

CORPORATE RESPONSIBILITY

2023



EB Enterprise Bank
CREATE YOUR SUCCESS

CORPORATE RESPONSIBILITY

2023

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Message From Our CEO

On January 3, 1989, Enterprise Bank opened its doors at 222 Merrimack Street in Lowell, MA with a vision to help create successful businesses, opportunities, wealth, and vibrant, prosperous communities. Since our inception, we have never wavered from our mission to grow a locally-owned-and-managed commercial bank, operated with a deep sense of purpose and committed to the core values of excellence, integrity, teamwork, professionalism, and community.

At a time when the health of our environment, the well-being of our communities, and the integrity of our institutions have never been more crucial, Enterprise Bank recognizes the link between our success and the way we interact with the world around us. We are proud to present our Corporate Responsibility Report for 2023.

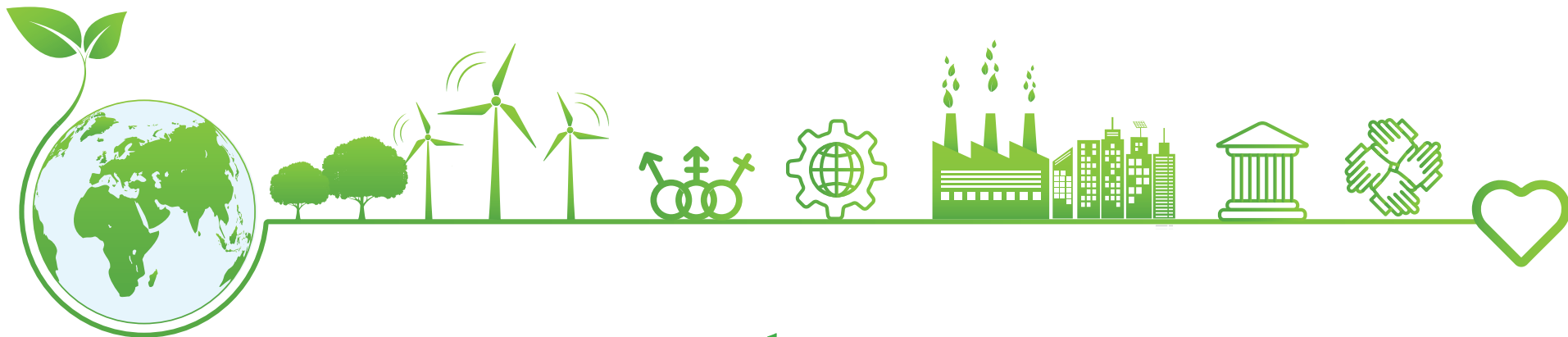
This report serves as a comprehensive overview of our initiatives, achievements, and ongoing commitment to fostering sustainability, supporting our communities and team members, and upholding the highest standards of corporate governance. It also functions as a roadmap for the future, outlining our efforts to integrate corporate responsibility considerations into every facet of our operations going forward. It reflects our dedication, not only to protecting and preserving the interests of our team members, customers, and shareholders, but also to fostering a holistic positive impact on the communities we serve.

We firmly believe that financial success is not a solitary pursuit; it is inseparable from our responsibilities to each other, our stakeholders, and our communities. This report underscores that belief and our dedication to taking meaningful action to create a more sustainable, equitable, and prosperous future for all.

Thank you for joining us on this journey towards sustainability and responsibility.

Sincerely,

Jack P. Clancy
Chief Executive Officer



Environmental

Enterprise Bank is committed to engaging in sustainable practices. Our dedication to the welfare and preservation of our environment is reflected in our comprehensive sustainability strategy which involves reducing our carbon footprint and fostering environmentally responsible practices throughout our operations. By integrating environmentally conscious decision-making into our business, and by enlisting sustainability buy-in from the vendors and partners we work with, we endeavor to be a catalyst for positive change, contributing to a more sustainable future for all and producing better outcomes for our bank, our communities, and our customers. Towards that end, we are proud to report that our responsible business practices and investments throughout the years have had a measurable impact on reducing our environmental footprint, building a more sustainable community and future, and enhancing the way we do business.

Growth of Digital Banking

Enterprise Bank has embarked on a journey of digital evolution, seeking to digitize and modernize operations, not only to adapt to evolving customer and stakeholder expectations, but also to reduce our environmental footprint. Digital banking, which allows customers to manage their finances and banking needs whenever they want and wherever they are, has firmly cemented itself as a core banking service—one that customers now expect rather than simply want.

The rise in digital self-service has resulted in fewer customers visiting bank locations, eliminating the associated fossil fuel expenditures and paper statements, receipts, and forms that accompany physical visits.

We also saw significant increase in e-statement adoption this year, with 20,594 out of 63,779 total accounts opting for e-statements in 2023 (32.3% adoption rate)—a 1,070 (0.9%) account increase over 2022. Most of our customers receive monthly e-statements that, on average, are three pages long each. By adopting e-statements, our customers saved an estimated 741,384 pages and 247,128 envelopes over the past year.



Retail Online Banking Logins

2021: 1,354,162 logins

2022: 1,387,911 logins

2023: 1,560,748 logins



Retail Mobile Banking Logins

2021: 1,969,236 logins

2022: 2,018,248 logins

2023: 2,180,387 logins

Digitization of Documents

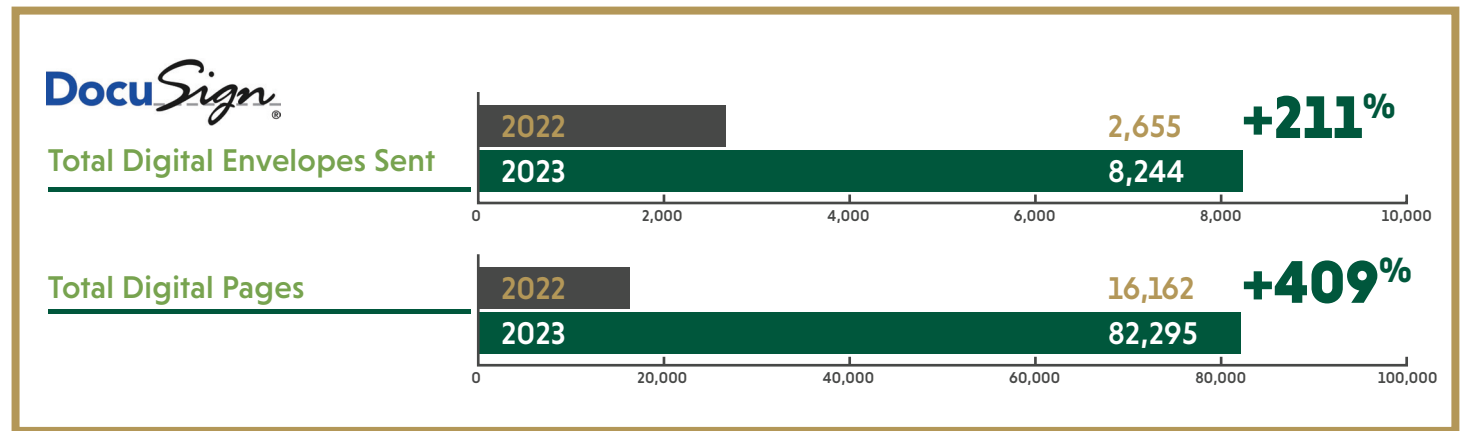
In 2023, our Bank continued to see the results of replacing paper-based processes with digital processes, helping eliminate paper usage, energy used in printing, and postage—all while reducing the time and effort spent circulating and signing documents. With online-only mortgage applications, online account opening services, electronic signatures, and employee direct deposit payments, the Bank has taken great strides in sustainability and paper conservation.



Enterprise continued to expand its utilization of DocuSign—an industry-leading electronic signature solution—in 2023, enabling our bank to digitize various paper-based signature processes to create a more sustainable and convenient client experience with a quicker turnaround time. As a result, the Bank’s team members were able to send 8,244 “electronic envelopes” containing 82,295 digital pages in 2023 in lieu of their paper counterparts. That constitutes a 211% increase in electronic envelopes sent and a 409% increase in digital pages sent in 2023 over those sent in 2022.

In 2023, 695 mortgage applications were submitted to the Bank. Of those, 296 were HELOC applications and all applications were submitted electronically.

Both residential mortgage and HELOC applications are 16 pages long, with residential mortgage applications containing 62 pages of disclosures each and HELOC applications containing 29 pages of disclosures each. The electronic submissions of these applications and disclosures in 2023 translated into an estimated 44,442 pages of paper saved.



73.3%
HELOC applications submitted via computer

26.7%
HELOC applications submitted via mobile device

MORE THAN 90%

of our in-house server environment has been virtualized.

The Bank hosted

12 webinars

involving

376 participants

for a total of

19,108 minutes

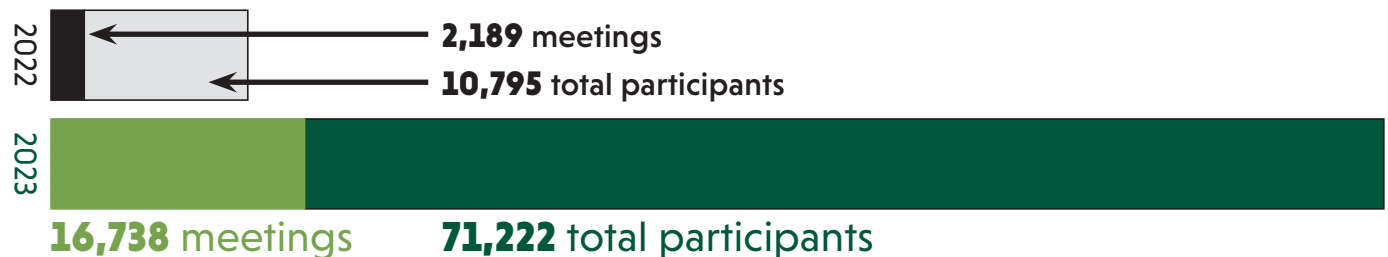
Technology Infrastructure

Enterprise Bank is engaged in ongoing efforts to leverage the cloud to reduce the physical space occupied by our data centers as well as their associated power consumption. Currently, more than half of Enterprise's total applications are housed in the cloud, and we continue to accelerate cloud adoption as we further streamline operations and improve energy efficiency. In addition, more than 90% of our in-house server environment has been virtualized and is running on consolidated, energy-efficient hardware, reducing overall power consumption. Additionally, we reduced the equipment footprint in our data centers in 2023 by decommissioning multiple legacy storage devices and by increasing capacity in our newest storage arrays. This change helped reduce the amount of cooling needed and power consumed in our main and backup data centers.

Our bank also utilizes Zoom Meetings—accessible from any location with access to our virtual network or through any Bank-managed iPhone—for cloud-based meetings. The adoption of Zoom Meetings has greatly decreased team members' need to travel and has freed up resources onsite, such as conference room availability. In 2023, Bank employees held 16,738 meetings, involving 71,222 total participants, for a cumulative 3,242,032 meeting minutes. The Bank also hosted 12 webinars during that time, involving 376 participants, for a total of 19,108 webinar minutes.

For printing, the Bank uses a comprehensive, carbon-neutral-certified managed print service to support our printers and multifunction printers (MFPs), which print, scan, copy, and fax with a single device, consolidating our equipment and making us more energy efficient throughout our organization. MFPs also minimize the physical space our technology occupies and reduce our deployment times. The devices we have installed possess built-in energy-saving features, support double-sided printing, and use recycled toner cartridges for more sustainable operation. In 2023, as our processes became more digitized and our printing needs decreased, we adapted by beginning our transition towards a 15% reduction in our printer fleet.

Zoom Meetings



This past year, the Bank also issued remote equipment to team members working in a fully remote or hybrid work mode. Team members were provided with laptops and peripherals, enabling them to securely and effectively carry out their responsibilities when working offsite. As a result of this process and of our mixed work mode environment, onsite power consumption was significantly reduced in 2023.

Electronic Waste Recycling

Enterprise Bank partners with an ISO 14001-certified recycling company to handle electronic waste recycling, compliant with Massachusetts Department of Environmental Protection requirements. The company resells as much old equipment as possible, continuing the life-cycle of each item, and recycles the rest, removing all company ID tags and software and protecting clients' proprietary information through DoD-compliant data wiping or physical drive destruction.

Sustainable Facilities Operations

Over the years, our Bank has made various improvements to our facilities that have augmented our sustainability. Enterprise's downtown Lowell offices, for instance, constitute roughly 100,000 square feet of operation space dating back to before the 20th century. Adaptive use of these buildings has forgone the carbon cost of constructing new buildings, and the investments we have made in improving the facilities have better optimized their operational energy efficiency.

In recent years, we have replaced the roofs and added more efficient insulation, cutting wintertime energy consumption associated with heating. We have also replaced the windows in our buildings with better-insulating alternatives, consolidated our data center to reduce its size and energy consumption, and replaced our old data center AC units with more environmentally friendly and modern alternatives.

Additionally, we upgraded our Drum Hill branch into a high-efficiency building in 2023, making it our fourth such high-efficiency location alongside our Londonderry, NH; North Andover, MA; and Salem, NH branches, each featuring high-efficiency electric heat pumps (they consume no on-site delivered fossil fuels, instead running off of electric power which we offset with sustainable, green energy). We also continued our efforts to change out existing lighting for high-efficiency LED fixtures, aiming to eliminate all fluorescent lighting by 2026, with our Westford branch receiving upgraded lighting in 2023.

Enterprise Bank also utilizes a 97% AFUE (Annual Fuel Utilization Efficiency), high-efficiency boiler system at two of its downtown Lowell buildings. When the system was installed, it reduced the gas consumption required to heat our buildings by 30% and involved the removal of twelve 24/7 circulation pumps, reducing the Bank's electricity consumption. Our mortgage center and loan operations center in our downtown Lowell campus are also equipped with a high-efficiency heat pump.





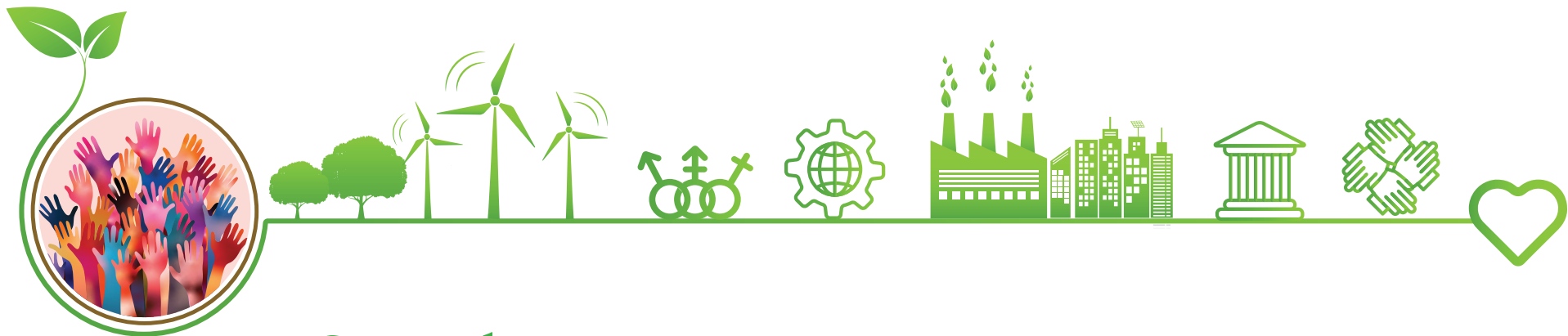
Additionally, 2023 was the first full year under a new contract that provided Enterprise with a 100% sustainable supply of electrical power. In other words, the electricity consumed by Enterprise Bank in 2023 was completely offset by sustainable power supplies such as solar, hydropower, and wind, and will continue to be totally offset going forward.

Across Enterprise's wider geographic footprint, we've also started participating in various community solar farm projects, allowing us to support solar initiatives constructed around the service area of the Bank. Currently, Enterprise purchases 180 kW DC offtake from community solar projects, offsetting our reliance on fossil fuels.

Among our branches, solar panels were added to our Drum Hill and Methuen locations in 2023, enabling them to generate some of their own energy through solar power; these installations mark our second and third branch solar panel installations, following our initial installation at our South Billerica branch. In 2024, we plan to install solar panels at our Westford and Leominster branches, and looking forward, the Bank is in discussions to install solar panels in our downtown offices as well. Furthermore, Enterprise shreds and recycles about 145,000 pounds of paper annually and uses toxin-free cleaners throughout all our buildings.

Corporate Responsibility in Wealth Management

Enterprise Wealth Management (EWM) offers globally diversified investment solutions. Our investment process involves evaluating thousands of managers in more than a dozen asset categories. Many of the managers we include in our client portfolios have their own corporate responsibility guidelines for selecting specific securities for their funds. The development of corporate responsibility scoring methods, such as those now widely available to Morningstar subscribers, has provided EWM with this important additional topic for discussion with potential managers.



Social

Enterprise Bank is a true community bank, leading with a deep sense of mission and purpose. We are steadfast in our commitment to strengthening the social fabric of our communities, investing our time, resources, and expertise and standing beside our neighbors in service. We believe in the importance of fostering strong and inclusive communities, and we actively engage in initiatives that promote social responsibility, diversity, and inclusion. We are also dedicated to providing a workplace environment that makes all of our team members feel welcome, safe, valued, and respected, and offer them a multitude of professional development opportunities to help them grow and succeed.

Our commitment extends to ethical lending practices and financial inclusion as well, ensuring that we provide fair and accessible financial services to all, and financial literacy education and diversity training to members of our community. We are actively involved in our communities, supporting various philanthropic endeavors each year, investing in non-profits, engaging in community development, and helping under-served communities. Additionally, the Bank's rigorous code of ethics and transparency holds our actions to the highest standards of integrity. Our dedication to community is not just a core value; it is a fundamental part of how we operate and an assurance to our clients and stakeholders that we value them and are here for them.

Our Core Values

Excellence

Integrity

Teamwork

Professionalism

Community



Bank Culture

We take tremendous pride in our people-first culture that has consistently earned us a spot on the Boston Globe's Top Places to Work rankings. In 2023, Enterprise Bank's 12th consecutive year recognized, we placed 9th among large-sized companies featured on The Boston Globe's list. In the past, we have placed as the #1 Top Place to Work within our category in multiple years.

Our Bank culture is built around Enterprise's core values: Excellence, Integrity, Teamwork, Professionalism, and Community. These values, established at the Bank's inception, are instilled in each Enterprise banker from the day they join us. They are values we strive to exemplify daily and are fundamental to how we operate.

At the start of 2023, the Bank launched a team member engagement campaign—Working Together to Create Success—to strengthen connections among our team members, increase the physical presence of leadership, enhance communication, address technology needs, and reinforce our people-first culture. Our bank also hosted several employee appreciation events throughout the year, giving back to the team members that are the cornerstone of our success. Some of the team member appreciation events we organized in 2023 included a bank-wide Wamesit Lanes outing, various engagement trainings, leadership visits, a new-hire mixer, various pop-up event days, and our inaugural Celebrating our Enterprise Spirit Dinners—regional team dinners featuring socialization among colleagues, participation in big-ticket-item raffles, and catered dining.

At Enterprise, team members can also recognize each other for exceptional contributions through our R.A.V.E. (Recognizing and Valuing Everyone) program. Team members can submit "RAVES" via the Compt platform to recognize the outstanding work of fellow Enterprise bankers. When RAVE-ing a fellow team member, Enterprise employees can gift RAVE-ees Compt funds from a monthly stipend each team member receives. RAVE-ees who receive Compt funds can then apply the funds they receive towards purchase reimbursements of their choosing.

Our team submitted more than 400 RAVES in 2023 recognizing fellow team members.



Our team submitted
400+ RAVES
recognizing fellow team members

The Boston Globe
TOP PLACES TO WORK
2012-2023

This is our
12TH CONSECUTIVE
year recognized

Employee Resource Groups at the Bank



Diversity, Equity, Inclusion, & Belonging

At Enterprise Bank, we encourage and foster a culture of diversity, equity, inclusion, and belonging where everyone feels valued and respected. Creating vibrant, prosperous communities is a fundamental part of our founding purpose and we support broad-based community and economic development projects encompassing the culturally diverse interests of our markets.

When George Duncan founded Enterprise Bank in 1988, he chose downtown Lowell for its headquarters, in part, because of the city's diverse population. Over the years, we have mindfully and intentionally expanded to the gateway cities of Lawrence, Nashua, Leominster, and Fitchburg, gaining and learning so much through our immersion in the cultures, diversity, ideals, and traditions of these cities.

Here at Enterprise, we have taken various steps to promote a more diverse, equitable, and inclusive environment where everyone feels like they belong. Our Bank-wide DEIB Program Steering Committee—formerly known as the Inclusion Council—was founded to further embrace and promote awareness of personal identity in the workplace, to identify equity gaps and help resolve them, and to strengthen everyone's sense of belonging within our Enterprise family, and it oversaw our various DEIB efforts and initiatives in 2023. This past year, we also added two new initiative committees tasked with increasing financial literacy and access to residential lending information and services among under-served populations.

The Bank also employs a DEIB Manager who is responsible for developing the strategy and approach to building effective initiatives with the goal of further enhancing our progress in hiring, mentoring, advancing, and promoting people of color and strengthening feelings of inclusion, equity, and belonging.

To help team members with similar backgrounds and experiences connect, and to bring together supportive networks, we've established several Employee Resource Groups (ERG) at the Bank, including the PRIDE C.O.R.P.S. (Community of Respecting People's Sexuality & Gender), Veterans ERG, Working Parents ERG, and our Multicultural Alliance—a cross-functional team of ambassadors who promote diversity and share ideas to help celebrate our differences while seeking connections through inter-cultural conversations, awareness, and respect. In 2023, a Young Professionals ERG was established at the Bank with a mission to help develop our young professionals through education, guidance, resources, and networking opportunities.

In 2023, our ERGs offered more than 20 learning opportunities to our team members and community members. In addition, our DEIB Talent Management Strategy Workstream offered two career panels—one for college students and another for veterans—and worked with an external consultant to offer "Bias and the Talent Management Life-cycle" to managers and supervisors and "Your Career Development: You don't have to check all the boxes" to team members. A follow-up career panel, entitled "Your Career Development: You don't have to check all the boxes to advance your career at EB," was also organized.



At the end of 2023, our Enterprise family was

600

Team Members Strong



To help foster a more understanding and respectful work environment, we continue to offer, bi-annually, "Creating and Managing a Respectful Workplace" to supervisors and managers and require all team members to complete the "Everyone Working Together for a Respectful Workplace" online course.

Employee Development

Our Bank recognizes that our team members are our greatest assets and the driving force behind our success. We strive to attract the best talent and to foster their growth and development to pursue their highest potential, continually investing in and supporting the ongoing development of our team members.

In 2023, our Enterprise team logged a combined total of 16,465 hours of training and development. This included in-person, virtual, and hybrid trainings as well as seminar, webinar, and conference attendance. Team members also passed a combined 15,506 exams and courses across all training and development activities, including conference, seminar, webinar, and academic program activities.

Managers are encouraged to work with their team members to develop individualized career development plans and strategies based on our S.O.A.R. framework: Strengths, Opportunities, Aspirations, Results. Enterprise also offers a mentorship program to help guide team members and contribute to their holistic personal and professional development.

In 2023, the Bank distributed \$76,050 in tuition reimbursement to team members continuing their formal higher education—a more than \$5,500 increase over 2022.

Employee Benefits

Enterprise strives to provide team members with a range of compensation and reward programs that are meaningful and important to them. The benefits we offer seek to demonstrate the value we see in our team and our appreciation for them, incentivizing them to employ their full potential in the service of our customers and the Bank and to position them to share in the benefits of the results they help produce.

We offer compensation opportunities that are competitive with our geographic markets. New team members starting in entry level roles begin at above minimum wage, and we have increased starting pay each year. We will continue to increase our salary grade structure annually to remain ahead of the market.

One incentive program we offer is a Spot Bonus Award Program, which delivers immediate and visible recognition and reward to team members who demonstrate exceptional performance. Spot bonuses are awarded by managers and supervisors, at their discretion, to team members who provide valuable and outstanding contributions beyond their day-to-day responsibilities while exemplifying team spirit and service excellence. In 2023, 258 spot bonuses totaling \$54,125 were awarded.



Enterprise awarded
258
spot bonuses
totaling **\$54,125**

76
employee
referrals resulted in
14 new hires

Enterprise offers unique programs to give team members a greater vested interest in the Bank's success. We offer an Equity Ownership Participation Program to qualifying team members, enabling them to share in the success of the Bank more directly. Our Variable Compensation Incentive Plan incentivizes qualifying team members to perform well by rewarding them with a monetary payout if the Bank achieves a predetermined net income goal in a given year.

Additionally, our Bank has an Employee Referral Program where team members who refer qualified candidates for open positions receive a monetary reward if their referrals receive an offer and accept the position. In 2023, 76 employee referrals were submitted which resulted in 14 new hires.

As part of our "total rewards," we offer employees several insurance plan options—including three health insurance plans, two dental insurance plans, and two vision insurance plans—and 401(k) matches. In 2023, the Bank matched \$1,937,018 in team member contributions. Enterprise bankers also have access to our Employee Assistance Program (EAP)—which offers help to team members and/or their household members who may be experiencing problems related to life changes and/or personal stress—paternity leave, tuition reimbursement, short- and long-term disability, and flexible work arrangements.

Through our flexible work arrangements, we show our team members that we care about their circumstances and that we understand they have changing needs. Flexible arrangements enable our team members to effectively manage responsibilities at home, with family, at work, and in the community; manage personal life transitions, such as the birth of a child or caregiving of an elderly parent; feel good about being part of a supportive organization that values and trusts them to have more control over when work gets done; and recommend the company to friends, family, and potential customers, acknowledging support for work-life fit and building on our reputation as a "Best Place to Work."



Hybrid

Onsite

Offsite

In 2023, we also introduced formalized work modes: Hybrid, Onsite, and Offsite. Offering various work mode options gives team members the flexibility to work in the manner that best suits their needs and circumstances. The work mode(s) individual team members are eligible for depend on their position and responsibilities, their ability to effectively carry out their job duties, and the discretion of their manager. We also began providing Bank-issued equipment—including laptops, monitors, and peripherals—to all Hybrid and Offsite team members in 2023, ensuring that all team members have the equipment they need to effectively work remotely.



Engagement, Wellbeing, & Wellness

Enterprise Bank's wellness program encourages a healthy lifestyle and supports team members' physical, financial, spiritual, and emotional wellbeing through ongoing holistic education programs, interactive initiatives, and social support.

In 2023, we offered a variety of virtual education sessions, on-demand recordings, and digital resources to team members. We also provide monetary rewards for completing certain wellness activities, incentivizing team members in their wellness journeys.

Workplace Safety

Enterprise Bank is committed to ensuring a professional, safe work environment that is free from all forms of sexual and sex-based harassment, and from harassment on the basis of race, color, religion, gender, national origin, age, sexual orientation, genetic information, gender identity, disability, marital status, veteran status, or other legally protected status. Our team receives annual ethics and conduct training and our Employee Handbook—which all team members are required to review annually—outlines our Harassment Policy and our Whistleblower and Non-Retaliation Policy.

We employ electronic access controls, video surveillance, security guards, and alarms throughout our entire organization to provide the safest environment possible for our team members and customers. Additionally, team members receive annual safety and security training, including CPR, active shooter response, personal defense, and first aid training. The Bank also currently employs 63 team members who have received CPR/AED (automated external defibrillator) certifications through a Bank-sponsored program. These team members work across all our branch locations and downtown Lowell offices. All Bank locations have AED units for use in the event of an emergency.

CRA, Volunteering, & Charitable Donations

One of Enterprise Bank's five core values is "community." Our Bank and our team members continually seek ways to support local businesses in their pursuits of success, and we welcome opportunities to share of our time, expertise, and resources for the betterment of our communities. We are deeply invested in supporting local community organizations in their missions and we stand beside them in service. Team members interested in giving back in their communities are encouraged to do so, and the Bank has a policy of allowing team members to fulfill their community involvement commitments during regular work hours as long as it does not interfere with the fulfillment of work responsibilities.

CRA ratings (Community Reinvestment Act)



Lending performance
test result:

High Satisfactory



Investment performance
test result:

High Satisfactory



Service performance
test result:

Outstanding

In total, more than 185 Enterprise team members serve on more than 285 boards and committees for organizations within our communities—with 90 team members serving on multiple boards and committees. The Bank also supported more than 425 organizations through sponsorships, donations, and volunteer efforts in 2023. Enterprise Bank's commitment to community has earned it perennial recognition as one of the top companies in the state in volunteerism.

The Bank's most recent CRA (Community Reinvestment Act) ratings—based on performance tests in lending, investment, and service—were "High Satisfactory" in both lending and investment. In service, we received the highest possible rating—"Outstanding"—reflecting our longstanding commitments to our community and social responsibility. Enterprise Bank also offers a United Way payroll deduction program. In 2023, \$19,984.72 was deducted from employee payrolls and donated to United Way.

Non-Profit Collaborative & Business Leadership Forum

Understanding that strong and successful non-profit organizations are vital to the well-being of any region, and that the needs of these organizations go far beyond charitable giving, Enterprise Bank founded the Non-Profit CollaborativeSM in 2008 to provide critically needed programs, resources, and guidance to non-profits in our region. This includes an ongoing, free Educational Seminar Series, networking and relationship-building opportunities, and board and volunteer support to benefit these valuable organizations that have such a profound impact on our communities.

In 2023, the Non-Profit Collaborative held three well-attended virtual seminars open to members of the community and non-profit organizations: "How to Build a High-Performance Board," "The New World of Corporate Volunteer Engagement," and "Inclusive Strategies for Supervisors or Peers to Support Employees with Diverse Abilities."

Additionally, Enterprise Bank established its Business Leadership Forum in 2021 as a resource for our business community members in the Merrimack Valley, North Central Massachusetts, and Southern New Hampshire. Centered on topics that are relevant to businesses in our region, these free virtual seminars often highlight many of the commercial banking products offered by Enterprise Bank. In 2023, the forum presented "Engaging Employees for Better Business & Greater Good," highlighting new and innovative ways that companies, both big and small, can increase employee engagement to achieve better business and greater social impact.

Financial Literacy

Financial literacy training and resources are some of the important services we provide to our communities. Members of our team presented senior financial exploitation awareness training on Acton, MA and Dracut, MA cable programs, as well as at Chelmsford senior housing locations. The training discussed scams targeting elder populations, ways to identify fraud, and tips on how to protect yourself against these financial threats.



Enterprise Bank

originated

**615 CRA
small business
reportable loans**

(loans \$1mill and less)
in 2023 totaling about

\$120,254,000

32

community development
loans for consideration
totaling about

\$104,252,000

122 loans

were originated in
LMI census tracts,
totaling about

\$149,255,000

16 loans

were originated to those
of the BIPOC community

In addition, members of our team volunteered at the Credit for Life financial literacy event for Andover High School students, sharing information on topics such as banking, budgeting, and security best practices, and our CEO, Jack Clancy, attended Financial Literacy Day at Chelmsford High School. Enterprise Bankers also volunteered at Junior Achievement's "In A Day" program at South Lawrence Elementary School, teaching 4th graders about entrepreneurship, work readiness, and financial literacy through experimental, hands-on programs designed to help youths understand the economics of life. One of our team members also hosted a series of seminars for Methuen Arlington Neighborhood Inc. based on Junior Achievement's financial literacy curriculum and, for Lawrence High School Early College participants—students who take classes at Northern Essex Community College for both high school and college credit—Enterprise Bankers presented Money Smart, a financial literacy program.

Our EnterpriseBanking.com website also features a "Learning" section that contains a large, free repository of financial literacy articles on a wide range of timely and relevant topics, authored by our team members and published regularly.

Accessible Lending

As a true community bank, Enterprise is committed to providing products and services that cater to the various kinds of consumers in our service area, allowing us to help create more vibrant and prosperous communities.

Among the mortgage programs we offer are Veteran Affairs (VA) loans—a \$0-down mortgage option issued by private lenders and partially backed or guaranteed by the Department of Veteran Affairs; Federal Housing Administration (FHA) loans—government-insured home mortgages that require a lower minimum down payment and lower credit score requirements than many conventional loans; the Massachusetts Housing Partnership (MHP) ONE Mortgage program—a Massachusetts first-time homebuyer program that breaks down barriers and creates more homeownership opportunities for low- and moderate-income homebuyers; and HEAT loans—loans offered through Mass Save® and participating lenders, providing interest-free financing opportunities for energy-efficient home upgrades like heating and water heating equipment, insulation, central air conditioning, heat pumps, ENERGY STAR® qualified replacement windows, and more.

Additionally, we originated 615 CRA small business reportable loans (loans \$1mill and less) in 2023 totaling about \$120,254,000. Of those loans, 493 were within our assessment area. Throughout the year, we submitted 32 community development loans for consideration totaling about \$104,252,000, funding development related to affordable housing, LMI community services, and economic development, revitalization, and stabilization. Furthermore, consistent with the Home Mortgage Disclosure Act (HMDA), 122 loans were originated in LMI census tracts, totaling about \$149,255,000, and an additional 16 loans were originated to those of the BIPOC community, as reported in their demographic information during the loan process.

Enterprise Bank was recognized with industry cultural excellence awards in 10 categories in 2023:



Leadership



Innovation



Compensation and Benefits



Work-Life Flexibility



Purpose and Values



Employee Well-Being



Employee Appreciation



Professorial Development



Financial Services

Feedback & Improvement

Soliciting feedback is an integral way in which we evaluate our Bank's performance and operations, helping to identify what we are doing well and areas for improvement.

To ensure that we continue delivering the exceptional service that Enterprise is known for, and to validate that we are offering the products, services, and experience that our customers desire, our Bank has an ongoing program called 'Voice of the Customer' that invites customers to share their honest feedback with us. For feedback on specific transactions (i.e., Mortgage, New Accounts, Commercial Lending), we email customers who have recently had an experience with our team members and invite them to participate in a survey.

Our Customer Experience Department reviews all results daily, looks for recurring themes and trends, and then works with the respective areas by sharing the feedback and working with them to create a better experience for the future. Similarly, managers work with their team members to reinforce exceptional service by celebrating the positive feedback from customers and by coaching team members through identified opportunities for improvement.

Another feedback and evaluation tool that we leverage is Net Promoter Score, a metric measured by many organizations across multiple industries that helps companies track and understand their customer or member advocacy. Enterprise Bank's Net Promoter Score in 2023 was 94.9%.

In addition to external feedback, Enterprise also seeks feedback internally from our team members. Each year, the Bank conducts an internal experience survey that asks team members about their experiences working with various departments they regularly interact with. The results are shared with the respective department managers so they can work with their teams to address areas that need improvement.

Awards & Recognitions

Thanks to the incredible work of our team members, our Enterprise was recognized in several ways in 2023.

Our people-first culture is reflected in Enterprise Bank's recognition by The Boston Globe for twelve consecutive years as one of The Top Places to Work in Massachusetts. In 2023, we were ranked #9 among 55 large-sized companies in this category, and in three separate years we have been named the #1 place to work.

Enterprise Bank was also recognized with industry cultural excellence awards in 10 categories in 2023: Leadership, Innovation, Compensation and Benefits, Work-Life Flexibility, Purpose and Values, Employee Well-Being, Employee Appreciation, Professorial Development, and Financial Services.



Of the many recognitions we have earned over the past 35 years, none are more important than these because they come directly from our team members and their experiences at Enterprise. They are a testament to our team members' resilience, adaptability, and commitment to each other, to our customers, and to the communities we serve. Day after day, year after year, our team maintains the same high level of customer service and professionalism that our customers have come to expect from us, regardless of the circumstances.

We were once again recognized for our philanthropy and community leadership at Boston Business Journal's "Corporate Citizenship Summit." We ranked 52nd in a listing of the largest corporate donors in Massachusetts and #2 for the highest average hours of community service among team members, with an average of 36.24 hours of community service per team member. We are immensely proud of our Enterprise team and grateful for all they do each day in the communities where we work and live.

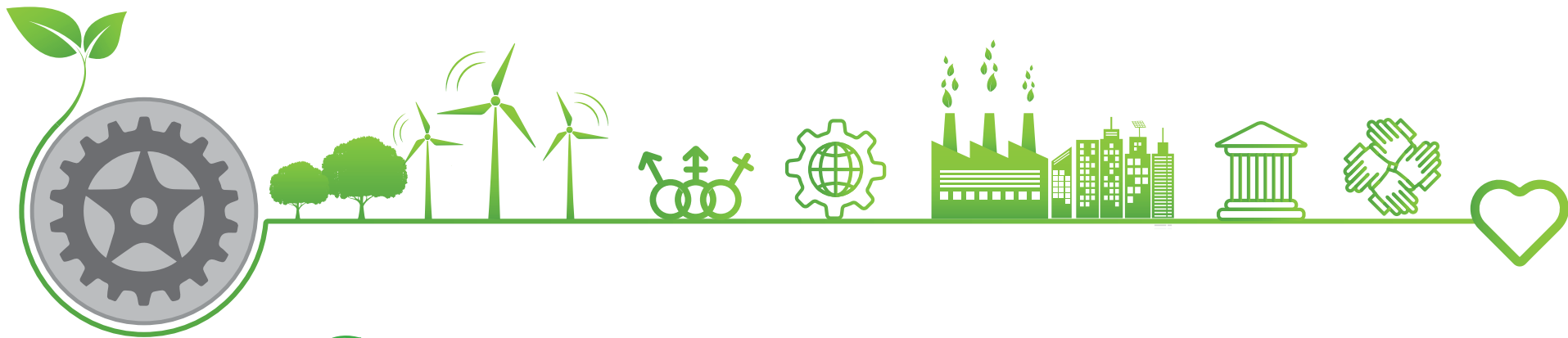
In 2023, we were also recognized by the U.S. Small Business Administration (SBA) NH District as New Hampshire's leading third-party lender. Our Bank was recognized for long-term commitment to the SBA 504 Loan Program and for our significant loan volume in 2023.

Leadership Development & Succession

Our Bank is always looking towards the future needs of our organization, our communities, and our team members. Seeking to ensure seamless operations, we constantly look to develop and attract talent to prepare for leadership succession. By employing a mix of external talent for fresh perspectives and the development of internal talent to foster leaders with a deep understanding of the Bank and its history, we ensure that the Bank is always prepared for the next phase in its life-cycle. During our spring and fall promotion periods in 2023, Enterprise celebrated 122 promotions and saw 33 open positions filled by internal talent.

Our Bank identifies team members internally who exhibit potential as future leaders and invites them to participate in development series designed to augment their skills and prepare them for leadership roles. In 2023 the Learning and Development team conducted various leadership trainings throughout the year; programs and courses offered included: Predictive Index: Inspire People to Perform; Mentorship: P.E.P Manager Forum; Bias in the Talent Management Life Cycle; Inclusive Leadership; Top Place to Work - Leveraging the Survey Feedback to Enhance Engagement; Engaging Teams in a Multi-Mode Workplace; S.O.A.R. and How to Write Development Plans/Succession Planning; Employee Relations, Documentation, Warnings, and Retaliation; Creating and Managing a Respectful Workplace; Stress Management Awareness; and our Supervisor Managerial Education Program (SMEP).

In addition, leaders and future leaders at the Bank are given opportunities externally for development. These team members will often continue their education, with the Bank's support, by participating in certificate courses at local universities or by seeking coaching opportunities with partners outside the Bank.



Governance

Enterprise Bank is committed to upholding the highest standards of corporate governance and ethical conduct. We view these principles as cornerstones of our institution, setting the foundation for trust, accountability, and sustainable success. Our governance framework, beginning with our executive leadership team and our Board of Directors, is designed to ensure transparency, fairness, and responsible decision-making at every level of the organization as we seek to provide long-term value for our stakeholders, customers, and communities. Furthermore, we maintain rigorous codes of conduct and compliance which we regularly review and update. In alignment with our bank's core value of 'integrity,' employees are encouraged and empowered to report any violations they encounter or concerns they experience.

The responsibilities associated with managing risk, data security, and privacy to safeguard our operations and our customers is also included under the umbrella of 'governance' and are overseen by our executive leadership and Board of Directors. Enterprise Bank maintains rigorous risk management practices in place that align with best practices and regulatory requirements in order to identify, assess, and mitigate potential threats. In today's ever-changing digital landscape, cybersecurity safeguards and policies demand careful oversight and constant vigilance. To uphold the financial integrity of our institution, and to merit the trust and confidence that our customers and stakeholder put in our bank, we hold ourselves to the highest standard of accountability and responsibility.



The average tenure
of the members is
15.9 years

27.7%
directors are
women (5/18)

83.3%
are independent
(15/18)



Board Operations & Independence

The growth and success of Enterprise Bank is a reflection, in large part, of the direction, guidance, and oversight set by our strong, independent Board of Directors. Strong leadership and sound corporate governance are essential to the long-term success of any organization, and Enterprise simply would not be who we are today without their tireless dedication, resiliency, compassion, and—above all else—their spirit. The Board members of Enterprise Bancorp, Inc. and Enterprise Bank are accomplished leaders from diverse backgrounds, bringing unique perspectives, skills, and experiences necessary to drive our continued success and make us a stronger financial institution and community leader. Fiercely dedicated and committed to the Bank's core values, vision, and principles, our Board operates from a true purpose-driven spirit and serves with honesty, integrity, and character.

Our Board of Directors consists of 18 members and is divided into three classes, with one class of directors standing for election each year. Of our 18 directors, 15 are independent (83.3%), with George L. Duncan, our founder, serving as the Executive Chairman of the Board and James F. Conway III, an independent director, serving as the Lead Director of the Board. He is responsible for chairing any executive sessions held by the Board.

To assist in guiding and overseeing our strategic decision-making and initiatives, the Board operates several committees. The Board's Strategic Planning Committee develops and tracks the progress of the annual strategic plan—our roadmap of major Bank-wide initiatives for the year. Our independent Internal Audit department, led by the SVP & Internal Audit Director, reports directly to the Audit Committee of the Board of Directors. The Audit, Corporate Governance/ Nominating, and Compensation and Human Resources committees consist solely of independent directors. These committees meet regularly and report updates to the Board to help guide our Bank's strategic direction.

The Board holds a minimum of two executive sessions each year that consist solely of independent directors. Each committee of the board is required to hold a minimum of one executive session each year.

The management and the Board of Enterprise Bank are intently focused on driving and overseeing our corporate responsibility efforts.

Board Diversity & Expertise

We strive to maintain a Board comprised of directors of various backgrounds, perspectives, and areas of expertise. The average tenure of the members is 15.9 years. Of our 18 directors, 5 are women (27.7%) and 15 are independent (83.3 %).

Various directors bring financial expertise to the Board. Carol Reid and Nickolas Stavropoulos are designated as the Audit Committee Financial Experts (SEC designation), and another two Board members—James Conway and Michael Putziger, qualify as financial experts as defined by NASDAQ.



All Board members possess long track records of professional ethics, integrity, and responsibility. They share our Bank's values and are committed to helping us pursue the interests of our shareholders and clients.

Code of Business Conduct & Ethics

The Board maintains a set of corporate governance guidelines that outline the role, functions, activities, and qualifications of the Enterprise Bank Board of Directors. All directors and team members are also required to annually acknowledge our Code of Business Conduct and Ethics which outlines the values and standards of conduct that Enterprise bankers are expected to adhere to. These documents can be found on the Investor Relations section of our website at EnterpriseBanking.com. In addition, board members are required to participate in annual ethics training.

Risk Management, Data and Cyber Security, & Privacy

At Enterprise Bank, nothing is more important to us than the safety and security of our customers who trust us to keep their money and data safe and secure, as well as keep them informed of how to safeguard their assets and information. We earn that confidence and trust every day through our commitment to identifying and mitigating potential risks to our business and to our customers.

We employ a strong risk management culture and risk governance process, supported by ongoing employee education, training, and testing. The Board of Directors is responsible for the overall risk management of the Bank, with each committee responsible for a key area of risks, overseeing our robust information security program and policies focused on cybersecurity, encryption, and protection of customers' data privacy. The Chief Risk Officer reports to the Board twice annually on key risks and the adequacy of management's risk management program.

Through open communication and training, all employees are responsible for adhering to best practices in risk, information privacy, and cybersecurity. The Bank has a documented system of internal controls built on the Committee of Sponsoring Organizations' (COSO) 2013 framework that is compliant with the Federal Deposit Insurance Corporation Improvement Act (FDICIA). Our information security approach follows the National Institute of Standards and Technology (NIST) Framework. Consideration is also given to best practices found in the SANS Top 20 IT Controls. The Technology and Information Security Committee oversees our technology operations and strategy, along with management's handling of cyber- and information-security threats.

Our organization's technology environment is scanned on a regular basis to identify potentially suspicious devices or known vulnerabilities. We employ third-party experts to periodically test the Bank's environment and evaluate our protection against external threats. Additionally, automated systems and third parties monitor our system daily to identify any suspicious activity or access.



Enterprise has implemented layered security approaches for all electronic delivery channels to detect, prevent, and respond to rising cybersecurity risks. Management utilizes a combination of third-party information security assessments, key technologies, and ongoing internal and external evaluations to protect non-public personal information, to continually monitor and attempt to safeguard information on its operating systems, in cloud-based solutions, and those of third-party service providers, and to quickly detect attacks. The Bank also utilizes firewall technology, multi-factor authentication, complex password construction, and a combination of software and third-party monitoring to detect and prevent intrusion and cybersecurity threats, guard against unauthorized access, and continuously identify and prevent computer viruses on the Bank's information solutions.

Enterprise Bank uses a third-party risk management program that enables management to determine what risk—if any—vendors, indirect vendors, or subcontractors expose the Bank to. The program rates and mitigates risk by performing initial and ongoing due diligence when selecting or maintaining these types of relationships for our on-premise, cloud-based, and third-party hosted technology solutions.

The Bank's Disaster Recovery and Business Continuity Program provides the information and procedures required to enable a rapid recovery from an occurrence that would disable the Bank's operations for an extended period. The plans establish responsibility for assessing a disruption of business, contains alternative strategies for the continuance of critical business functions during an emergency, assigns responsibility for restoring services, and sets priorities and timelines by which critical services will be restored.

Enterprise has developed an Incident Response Plan to guide our actions in responding to real and suspected information-security incidents. Disclosure controls and procedures compel us to make appropriate, accurate, and timely disclosures of material events and incidents to both customers and regulatory authorities. The reaction to an incident aims to reduce potential damage and loss and to protect and restore confidence through timely communication and the restoration of normal operating conditions for computers, services, and information.

The Technology and Information Security Committee of the Board oversees the technology and cybersecurity strategies and their alignment with business strategies. The Committee also oversees the effectiveness of the information security program and monitors the results of third-party testing, risk assessments, and the response to breaches of customer data. Other project management, cybersecurity, and business continuity oversight functions also fall within the purview of the Committee.

We also maintain a set of internal controls over financial reporting designed to provide reasonable assurance to management that the information we are required to disclose in reports we file with, or furnish to, the SEC is prepared and fairly presented based on properly recorded, processed, and summarized information. The Audit Committee of the Board oversees the effectiveness of the internal controls over financial reporting.



Engaging Shareholders & Customers

We have a longstanding commitment to transparency in communicating our financial performance and strategic objectives to our community, customers, and current and potential shareholders. Our community and stakeholder communication methods include quarterly earnings releases, annual reports, and publicly available filings with the U.S. Securities and Exchange Commission, all of which are available to the public on the investor relations section of our website.

About This Report

This report speaks as of end of year 2023. All information, data, opinions, and activities contained in this report are subject to change without notice. The metrics and quantitative data contained in this report are not based on generally accepted accounting principles and have not been audited. Neither Enterprise Bancorp, Inc. nor any of its affiliates assume any responsibility or obligation to update or revise any such information, data, opinions, or activities, without regard to whether any of these are affected by the results of new information, future events, or otherwise. This report does not, and is not intended to, create any relationship, rights, or obligations, legal or otherwise, and you should not rely upon this report to do so.

The inclusion of information and data in this report is not an indication that such information or data, or the subject matter of such information or data, is material to Enterprise Bancorp, Inc. for purposes of applicable securities laws or otherwise. The principles used to determine whether to include information or data in this report do not correspond to the principles of materiality contained in the federal securities laws, the concept of materiality used to determine whether disclosures are required to be made in filings with the U.S. Securities and Exchange Commission, or principles applicable to the inclusion of information in financial statements.

Our goals regarding our corporate responsibility initiatives are aspirations. They are not guarantees or promises that we will meet all or any of our goals. Any statistics and metrics regarding our corporate responsibility activities are estimates and may be based on assumptions or developing standards.

No part of this report constitutes, or shall be taken to constitute, an offer to sell, or the solicitation of an offer to buy, any securities of the Corporation or any other entity. This report is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, tax considerations, or financial situation or needs of any investor. This report and the information contained in this report are not incorporated by reference into, and are not a part of any offer to sell or solicitation of an offer to buy any securities of, the Corporation pursuant to any offering registered under, or any offering exempt from, the Securities Act of 1933. All investors should consider such factors in consultation with financial, tax, and legal advisors of their choosing when deciding if an investment is appropriate.

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