in Sioux Falls School District bonds to build two new schoolsInvested in custom mortgage-backed securities targeted at LMI borrowers
Community Development Donations in the Sioux Falls AA	\$149,900	<ul style="list-style-type: none">Financially supported organizations that assist LMI individuals and families, including:<ul style="list-style-type: none">Sioux Falls YMCA Community Youth CenterSioux Empire United WayJunior Achievement of South Dakota
Community Development Volunteer Service Hours in the Sioux Falls AA	762	<ul style="list-style-type: none">Volunteered at nonprofit organizations, including:<ul style="list-style-type: none">Feeding South Dakota, a Feeding America affiliateThe Banquet, a feeding ministry providing meals to vulnerable people in our communityHabitat for Humanity Greater Sioux Falls
Community Development Investments in the Broader Statewide Regional Area ²	\$53,500,000	<ul style="list-style-type: none">Invested in Minnesota housing bondsInvested in multifamily housing in Rapid City, South DakotaInvested in two school district bonds in rural South Dakota

1 Our final CRA rating for this period is pending examination by the Office of the Comptroller of the Currency.

2 Broader Statewide Regional Area includes the following states: SD, ND, MN, IA, NE, KS, MO.

Community Impact Program

Meta is committed to creating lasting, positive change with and for the communities where we live and operate. The launch of our Community Impact Program in 2021 marked a significant step forward in meeting this objective.

The program is designed to elevate the effectiveness and scope of our corporate giving and employee volunteer activities. For employees, it includes paid time off for volunteering, and matching gift and dollars-for-doers programs. Through the program, we direct our charitable investments to nonprofit organizations that align with our purpose and help advance work in at least one of the following areas:

- Financial Inclusion
- Personal and Family Empowerment
- Educational Support
- Disaster Relief

Complementing the new program structure is a Community Impact Portal, through which employees can search for volunteer opportunities, organize volunteer events, track their participation and make charitable donations. Having this interactive platform has helped us offset challenges associated with in-person activities during the pandemic and led to creative staging of many virtual volunteer events.

In FY21, our employees logged 740 hours of paid time off for volunteering valued at approximately \$21,000 (based on Independent Sector’s estimate of \$28.54 as the average value of hourly volunteer time). Overall engagement and participation rates exceeded our expectations and that of other benchmarked organizations of similar size.

Pro Bono Program

Established in 2020, this program encourages attorneys and paralegals within MetaBank to provide pro bono legal services to people and organizations that cannot otherwise afford legal representation. In 2021, MetaBank employees in our Legal department contributed 70 hours of pro bono legal service.

Total charitable investments

\$697,768

Total employee volunteer hours tracked

4,096

Paid time off for volunteering hours taken

740

Numbers reflect activity from January 1, 2021 to December 31, 2021. Numbers were rounded to the nearest whole number.

Disaster Relief

In FY21, we created a Disaster Relief and Response Scorecard for use in the event of a natural or human-made disaster. The scorecard, which is completed by members of our Community Impact ERG, outlines criteria to consider when determining Meta’s response to those events. Completed scorecards are shared with our Community Impact team to bring forth recommendations to executive leadership. Built into this new process is the inclusion of employee perspectives from varied geographies, departments and levels of management; collaboration is at the core.

Habitat for Humanity of
Greater Sioux Falls

For nearly 20 years, MetaBank has partnered with Habitat for Humanity of Greater Sioux Falls to provide affordable housing options to hardworking local families. MetaBank has continually stepped up to the plate to help address the ever-increasing housing needs in the Sioux Falls community through employee engagement and financial investments. MetaBank employees have helped Habitat fulfill our mission by stepping into leadership roles on our Board of Directors, chairing committees and rolling up their sleeves to swing a hammer four different days in 2021 alone. Their support of affordable housing doesn't just stop at volunteering and sponsoring builds. Between 2017 and 2018, MetaBank facilitated the leveraging of more than \$500,000 in Habitat mortgages which provided the capital needed to purchase additional land for further housing developments. We are excited to continue working together to forever change the lives of Sioux Falls families."

Rocky Welker

Executive Director, Habitat for Humanity of Greater Sioux Falls



Members of our Risk team volunteer at Habitat for Humanity of Greater Sioux Falls

Sioux Empire United Way

MetaBank has been a long-time partner of Sioux Empire United Way, contributing nearly \$2.5 million in corporate and employee giving over the last 20 years. In that time, MetaBank employees have also donated their time as volunteers in the United Way Campaign and Impact process, directly impacting our community by collecting and allocating funds. In its most recent campaign, MetaBank pledged \$111,122 in employee and corporate giving.

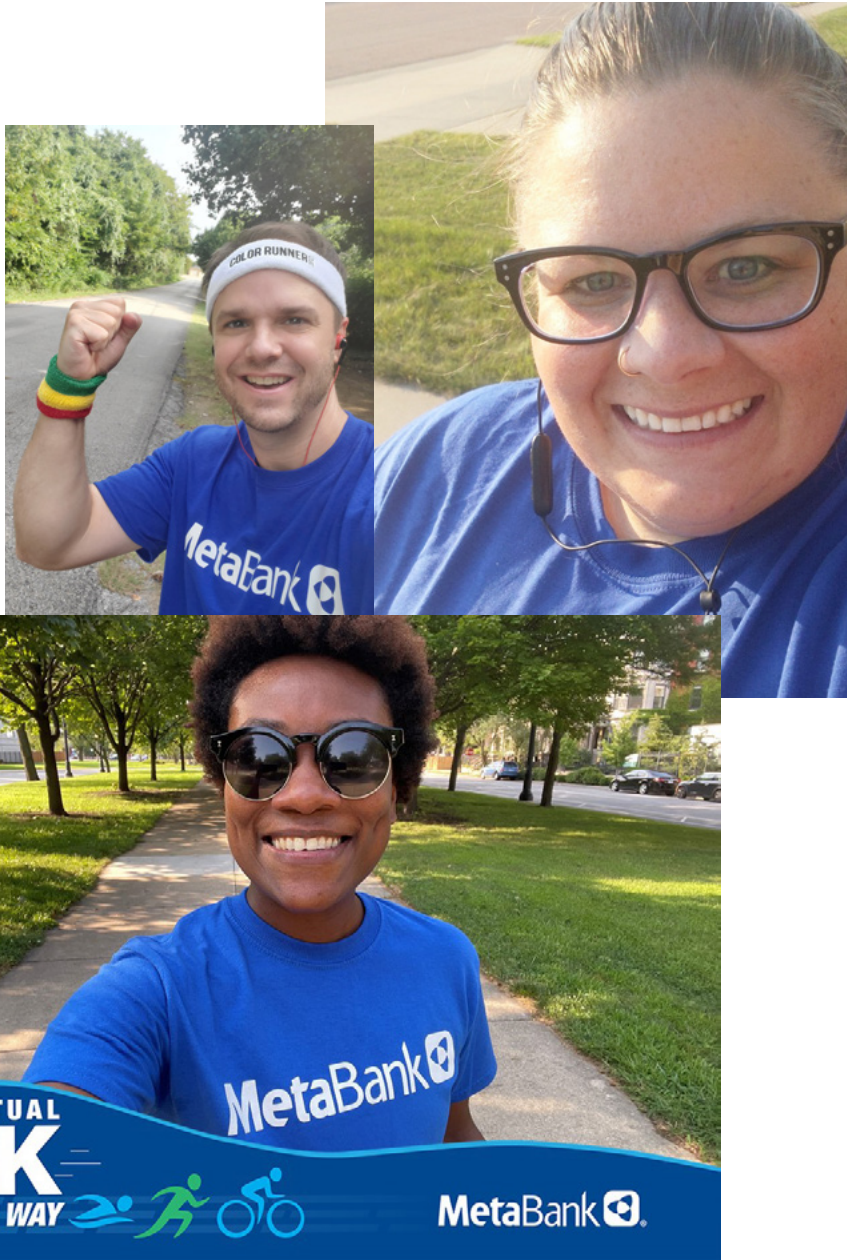
With MetaBank's help, we are able to impact one in three lives in our community. Examples include:

- Connecting 3,736 individuals to mental health care and support
- Giving 1,607 youth the opportunity to participate in eight different out-of-school time care options
- Providing quality childcare options to 1,211 children
- Assisting 659 families and individuals experiencing homelessness by funding transitional housing and support to attain or maintain stable housing
- Providing resources to 249 older adults by connecting them to the community through outreach support, volunteer social opportunities and career resources
- Supporting 207 caregivers with access to care during the day for their loved ones, support groups and additional resources.

We are so grateful for the continuous support of MetaBank and its employees. Their generosity will continue to change the lives of children, vulnerable adults and people in crisis, and fund 41 local nonprofit agencies. Thank you, MetaBank!"

Olivia Essig

Campaign Director, Sioux Empire United Way



2021 Group Volunteerism Highlights

National Intern Day—Missing Maps: For National Intern Day, MetaBank interns from across the organization gathered virtually to participate in a “mapathon” for Missing Maps, a humanitarian project that maps locations vulnerable to natural disasters, conflicts and disease epidemics. The group used satellite imagery to map 658 buildings in Indonesia to assist the local Red Cross in identifying locations vulnerable to future disaster impact.

Virtual 5K: More than 250 MetaBank employees, plus families and friends, from across the country came together last August in a Virtual 5K to raise money for Junior Achievement. Participants walked, ran, biked, in-line skated and swam, then shared pictures and videos of their experience on social media. Employees who weren’t able to physically participate had the option of signing up to ensure we made a donation on their behalf. Employees raised a total of \$6,500 to support student access to financial literacy and entrepreneurship programs, with the funds divided between Junior Achievement of South Dakota and Junior Achievement of Southeastern Michigan.

Earth Day Clean-up: Members of Meta’s Bank Secrecy Act compliance team gathered on Earth Day last year at Kuehn Park in Sioux Falls, S.D., to collect and dispose of trash. There was a group commitment to make Meta’s home community a better place.

“ I enjoy participating in our volunteer events. Community building encourages us to find connections and build supportive networks; so while I may not know every person on the same block, volunteering with various organizations allows me to save space for someone else (or myself) when we need more than our individual networks can provide.”

Brandi Davie
Overall Product Owner, Commercial Finance Engineering

Volunteer of the Year

Employee volunteerism, always a strength at MetaBank, surged in 2021. The launch of our Community Impact Portal was a catalyst; our people also stepped up their efforts in response to the unique challenges of the times.

While each contribution counts, some individual efforts stand out. With this in mind, we launched a Volunteer of the Year award, which recognizes one employee for their inspiring community engagement activities. In 2021, a cross-functional Volunteer of the Year award selection team selected Steven Schmid, a Tax Services marketing manager in Easton, Pa., for his ongoing service to the Greater Easton Development Partnership (GEDP), a community nonprofit that operates a range of programs focused on helping under-resourced individuals and families overcome homelessness, food insecurity and other income-driven social disparities.

Steve has volunteered with GEDP for 10 years. He’s deeply involved in its work with the Easton Farmer’s Market, which provides access to fresh, local food, catering to community members with Electronic Benefit Transfer (EBT) card funds. He serves with a local community initiative doing revitalization activities in an underserved neighborhood. He’s also spearheaded clothing drives, worked on city beautification projects and volunteered in the district voting location for the past three elections.

In the words of one GEDP Board member, Steve “greet[s] each volunteer request as an opportunity to support our organization and this community by sharing his high energy, creativity and positive ‘can-do’ attitude.” Within Meta, Steve provides regular updates on local volunteer opportunities and encourages fellow employees to join.



City of Detroit Good Neighbor Program

In early 2021, the City of Detroit was looking for ways to get as many people vaccinated as quickly as possible. It created a Good Neighbor program where local citizens could volunteer to drive someone needing a ride to a vaccine appointment. To increase participation, it wanted to offer a \$50 gift card as reimbursement.

The community need was urgent and aligned with Meta’s desire to improve access. MetaBank was able to rapidly respond to this need by creating a \$50 gift card. The request came in from the City and MetaBank had cards created and in their hands within 48 hours. The mayor was able to share the card in his press conference announcing the Good Neighbor program, driving increased awareness and participation.

Environmental Impact

At Meta, we are committed to advancing the sustainability of our business operations and minimizing our impact on the environment. We achieve this chiefly in two areas: reducing waste and energy consumption in our workplaces and through specialty financing of alternative energy projects.





Environmental Impact

Workplace

Consolidation of Workspaces

At the end of 2021, Meta employees were located in 38 states, plus the District of Columbia and in Ontario, Canada. An added benefit of our Talent Anywhere recruitment strategy is that as the proportion of our team who are working remotely grows, our need for physical office space decreases. We reduced our physical office footprint from 340,000 square feet to 271,000 square feet in calendar year 2021. The combination of employees working from home due to our Talent Anywhere strategy and in response to the pandemic also results in lower greenhouse gas emissions associated with employees' commutes.

LEED Certified Buildings

Meta leases office space in three buildings certified for Leadership in Energy and Environmental Design (LEED) by the U.S. Green Building Council. These buildings are located in Addison, Tx., Newport Beach, Calif., and Franklin, Tenn.

Other efficiency measures applied in our workplaces include:

- **Smart lighting.** In our two Sioux Falls offices, we've installed a Digital Addressable Lighting Interface (DALI) system, which uses lighting management software to minimize electrical consumption.
- **Electronic waste recycling.** In addition to recycling paper, plastic, metal and glass, our offices send their tech waste to our Sioux Falls location for disposal by Secure Enterprise Asset Management (SEAM). SEAM provides certified and compliant data destruction, electronics recycling and asset recovery of business technology equipment. In fiscal year 2021, we recycled nearly 6,000 pounds of electronics.
- **Less paper.** We have an ongoing commitment to increase our use of online data and document management and storage, greatly reducing our paper usage.

Commercial Finance

Financing small-scale alternative energy projects is a growing part of Meta’s Commercial Finance service line, helping us meet an unfilled need in this area.

In 2021, we originated \$101.1 million in renewable energy financing business, particularly solar. Not only did this result in \$26.5 million in total net investment tax credits, which has a positive impact on our bottom line, but the projects funded have the potential to have a powerful, positive environmental impact and reduce carbon emissions for many years to come.

Our alternative energy investments take various forms depending on which commercial lending service line executes the transaction.

- Our equipment finance group typically funds projects where a company needs financing to purchase and install power producing equipment (e.g., a rooftop solar array or a microgrid) for use in their operations to reduce costs, cut emissions or lessen dependence on the grid.
- A second channel is our USDA Rural Energy for America Program platform, which is sometimes coupled with the USDA’s Business & Industry Guaranteed Loan Program. Through this, we provide long- and short-term financing to help energy developers purchase, install and construct renewable energy systems.

- Third is our sale-leaseback product offering where we provide project finance and structure it such that we buy the equipment from the developer and lease it back to them. We are then eligible to collect the tax credits and depreciation benefits in that transaction, and we are essentially an investor and an owner in the project.
- In each case, a hallmark of our service is to provide flexible capital solutions that businesses can’t easily get elsewhere. This can also translate into support for new technology or new applications.

Renewable Energy Financing: Standard Solar

In early 2021, Meta’s Commercial Finance service line worked with Standard Solar, a nationally recognized leader in the acquisition, development, ownership and operation of commercial and community solar assets. They created a tax equity financing solution for 17 of their community solar projects in Minnesota and Massachusetts. Of these projects, 16 are based in Minnesota, and generate 3.89 million kilowatt-hours of clean energy on behalf of a mix of commercial and residential customers that want to support a cleaner environment.

“ Our strong relationship with Crestmark enabled the build and launch of this sizeable portfolio. Despite the myriad challenges presented by the pandemic, we worked collaboratively with them to successfully launch these projects, furthering the proliferation of clean energy throughout the U.S.”

Song Yi
Chief Financial Officer for Standard Solar



We have included select ESG performance data in this report. Please visit our [ESG Performance Data](#) to view a comprehensive data set.

We welcome your feedback. Please send questions or comments about this report to esg@metabank.com.

