



U.S. Bank Launches New Approach to Build Wealth and Create Access for Diverse Communities

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U.S. Bank Access Commitment is a series of initiatives across the business to increase wealth building opportunities, starting with the Black community

Commitment includes \$25 million microbusiness fund for women of color business owners

MINNEAPOLIS--(BUSINESS WIRE)--Feb. 17, 2021-- U.S. Bank announced today details of its U.S. Bank Access Commitment, a long-term approach bringing the strengths of U.S. Bancorp Community Development Corporation (USB CDC), corporate social responsibility and its business lines, to help build wealth while redefining how the bank serves diverse communities and provides more opportunities for diverse employees.

Access Commitment will focus on three primary areas: supporting businesses owned by people of color, helping individuals and communities of color advance economically and enhancing career opportunities for employees and prospective employees. The ongoing work – which will include projects from across U.S. Bank’s diverse portfolio of businesses – builds on the [\\$116 million commitment](#) made by U.S. Bank in 2020 including increased supplier spend, innovative products, services and transformative customer experiences and long-term place-based partnerships with the goal of addressing the persistent racial wealth gap, starting with the Black community.

This initial launch includes:

- A new \$25 million microbusiness fund focused on businesses owned by women of color
- A mortgage program focused on homeownership education and hiring
- A focus on building sustained wealth as part of U.S. Bank’s wealth management business
- Financial inclusion partnerships
- Supply chain financing focused on diverse businesses
- Customized employee leadership development
- A change to how U.S. Bank fills open positions within the organization

“We believe access to capital for minority small business, housing and homeownership and workforce advancement creates opportunities for systemic change,” said Andy Cecere, Chairman, President and CEO of U.S. Bank. “U.S. Bank Access Commitment is our approach to building wealth and supporting individuals and small business owners through a series of business initiatives throughout 2021 and beyond. We are committed to be part of the solution.”

Supporting businesses owned by people of color

\$25 million microbusiness fund

The U.S. Bank Foundation and USB CDC will provide \$25 million in grants and investments through a new microbusiness fund for businesses owned by women of color. The fund is focused on providing access to capital, technical assistance and networking. USB CDC will provide \$20 million in debt capital to Black-led and women-focused community development financial institutions (CDFIs). U.S. Bank Foundation will provide \$5 million in grants to support expansion, capacity building, technical assistance and mentorship/networking. More on the fund, including selected partners will be shared in the coming weeks.

Expanding finance opportunities for diverse businesses

U.S. Bank’s Global Trade and Supply Chain Finance teams will expand existing efforts to provide trade financing to more diverse businesses, with a focus on supply chain finance. The team will work with U.S. Bank corporate and commercial banking customers to optimize working capital for diverse-owned businesses. It will do this by providing bilateral access to U.S. Bank’s receivables purchase program so they can provide competitive payment terms to their buyers but be paid earlier than the due date. This will help free up much needed capital by improving cash flow and enhancing their sales effort.

Expanding USB CDC’s ongoing commitment to racial equity

USB CDC continues to look across its business for ways to deepen relationships with partners that are Black-owned, Black-led or are prioritizing racial equity in their work. For example, it’s prioritizing patient and lower-cost capital to Black-led CDFIs through a partnership with the African American Alliance of CDFI CEOs; removing barriers and providing stronger support to Black-led affordable housing developers; and using an intermediary community development entity (CDE) model to create opportunities for Black-led CDFIs and CDEs to earn revenue, build experience and receive their own New Markets Tax Credit allocation.

Doing business with diverse businesses

In 2020, U.S. Bank committed to doubling its Black-owned suppliers within the next 12 months. U.S. Bank is making great progress and is on track to achieving this goal. Examples of areas of progress includes new engagements in real estate appraisals, digital, technology, and construction.

In the Fall of 2019, U.S. Bank joined the Department of Treasury’s Mentor/Protégé program to provide vital support to Minority Deposit Institutions (MDIs). Since then, U.S. Bank has been providing developmental assistance and engaged in revenue generating opportunities with First Independence Bank, a Black-owned bank headquartered in Detroit, Michigan.

Helping individuals and communities of color advance financially

Homeownership

U.S. Bank is introducing its DREAM (Delivering Resources that Enable Access to Mortgage) Initiative, focused on advancing Black homeownership and increasing Black representation in the mortgage industry for individuals and families across our national footprint through strategic outreach and

engagement with local community partners. The initiative includes enhanced adult financial education, youth outreach, and a mortgage loan officer development program focused on attracting underrepresented communities to mortgage as a viable career choice. U.S. Bank DREAM Initiative is set to launch in late summer.

Financial inclusion

Through our technology and operations business, U.S. Bank made an equity investment in Goalsetter, a Black-owned kids and family finance app that provides a next-generation, education-first banking experience for U.S. kids and teens, focused on financial literacy. U.S. Bank was one of the first corporations to provide investment into the app. U.S. Bank is working on opportunities to use Goalsetter in its everyday business offerings including, incorporating the app into its financial education experiences for customers and in its scholarship program.

During 2020, U.S. Bank launched financial wellness coach programs in Aurora, Colorado, and in the Pullman neighborhood of Chicago in partnership with Operation HOPE. The goal is to increase credit scores, savings and confidence, with an emphasis on serving people of color and underbanked individuals. Additionally, U.S. Bank will soon begin a new financial wellness pilot in Columbus, Ohio, offering financial education classes to high school students.

Building Black wealth

U.S. Bank recently conducted a survey* of approximately 4,600 people to better understand the wealth management needs of various populations (Black, Asian, Hispanic and Caucasian). Early findings of this survey found that the majority of Black respondents felt their community was at a disadvantage compared to the general population when it comes to wealth accumulation. U.S. Bank will unveil full results of the survey over the next several weeks, with findings used to help inform a broader initiative to build wealth in communities of color. Listening and learning are key drivers in determining U.S. Bank's Building Black Wealth next steps.

Enhancing career opportunities for our employees

Advancing Black leaders

U.S. Bank is committed to creating an inclusive culture where all employees are valued, empowered and given equitable access to opportunities to build and advance their careers. The company offers leadership development for all employees and will expand opportunities for both early- and mid-career employees and Black executives in partnership with the McKinsey Black Leadership Academy. To date more than 150 executives are participating in the program. U.S. Bank is also preparing to launch a second year of its Managing Committee Sponsorship Program, which pairs executive leaders with women, Black and Hispanic leaders to increase visibility and accelerate their advancement.

Ensuring diverse candidate slates

U.S. Bank recently expanded its diversity hiring efforts to include at least one woman or person of color in the interview process for all employment opportunities. Previous efforts had applied to manager level roles and above. The bank has also committed to expanding the use of diverse interview panels and is revising partnerships for sourcing diverse candidates.

"Launching U.S. Bank Access Commitment is an important next step in our focus on addressing the racial wealth gap, which suppresses opportunity for all Americans, and creating opportunities for all stakeholders to realize their full economic potential," said Greg Cunningham, chief diversity officer for U.S. Bank. "Our focus on developing the products, services and experiences that readily meets the financial needs of our diverse communities will ultimately help create more equitable outcomes for everyone."

More information at usbank.com/diversity.

* The survey was conducted by C+R Research. Majority of the survey respondents have more than \$100,000 in investable assets while a quarter had \$25,000-\$99,900 in investable assets. Survey respondents also included emerging affluent investors. This sample included 21-40 year-old individuals with a college degree and between \$55,000-\$90,000 in income.

About U.S. Bank

U.S. Bancorp, with nearly 70,000 employees and \$554 billion in assets as of December 31, 2020, is the parent company of U.S. Bank National Association, the fifth-largest commercial bank in the United States. The Minneapolis-based bank blends its relationship teams, branches and ATM network with digital tools that allow customers to bank when, where and how they prefer. U.S. Bank is committed to serving its millions of retail, business, wealth management, payment, commercial, corporate, and investment customers across the country and around the world as a trusted and responsible financial partner. This commitment continues to earn a spot on the Ethisphere Institute's World's Most Ethical Companies list and puts U.S. Bank in the top 5% of global companies assessed on the CDP A List for climate change action. Visit usbank.com for more.

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