



# PACIFIC PREMIER

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## BANCORP, INC.

2021 CORPORATE SOCIAL  
RESPONSIBILITY REPORT



# About this Report

Pacific Premier Bancorp, Inc. is the holding company for Pacific Premier Bank, a full-service commercial bank that serves the financial needs of individuals and businesses in California, Arizona, Nevada, Oregon, Washington, and throughout the United States. In this report, the terms “we,” “us,” “our,” “Pacific Premier,” or the “Company” refer collectively to Pacific Premier Bancorp, Inc., together with its subsidiaries, including Pacific Premier Bank (the “Bank”), when or where appropriate. This report is not comprehensive and should be read in conjunction with [Pacific Premier's 2021 Annual Report on Form 10-K](#) and, in particular, the “Forward-Looking Statements” and “Risk Factors” sections of the 2021 Annual Report on Form 10-K, together with other reports filed by Pacific Premier with the Securities Exchange Commission (“SEC”).

# Table of Contents

## 01 | CHAIRMAN MESSAGE

### 02 | ABOUT US

Performance Highlights

Our Culture

### 05 | ESG PROGRAM FRAMEWORK

ESG Integration

Board Oversight

Program Management

Key ESG Highlights

Stakeholder Engagement

### 08 | GOVERNANCE

#### OUR BOARD

Board Independence

Board Composition and Refreshment

Board Best Practices

Accountability to Stockholders

Executive Compensation

### ETHICS

Code of Conduct

Conflict of Interest

Whistleblower Policy

Anti-Bribery/Anti-Corruption

Risk Oversight

–Board Oversight of Enterprise Risk Management

–Climate-Related Risk Oversight

–Information Security Oversight

Bank Secrecy Act/Anti-Money Laundering

Fair and Responsible Banking Policy

Data Security and Customer Privacy

Political Involvement and Activity

### 13 | ENVIRONMENTAL

Sustainability Strategy

Risks and Opportunities

Our Sustainability Journey

Metrics and Targets

Minimizing Our Footprint

Culture of Environmental Awareness

Building Sustainable Partnerships

Investing in Sustainable Communities

### 22 | SOCIAL

#### PEOPLE

Human Rights

Health and Safety

Our People

Premier Inclusion

Targeted Recruitment

Employee Survey

Investing in Our People

Learning and Development

Health and Well-Being

#### COMMUNITY

Equitable Impact Initiative

Community Investment and Development

Financial Inclusion & Capacity Building

Charitable Giving

Volunteerism

#### SUPPLIER DIVERSITY

### 33 | SASB INDEX

### 34 | TCFD INDEX

# A Message From Our Chairman



2021 was an important year for Pacific Premier. We managed our organization through significant challenges and delivered strong financial results, while supporting our employees, serving the needs of our clients, and working to improve the communities where we operate. With this Corporate Social Responsibility (“CSR”) report, our goal is to provide clear, timely, and complete information about our accomplishments related to Environmental, Social, and Governance (“ESG”) and to share some of our near-term plans for those areas.

In today’s world, we face a variety of critical issues regarding community development, climate risk, human capital, diversity, equity, and inclusion that require timely and responsible action from all of us. A hallmark of Pacific Premier is that we are an action-oriented organization that operates with a sense of urgency, while also maintaining a thoughtful approach to resolve problems and achieve our objectives. Our efforts on ESG-related matters and these critical issues are no exception.

We acknowledge our potential impact on the environment and are taking steps to help ensure our organization operates in a manner consistent with responsible environmental stewardship. In 2021, we started assessing our operational emissions to manage energy use more efficiently and help identify opportunities to reduce our environmental impact. Our board and management team also regularly evaluate applicable environmental standards and guidelines, including the Sustainability Accounting Standards Board, the Task Force on Climate-Related Financial Disclosures, and the United Nations Sustainable Development Goals to help ensure responsible operations.

We recognize that environmental issues affect disadvantaged communities disproportionately. We also recognize that as a financial institution we play a critical role in our communities. We are committed to supporting organizations whose work prioritizes individuals in underserved communities and to helping ensure all our communities have the necessary resources to grow and

thrive. For example, in October 2021, we announced our Equitable Impact Initiative, a multi-year commitment to invest \$50 million to support organizations dedicated to advancing equitable access for minority communities and other marginalized populations.

In addition, we work to maintain a company where all employees are respected, promote fair and just treatment of all people, and offer growth opportunities for individuals of all backgrounds to succeed. For example, last year we launched Premier Inclusion – a program designed to drive behavioral and cultural change across the organization. We recognize, however, that achieving a culture of inclusion requires consistent effort, and we continually seek opportunities to add diverse skillsets and unique perspectives to our team.

Additional details regarding our progress in addressing social and environmental issues in our communities, fostering an inclusive workforce, making our operations more sustainable, and otherwise attaining our ESG-related goals, provided later in this report. We are focused on continued advancement of our ESG program, and this report provides insight about our priorities and efforts in these important areas.

Thank you for your interest and ongoing support.

A handwritten signature in blue ink, appearing to read 'Steve Gardner', written over a light blue grid background.

**STEVEN R. GARDNER**  
Chairman, CEO, and President

# About Us

**1983:**

Pacific Premier Bank  
(Originally Life Bank) was founded

**2000:**

CEO Steve Gardner and new  
management team hired to  
transform the Bank

**2002:**

Officially changed name to  
Pacific Premier Bank

**2011–12:**

Acquired Canyon National Bank  
Acquired Palm Desert National Bank

**2013:**

Acquired First Associations Bank  
Acquired San Diego Trust Bank

**2014:**

Acquired Infinity Franchise Holdings  
Acquired Independence Bank

**2016:**

Acquired Security California Bancorp

**2017:**

Acquired Heritage Oaks Bancorp  
Acquired Plaza Bancorp

**2018:**

Acquired Grandpoint Capital, Inc.

**2020:**

Acquired Opus Bank  
Total assets grew to \$20 billion

**Headquartered in Irvine, California**, Pacific Premier Bank is a full-service commercial bank that serves the financial needs of individuals and businesses in California, Arizona, Nevada, Oregon, Washington, and throughout the United States. With **\$21 billion in total assets<sup>1</sup>**, we're one of the strongest-performing and fastest-growing banks in the nation. Our commitment to providing unparalleled client service and supporting our communities guides us in everything we do.

We have **over 60 branch locations** across multiple states to serve clients. Our ATMs are connected to the MoneyPass<sup>2</sup> network, providing access to **over 37,000 surcharge-free ATMs nationwide**.

Since 1983, Pacific Premier has helped thousands of companies and individuals achieve greater success. Throughout economic cycles, we take a consultative approach to identify core business needs and provide customized and creative solutions to support short- and long-term goals.

1 Pacific Premier Bancorp, Inc. and subsidiaries on a consolidated basis, approximate total assets as of December 31, 2021.

2 MoneyPass ATMs are for deposits and withdrawals. MoneyPass is a registered trademark of FISERV, Inc.



## 2021 Financial Performance Highlights



### TOTAL ASSETS

Increased to \$21 billion

4X

### DIVIDENDS

Increased 4 times since 2019



### TOTAL REVENUES

Increased 19% year-over-year

\$340M

### EARNINGS

Record earnings of \$340 million

48.4%

### EFFICIENCY RATIO

Further improved 140 bps to 48.4%

- **Total noninterest income increased by 51%**, surpassing \$100 million
- **Record total loan production of \$5.7 billion**
- Cost of deposits declined to 0.04% in 4Q21
- TBV per share<sup>1</sup> increased 9% YoY while generating 19.30% ROATCE<sup>1</sup>
- TBV per share<sup>1</sup> and cumulative dividends CAGR of 13% **has exceeded KRX median since 2013**
- 3-year return relative to **KRX significantly exceeds median** with 74% to 52%
- **Returned \$140 million in capital to shareholders in 2021** in the form of a common dividend

<sup>1</sup>Please refer the calculations of tangible book value (TBV) per share and return on average tangible common equity (ROATCE) to 2021 [Annual Report on Form 10-K](#).

## Awards and Recognition

- **Ranked #3 on *Forbes'* America's Best Banks list (2022)**<sup>2</sup>
- **5-Star Rating from BauerFinancial**—Recommended for 64 consecutive quarters (2022)
- ***Fortune's* 100 Fastest Growing Companies**
- Received the **2021 Corporate Responsibility Award** from the Association for Corporate Growth
- Received the **2021 Oasis Partnership Award** from Oasis Center International
- Director Jaynie Miller Studenmund named to the **2021 National Association of Corporate Directors (NACD) Directorship 100 List**

<sup>2</sup>© 2022 Forbes Media LLC. Used with permission. Pacific Premier Bank is a wholly owned subsidiary of Pacific Premier Bancorp, Inc.

## ABOUT US

### Our Culture

Every day we strive to set ourselves apart through our superior service, dedication, and commitment to clients and our employees. Our philosophy is simple: provide our people with the tools and resources needed for career development, while respecting the importance of a healthy work-life balance.

Our organization is driven by an amazing group of nearly 1,600 team members working together to provide quality solutions for commercial businesses, nonprofit organizations, and consumers.

Our employees are an essential part of our success. We strive to provide opportunities for employees to use their unique skills, talents, backgrounds, and experiences to make an impact at the client, community, and organizational level.

We have adopted a set of Success Attributes as principles that help guide how we operate the organization and interact with each other. They also inspire us to deliver at the absolute highest level for our clients, communities and stockholders, which contributes to our success as one of the top-performing banks in the country. Our Success Attributes include the following:



#### ACHIEVE

**Our achievements are how we are measured individually and as an organization.**



#### COMMUNICATE

**By communicating and collaborating with each other, we make better decisions.**



#### IMPROVE

**Having a winning attitude means understanding we can always do better both personally and as an organization.**



#### INTEGRITY

**We conduct business in the right way and take responsibility for our actions.**



#### URGENCY

**We operate with a sense of urgency by making decisions today, not tomorrow. Our clients and colleagues deserve nothing less.**

# ESG Program Framework

**2021**

**We created and filled the position of Director of ESG and Corporate Responsibility, who reports directly to the Company's Chairman and CEO**

## **ESG Integration**

We are committed to integrating ESG considerations across our business practices and operations. Our priority is to mitigate risk and improve performance, while optimizing positive impact on our business, society, and the environment. This includes making our operations more sustainable, fostering an inclusive workforce, and addressing social and environmental issues in our communities.

## **Board Oversight**

Our commitment to ESG begins at the top with our Board of Directors. To assist in this effort, the Board has tasked the Nominating and Governance Committee (composed entirely of independent directors) with responsibility for overseeing the Company's ESG strategy, policies, and related program. Without limitation, the Nominating and Governance Committee reviews and advises on Pacific Premier's ESG policies and disclosures, oversees management's implementation of ESG initiatives, and advises the Board on significant ESG-related matters. While the Nominating and Governance Committee is responsible for overall strategies, policies, and initiatives related to ESG, specific aspects of ESG are also overseen by other Board committees. For example, the Human Capital and Benefits Committee oversees strategy, initiatives, and policies specific to diversity, equity, and inclusion.

## **Program Management**

In 2021, we established the position of Director of ESG and Corporate Responsibility, who reports directly to the company's Chairman and CEO. The Director of ESG and Corporate Responsibility coordinates the development and execution of strategic initiatives supporting the Company's focus on ESG-related issues. In these functions, the Director of ESG and Corporate Responsibility engages with a broad range of internal and external stakeholders, including the Board of Directors and Board Committees, clients, consumer advocates, and community leaders. Additionally, we created the position of Corporate Social Responsibility Officer. The Corporate Social Responsibility Officer reports to the Director of ESG and Corporate Responsibility and provides support in updating the Nominating and Governance Committee on ESG initiatives and developments. The Corporate Social Responsibility Officer also oversees the ESG reporting and disclosure process, monitors trends and best practices, supports existing ESG projects, and helps develop new sustainability initiatives.

## ESG PROGRAM FRAMEWORK

An ESG Management Group supports the Director of ESG and Corporate Responsibility, Corporate Social Responsibility Officer, and senior management in development, implementation, and management of the Company's ESG program. The ESG Management Group is chaired by the Director of ESG and Corporate Responsibility, and its current membership includes key members of senior management across the organization, including our President & Chief Operating Officer, Chief Financial Officer, Chief Risk Officer, Chief Human Resources Officer, Chief Credit Officer, Chief Marketing Officer, Chief Information Security Officer, General Counsel, Director of Investor Relations, and our Corporate Social Responsibility Officer. The ESG Management Group operates as a steering committee with three working groups that include a Sustainability Working Group (Environmental), Social Responsibility Working Group (Social), and Governance & Disclosure Working Group (Governance).

### Sustainable Development Goals (SDGs)

Launched in 2015, the 17 United Nations Sustainable Development Goals ("SDGs") represent a global agenda for "people and prosperity, now and in the future." The SDGs are intended for action by governments, organizations, and individuals.

### OUR CORPORATE RESPONSIBILITY EFFORTS ACROSS COMMUNITY DEVELOPMENT AND CORPORATE GIVING ALIGN MOST CLOSELY WITH THE FOLLOWING 8 SDGs:



## HIGHLIGHTS

### 2021 Accomplishments

Filled the Roles of Director of ESG and Corporate Responsibility and Corporate Social Responsibility Officer

Formed ESG Oversight Executive Committee and Working Groups

Disclosed inaugural [ESG Form 8K](#)

Studied SASB and TCFD Frameworks

Assessed Operational Greenhouse Gas (GHG) Emissions

Launched Premier Green Impact

Launched Premier Inclusion

Conducted First Pulse Survey

Completed Supplier Diversity Baseline Assessment

### 2022 Agenda

Publish First CSR Report

Assess Climate Risks and Opportunities

Enhance Disclosure Aligned with Framework Standards

Further Reduce Disposable Cups, Plates, and Utensils from our Offices

Implement Employee Engagement Survey

Formalize our Supplier Diversity Program with the Goal of Increasing our Spend with Small and Minority-Owned Vendors

## ESG PROGRAM FRAMEWORK

### Stakeholder Engagement

We proactively engage all of our stakeholders — investors, regulators, employees, clients, partners, and our communities. This helps us understand their concerns and detect emerging trends that may affect our business, shareholder value, and the well-being of our employees. The feedback obtained through our engagement efforts helps us refine our ESG priorities and address the issues that are most relevant to our business and most meaningful to our stakeholders.

Common ways we engage with stakeholders include:

Stakeholders	How We Engage	Feedback Received	Action Taken
Investors	Engagement calls led by Board Chair and Lead Independent Director, presentations, quarterly earnings calls, annual shareholder meetings, SEC filings	Board independence, size, and expertise  ESG Transparency	Formalized the roles of the Lead Independent Director  Published first CSR Report
Regulators	CRA exam, compliance reviews	Outstanding CRA Performance for the last two exams	Sustained commitment to the community
Employees	Pulse surveys, quarterly "Let's Talk" sessions, training and development, and biquarterly CEO-led town hall meetings, leadership conference	Remote work flexibility  Diversity & Inclusion  COVID-19-related workplace safety protocols	Flexibility to all managers on implementing a remote schedule that works best for their departments  Launched Premier Inclusion Strategy  Enhanced cleaning and disinfection of the workspace in accordance with Cal/OSHA and CDC guidance  Office reconfiguration to accommodate health/safety protocols
Clients	Regular client communication via in-person meetings, emails, social media, etc., and frequent financial literacy events	Data Privacy and Security	Regular employee cybersecurity training and communications  Preventive, detective, alerting, and defense in-depth technologies
Partners	Industry-focused events and conferences	Supplier Diversity	Initial steps taken to implement formal Supplier Diversity Program
Community	Community needs assessment survey	Lending and grants in support of affordable housing and small businesses	Increased volume of lending and charitable grants

# Governance

**50%**  
of our independent  
directors have terms of  
four years or less

**4**  
independent directors have  
joined our Board since 2019

We seek to manage the Company in a manner that reflects integrity and high standards in all aspects of our operations. We also seek to cultivate an inclusive environment throughout the organization so that diverse perspectives and ideas can be represented effectively. All directors, officers, and employees are expected to exercise good judgment and adhere to the highest ethical standards. The Company has adopted a number of policies, practices, and controls to help ensure appropriate governance and high ethical standards throughout the organization and its operations.

## Our Board

**Board Independence.** Our Corporate Governance Policy emphasizes independent Board leadership and seeks to ensure the Company is managed for the long-term benefit of its stockholders by requiring the Board to have either a non-executive Chairperson or a Lead Independent Director. Director Chris Mitchell has served as Lead Independent Director since May 2021. Our Corporate Governance Policy establishes the responsibilities of the Lead Independent Director. Highlights of the Board's independence as of December 31, 2021 are:

**10 of 11**

Directors are  
independent

All standing Board committees  
are composed

**ENTIRELY OF  
INDEPENDENT DIRECTORS**

Independent directors conduct  
regular executive sessions

**LED BY THE LEAD  
INDEPENDENT DIRECTOR**

**Board Composition and Refreshment.** Our Board regularly reviews the skills and characteristics required of directors to help ensure a qualified Board. Diversity objectives are also considered when making recommendations for qualified nominees.

Pacific Premier Bancorp Board Diversity Matrix (As of December 31, 2021) <sup>1</sup>				
Board Size	Total Number of Directors: 11			
Gender	Male	Female	Non Binary	Undisclosed Gender
Number of Directors Based on Gender Identity	6	2		3
<b>Number of directors who identify in any of the categories below:</b>				
African American or Black				
Alaskan Native or American Indian				
Asian				1
Hispanic or Latinx	1			
Native or Hawaiian or Pacific Islander				
White	5	2		1
Two or More Races or Ethnicities				
LGBTQ+				
Undisclosed			1	

## GOVERNANCE

### Our Process in Action

As of December 31, 2021:

- 50% of our independent directors currently have terms of four years or less.
- Four independent directors have joined our Board since 2019.
- 30% of our independent directors are women.
- 40% of our independent directors are women and/or demonstrate ethnic diversity.
- 50% of our Board Committees are chaired by women independent directors.

**Board Best Practices.** Our Nominating and Governance Committee and full Board regularly review governance best practices and our governance practices relative to those of our peers. Some of our Board practices include:

- The Chair of the Nominating and Governance Committee leads annual Board and committee assessments, in conjunction with the Lead Independent Director.
- The full Board and its independent committees are responsible for strategic planning and risk oversight, including in the areas of climate-related risk, information security risk, and enterprise-wide risk.
- Our directors are subject to robust stock ownership guidelines.
- Outside Board service is limited to three additional public company boards.
- Board members have direct access to all of our senior executive officers.
- The Chair of the Nominating and Governance Committee, in conjunction with the Lead Independent Director, conducts interviews with individual Directors.
- None of our directors are involved in related party transactions.

**Accountability to Stockholders.** Our governance documents reflect robust stockholder rights, highlighting our efforts to build long-term shareholder value. Some of the policies and practices we have adopted to demonstrate our Board's accountability to stockholders include:

- We have an active shareholder engagement program, which incorporates feedback into Board deliberations and decisions.
- Our bylaws provide for annual election of all directors.
- Our bylaws establish a majority vote standard for all voting matters (with the exception of contested director elections).
- Stockholders have the ability to call a special meeting with 10% support.

**Executive Compensation.** Our Compensation Committee has established three key principles that provide the framework for our executive compensation program: (a) alignment with stockholder interests; (b) payment for performance to align compensation with value creation; and (c) attracting and retaining key executives. During 2021, acting on feedback we received from our investors, we enhanced the compensation disclosure in the Compensation Discussion & Analysis section of our proxy statement to increase clarity and transparency regarding our compensation programs. Our Board and Compensation Committee continuously evaluate the pay-for-performance elements of our compensation program to determine whether compensation properly reflects our performance on a standalone basis and in the market. Please review our [2022 Proxy Statement](#) for a full discussion regarding Executive Compensation.

### Code of Conduct

We have adopted a [Code of Business Conduct and Ethics](#) ("Code of Conduct") that outlines fundamental ethical principles that all our employees and affiliates (including directors, the CEO, and all other officers and employees of the Company) are expected to follow. Our Code of Conduct operates as a tool to help our directors, officers, and employees understand and adhere to the high ethical standards required for employment by, or association with, the Company.

Under our Code of Conduct, all employees and directors are required to report any known or suspected violations or illegal or unethical behavior or activity, including conflicts of interest that involve the Company. Individuals who become aware of any suspicious activity or behavior, including concerns regarding questionable accounting or auditing matters, are required to report those circumstances and any potential violations of laws, rules, regulations, or our Code of Conduct to their supervisor or a human resources representative, or file a report using the Company's Ethics Hotline.

### Conflict of Interest

Our directors, executive officers, and all other employees are expected to avoid any action, position, or interest that conflicts with an interest of the Company, or gives the appearance of a conflict. As a result, our directors must disclose all business relationships with the Company and any other outside business relationships that present an actual or potential conflict of interest to the entire Board and to recuse themselves from discussions and decisions affecting those relationships. In addition, each director is subject to the Company's Related Party Transactions Policy, pursuant to which transactions between the Company, on one hand, and any of our directors or certain of their affiliates, on the other hand, need to be approved or ratified by disinterested members of the Nominating and Governance Committee if not otherwise pre-approved under the terms of the Policy.

**NEW BOARD MEMBER SPOTLIGHT: DIRECTOR GEORGE PEREIRA**



**Joined the Board in August 2021**

Prior Chief Operating Officer and Chief Financial Officer, Charles Schwab Investment Management, Inc.

**Community Involvement:**

Member, Latino Corporate Directors Association

Director, Rotaplast International, Inc., nonprofit organization that provides free medical services to children worldwide (2012 – 2018)

**Expertise:**

Cybersecurity Oversight and Technology

Banking/Financial Services

Audit Committee Financial Expert

Enterprise Risk Management

Public Company Governance

Operations Management

**Whistleblower Policy**

Our [Code of Conduct](#) provides protection for whistleblowers and prohibits retaliation in any form against a whistleblower. Employees may contact our third-party Ethics Hotline to report any concerns regarding illegal or unethical behavior by an insider, conflicts of interest, internal accounting controls, or similar matters. Reports to the Ethics Hotline may be made either via a toll-free telephone number or email. All reports are strictly confidential and may be made on an anonymous basis. We investigate all reports of unethical or unlawful behavior.

**Anti-Bribery/Anti-Corruption**

Our [Code of Conduct](#) specifically prohibits employees from requesting or accepting gifts, favors, entertainment, or services for themselves, their family members, or anyone else from any individual or organization doing business with the Company. The Nominating and Governance Committee has ultimate oversight of the Company's anti-bribery and anti-corruption policies and practices.

**Risk Oversight**

Prudent risk management is an integral component of our corporate governance and organizational culture. We believe that our emphasis on risk management is critical to achieving our strategic goals and objectives.

**Board Oversight of Enterprise Risk Management**

Our Board has established an Enterprise Risk Committee, comprised entirely of independent directors, to oversee the design and implementation of our enterprise risk management program.

Our Enterprise Risk Committee's primary purposes are to:

- Monitor and review our enterprise risk management framework and risk appetite for credit, market, liquidity, operational, information technology, compliance and legal, strategic, and reputation risks.
- Monitor and review the adequacy of our enterprise risk management functions.

**Climate-Related Risk Identification and Assessment**

Climate-related risk is an emerging area of focus for us. This risk includes increased probability and severity of natural disasters that may affect our own facilities or loan collateral in impacted areas, or may increase insurance premiums for us and our clients. Climate risks related to the transition to a low-carbon economy, including the effect of changing regulation and evolving consumer preferences, may also have detrimental impacts on our depositors and borrowers, creating credit, operational, strategic, and reputational risks for the Company. These emerging risks are currently identified and assessed by our Enterprise Risk Management team.

Climate-related risks are incorporated in our enterprise-wide Risk and Control Self-Assessment ("RCSA"), which is a process we use to identify, assess, and report on risk exposures and the strength of controls. The RCSA also provides the basis for prioritizing risks and risk mitigation activities across business areas and risk categories. Results of the RCSA are used to drive management action plans and report key risks to executive management, the Nominating and Governance Committee, and the Board.

## **GOVERNANCE**

### **Climate-Related Risk Management**

We recognize the impact that natural disasters resulting from climate change may have on our clients and communities. Effectively managing these risks requires clearly defined roles and responsibilities. We are working to lay the groundwork to establish an effective structure for this purpose.

We have established a Climate Risk Working Group to oversee the Bank's approach to managing climate-related risks in alignment with our Enterprise Risk Management Framework. The Climate Risk Working Group is a cross-functional team that includes representation from Credit, Enterprise Risk Management, and ESG & Corporate Responsibility. A leader within our Portfolio Management group who reports to the Chief Credit Officer has been appointed to help lead and coordinate climate risk-related efforts. For a more detailed discussion of the Climate Risk Working Group's efforts, see Risks and Opportunities under the "Environmental" section below.

### **Information Security Risk Oversight**

The Enterprise Risk Committee, comprised entirely of independent directors, oversees risks related to information security and cybersecurity. Senior leadership updates the Enterprise Risk Committee and Board of Directors on information security matters at least twice per year.

For more information about risk oversight and enterprise risk management, please review our most recent [Form 10-K](#).

### **Bank Secrecy Act/Anti-Money Laundering ("BSA/AML") Policy**

We have adopted a BSA/AML Policy, which establishes the framework of our BSA/AML program. It outlines the requirements necessary for Pacific Premier and its employees to comply with the laws and the specific regulations designed to detect and prevent financial crimes, such as money laundering and terrorist financing. We prohibit any form of money laundering and will not knowingly conduct business with anyone we believe to be engaged in inappropriate behavior involving money laundering, terrorist financing, or similar illicit activities. Our BSA/AML Policy is applicable to all employees and is designed to prevent the organization from being used as an intermediary to facilitate money laundering or other financial crimes through its products and services. Without limitation, our BSA/AML program includes monitoring and reporting of suspicious activities, strengthening customer identification procedures, "know your customer" due diligence and enhanced due diligence programs, record retention, including records required by applicable BSA/AML laws and regulations, and mandatory employee training with audited participation. The Chief BSA Officer provides periodic reports about the Bank's BSA/AML performance and activities to the Board.

### **Fair and Responsible Banking Policy**

Fair and responsible banking concepts are core to our business. Our fundamental mission is to maintain the highest levels of corporate responsibility by providing value to our customers, employees, and stockholders. This is accomplished by treating everyone fairly, consistently, and equitably without regard to race, color, religion, national origin, age, sex, gender identity, marital status, sexual orientation, disability, familial status, veteran status, income derived from any public assistance program, or an applicant's exercise of any right under the Consumer Credit Protection Act. Our products and services are offered to our communities in an honest, transparent, and responsible manner that adheres to the spirit of applicable fair and responsible banking laws.

Our Fair and Responsible Banking Policy establishes the framework we use to help ensure compliance with applicable fair and responsible banking laws, and sets forth standards expected of our employees. All employees are expected to demonstrate and foster an inclusive culture that does not tolerate any form of unlawful discrimination or disparate treatment in any aspect of the Bank's activities.

### **Complaint Management**

As a general matter, our Company considers all client feedback and complaints as important to helping our institution understand where we excel, what we can improve, and how best to meet the expectations and needs of our customers and the communities we serve. All client feedback and complaints are reviewed by management, systematically recorded for monitoring purposes and trend analysis, and investigated when needed. Appropriate corrective action is implemented as necessary. A customer response detailing the results of complaint investigations is provided to the customer as part of our efforts to resolve their complaints.

### **Employee Training**

Our employees are required to complete a broad range of training on an annual basis that includes, but is not limited to, the Company or the Bank's ethics and professional standards, regulatory compliance, fair and responsible banking awareness, information privacy and security, fraud, and client service-related topics.

## GOVERNANCE



### Data Security and Customer Privacy

The confidentiality and privacy of our clients' information is extremely important to us. We have adopted a [Privacy Policy](#) to help ensure compliance with requirements of the Gramm-Leach-Bliley Act and the California Consumer Privacy Act. However, we realize that data infrastructures, whether our own or those used by our third-party service providers, can be vulnerable to infiltration by unauthorized users. We also realize that financial institutions are frequently the targets of attacks from cybercriminals, whether in the form of viruses, ransomware, malware, denial-of-service attacks, or other methods. If not stopped, these attacks could result in unauthorized access to confidential information, disruptions in our operations, and otherwise damage our business.

As such, we maintain a comprehensive cybersecurity strategy that includes, but is not limited to:

- Regular employee cybersecurity training and communications;
- Preventive, detective, alerting, and defense in-depth technologies;
- Regular internal and third-party program oversight;
- Incident response program to minimize potential risk to operations, and reduce the risk that cyberattacks would be successful;
- Policies and procedures regularly reviewed and designed with regulatory and industry guidance;
- A threat intelligence program assessing changes to the threat landscape and impact to the Bank and its vendors; and
- Regular reviews of vendors who maintain sensitive data on behalf of the Bank.

We have also established relationships with strategic vendors to provide forensic analysis, response strategies, and crisis communications should an information security incident occur. We have periodic penetration tests performed by independent third parties and are audited annually by an external firm with expertise in information security. During 2021, we did not experience a material compromise to any of our data systems or vendor platforms, and did not incur any expenses resulting from information security breaches or information security breach penalties or settlements.

For more information about privacy and information security, please view our most recent [Form 10-K](#).

### Political Involvement and Activity

We do not engage lobbyists or make political contributions, nor did we receive any financial assistance from the U.S. government in 2021.

# Environmental

We recognize that climate change poses significant global challenges that can, directly or indirectly, impact the Bank, our employees, clients, and communities. At Pacific Premier, we are answering the call with actions to ensure that we are a part of the collective transition to a greener economy. This section outlines our sustainability strategy and the progress we've made thus far, as well as the additional work we are undertaking to continue to contribute to a more sustainable future.

## Our Sustainability Strategy

We are working to incorporate environmental sustainability throughout our operations, products, services, and culture to drive efficiencies and promote sensible use of resources while creating safe and healthy workplaces.

Our approach to sustainability is guided by our [Environmental Sustainability Policy](#), which outlines our pledge to protect the environment and address climate change.

Central to our sustainability strategy are initiatives designed to minimize our daily energy use – the largest portion of our operational footprint. This includes the use of occupancy sensors, temperature control, Energy Star-compliant appliances, and LED lighting. It also includes the ongoing reduction of internal print production and a shift toward digital services for our clients.

Another important element of our strategy includes providing meaningful opportunities to our employees to be part of the solution. We launched our first company-wide effort "Premier Green Impact" in 2021 to encourage employees to commit to measurable actions that produce a positive environmental impact.

Lastly, we recognize the potential for the effects of climate change to disproportionately impact underserved communities that are less able to prepare for and recover from events brought on by extreme weather conditions. As a community partner, we are committed to addressing and helping alleviate the environmental challenges faced by underserved communities.

**As we continue to improve, our priorities include disclosing the most relevant performance metrics and aligning our environmental stewardship efforts with the principles and guidance of the most prevalent ESG reporting standards, including those associated with the Sustainability Accounting Standards Board ("SASB") and the Task Force on Climate-Related Financial Disclosures ("TCFD"), as well as the feedback we receive from our investors and advisors.**

## 2021

**We launched our first company-wide effort Premier Green Impact to encourage employees to commit to measurable actions that produce a positive environmental impact.**



## ENVIRONMENTAL

### Risks and Opportunities

Climate change is one of the most pressing topics of our time – it presents risks as well as opportunities as we adapt, innovate, and address its challenges.

We are susceptible to losses and disruptions caused by fire (particularly in California, where we have 44 of our offices/branches), power outages, telecommunications failures, water shortages, floods, and other extreme weather conditions. Climate change may contribute to or exacerbate these conditions. We are also susceptible to losses arising from the transition to a low-carbon economy, including policy changes, energy costs, and shifts in market and customer sentiment that can impact us and our clients. At this time, we have not experienced material losses from climate change.

However, we are aware that its impact may increase in the near future. As the impact of climate change broadens, we will continue to assess and manage our exposure.

We are working to further understand the risks and opportunities facing our clients, and we are growing our knowledge and capacity to support their transition toward a low carbon economy.

As evolving political and regulatory conditions accelerate the transition to a low-carbon economy, we are actively monitoring the channels through which physical and transition risks will be identified, evaluated, and mitigated.

Our goal is to incorporate climate-related risk, both physical and transition, into how we manage and oversee risks internally and with our clients.

### Our Sustainability Journey

Some of the actions we have taken to enhance our oversight, and transparency with respect to sustainability issues, include:

- Creating and filling new positions for our Director of ESG and Corporate Responsibility (reporting directly to the CEO) and our Corporate Social Responsibility Officer;
- Empowering our Board Nominating and Governance Committee with general oversight of climate-related issues;
- Establishing an executive level ESG Steering Group to help develop, implement, and manage our ESG program;
- Forming a Sustainability Working Group to further promote and coordinate sustainability initiatives;
- Engaging an environmental consultant to help with the initial assessment of our greenhouse gas emissions;
- Launching "Premier Green Impact" Program focused on engaging employees and promoting sustainability practices within the company; and
- Establishing a Climate Risk Working Group to oversee the Bank's approach to managing climate-related risks in alignment with our Enterprise Risk Management Framework.



# ENVIRONMENTAL

## Metrics and Targets

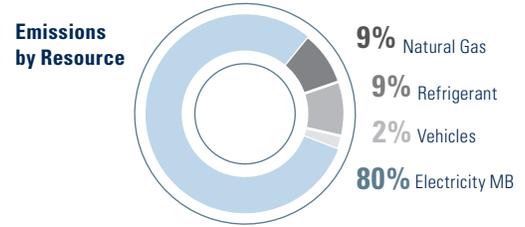
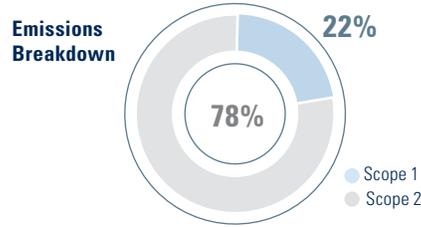
Our approach to measuring greenhouse gas emissions data helps us manage our energy and resources efficiently, while identifying opportunities to reduce our impact. In 2021, we worked with a sustainability consulting firm to obtain an initial baseline assessment of our operational emissions inventory. The assessment is based on principles and methods described in the

GHG Protocol Corporate Accounting and Reporting Standard,<sup>1</sup> including the analysis of both location- and market-based emissions across Pacific Premier's operating control boundary.

<sup>1</sup>The Greenhouse Gas Protocol is a comprehensive global standardized framework for allocating and reporting carbon emissions.

### GHG EMISSIONS BREAKDOWN

Scope 1 emissions sources include: Natural Gas, Refrigerants (HVAC systems), Fleet Vehicles  
 Scope 2 emissions sources include: Purchased Electricity



RESOURCE	CONSUMPTION	UNIT	2020 GHG EMISSIONS (mtCO2e)	
			Location-Based	Market-Based
Mobile Gasoline	2,845	Gallons	25	25
Mobile Diesel	770	Gallons	8	8
Natural Gas	3,666	MMBtu	195	195
Refrigerants <sup>2</sup>	138	kg	197	197
Electricity	7,250,727	kWh	1,805	1,652
Water	8,663,160	Gallons	–	–
Total Scope 1 Emissions			425	425
Total Scope 2 Emissions			1,805	1,652
Scope Totals			2,230	2,077

Key Notes: Scope 2 location-based emissions reflect electricity grid subregion average carbon intensity, applied at the facility level (e.g., California average emissions rate). Market-based accounting reflects, wherever possible, the reported carbon intensities of Pacific Premier's utility providers, applied at the facility level (e.g., Southern California Edison reported emissions rate).  
<sup>2</sup>Refrigerant values are estimated based on intensity factors developed by US EPA, applied to Pacific Premier facilities based on floor area of conditioned space.

## Targets

We have established steady goals to meet the challenge of operating more sustainably. Within the next few years, our goal is to meet a significant part of our electrical needs from renewable resources. We also plan to:

- Establish short-term and long-term strategies to reduce our Scope 1 and Scope 2 emissions;
- Examine our Scope 3 emissions;
- Create actionable plans to achieve carbon neutrality; and
- Explore specific targets to track our progress.

### Minimizing our Footprint

We take pride in supporting resource preservation through recycling, waste management, and responsible use of energy. Our efforts to reduce our environmental impact are yielding successful results. For example, simply by shredding, recycling, and facilitating paperless transactions, we have saved:

**30%**

Almost 30% of our employees based in Denver, Colorado use public transit to get to the office



Trees

5,604



Pounds of Wood

33,656



Cubic Yards of Landfill

971



Pounds of Waste

653,724



Gallons of Water

2,365,454

## ENVIRONMENTAL

We also encourage conservation and recycling in the communities along with other strategies to reduce our carbon footprint by offering paperless statements and digital banking services to our clients.

Pacific Premier also experienced significant growth in client digital engagement. In 2021, business and personal digital banking engagement grew 7% and 9%, respectively, compared to 2020.

To further reduce our in-office waste, we are working toward eliminating single-use plastics from our galleys and encouraging employees to utilize the reusable products distributed by the organization.

**46%**

Approximately 46% of our clients opted out of receiving paper statements

We encourage the reduction of carbon emissions by promoting the availability of electric vehicle charging stations at our facilities. As of the date of this communication, we have 104 electric vehicle charging stations available to clients and employees at our branch locations and corporate offices. To further encourage our employees to engage in a culture of sustainability outside the office, we offer a company-wide Transit Commuter Benefit, which can help employees reduce commute stress, cut commute cost, and minimize their contribution to traffic congestion and local air pollution.

**40%**

40% of our total square footage was LEED™-certified or equivalent, including six branch locations and seven loan production and administrative offices

## ENVIRONMENTAL

### Creating a Culture of Environmental Awareness

We created the Premier Green Impact Program with the following objectives in mind:



#### EDUCATE

employees about sustainability



#### INCREASE

internal awareness of our commitment to sustainability



#### CREATE

simple ways for employees to get involved in sustainability efforts



#### REDUCE

environmental footprint

### RAISING AWARENESS

In 2021, we conducted our first Environmental Awareness Survey to gauge the level of employee interest and engagement around sustainability.

Some of the highlights included:

- 54% response rate
- 61% of employees were familiar with Pacific Premier environmental efforts
- 63% of employees identified environmental issues as extremely important
- 44% of employees viewed environmental sustainability as a key concern

**ENVIRONMENTAL**



**EARTH DAY  
UPCYCLE CHALLENGE**



We challenged our employees to breathe new life into an old or unwanted item or material.

**“I like the challenge of keeping as many items as possible out of landfills. Recycling and upcycling is one of the impactful ways that all of us can help our Mother Earth!”**

–Kelly Halverson, Sr. Financial Services Representative—North Bend, WA



**1,100 lbs** of trash removed



**BOLTS COMMUNITY CREW POWERED BY PACIFIC PREMIER**

We partnered with Friends of the LA River to remove trash along the LA River in Long Beach.



**175** trees & shrubs planted



**TREE PLANTING**

Employees participated in the Green Shoreline Day sponsored by Forterra and EarthCorps.



**PLASTIC-FREE JULY**

We challenged employees to be part of Plastic-Free July by choosing to refuse single-use plastics.

**“One single step can make a huge difference. Plastic pollution causes harm to humans, animals, and plants through toxic pollutants. Please do your part and bring your own personal reusable water bottle. Save the Earth.”**

–Humera Dadabhoy, VP / Sr. Branch Manager—La Verne, CA



**130 lbs**

of trash collected

**BEACH CLEANUP**

We partnered with environmental nonprofit organizations focused on protecting coastal waters.

- Heal the Bay, Orange County CoastKeepers, and Surfrider Foundation
- \$8,250 funds granted
- 45 employees across five regions participated

## ENVIRONMENTAL

### BUILDING SUSTAINABLE PARTNERSHIPS

Through community engagement and organizational partnerships, we strive to better understand environmental issues and identify solutions.



#### **CALIFORNIA COMMUNITY ECONOMIC DEVELOPMENT ASSOCIATION'S ("CCEDA") CLIMATE ADAPTATION INITIATIVE**

As an Exclusive Partner, we provided a grant to host regional climate adaptation Webinars throughout California to encourage community-led climate resiliency initiatives, particularly in underserved communities. To help prepare communities, partners, and leaders for climate adaptation, CCEDA developed the California Climate Resource Guide.

## ENVIRONMENTAL



### GRID ALTERNATIVES

We provided a \$25,000 grant to support GRID Alternatives Greater Los Angeles' Workforce Development Program which helps low-income job seekers obtain no-cost training to enter a career in the solar industry. GRID Alternatives helps transform under-sourced and minority communities that are disproportionately affected by environmental injustices and climate change by expanding access to clean, renewable, and sustainable solar energy. GRID Alternatives Los Angeles has conducted 14,000 paid job training hours to individuals, students, and job training organizations since 2012.

**"We feel that we're only going to accomplish our mission if we have partners who are really invested in us. Being able to work with Pacific Premier has been a source of stability."**

– Danny Hom, External Affairs Manager, GRID Alternatives

### THE ECONOMIC ALLIANCE FOUNDATION

The current broadband situation in Santa Barbara County, California isn't robust enough for current needs, especially with the ongoing pandemic. EconAlliance is a nonprofit, cross-industry organization serving both industries and communities in the area. With a \$25,000 grant from Pacific Premier in 2021, they are assessing broadband needs and identifying anchor institutions in underserved areas in Cuyama, Los Alamos, and Orcutt. This latest funding follows a previous grant that resulted in an ongoing study of Santa Maria, Guadalupe, and Lompoc.



**"We appreciate Pacific Premier's commitment to our community. Their support has helped us continue our work in making the entire area more competitive."**

–Sam Cohen, VP, Governance and Operations, EconAlliance





### BOOKMANS ENTERTAINMENT EXCHANGE

What started as a small, used bookstore in Tucson has become a thriving Arizona business committed to community and environment. Driven by its mission to “turn the disposable into the durable,” Bookmans Entertainment Exchange provides a fun, welcoming place for Arizonans to recycle unwanted goods.

When it came to finding the right banking relationship, this medium-sized, values-driven business wanted to find a partner that could support their growth and understand their role in the community. Pacific Premier became the obvious choice to help advance their work of providing a better environmental future through business.



**“Given the values focus of our business, finding the right banking partner had been one of our key challenges over the years. With Pacific Premier, that challenge has been more than met.”**

– Sean Feeney, President, Bookmans Entertainment Exchange

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### Investing in Sustainable Communities

We have a longstanding record of investing our time and capital to help strengthen our communities and support organizations and initiatives that serve the disadvantaged.

Our commitment to our communities includes supporting efforts to resolve climate-related problems that disproportionately affect low-income and demographically diverse populations. This may include, but is not limited to, lending, grants, and investments to promote equal access to clean, healthy, and sustainable home and workplace environments.

#### **Across our markets, we continue to finance eco-friendly development that produces green goods or provides green services.**

- Solar panel installation projects in Los Angeles County
- The acquisition of a recycled water pipeline in Ventura County
- Improvement of water quality in San Luis Obispo
- Installation of efficient irrigation systems for agricultural needs in Arizona
- Eco-friendly asphalt recycling solutions in Riverside County

## ENVIRONMENTAL

### OUR OUTSTANDING COMMITMENTS INCLUDE:



**\$7M**

Energy-efficient multi-family properties in Coachella, San Juan Capistrano, and Fullerton, California



**\$10M**

Green affordable housing projects in Sacramento, Berkeley, Sunnyvale, Sylmar, Novato, Goleta, and Point Reyes Station, California



**\$10M**

Eco-friendly updates, including energy-efficient appliances, greywater recycling system, and other modifications compliant with the Enterprise Green Communities criteria across six different properties in Riverside County, California



**\$25M**

Affordable housing projects with energy-efficient appliances across multiple states



**\$15M**

New construction of a property equipped with solar energy system in Reseda, California  
Rehabilitation of a property to meet EnergyStar and LED criteria in Huntington Beach, California



**\$30M**

Investment for construction projects using sustainably sourced lumber and designed to create affordable housing in South Los Angeles, California

# Social

**Our policy is to  
treat all people  
fairly and with  
respect**

## People

At Pacific Premier, we celebrate our differences and seek to improve not only the lives of our clients and employees, but also the well-being of our community. This objective has become especially important over the last two years due to the pandemic.

### Human Rights

We acknowledge that racial disparities, gender inequality, and other significant human rights issues affect our communities. We have an important responsibility to conduct business in a manner that demonstrates our commitment to human rights and the elimination of these barriers. Our policy is to treat all people fairly and with respect. These commitments are expressed in our [Human Rights Policy](#).

The Human Rights Policy is overseen and approved by Pacific Premier's Board of Directors.

### Health and Safety

We offer a health and well-being program that provides resources supporting health, as well as financial, community, social, emotional, purpose, and career well-being. We also strive to provide each employee with a safe and healthy work environment. Violence and threatening behavior are not permitted.

The Company has adopted a formal injury and illness prevention program to conduct business activities in compliance with local, state, and federal safety and health regulations and standards. The program covers all facilities and operations of the organization, and addresses on-site emergencies, injuries and illnesses, and general safety procedures. There were no work-related fatalities in 2021.

Our [Health and Safety Policy](#) outlines our general approach and commitment to employee health and safety.

## SOCIAL

### Our People

We believe in the importance of building a culture of inclusivity throughout the Company. That begins by presenting our people with opportunities to expand their knowledge through consistent education, awareness, and training.

**We responded to the national events reflecting a need for increased equity by immediately implementing organization-wide education sessions for all leaders and employees on topics such as Microaggressions, Unconscious Bias, and Allyship. We developed a detailed Premier Inclusion strategy that incorporates existing elements of our Diversity and Inclusion initiatives.**

We launched a Pulse survey to all employees to ensure their voices were heard and to gather their sentiment on how we were performing regarding diversity, inclusion, and belonging.

#### Premier Inclusion

Our diversity and inclusion strategy, Premier Inclusion, is designed to address diversity and inclusion from specific target areas: Data and Metrics, Recruitment, Training and Education, and Career Development.

Each area encompasses different ongoing activities to measure the progress of overall diversity and inclusion with the goal of continuous improvement. Success of initiatives and activities are measured differently across the four areas:

- **Data and metrics:** We develop a diversity dashboard to gauge improvement on an annual basis across workforce demographics.
- **Recruitment:** Pacific Premier ensures recruiters receive and maintain certification as a Certified Diversity Recruiter through the AIRS program. Additionally, we partner with vendors who specialize in routing all job postings to boards that reach out to diverse populations.
- **Training and education:** We measure attendance and evaluate training feedback surveys.
- **Career development:** We advise leadership on learning and growth opportunities for all high potential employees.

#### Targeted Recruitment

Our recruiting team focuses on building strategies that are designed to identify and attract diverse talent. We ensure that recruiters receive and maintain certification as a Certified Diversity Recruiter through the AIRS program.

#### Employee Pulse Survey

Our Employee Inclusion Survey was conducted across all employees to gather sentiment and perception of Pacific Premier's diversity and inclusion efforts. The company-wide survey received generally favorable results on a rated scale of "strongly disagree" to "strongly agree." The rated questions measured employee perception of the Company's valuation across inclusion, diversity, and belonging. The survey results serve as a baseline for understanding how beneficial our efforts to date have been, and to uncover insights that will help tailor diversity and inclusion initiatives and interventions within our Premier Inclusion strategy.

### Investing in Our People

#### Pandemic Response

When COVID-19 hit, our immediate priorities were employee safety, engagement, and support through the following offerings:

##### Modified Work Schedules

Our Branch team members were on a modified work schedule with reduced hours of operation.

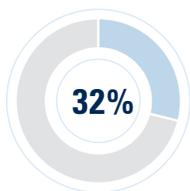
##### Special Recognition Awards

Bonuses were issued to all frontline Branch team members who continued to show up each day despite the public-health crisis. Special appreciation bonuses were also issued to all employees for keeping Pacific Premier going through the crisis.

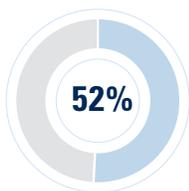
##### Hybrid Remote Work Program

A new program was created for hybrid remote work that offered flexibility to all managers in implementing a schedule that works best for their respective departments. The program built on flexibility for teams to work in a way that made sense for them.

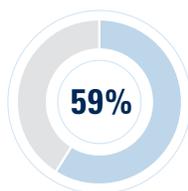
### DIVERSITY METRICS (As of 12/31/2021)



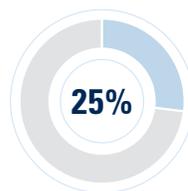
Women in SVP Roles and Above



Women in Management Roles<sup>1</sup>



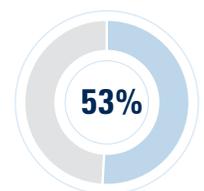
Women in Entire Workforce



Minorities in SVP Roles and Above



Minorities in Management Roles<sup>1</sup>



Minorities in Entire Workforce

<sup>1</sup>Management = Any individual with direct reports.

## SOCIAL

### *Pandemic Pay*

We offered additional paid time off for COVID-19-related absences and to obtain the vaccine. We also provided testing to employees and their partners at no cost.

### *Vaccine Award Program*

We offered employees a \$100 award if they provided proof of fully vaccinated status.

### **Learning and Development**

We are invested in the learning of all leadership across the Bank. We rolled out our first bank-wide learning initiative, providing virtual and in-person engagement options for all leaders across the organization on communication- and engagement-related topics. In 2021, we held a large-scale training initiative, encompassing all levels of Company leaders who participated virtually and in-person. The foundational training course focused on accountability and communication

### **Promoting Health and Well-Being**

As an organization, we care about our employees' well-being — not only at work, but also in their everyday lives. We offer a comprehensive Total Well-Being Program which provides a holistic approach to addressing and supporting the wellness of our employees. The Premier Total Well-Being Program includes resources for:

- Physical well-being
- Financial well-being
- Social and emotional well-being
- Purpose and career well-being

In addition, our Employee Assistance Program includes the following:

- Six free counseling sessions
- Dependent care referrals
- Training and education support on various related topics

Additional resources to promote well-being include:

- Headspace app for resources such as guided meditation, better sleep, movement, focus and attention, and more.
- A new healthcare guidance platform, Rightway, that optimizes the healthcare spend of employees by helping them access the highest-quality and most cost-effective care.

## EMPLOYEE SPOTLIGHT



### **RUSS ELLSWORTH**

**EVP / Head of Treasury Management**

*"Since I joined the Bank, there has been opportunity at every corner. I have had the ability to truly influence by pushing my creative ideas through to production with the support and empowerment of leadership."*



### **CASSANDRA QUINTANAR**

**1st VP / Talent Acquisition Manager**

*"Here at Pacific Premier, if you have the drive and hunger to succeed and develop your career, you will have the opportunity to do so and your leaders will help you along the way."*



### **CRYSTAL NESS-GODOY**

**1st VP / Director of Marketing Operations**

*"At Pacific Premier, I see how the organization consistently supports the development and careers of women in executive roles. It has helped me feel more confident in my career, seeing the positive examples these leaders are setting as women in the financial industry."*



### **MICHAEL CHEN**

**1st VP / Sr. Relationship Manager, Commercial Banking**

*"I am proud to work for Pacific Premier, which sees the tremendous value in the volunteer work of employees outside of the office, and invests immensely in the communities it serves. Being part of a close community like San Luis Obispo is a wonderful reminder that everyone needs to do their part. It is our obligation to ensure we give back to our community and help those in need."*

# Community

Pacific Premier has a proven track record of investing capital and time to help strengthen communities where we work, do business, and live. We know that when our communities thrive, it benefits clients, employees, homeowners, and business owners. Driven by purpose, we continuously assess the needs of our communities through active outreach to nonprofit organizations, advocacy groups, and other community stakeholders. In response, our comprehensive approach to building strong communities focuses on addressing disparities in underserved and minority communities through community investment and development, financial inclusion and self-sufficiency, and volunteerism.

## EQUITABLE IMPACT INITIATIVE

During 2021, the pandemic highlighted persistent inequities in wealth, housing, education, and health for communities of color and other marginalized populations. To combat these ills, we launched our Equitable Impact Initiative, a multi-year \$50 million commitment to key organizations and programs designed to reduce social and economic disparities in underserved communities.

As a result of this Initiative, the SoLa Black Impact Fund will receive a \$30 million investment to support prosperity and racial equity within Black and Brown communities. In addition, the SDS Supportive Housing Fund will receive a \$15 million investment to finance approximately 1,800 new units of permanent supportive housing for people currently experiencing homelessness within communities that are predominantly minority.

Other key partners for this Initiative include Local Initiatives Support Corporation Los Angeles (LISC LA), which received \$150,000 toward transforming underserved neighborhoods. In addition, Community Capital Management will receive a \$5 million contribution to their Minority CARES initiative, which will enable them to invest in market-rate, investment-grade bonds to increase opportunity for people of color. The California Reinvestment Coalition (CRC) Resilience Fund will also receive a \$500,000 grant over two years to help minority-owned small businesses and communities of color disproportionately impacted by the pandemic.

Together, these and other efforts supported by our Equitable Impact Initiative are making a tangible difference in the communities we serve.



**Local Initiatives Support Corporation (LISC) Los Angeles**



Local Initiatives Support Corporation Los Angeles (LISC LA) is one of 31 offices of the Local Initiatives Support Corporation, a national nonprofit organization transforming underserved neighborhoods into thriving communities of opportunity and choice. Pacific Premier donated \$150,000 to LISC LA in 2021 and volunteered 15 hours serving on the Advisory Committee. This allowed LISC LA to launch a first-of-its-kind business accelerator program, The Black Business Excellence Technical Assistance Initiative (BBET).

The BBET initiative is a 10-week program helping those in the personal care sector, a business segment particularly hard-hit by the pandemic.

**“Many of the business owners in this space had their livelihoods threatened and had feelings of being isolated and without support,” according to Tunua Thrash-Ntuk, Executive Director, LISC LA.**

As part of the BBET program, these businesses have access to 10 training modules led by industry experts in the field, as well as weekly mentoring from a business provider, networking opportunities, and pitch opportunities.

**“Without Pacific Premier’s willingness to help, our vision for this program would never have happened.”**  
—Tunua Thrash-Ntuk, Executive Director, LISC LA

## SOCIAL

### Community Investment and Development

We recognize our responsibility to collaborate with local government, nonprofit, private, and individual stakeholders to help revitalize neighborhoods across our footprint. Our efforts have earned us an "Outstanding" rating during our last two consecutive Community Reinvestment Act (CRA) examinations. Additionally, we maintain "Outstanding" ratings for our CRA performance under the Lending and Investments Tests.

Our ongoing vision is to create thriving communities through activities that ensure access to capital, job creation, neighborhood revitalization and stabilization, and development and preservation of affordable housing.

#### Lending

Across our lending teams, we work to increase access to capital and provide loans that benefit our communities. We offer an extensive array of flexible lending products to address the needs of small businesses that may not otherwise be met. We recognize the significant need for affordable housing within many of the high-cost areas where we operate. During 2021, our CRA community development loan originations increased 109% over 2020 totals.

#### Community Investment

We actively invest in economically disadvantaged communities through a broad array of investments, including equity investments in certified Community Development Financial Institutions (CDFIs), low-income housing tax credits, minority-owned depository institutions (MDIs), and Small Business Investment Companies.

#### Participation in Federal Home Loan Bank of San Francisco (FHLBSF) Community Programs

We recognize that affordable and stable housing is a critical ingredient for healthy, robust communities, and having a roof over your head is foundational for a good life. As a member of the FHLBSF, we leverage community programs to make funds and resources available for affordable housing and to facilitate homeownership in underserved neighborhoods. By serving as a conduit, we are able to submit applications on behalf of nonprofits, developers, and individual homeowners, supporting first-time homebuyers and the development and preservation of affordable housing.

#### 2021 Highlights:

##### FHLBSF COMMUNITY PROGRAMS

**\$895,000** **Workforce Initiative Subsidy for Homeownership (WISH) Program**  
\$895,000 in down payment assistance awarded to 42 first-time homebuyer households

**\$1,080,000** **Affordable Housing Program (AHP)**  
\$1,080,000 in AHP awards for 2 projects, supporting 74 units of affordable housing



#### SMALL BUSINESS AND SMALL FARM LENDING



**\$546.9M**

\$546.9 million in lending to small businesses and small farms with gross annual revenues less than or equal to \$1 million

#### COMMUNITY DEVELOPMENT LENDING



**\$2.3B**

\$2.3 billion in CRA-qualified lending to support affordable housing, small business growth, and nonprofits that support LMI communities

#### CRA LENDING IMPACT

**10,837**

Created and preserved 10,837 affordable housing units



**11,622**

Created and retained 11,622 jobs benefitting lower-income individuals and households

## SOCIAL

### Financial Inclusion & Capacity Building

We believe everyone should have equitable access and the tools and opportunity to create their own financial future. Low levels of financial literacy have been associated with a lower standard of living, decreased psychological and physical well-being, and greater reliance on government support. We promote economic resilience in our communities by supporting programs that provide education and resources to improve the financial expertise of underserved small businesses, individuals, and their families.

### Financial Education Initiatives and Outreach



**“Here at the TCCDC, our mission is to educate the families of Santa Ana. We live this mission out every day by equipping the students of Santa Ana with the necessary tools to build a secure financial future. The impact Pacific Premier makes goes far beyond their financial contribution to the program; they are vital partners in breaking the cycles of poverty in our students. I believe Pacific Premier and TCCDC are committed to changing our community one student at a time!”**

—Rev. Danny de León, Jr, TCCDC’s Chief Operating Officer

#### TEMPLO CALVARIO COMMUNITY DEVELOPMENT CORPORATION

Templo Calvario Community Development Corporation (TCCDC) is dedicated to meeting the increasing and changing needs of the City of Santa Ana, California—a community characterized by unique challenges, such as low English proficiency, diminished educational achievement, and families’ financial instability.

TCCDC’s Banking on Our Youth program (BOY) is a sustainable financial literacy and entrepreneurship program that works with LMI high school seniors through innovative and engaging methods to promote financial responsibility, leadership, teamwork, and entrepreneurship.

#### GREENPATH

Through their Financial Literacy materials and counseling, GreenPath, a national nonprofit organization, empowers and equips individuals with the knowledge, skills, and confidence to take charge of their lives and build a more secure future for themselves and their families. GreenPath’s certified financial counselors provide counseling on topics such as debt, budgeting, housing, foreclosure prevention, and student loans to support financial goals. During 2021, 16,585 households received financial literacy counseling services across Arizona, California, Nevada, Oregon, and Washington.



## SOCIAL

### Creating a Path Toward Self-Sufficiency

Our goal is to support organizations that promote Economically Self-Sufficient Families — programs and services that assist in moving families forward through financial literacy education, job training/workforce development, and wealth building through free tax preparation services.

#### VOLUNTEER INCOME TAX ASSISTANCE (VITA)

VITA offers free tax preparation for low-income families and individuals. VITA's free tax preparation ensures taxpayers receive every credit to which they are entitled, including the Earned Income Tax Credit (EITC). The EITC is widely regarded as one of the nation's most powerful anti-poverty programs. Studies show that many EITC recipients used their tax refunds to save, pay down debt, and invest in long-term assets. In 2021, we partnered with six organizations to help provide free income tax assistance that benefitted over 116,000 low- and moderate-income individuals.

#### FINANCIAL LITERACY AND SMALL BUSINESS WORKSHOPS

To help create opportunities for small businesses to thrive, we provide small businesses and entrepreneurs with various workshops focused on access to capital, technical assistance, and financial services needed to start, operate, and grow their business. In addition, we participate in workshops geared to low- to moderate-income individuals. These focus on Financial Education and Wealth Building by teaching critical financial skills and knowledge needed to successfully create a more secure future.

### Charitable Giving

We manage a charitable giving strategy and grants program that reflects a deep commitment to improving economic prosperity for under-resourced individuals, families, and small businesses. Our support aligns with several United Nations SDGs, including but not limited to: decent work and economic growth; climate action; good health and well-being; sustainable cities and communities; quality education; zero hunger; reduced inequalities; and peace, justice and strong institutions. **During 2021, we provided \$3.9 million in charitable grants, with the majority (80%) benefiting minority communities across 475+ organizations.**



#### BRIDGE BUILDERS FOUNDATION

Young men of color are twice as likely to grow up in poverty as non-Hispanic white males, and more likely to live in neighborhoods of concentrated poverty. Recognizing the multiple educational and economic disadvantages that young men of color face, we support Bridge Builder Foundation (BBF) and their Thriving Under the Influence Program. During 2021, our support enabled BBF to expand their mentoring and education program designed to inspire underserved youth to become contributing members of their community.

**“We’re so appreciative of what the Bank provided. That really made the difference for us to be able to provide additional support for these kids.”**

—James Breedlove, President of Bridge Builders Foundation

## SOCIAL

### SUSAN G. KOMEN

With a fundamental belief that a person's socio-economic or minority status should not dictate the outcome of their well-being, our charitable giving continues to be responsive to the need to address equitable health in low-income and other vulnerable populations. We are proud to be the Health Equity Partner for Susan G. Komen, sponsoring an innovative program, Patient Navigation Initiative (PNI), designed to provide skilled training to improve patient navigation services among low-income women and those who lack comprehensive health insurance. The PNI guides patients through a complex and confusing healthcare system to overcome barriers to healthcare and health inequities.

**"We were looking for systemic change in Orange County. That's really what this is about. As an Official Health Equity Partner of SGKOC, Pacific Premier Bank is willing to invest in something new that has evidence that it will work."**

—Megan Klink, Regional Vice President at Susan G. Komen



### Volunteerism

We are passionate about our communities and maintain a culture of volunteerism. We believe in the power of partnership that includes actively volunteering within our communities. During 2021, we provided over **7,460** volunteer hours.

- 57 employees contributed over 225 virtual volunteer hours as part of Templo Calvario's Banking On Our Youth (BOY) program. Employees served in multiple capacities, including as mentors, judges, and financial literacy and entrepreneurship educators.
- Employees conducted 28 mock interviews with HopeWorks, the only organization in Snohomish County, Washington currently providing job training and experience to formerly homeless and low-income individuals living in local affordable housing programs.

- 6 female employees served as mentors for Junior Achievement of Orange County's 5th Annual Leading Ladies Young Women's Empowerment event. This virtual event targeted 89 low- to moderate-income female high school students throughout Orange County. Peggy Ohlhaber, Sr. EVP, Chief Human Resources Officer, served as an event panelist.
- Employees across Arizona and Nevada coordinated successful virtual fundraising campaigns to support their local United Way chapter and raise funds for education, financial wellness, equality, and healthy communities.
- 123 employees created more than 2,300 Back-to-School kits. We donated \$20,500 to 17 different nonprofits to ensure underserved students across Southern and Central California, Arizona, Nevada, Washington, and Colorado were ready for the new school year.



### TOP EMPLOYEE CAMPAIGN LEADER—UNITED WAY OF TUCSON AND SOUTHERN ARIZONA

Employees across Arizona and Nevada coordinated successful virtual fundraising campaigns to support their local United Way chapter.

#### ERIKA LEE

Executive Assistant—Tucson, Arizona

# Why Do We Volunteer?



**108**

**VOLUNTEER HOURS**

**TRISTEN CALI**

1st VP / Corporate Giving & Community Development Manager—Orange County

*"My passion has always resided in service, and being able to do that every day has been the biggest blessing."*



**264**

**VOLUNTEER HOURS**

**THOMAS GALINDO**

EVP / Regional President—Inland Empire

*"My banking career started with long commutes to Los Angeles from the Inland Empire, so it was very difficult for me to get involved in my community. As my career moved me closer to home, I started volunteering and saw how my involvement affected the lives of those in the community around me. Working in my neighborhood allowed me to see the difference I can make every day. I am now involved with several nonprofits, including serving on the board of four organizations. But by far my greatest passion is education, as I teach finance courses at Cal State San Bernardino and serve on the Dean's Advisory Board. I also initiated a mentorship program for business students with the goal of assisting first-generation college students. Prior to Pacific Premier, I had limited time and funding to allocate to the community. However, today I have been given the full support of the Company and the flexibility to pursue my passion projects, even those that do not necessarily result in business opportunities. I have been encouraged to use not just my own time, but the Company's resources to make a difference in our communities."*





**CRA CHAMPION AWARD**



**131**  
**VOLUNTEER HOURS**

**CRA CHAMPION AWARD** – Recognizes employee who contributed the most CRA volunteer hours for the calendar year.

**TEUTA HYSENI**  
Sr. Credit Analyst–Orange County

Teuta Hyseni is the recipient of the CRA Champion Award, which recognizes the employee who contributed the most CRA volunteer hours for the calendar year. Teuta is deeply involved in the community and donates her time and talent to a number of CRA volunteer opportunities, including serving as Tax Preparer through United Way of Orange County's Volunteer Income Tax Assistance (VITA) program. In addition, Teuta assisted with fundraising events, participated in beach clean-ups, taught numerous financial education classes, and most recently joined the Loan Review Committee for DreamSpring.

*"Volunteering has given my work a deeper sense of purpose, and has provided an outlet to exercise both my personal and professional skills for a greater good. Pacific Premier Bank's support of the (VITA) program provides a significant way to give back to the community. I am fortunate to be able to apply my finance and data analytics background to help those who may not have access to professional advisors. The Bank's volunteer opportunities have made my job meaningful and continuously allow me to make connections with individuals across various sectors."*

**CRA SPIRIT AWARD**



**125**  
**VOLUNTEER HOURS**

**CRA SPIRIT AWARD** – Recognizes one employee for their exceptional contributions to the Bank's CRA program.

**MARISSA DEMES**  
VP / Sr. Branch Manager–Orange County

Marissa Demes is the recipient of the CRA Spirit Award, which recognizes one employee for their exceptional contributions to the Bank's CRA program. Marissa is a true leader for the Orange County region and championed 2021 CRA volunteer efforts in a number of ways, including encouraging and recruiting employees to get involved. She serves on the Board of Directors for Alzheimer's Family Center, Fountain Valley Kiwanis Club Foundation, and Kiwanis Foundation of Huntington Beach, and is on the Auction Committee with Boys and Girls Club of Huntington Valley and a Dream Catchers Auxiliary of Assistance League committee. In addition to serving in leadership roles, Marissa signs up for many volunteer opportunities, including teaching financial education workshops, hosting mock interviews, and serving as a Mentor for Tempo Calvario's eight-month financial literacy and entrepreneurship Banking on Our Youth Program.

*"I am proud to work for a company that wants to give back and provides an opportunity for their employees to do the same. While I serve on several boards and committees of various organizations through my own connections, Pacific Premier does an amazing job in sourcing opportunities that I would not be connected to otherwise. I truly get more out of each experience than I give, and I am humbled to be recognized as the CRA Spirit Award recipient."*

## Supplier Diversity

**Our goal is to ensure that diverse suppliers are provided the optimal opportunity to participate in our procurement process.**

We recognize the importance of using diverse suppliers and are always looking for talented partners to help us deliver exceptional financial products and service to our clients. Aligned with our mission to advance equity and make an impact in our communities, we are taking the necessary steps to establish a formal Supplier Diversity Program.

Our goal is to ensure that diverse suppliers are provided the optimal opportunity to participate in our procurement process. We are committed to increasing the use of diverse businesses as suppliers to our Company. This includes, but is not limited to, businesses that are certified as majority-owned by minorities, women, LGBT, veterans, and disabled people, as well as small and disadvantaged business enterprises.

As our program matures, we will proactively seek to identify and develop partnerships with diverse suppliers who can deliver competitive, high-quality goods and services, and whose values align with our own. All of our suppliers are expected to adhere to the highest ethical standards as set forth in our [Vendor Code of Conduct](#).



# SASB Index

SASB Code	Accounting Metric	Response
<b>Data Security</b>		
FN-CB-230a.1	(1) number of data breaches (2) percentage involving personally identifiable information (3) number of account holders affected	During 2021, we did not experience a material compromise to any of our data systems or vendor platforms, and did not incur any expenses resulting from information security breaches or information security breach penalties or settlements. For more information please see the <a href="#">latest 10-K</a>
FN-CB-230a.2	Description of approach to identifying and addressing data security risks	Our approach to identifying and addressing data security risks is discussed in the <a href="#">latest 10-K</a>
<b>Financial Inclusion &amp; Capacity Building</b>		
FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	Small Business: (1) 6,604 (2) \$1,115,593,334 Community Development: (1) 1,249 (2) \$3,075,702,159
FN-CB-240a.2	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	Small Business: (1) 10 (2) \$1,411,338 Community Development: (1) 3 (2) \$10,342,603
FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	We maintain a strong commitment to the Community Reinvestment Act (CRA). For more information please see our most recent CRA Performance Evaluation dated July, 12, 2021.
FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	In 2021, we reached 21,017 participants through various financial literacy initiatives.
<b>Incorporation of Environmental, Social, and Governance Factors in Credit Analysis</b>		
FN-CB-410a.1	Commercial and industrial credit exposure, by industry	Detailed information is disclosed in the latest <a href="#">Q4 2021 Investor Presentation</a>
FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	Information available under <a href="#">Enterprise Risk Management</a> and <a href="#">ESG Framework</a>
<b>Business Ethics</b>		
FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Please refer to our <a href="#">SEC filings</a> for further information regarding legal proceedings
FN-CB-510a.2	Description of whistleblower policies and procedures.	Whistleblower policies and procedures are discussed in the <a href="#">Code of Conduct</a>
<b>Systemic Risk Management</b>		
FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	
FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Pacific Premier Bank is not a global systematically important bank, and is not subject to mandatory or publicly disclosed capital stress testing

# TCFD Index

TCFD Recommendation	Response
<b>Governance</b>	
Describe the Board's oversight of climate-related risks and opportunities	Refer to <a href="#">Board Oversight</a>
Describe management's role in assessing and managing climate-related risks and opportunities	Refer to <a href="#">Program Management</a>
<b>Strategy</b>	
Describe the climate-related risks and opportunities the organization has identified over the short-, medium-, and long-term	Refer to <a href="#">Risks and Opportunities</a> Refer to Our <a href="#">Sustainability Strategy</a>
Describe the impact of climate risks and opportunities on the organization's businesses strategy and planning	Refer to <a href="#">Risks and Opportunities</a> Refer to Our <a href="#">Sustainability Strategy</a> Refer to <a href="#">Climate-related Risk Identification and Assessment</a>
Describe the resilience of the organization's strategy taking into consideration different climate-related scenarios, including a 2°C or lower scenario	N/A
<b>Risk Management</b>	
Describe the organization's processes for identifying and assessing climate-related risks	Refer to <a href="#">Climate-Related Risk Identification and Assessment</a>
Describe the organization's processes for managing climate-related risks	Refer to <a href="#">Climate-Related Risk Management</a>
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Refer to <a href="#">Climate-Related Risk Identification and Assessment</a>
<b>Metrics and Targets</b>	
Disclose the metrics used by the organization to assess climate-related risk and opportunities in line with its strategy and risk management process	Refer to Our <a href="#">Sustainability Strategy</a>
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against target Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks	Refer to <a href="#">Metrics and Targets</a>



# Corporate Information

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