

Evans Bank Corporate Social Responsibility Report 2023

As a community bank, Evans is embedded in the communities we serve. We know that being fully engaged in these efforts not only strengthens the network of nonprofit organizations serving our neighborhoods, but it also adds immeasurably to the career satisfaction of our associates.

We take our position as one of the few locally headquartered community financial institutions in the region very seriously, as Western New York is where Evans Bank was founded over 100 years ago.



Community Support

Evans continues to focus its support on the most disenfranchised areas of our communities

- The Bank completed its five-year \$100,000 pledge to East Side Avenues, a public-private partnership which invests in neighborhoods and infrastructure to make lasting transformational change. Those investments have begun to bear fruit with exciting advances on several projects including the Michigan Street African-American Heritage Corridor, Central Terminal and the Broadway Market, which will benefit from more than \$90 million in investments over the next three years.
- The Adams Street Infill Housing Initiative, in which Evans collaborated with the City of Buffalo Office of Strategic Planning and the Buffalo Erie Niagara Land Improvement Corporation (BENLIC), is ready to break ground this spring. The revised plan will see the construction of twelve affordable homes adjacent to our Westminster Commons branch in East Buffalo. BENLIC has assumed the lead on the project, paving the way for subsidy support from the New York State Homes and Community Renewal's Affordable Homeownership Opportunity Program (AHOP).
- Evans is providing support and Federal Home Loan Bank Affordable Housing Program (AHP) sponsorship for the Build Promise Project to be developed across from St. Luke's Mission of Mercy in East Buffalo. This \$6.6 million project will provide resources and wraparound services to low-income women, men, and families in an area that has long been the epicenter of poverty and homelessness in Western New York. In addition, the new 22,500 square foot facility will provide shelter beds for homeless men year-round with additional shelter during Code Blue or other emergencies.
- Evans continued its work with the Greater Rochester
 Housing Partnership in the City of Rochester's innovative
 "Buy the Block" program. New, single-family, high-quality
 homes are being developed for qualified residents to

purchase with affordable mortgages. There is an overall goal of building up to 100 new homes in under-invested areas of the city and assisting current homeowners in implementing home improvements through grants and free consultation, including roofing and exterior façade repairs.

 In recognition that more than 45% of people live below the poverty line in Buffalo and Erie County, and more than 12% of Erie County is food insecure, Evans contributed \$20,000 to support FeedMore WNY's capital campaign to build a 197,700 square-foot facility aimed at centralizing its regional operations and expanding its myriad food programs. FeedMore is the lead organization fighting hunger in our community.

Evans Signature Philanthropic Program: Work/Life Solutions

In 2018, Evans Bank and the United Way of Buffalo & Erie County partnered to create Work/Life Solutions. This workforce persistence program was based on a national model which helps employees of participating companies deal with outside-of-work issues that distract them from their work or may even impede their ability to maintain a job.

Since its initial investment, Evans has contributed a total of \$650,000 to the program, which provides resource referrals from dedicated resource coordinators, financial education, and a loan and savings program in which loans of up to \$1,000 are repaid through payroll deduction, allowing borrowers to establish or improve credit and build savings. The Office of the Comptroller of the Currency has encouraged banks to offer small dollar loans, and Evans has been acknowledged for innovation and leadership in this area.

A record 178 loans were made in 2023, bringing the total of WLS loans made to date to 688. Over 150 borrowers have kept their savings accounts open and active after their loans were fully paid and have collectively saved over \$80,000—funds that will have an impact on their ability to deal with future emergencies.

An analysis of the credit scores of those who have taken out multiple loans in the program revealed that, for some of these individuals and families, the loan has been a transformative financial advancement tool, allowing them to raise their credit scores as much as 150 points, gain access to mortgages and auto loans and significantly elevate their financial status, fully leverage their fee-free bank accounts at Evans, and wholly participate in the banking system rather than use check-cashers or payday lenders.

Work/Life Solutions enjoyed enhanced visibility this year as it was recognized nationally during FINRA's National "Financial Wellness at Work" Conference held in Buffalo in October. Evans was also presented with the United Way "Forging Unlikely Partnerships" Award in recognition of our role in making this invaluable workforce training sustainability program possible.

Community Reinvestment

The Bank is proud of its record of community reinvestment, including mortgage and small business lending, community development loans, investments, and service to our communities, with special attention on low- and moderate-income (LMI) neighborhoods. Products and services specifically created for this population were launched as detailed below. A \$1.0 million investment was placed with nonprofit venture development organization Launch NY's Community Reinvestment Act (CRA)-qualified fund supporting small businesses, and a \$5 million CRA loan was closed in Rochester.

Sponsorships

Evans supports several non-profit organizations through sponsorships, including Darwin Martin House, Buffalo Urban League, area Chambers of Commerce and Rotary Clubs; children's charities such as Make-A-Wish, Boys & Girls Clubs and Junior Achievement; and environmental causes including the Erie County Agricultural Society.

Evans sponsored an inaugural client and community celebration on the grounds of its headquarters at which over 20 clients/vendors and community partners were spotlighted.

Volunteerism



Volunteer service is an invaluable tool in advancing communities and helping associates feel fulfilled and engaged with their neighbors. Evans provides associates the opportunity to use paid time off to perform community service activities and in 2023, this amounted to nearly 5,000 hours of service.

Through our Community Commitment Team, Financial Fitness program and individual and team service hours, Evans associates have had a significant impact on the communities we serve.

Community Commitment Team

The Evans Community Commitment Team made a positive impact on our neighbors in need by:

- Volunteering for a variety of organizations including Summit Center, Boys & Girls Club, Buffalo City Mission, Cradle Beach Camp and Bivona Child Advocacy Center.
- Raising funds for Hospice Buffalo, the Heart Association, the Breast Cancer Walk and the United Way of Buffalo & Erie County.

- Holding drives to collect personal care items for veterans, holiday gifts for needy children and teens, and baby items for expectant mothers.
- Overseeing our participation in the United Way Day of Caring, through which associates cleaned, painted, and distributed groceries and meals at three non-profit sites in the City of Buffalo.
- Organizing a third successful annual Westminster Commons Neighborhood Cleanup around our East Buffalo branch.



Financial Fitness

Evans Bank's Financial Fitness team, which is comprised of dozens of associates from across lines of business and support functions, facilitated 76 workshops on varying topics including Fraud Prevention, Savings Options, Budgeting, and Insurance for Business. Over 50 of the workshops were conducted within an LMI census tract, with a total of 1,771 participants.

"Financial Fitness is the exact thing that all schools need to have! All students regardless of age need to be learning what you are here to teach because this will follow them forever." Teacher, Rochester Central School District

As we move forward, we will continue to embrace service and approach it in a manner consistent with our philosophy by focusing on our associates, clients, and community.

Products & Services

The major metropolitan areas in our market, Buffalo and Rochester, both have poverty rates over 30%. As a financial institution, Evans has proactively sought to design and provide products and services that are responsive to the specific needs of these communities:

The Evans Affordable Mortgage is a mortgage product that
offers underwriting flexibility, rate discounts, and closing
cost assistance (lender credit) to qualified borrowers who
meet specific income criteria. Buyers may borrow up to
97% of the subject property's value and are not obligated to
obtain private mortgage insurance. A Homebuyer Counseling Certificate is required for first time homebuyer
purchases and the product may be used for purchase,
rate-term refinances, and rehab financing.

- The Evans Neighborhood Mortgage offers underwriting flexibility and rate discounts, as well as closing cost assistance (lender credit) to qualified borrowers whose subject property is located within a low-and-moderate income census tract based on Federal Financial Institutions Examination Council (FFIEC) target areas. Borrowers are not obligated to obtain or bear the expense of private mortgage insurance, and this product may also be used for purchase, rate-term refinances, and rehab financing.
- The Evans Ignite program which offers a .125% discounted rate and \$500 credit towards application fee to community servants.
- A new Better Business Line of Credit scored product was introduced with added accessibility and ease of application.
- Retail Business Banking created a cash reserve (overdraft protection) product, and an innovative scored line of credit for businesses in low-and-moderate income census tracts.
- A BankOn certified no-fee checking account product is geared toward bringing unbanked and underbanked members of the community into the financial mainstream.
- Usage of Translation Services increased by 50% and included 10 languages as Western New York's population reflects increasing numbers of refugees and immigrants.

Environmental Sustainability

Evans is committed to promoting environmental sustainability in our lending and philanthropy. Several of our large commercial and nonprofit projects involved the adaptive reuse of existing facilities. The Bank supported the new East Buffalo headquarters for GoBike Buffalo, which promotes clean energy transportation options and sustainable job training for youth and has partnered with the Erie County Agricultural Society for decades. Our partnership with Buy the Block in Rochester is focused on making new affordable housing more energy-efficient to reduce both homeowner expenses and negative environmental impact.

Our Team

As of December 31, 2023, Evans employed 300 full-time employees. The average tenure of all full-time associates was approximately 6.3 years while the average tenure of executive officers was approximately 12.2 years.

We are committed to ensuring that an inclusive culture is a strategic priority. One of our strategic plan goals is building the preeminent community financial institution, admired for performance, culture, integrity and talent. Through these efforts, our associates have again certified Evans as a Great Place to Work® in 2023 with an 86% engagement score and 84% of associates saying they consistently feel a sense of belonging, which we measure as the rate of inclusion within our culture.



96% believe that Evans is a physically safe place to work.

94% say that when you join the company, you are made to feel welcome.

92% feel management is honest and ethical in its business practices.

92% feel good about the way we contribute to the community.

Our Culture and Values

Evans Bank's corporate culture has been a central pillar in our interactions with associates, clients, and the communities we have proudly served for over 100 years.

Our culture is designed to adhere to Evans' values of integrity, valuing others, talent, passion, ownership and alignment, and customer focus. In keeping with those values, we expect our people to treat each other and our clients with the highest level of honesty and respect and go out of their way to do the right thing.

We dedicate resources to attract, develop and retain talented, diverse employees; promote an inclusive and safe workplace free of any form of discrimination or harassment; foster a culture of integrity, caring and excellence; and reward and recognize associates based on their individual results and performance, as well as that of their department and the Company overall. We seek to design careers that are fulfilling, with competitive compensation and benefits alongside a positive work-life balance. We also dedicate resources to fostering professional and personal growth with continuing education, on-the-job training, and development programs.

To create a benchmark measurement as to how Evans is living out its culture, a pulse survey was conducted, with 83% of associates stating they experience others exhibiting our Core Values on a consistent basis, and that they are experiencing our culture descriptors of belonging, agility, purpose, collaboration, influence, impact, and accountability on a frequent basis.

We are committed to attracting, retaining, and promoting top quality talent regardless of race, color, creed, religion, sex, national origin, age, disability, marital status, military and protected veteran status, sexual orientation, gender identity, genetic information or predisposition or carrier status, those affected by domestic violence, and any other category protected by law. We are dedicated to recognizing and respecting all the characteristics and differences that make each of our associates unique and add diverse perspectives that reflect all those we serve.

Inclusion Diversity, Equity and Awareness (IDEA)

We re-emphasized our deep commitment to our Inclusive Strategic Plan to better empower Evans associates to further an inclusive culture. We established an Employee Resource Group structure to further inclusion and belonging at Evans, including a Culture Ambassador initiative and enhanced alignment of our Advisory Council to advise on progress. Evans also reinforced its commitment to diversity by sponsorship and participation in events such as the Buffalo Juneteenth celebration, Pride events in Buffalo and Rochester, the Puerto Rican/Hispanic Day Parade, as well as the Tee It Up for the Troops fundraiser for veterans' services. The Bank continues to expand its supplier diversity program which leverages Evans' corporate vendor contracts to support women and minority owned businesses.

"From the very beginning of my business, Evans helped me set up accounts, notarize documents and provide credit information to numerous vendor partners. Because of this comfort level, my husband and I also moved all our personal banking business to Evans. As a vendor to Evans, I am always impressed by the team's creativity and openness to ideas that are sometimes outside the box. Julie Waldron, Owner, Proforma,

Evans Client since 2007 and Supplier since 2011



Pay Parity

Evans continues to support an inclusive culture by maintaining pay parity across gender, race and ethnic backgrounds, ensuring associates in the same job grade are paid relative to one another. In 2023, a Retail title change project increased transparency and consistency among positions.

Careers and Development

Retention of talent is critical and ensuring that associates see an opportunity to advance within the organization is a key aspect of job satisfaction. We respect and welcome the uniqueness of individuals and achieve our goals through the efforts of committed associates throughout our organization. Through our talent development and coaching environment, nearly one-fifth of our associates attained career advancement in 2023.



Outreach and Recruitment

Our team realized a 13% increase in ethnic minority associates through concentrated recruitment efforts. Strategic community partnerships not only allow our associates to enjoy rewarding service experiences, but they also serve as recruitment opportunities as we live out the Evans culture.

- The Company partnered with Say Yes Buffalo as our first Say Yes / CareerWise Apprentice began with entry into our newly built Retail Career Path, as featured in the Buffalo Niagara Partnership's Career Pathways Program.
- The Employee Experience Team participated in job fairs hosted by WUFO radio station and Buffalo Employment Training Center (BETC) and presented at City Honors High School in Buffalo to discuss career readiness with students. Partnerships were solidified with Native American Community Services, Jewish Family Services, Rochester Works, and the Rochester Urban League to advertise job opportunities and recruit diverse applicants.
- Evans also began its participation in the WNY Women's
 Foundation All-In Program, whose mission is to make
 Western New York a premier place for women and gender minorities to live, work, and lead by engaging the community in purposeful efforts to illuminate pathways to leadership and cultivate inclusion.

Associate Investment

Evans continues to contribute to the Western New York economy, providing employment to 300 individuals in Buffalo and Rochester. Our median salary is \$63,000 with a comprehensive suite of employee benefits including health, dental, vision and life insurances, in addition to retirement planning vehicles. In 2023, the Evans student loan reimbursement program provided associates \$42,531 in student loan interest savings and \$30,450 in principal savings, for a combined total savings of \$72,981.

Diversity in Governance and Management

Having diverse governance and management teams that represent the multifaceted perspectives of our community is of great importance to us. We continue to build upon our 43% diverse representation among senior management and 50% within our Board of Directors. This year, two new directors--cybersecurity/IT professional and Rochester resident Dawn DePerrior and attorney/DEI expert Robert James--were elected to the Evans Bancorp, Inc. Board of Directors.



Associate Training

To ensure that all associates are free from harassment or discrimination on the basis of sex, gender or any other basis, Evans maintains a zero-tolerance policy regarding harassment or discriminatory conduct. Our Non-discrimination and Anti-harassment Policy prohibits harassment or discrimination by a supervisor, employee, client/customer, visitor, or representative of business with whom we interact. Evans provides annual training for all staff and informs each registered vendor of our commitment to anti-harassment, non-discrimination, and equal employment practices, as well as our commitment to diversity and inclusion. In addition, 100% of associates complete training to review our Code of Conduct Policy which details the ethical behavior the Company expects of every associate and Board Member.

Continuing Commitment

As we enter 2024, Evans remains committed to serving clients, associates, shareholders and communities and to ensuring that we are making a positive difference for all.



Jana genacia