TheBancorp™

Sustainability Strategy Statement

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1. Our commitment

The Bancorp, Inc. and its subsidiaries, including but not limited to The Bancorp Bank, N.A. (collectively, "The Bancorp"), seeks to operate the company and implement its business plan in a responsible manner. Guided by our corporate values, we are committed to environmental sustainability, social responsibility and strong governance practices (collectively, "Sustainability"). We strive to advance our corporate strategies in a manner that ensures good stewardship for the benefit of our stakeholders—including shareholders, employees, business partners and the communities where we live and serve.

2. Sustainability & our corporate values

Our corporate values drive all we do—including our approach to implementing sustainability. As we execute our corporate values on a day-to-day basis, we remain mindful of how our business practices, including the design and distribution of our products and services align with sustainability.

Client-first mindset

We put the intrests of our clients first, providing them with the resources, expertise and support to help them succeed.

From a sustainability perspective, we strive to consider the implications of how our business practices, products and services can satisfy the needs and requests of our clients (and, where applicable, their customers), and ultimately improve the communities we serve.

Principled approach to business

We operate our business with the highest standards of financial and ethical responsibility and accountability.

From a sustainability perspective, we strive to maintain strong and transparent corporate business practices that meet or exceed the regulatory standards applicable to our industry, as we continue to foster the social covenant of trust that is embedded in our financial institution charter.

Partner-focused solutions

We are dedicated as an organization to innocation, creative thinking and delivering value for our business partners and all those in The Bancorp community.

From a sustainability perspective, we strive to be a business partner that brings additional value to our business relationships by innovating business solutions that conserve resources, promote human well-being and reduce our impact on the environment, always keeping in mind the communities in which we and our partners operate and serve.

Enterprise strength

We govern our institution in a safe and sound manner and contribute to the strength and growth of the banking system, as well as all the communities we serve through our products and services.

From a perspective, we remain committed to strong corporate governance through effective management oversight and the implementation of disciplined, risk-based internal controls.

Culture

Our success comes from people who think bodly, act decisively and work together with purpose.

Across The Bancorp, employees are empowered to take initiative. Teams collaborate with powerhouse performance to solve complex challenges and deliver results safely and eddiciently. We share responsibility for outcomes and celebrate progress together because at The Bancorp expertise isn't just what we have – its how we work.

3. Sustainability principles that impact our strategy

As an organization, The Bancorp believes that responsible business growth requires us to take meaningful steps to continue to incorporate relevant sustainability principles into our business strategy. The sustainability related actions we take focus on creating favorable results and experiences for our local communities, clients, customers, employees and the environment – all within the context of our strategic business model.

Environmental responsibility through sustainable business growth

Limited physical locations

Since its inception, The Bancorp has been focused on delivering technologically innovative products and services without the need for brick and mortar locations. We remain focused on keeping a small physical footprint. Where physical locations are deemed necessary, we strive to select physical office locations that incorporate green building principles or standards. When restructuring existing office space, we are committed to implementing sustainable solutions in a practical and cost-effective manner.

Conserving resources

The Bancorp remains committed to reducing the Company's energy consumption, water usage, waste disposal and carbon footprint in a practical and cost-effective manner. We do so by promoting environmental sustainability initiatives with employees as well as working in partnership with our landlords to achieve continuing environmental and sustainable operational improvements. We work with clients remotely and use electronic documentation whenever possible. This allows us to conserve paper and reduce carbon emissions through reduced car, train and air travel. We continue to evaluate our business model and make additional adjustments that will favorably impact our local communities and the environment.

Sustainable banking products

Inspired by our partnerships with innovative fintechs, we continue to look for ways to leverage technology through sustainable products such as “virtual” cards that can facilitate the flow of payments without the need for plastic or paper. We continue to look for ways to offer payment and lending products digitally—to eliminate needless waste paper.

Social responsibility as an employer & corporate citizen

Employee empowerment & development

Because we view our employees as our most valuable asset, we seek to attract and retain toptalent. We pride ourselves in developing a culture of respect and empathy for our employees and fostering a work environment where employees are empowered to expand their knowledge base through learning and development so they can grow in their professional aspirations. We are committed to employee health and financial wellness, and this is reflected in our compensation strategies and employee benefit programs, which help employees balance work, life and family matters more effectively.

Inclusion

We foster an inclusive environment that thrives on connection throughout the organization. Our Employee Resource Groups (ERGs) are one way colleagues can come together to learn, lead and engage in meaningful collaboration. More than a third of our employees participate in our ERGs reflecting an inclusive culture where engagement drives performance and connection fuels purpose.

Promoting financial literacy & community growth

We remain committed to enriching and reinvesting in our local community by encouraging employees to serve in volunteer programs, providing corporate grants and participating in local outreach aimed at improving financial literacy within low- and moderate-income areas of our community. We also desire to give back to the communities within our regional area through donations to local charities, community development events and social outreach programs.

Access & affordability of our products & services

Consistent with our branchless banking business model and through leveraging technology, we work with like-minded business partners who are committed to financial inclusion through the development of accessible and affordable financial products and services. In particular, the payments-related products and services we deliver provide unbanked and under-banked persons with meaningful ways to access financial services not typically available through traditional banking channels. We continue to evaluate the evolving landscape of financial services and the changing needs of consumers and businesses and will facilitate the design of new and innovative financial products and the enablement of technology that seek to improve the lives of consumers while meeting societal demands and emerging social regulation.

Governance responsibility to ensure integrity & effective risk management

Leadership begins at the top with our invested board & executives

Our Board of Directors leads the way in making a priority of strong governance, ethical business practices, prudent risk management and transparent reporting. Our executives have appointed a Sustainability Working Group that is chanrged with ensuring that senior management strategically considers sustainability principles and related risks while implementing the Company's overall business plan.

Risk mangement framework

As a regulated financial institution, strong risk management practices are essential. Guided by numerous governance documents at the Board and management level, we are committed to following regulatory and legal requirements related to consumer protection, financial crimes and fraud prevention, cybersecurity, safe and sound operational practices and more. We maintain an enterprise-wide risk management program to promote the safety and security of our clients, and their customers and the safety and soundness of our organization.

Advancing ethical practices

The Bancorp's Code of Ethics and Business Conduct serves as a foundation for our commitment to ethical conduct. We continue to seek to uphold ethical business practices, including fair trade practices, fundamental human rights protections, fair labor practices, and anti-corruption practices. We desire to continue to advance these principles not only within our leadership and staff, but also within the wider Bancorp community—including our business partners, customers, suppliers and contractors.

4. Investing in the future

The Bancorp is committed to sustainable, values-based growth by promoting the well-being of our business partners, employees, communities and the environment. By committing ourselves to ethical, responsible and principled business practices today, we can help pave the way to a better tomorrow.

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