



ESG

2023 ANNUAL FRAMEWORK
ENVIRONMENTAL | SOCIAL | GOVERNANCE

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MESSAGE FROM OUR ESG COMMITTEE

We are pleased to introduce Manasquan Bank's 2023 Environmental, Social, and Governance (ESG) report. Integrating ESG principles into our business strategy is not only a responsibility, but also a cornerstone of our commitment to sustainable growth and societal impact. This report underscores our efforts to drive positive environmental outcomes, foster inclusive social practices, and uphold robust governance standards across all aspects of our operations.

MESSAGE FROM OUR CEO



Creating meaningful impact through our ESG initiatives is not just a commitment, but a cornerstone of our ethos at Manasquan Bank. Our dedicated ESG Committee, provides valuable strategy and guidance, and continues to drive sustainable practices across all facets of our operations. The Committee's guidance reinforces institutional behavior that is critical to our mission to enhance environmental stewardship, foster social responsibility, and uphold governance principles. As we reflect on our 2023 journey, we remain steadfast in our pursuit of a more inclusive and sustainable future for all.



James S. Vaccaro
Chair, President & CEO, Manasquan Bank



OUR ESG COMMITTEE



ERICA CONNOR
AVP, HR MANAGER
ESG COMMITTEE CHAIR



JOHN BINKO
AVP, PORTFOLIO MANAGER II
ESG COMMITTEE CO-CHAIR



MARK BERIAULT
SEVP, CHIEF LENDING OFFICER



MATTHEW CLAYTON
CREDIT ANALYST II



EMILY DeFALCO
MARKETING ASSOCIATE



CATHY FRANZONI
SEVP, CHIEF OPERATING
OFFICER



CHRSTOPHER GUDERIAN
AVP, FACILITIES MANAGER



SUSAN KRISULEVICZ
AVP, COMMERCIAL LOAN
OPERATIONS SUPERVISOR



ANDREA LAMBERT
INTERNAL AUDITOR I



CHRISTOPHER LORD
CLIENT EXPERIENCE
ASSOCIATE



MIKE MALLOY
SEVP, CHIEF FINANCIAL
OFFICER



KATIE MEYERS
VP, CLIENT EXPERIENCE
OFFICER



KAITLIN MOYES
ACCOUNTING SPECIALIST



JULIE OLTERS
SR. HR GENERALIST



NICHOLAS PAULOVICH
SR. CREDIT ANALYST



MICHAEL PHAIR
VP, CONTROLLER



JENNIE PIPER
EVP, MARKETING & DIGITAL
OPERATIONS



CHRISTINE PRUITT
VP, LOAN OPERATIONS
MANAGER



JIM VACCARO
CHAIR, PRESIDENT & CEO



DANIELA WENSKOSKI
AVP, LOAN SERVICING
SUPERVISOR





persona
 creative
 growin
 lity
 energetic
 accepting

sustainable
 welcoming
 ent
 community
 connected

inspiring
 innovative
Inclusive
 engaging
 loyal
 dynamic

relevant
 positive
 encouraging
 quality
 giving
 empowering
 transparent
 friendly

ABOUT US

Manasquan Bank is a full-service community bank that strives to not only serve our clients, but also serve our communities. Over the years, clients have come to rely on us not just for traditional banking, but to pioneer the future of community banking. We continue to remain small enough to care, but large enough to matter, allowing us to meet and exceed the evolving needs of our diverse client base. Our client and community centric mantra is at the very ethos of who we are. In our 2023 ESG report, we invite you to read about the work we do every day to drive lasting change for our clients, colleagues, and the communities that we serve.



OUR ENVIRONMENTAL COMMITMENTS

As an institution, which is heavily rooted in the coastal community, we recognize the ongoing impact that climate change has on our environment. Being a 150-year-old community bank, we are committed to the reduction of our carbon footprint and creating a positive environmental impact on the communities we serve. We work to achieve this through continuing green-forward initiatives both internally and externally that aid us in reduction of waste, pollution, and emission.

CLIENTS

We continue to actively pursue environmentally friendly banking solutions for our clients including online banking, paperless billing, virtual branch tickets, digital signatures, digital debit cards, and electronic file sharing access. During 2023, in partnership with our third-party commercial loan software, we implemented a process for identifying all ESG-related loans, broken down into the categories of affordable housing, environmental, governance, and social. Our environmental loan portfolio continues to expand due to our clients' growing commitment to improve their communities' environmental landscape. We endeavor to continue our commitment to providing financing for environmental initiatives.

Furthermore, the Bank continually looks for ways to incorporate green initiatives into client giveaways. Having the right materials makes all the difference. During special events such as Earth Day, we gift seed pods to our clients to celebrate. Other examples of environmentally friendly giveaways include reusable cups and reusable tote bags.



FACILITIES

During 2023, we renovated a new administrative office adjacent to our existing administrative location in Wall Township. During our renovations, our teams designed and outfitted the space with many green-forward features, such as LED light fixtures, low flow motion sensor faucets and lighting, low flow toilets, drought friendly landscaping, an energy management HVAC system, sustainable carpeting, and motion sensor lighting. As we continue to renovate our branches and expand our offices, we will look for opportunities to incorporate eco-friendly solutions and energy saving technology across our physical footprint.



OUR ENVIRONMENTAL COMMITMENTS

COLLEAGUE INITIATIVES

We began our first ESG-led project in 2023, with a partnership with NexTrex. This year-long community project enables colleagues to divert plastic waste from being sent to landfills and waterways. With a lofty goal of 1000 pounds, our colleagues partnered with family, friends, and local organizations to reduce our plastic footprint and recycle plastic appropriately. Once the goal is achieved, NexTrex will award the Bank with a recycled Trex bench, made of recycled plastic is used by Trex to manufacture its decking boards. The bench will be donated to a local organization. Through this initiative, collection bins and educational flyers were placed throughout Bank locations for ease.



We implemented a printer cartridge recycling process, which streamlined the collection of used printer toner in the administrative office and has since been expanded to include our branch locations. Over 60 toner cartridges were recycled due to this great suggestion from one of our ESG committee members. Due to the success of this initiative, the Bank plans to continue this endeavor into 2024.

All colleagues have access to our ESG portal, which helps convey the initiatives the Bank has undertaken pertaining to this framework and allows our colleagues to see how small changes can create a large impact.

RECYCLING PAPER SOLUTIONS

Our partnership with a local shredding company allows us to help the community recycle on a large scale. The Bank hosted four shred day events in 2023 which collected and recycled 8.5 tons of paper material. These savings help contribute to reduction in air pollution and methane, both leading causes of climate change.



144.5 Trees



27.2 Cubic Yards
of Landfill



34,850 Kilowatts
of Energy



equal to 4.25 years of power
for the average home

17 Barrels
of Oil



enough to run average
car for 10,710 miles



OUR ENVIRONMENTAL COMMITMENTS

COMMUNITY SERVICE

With many of our locations in a coastal community, we remain strongly committed to keeping our communities and shorelines clean. The Bank participates in Clean Ocean Action's fall and spring Beach Sweeps, which helps to dispose and recycle collected litter to protect the beauty and health of our ocean and beaches. Following a charitable grant donation, we were able to see the impressive work that the Sandy Hook Foundation does to protect and preserve the natural and cultural resources of Sandy Hook. We continually look for ways to impact the environmental health of the communities we serve.

DIGITAL SOLUTIONS

Since implementing the use of digital signatures and virtual transaction tickets within all branch locations, the Bank has been able to help eliminate waste and reduce our carbon footprint. Below figures are based on 2023 data.

1,197 lbs.

Carbon Emissions Reduced



1,502 gals.

Water Conserved



510 lbs.

Wood Saved



82 lbs.

Waste Eliminated



ELECTRONIC STATEMENTS & TAX FORMS

In an effort to save paper and reduce waste, in 2023 the Bank implemented electronic statements and increased user adoption greater than 10%. Allowing clients to obtain their forms virtually allows us to save on paper products and reduce our carbon footprint. Additionally, we implemented electronic tax documents for our online banking users to eliminate mailing the paper document. With such great adoption of these efforts, we will continue to work with our third-party provider to expand the types of electronic tax documents available to our clients.



OUR SOCIAL COMMITMENTS

At Manasquan Bank we make a direct impact on the communities that we serve each and every day. From sponsoring local events, to providing grants to local 501(c)(3) organizations, and even hosting seminars to educate our clients and the community, we are a catalyst for positive change and help to improve the communities that we serve. In 2023 we provided a significant amount of both funding and volunteer time to our community.



\$10,000

Donated by
Colleagues



\$392,989

In Sponsored
Local
Events*



357

Hours
Volunteered by
Colleagues**



7

Fraud and Elder Abuse
Seminars Held at Local
Senior Communities



\$285,919

In Donations to Local
501(c)(3)
Organizations



20

Engagement
Opportunities for
Colleagues



*This total does not include tickets to events that we sponsor. We try our best to calculate how much of a sponsorship is for tickets when allocating funds.

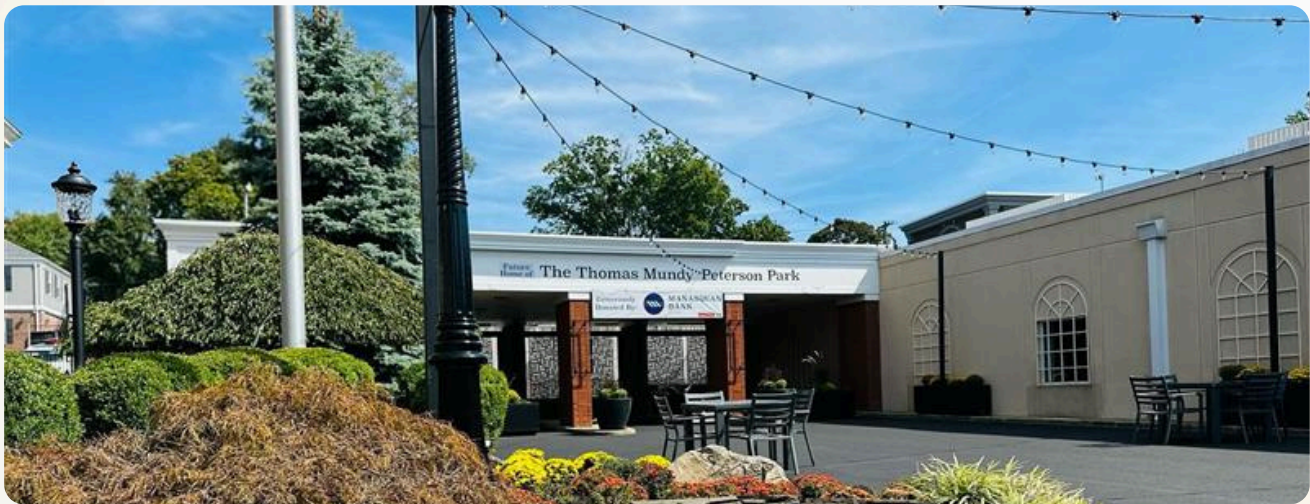
**Represents hours volunteered by colleagues attending community events or serving on local community boards that support low/moderate income families.



OUR SOCIAL COMMITMENTS

CIVIC ENGAGEMENT

In 2023, following the grand opening of our new, state-of-the-art Metuchen branch, we made a significant donation of land to the Borough of Metuchen. The land, formerly the site of the drive-through space of the Bank's first Metuchen branch, was utilized to create a pocket park that now serves as a peaceful and relaxing outdoor space for residents and visitors alike. The decision to donate the land demonstrates our commitment to supporting our local communities and their initiatives.



Our team was honored to be present at the park dedication ceremony on September 21st, 2023. The ceremony was attended by members of the Metuchen community, local officials, and representatives from the Bank. The dedication ceremony featured a variety of speakers, including Manasquan Bank President, Chair and CEO, James S. Vaccaro, and Metuchen Mayor, Jonathan Busch.



In addition to providing a new space for residents to enjoy, the pocket park was also dedicated to Thomas Mundy Peterson, former Metuchen resident and the first African American to vote in a United States election under the 15th Amendment on March 31, 1870. This was the first time any citizen's right, regardless of race, had been federally protected. The park will be open to the public and serve as a reminder of the importance of civic engagement and the struggle for equal rights.



OUR SOCIAL COMMITMENTS

OUR COMMITMENT TO DIVERSITY, EQUITY, INCLUSION, AND BELONGING

At Manasquan Bank we are committed to maintaining and further developing a workplace where colleagues participate and contribute to the success of the organization. We strive to maximize our colleagues' talents, experiences, skills, and unique perspectives with a view towards increasing the organization's productivity that creates a sense of belonging. Our commitment to diversity is not only embodied in our culture and statement of beliefs, but also demonstrated through our actions.

Manasquan Bank is dedicated to the inclusion, integration, awareness, and appreciation of all cultures and views.

COLLEAGUE RESOURCE GROUPS



HELPING OUR COLLEAGUES SUCCEED

At Manasquan Bank we know the importance of continuing education and realize our colleagues are our most valuable resource. The Bank provides an array of skill building workshops throughout the year, helping to ensure that our colleagues are ready to meet the demands of the evolving workplace and are prepared to take on new challenges. In addition, colleagues can participate in the Bank's Educational Reimbursement Program as well as the Student Loan Repayment Program. These programs help to retain and grow talent at the Bank, ensuring the success of the institution for years to come.



\$73,000+

In Student Loan
Repayment/ Tuition
Reimbursement



16

Colleagues that
Graduated from Our
Leadership Development
Program



OUR SOCIAL COMMITMENTS

Manasquan Bank has been recognized as a Top Workplace in both New Jersey and the USA as well as one of the Best Banks to Work For in the Nation for 2023. Our colleagues remain our most valuable resource and play an integral role in ensuring the continued success of the Bank. Manasquan Bank was ranked as the #2 mid-sized bank in both New Jersey and the USA by Top Workplaces and was ranked #19 in the nation by Best Banks to Work For.



89% of colleagues feel genuinely appreciated at Manasquan Bank



96% of colleagues think that Manasquan Bank operates with strong values



Culture Badge
certified by energage



Culture Badge
certified by energage



Culture Badge
certified by energage



Culture Badge
certified by energage



Culture Badge
certified by energage



Culture Badge
certified by energage



Culture Badge
certified by energage

Culture Badges highlight our strongest culture drivers. Each time an organization's scores for these statements are in the top 25% of organizations in our benchmark, we earn one.



Top Workplaces & Best Banks to Work For Survey Data

Forbes Best-in-State Bank | 2023

Top Workplaces USA | 2021 | 2022 | 2023

Top Workplaces NJ | 2020 | 2021 | 2022 | 2023

Best Banks to Work For | 2020 | 2021 | 2022 | 2023



MANASQUAN BANK

ESG 2023
ANNUAL FRAMEWORK

OUR SOCIAL COMMITMENTS

COLLEAGUE RECOGNITION AWARDS

185

On the Spot Awards
Redeemed

153

Shout Outs
Received

138

Peer to Peer
Recognitions

53

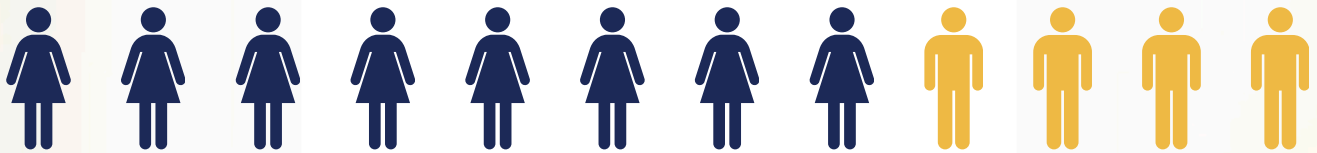
CREW Awards
Received

23

Spot Bonuses
Given

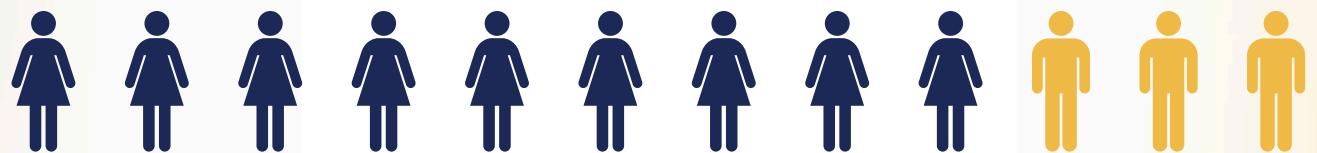
GENDER DIVERSITY AT A GLANCE

BANK OFFICERS



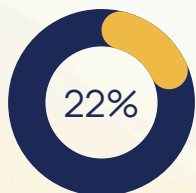
63% WOMEN

TOTAL STAFF



71% WOMEN

TENURE



Colleagues Between
5-10 years



Colleagues Between
10-15 years



Colleagues Over
15 years



Below Industry
Benchmark Turnover



OUR SOCIAL COMMITMENTS

FINANCIAL LITERACY

As a community-minded institution, we believe in providing high-quality and effective financial education to students in our local area. By partnering with external financial literacy providers, we bring courses, physical resources, and interactive content to local schools as part of our community development services.



780
Students
Impacted



600
Learning Materials
Donated



1,800
Hours of
Learning

WELLBEING STRATEGY

We have worked diligently to develop an integrated and holistic colleague wellbeing experience that addresses the needs of our colleagues across the full spectrum of wellbeing.

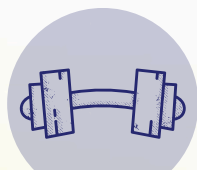
Our strategy is focused on five main areas of wellbeing including mental, financial, career, social, and physical. It concentrates on providing resources as well as long-term proactive approaches to assist our colleagues to thrive both at work and at home.

Research shows that there is a relationship between wellbeing and a sustainable working life, which may ultimately impact overall colleague performance.

Our goal is to encourage involvement in existing wellbeing programs to meet the ever-evolving workplace expectations, engage in proactive vs. reactive/passive measures and create a more conscious workplace, sharing practical steps to support an overall positive colleague wellbeing experience.



Financial



Physical



Social



Career



Mental



OUR GOVERNANCE COMMITMENTS

RISK MANAGEMENT

We understand the growing importance of integrating ESG risk management techniques into the overall risk management strategy of the Bank. Risk management is broken out further to capture and monitor different areas, as follows:

- Audit Committee
- Compliance Committee
- Finance / Balance Sheet Committee
- IT / Cybersecurity Committee
- Loan Committee
- Nominating & Corporate Governance Committee
- Personnel / Compensation Committee
- Strategic Planning Committee

These committees meet periodically throughout the year and all committee meeting minutes are presented to and approved by the Board of Directors at monthly meetings.

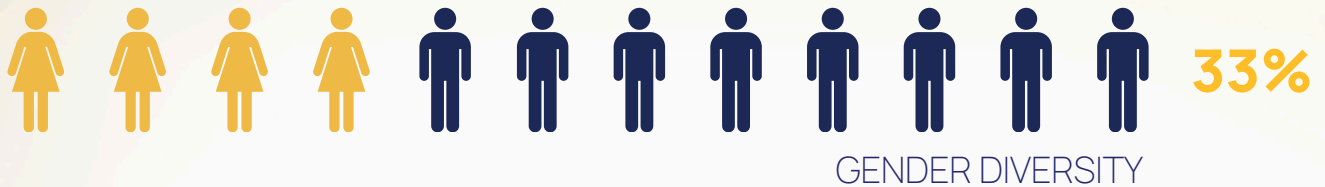
SECURITY ENHANCEMENTS

Manasquan Bank is continuously striving to protect our clients and the communities we serve. The Bank has enhanced our Information Security Team, which not only protects our stakeholders from cybersecurity risks but also provides educational information known as Security Awareness on a continuous basis which strengthens the responsiveness to targeted threats.



OUR GOVERNANCE COMMITMENTS

BOARD OF DIRECTORS AT A GLANCE



LIGHTHOUSE SERVICES

Manasquan Bank has a strong commitment to providing the highest ethical standards in regard to openness, transparency, trust, and integrity. To improve our established Code of Conduct and Ethics procedures, we have partnered with Syntrio Training Solutions to introduce Lighthouse Services as an instrument available to all colleagues allowing anonymous reporting of behavior which does not align with our ethical values. To assist in protecting the Bank, all colleagues are encouraged to use the 24/7 online portal and hotline to report potential misconduct against unlawful, unethical, fraudulent, and improper behaviors.



OUR GOVERNANCE COMMITMENTS

CYBER SECURITY

While Artificial Intelligence (AI) has played a major role in the workplace, community, and society for several years, recent advances in AI will shape the way people live for years to come. Manasquan Bank is committed to understanding, embracing, and governing these AI advances such as Generative AI and Large Language Models. These advances can create difficulty in recognizing scams such as fictitious e-mails, texts, and calls which are designed to extract sensitive information. In response to the growing usage of AI technology, this past year, Manasquan Bank originated a Generative AI Policy to educate colleagues on the different forms of AI and the threats that it may pose such as:

- Data Leakage
- Software Integration
- AI Hallucinations

The policy also lists numerous directives for all colleagues to follow in order to protect the well-being of internal and external clients. Providing these guidelines helps us to ensure the governance of AI in the workplace is well established and clearly defined.



BANK TRANSPARENCY

Quarterly, the Bank holds Enterprise conference calls with the entire organization and discusses current financial conditions, upcoming events, new product initiatives, and any other points of interest. Additionally, these calls serve as an open forum for direct communication with our executives to voice concerns or ask questions. These calls promote inclusivity, transparency, and help to foster a culture where everyone is welcome, and everyone is treated equally.



ACKNOWLEDGMENTS

LOOKING AHEAD

As we look towards the future, we are excited to continue our efforts towards sustainable practices and ensuring that our investments align with our clients' values. While our ESG committee is a new addition to Manasquan Bank, promoting environmental, social, and governance considerations has always been a part of our mission as a responsible financial institution. We are proud of the foundation we have established and are committed to meeting the evolving needs of our clients and communities. Our dedication to our clients, colleagues, and the communities that we serve will always remain at the forefront of our decisions, and we look forward to building on our ESG initiatives for years to come.



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Member
FDIC

