

# CORPORATE SUSTAINABILITY REPORT

## 2023



## Dear Valued Reader,

On behalf of everyone at Peoples Bank, I extend our deepest gratitude to the people and places that have entrusted us with their support for the past 122 years. We are committed to conducting our business in a way that ensures that Peoples will be around for many years to come. To that end, our actions are guided by what we call "The PEBO Promise Circle," a set of guiding principles that shape everything we do:

- **C**lients First
- **I**ntegrity Always
- **R**espect for All
- **C**ommitment to Community
- **L**ead the Way
- **E**xcellence in Everything

These principles aren't just words on paper; these are the cornerstone of our business philosophy and our approach to environmental, social and governance ("ESG") matters. Being true to their values in the decisions we make and in our business practices is essential to driving sustainable long-term growth. I invite you to explore how we're putting our mission into action by reviewing this annual Corporate Sustainability Report. And please allow me to share some highlights from our recent efforts:

- In 2023 alone, Peoples Bank & Peoples Bank Foundation collectively contributed over \$2 million in sponsorships and donations to various charitable causes and organizations within the communities we serve. For instance, the Peoples Bank Foundation awarded \$692,000 in grants and scholarships to non-profit organizations and local students. Additionally, Peoples Bank made significant donations, including \$250,000 to Memorial Health System for a new Women and Children's Hospital.
- Peoples Bank received a Community Reinvestment Act ("CRA") rating of "Outstanding" on its March 23, 2020 performance evaluation by the Federal Reserve Bank of Cleveland. This rating underscores our dedication to meeting the credit needs of all communities we serve, including low-income and moderate-income neighborhoods.
- Our associates have continually demonstrated their commitment to making an impact on hunger in our communities. Since 2020, our associates have generously donated over \$500,000 from their own pockets to support local area food banks.
- Our commitment to our associates hasn't gone unnoticed. We're honored to have been recognized as one of the "Best Banks to Work For" by American Banker in 2023 - a testament to our ongoing dedication to our team members and the third year in a row we have received this honor.
- For the shareholders, we increased our dividend payout for the 9<sup>th</sup> consecutive year.



Our vision is to become the Best Community Bank in America, and we recognize our opportunity to uplift and empower our neighbors and the neighborhoods we call home. We appreciate your support as we continue our journey in 2024.

With sincerest thanks,

*Tyler Wilcox*

**Tyler Wilcox**  
*President and Chief Executive Officer*  
Peoples Bank





# HOW WE SUPPORT OUR ASSOCIATES

We are devoted to fostering the physical and mental well-being of our workforce and are proud to have been recognized by American Banker as one of the top 90 banks to work for in the United States in 2021, 2022, and 2023. We provide a comprehensive and competitive benefits package that supports the health and financial wellness of our associates. Some common benefits offered to our associates include the following:

## COMPENSATION

- 8 hours paid time to volunteer
- Health insurance premiums decreased for employees in 2024. Peoples Bank absorbed the increase
- Competitive paid time off program
- Emergency Assistance Fund
- Employee Stock Purchase Plan

## RETIREMENT BENEFITS

- 401(k) up to 6% match
- Eligibility, vesting, and match begin immediately

## EDUCATION BENEFITS

- Student Loan Forgiveness to help finance a portion of tuition and fees for an associate, bachelor's, or master's degree
- Student loan paydown program of \$200 a month applied to existing student loans
- Reimbursement of up to five business classes not part of degree program at 100%
- Peoples Family Scholarships for children of employees for both four-year university and two-year technical school





# HOW WE SUPPORT OUR CLIENTS



## ONE OF OUR CORE VALUES IS CLIENTS FIRST.

This means doing what is in the best interest and meets the needs of the client and not pushing products. We are committed to meeting the financial needs of those in the communities we serve, including all low and moderate-income and minority areas within our communities. We have consumer lending products such as our Dreams2Keys program, which helps borrowers in a low-to-moderate-income census tract or located in a majority-minority census tract gain homeownership. We offer many ways to avoid the maintenance fee on our checking and savings products. Peoples Bank closed 446 small business loans totaling \$51.4 million in 2023. Most importantly, we are proud that Peoples Bank received a Community Reinvestment Act ("CRA") rating of "Outstanding" on its March 23, 2020 performance evaluation by the Federal Reserve Bank of Cleveland. This rating is reflective of our

record of meeting the credit needs of the communities we serve, including low-income and moderate-income neighborhoods. We are also proud to have opened a new branch location at 5727 Madison Road, Cincinnati, Ohio, in 2023 in a majority-minority census tract.

Meeting the needs of our clients also means providing excellent service and timely resolution of any issues or questions they raise. To that end, we established a Client Advocacy position in 2022 and a Client Experience position in 2023 to streamline customer complaint management and resolution and to drive the implementation of process improvements that benefit clients. We also made a significant investment in 2023 to implement customer relationship management software from Salesforce, which will help us to better connect with and serve our clients. In addition, in early 2024, we created an internal call center to support our client-facing associates in providing timely assistance to our clients.



Finished in the top 15% in the United States in terms of SBA 7(a) approved loans for fiscal year 2023



**Introduced Interactive Teller Machine** to 11 branches in 2023, expanding drive-thru hours to give clients more time to bank.





# HOW WE SUPPORT OUR COMMUNITIES

At Peoples, we continually strive to use our knowledge, talents and resources to improve the quality of life in our communities. We are committed to making a positive and meaningful difference in the neighborhoods where we work and live. Therefore, we measure success not only in financial terms but also in our ongoing actions, such as fundraising efforts,

educational sponsorship, community development, food drives and partnerships with local universities. Our charitable giving occurs in two distinct areas - financial contributions and volunteerism - both of which are of equal importance and emphasis within our organization.



Over **\$2M**  
in sponsorships  
& donations  
collectively by  
Peoples Bank  
& Peoples Bank  
Foundation  
in **2023**

**\$504,021**

AMOUNT RAISED IN **ASSOCIATE  
DONATIONS** TO LOCAL FOOD  
BANKS & PANTRIES FROM APRIL  
2020 TO DECEMBER 2023





ENVIRONMENTALLY FRIENDLY AND  
SUSTAINABLE BUSINESS PRACTICES

We strive to operate our business in a sustainable manner and to be good stewards of the environment. With a view to increasing efficiency and reducing waste, we are continuing to digitize manual back office and financial center functions. We also offer digital delivery of banking services and electronic bank statements to reduce the amount of paper used in our business. In addition, we employ recycling collection bins for aluminum, plastic and paper, and we recycle toner cartridges and electronic equipment.

During branch renovations in 2023, we donated approximately 200 pieces of furniture to non-profit and other organizations rather than sending these items to the landfill. We are adding solar panels to our branches in Jackson, Ohio, and Brooksville, Kentucky, which will produce at least 90% of the average energy used at each branch, and we plan to install solar panels to additional branch locations in 2024. In 2023, Peoples continued its purchase of renewable energy production for a majority of its Ohio locations. Going forward, we will continue to focus on reducing paper usage through digitization, waste reduction and energy and resource efficiency in our facilities.

As of year end 2023, 3 locations feature solar panels with more planned in 2024.

Pictured: Peoples Bank in Spencer, West Virginia



CUSTOMERS CONTINUE TO ADOPT  
MOBILE AND ELECTRONIC STATEMENTS



ENERGY EFFICIENT LED LIGHTING  
AT ALMOST ALL LOCATIONS

7% GROWTH IN eSTATEMENTS DURING 2023  
17% MORE CONSUMER ACTIVE MOBILE DEVICES





# HOW WE SUPPORT OUR SHAREHOLDERS

Peoples Bancorp Inc. ("Peoples", Nasdaq: PEBO) is a member of the Russell 3000 index of U.S. publicly-traded companies. Peoples offers services through Peoples Bank (which includes the divisions of Peoples Investment Services, Peoples Premium Finance and North Star Leasing), Peoples Insurance Agency, LLC and Vantage Financial, LLC.

We believe that strong governance and sustainability oversight are essential to providing long-term value for our shareholders. In 2023, our stock dividend yield and stock payout ratio remained competitive as compared to our peers. We are committed to continuing practices that allow for this level of stock dividend. Furthermore, our one-year total shareholder return was 26% as of December 31, 2023.

Our corporate governance program provides a foundation for operating our business in a manner that is fair, ethical and responsible. Our Corporate Governance Guidelines reflect our Board's commitment to sound and effective governance and serve as a framework for the stewardship of our company. Our Code of Ethics outlines our principles that help each of us make the right decisions when conducting business.

Over 90% of our directors are independent, which allows for our Board to provide objective oversight of management performance and overall risk management. Our Board is also diverse, with 54% of directors being diverse in terms of gender or race/ethnicity as of February 26, 2024. Our

leadership structure consists of a different person serving as each of the Chief Executive Officer and non-executive Chairman of the Board, with the Chairman of the Board being an independent director. We believe this leadership structure allows the Board to provide effective oversight of management.

Peoples utilizes a comprehensive enterprise risk management framework to identify, assess, measure, monitor, report and control risks throughout the company, including ESG risks. The Risk Committee is comprised of all the independent directors of the Board, in addition to Peoples' Chief Executive Officer ("CEO"), and is responsible for oversight of our risk management processes. Our management-level risk committee, which consists of senior leaders at Peoples and reports directly to the Risk Committee, develops our risk appetite, monitors key risk indicators and assesses and monitors current and emerging risks. Peoples' Chief Risk Officer oversees our enterprise risk management framework and reports directly to the Risk Committee and administratively to our CEO.

We believe our compensation programs and philosophy are appropriately designed to reward performance, protect the interests of our shareholders and provide appropriate incentives to executive management, while not encouraging excessive risk-taking. We believe that tying compensation to the results achieved is vital to the long-term sustainability of Peoples.



2023  
**Top 50**  
Community  
Banks

\$3B - \$10B in assets

**S&P Global**  
Market Intelligence





**We believe in focusing our efforts where we can have the most impact.** Consequently, our ESG areas of focus are organized around our associates, our local communities, our clients, and our shareholders. By relentlessly pursuing the creation of value for all four, we will ensure the sustainability of our business for many years to come.







138 PUTNAM STREET | PO BOX 738 | MARIETTA, OH 45750 | 800.374.6123

**peoplesbancorp.com**

**Peoples Bancorp®** is a federally registered service mark of Peoples Bancorp Inc. **The three arched ribbons logo** is a federally registered service mark of Peoples Bank.  
**Peoples Bank (w/logo)®** is a federally registered service mark of Peoples Bank.