



Caring for our 'Aina and People CPB 2023 Report

CENTRAL
PACIFIC
BANK

cpb.bank





Letter from the CEO

To Our Valued Stakeholders,

Living on the most isolated island state in the world, we understand how important it is to take care of our land (‘aina). Hawai‘i is our home, the people are the heartbeat, and the aloha spirit is our breath. Caring for our ‘Aina and People isn’t just the name of this report, it is our approach every single day in this special place we call home.

Since our inception in 1954, Central Pacific Bank (CPB) has always been a company based on integrity, equality, and community service. Our founders were Nisei veterans who heroically fought for our country in World War II, only to be denied financial services when they returned home. This motivated them to create a bank that would help all of Hawai‘i’s people with their financial goals and dreams. Today we have 737 dedicated employees who pride themselves in helping our people and protecting our planet.

CPB continues to be at the forefront of Hawai‘i based companies in its energy efficiency and actively supports the use and installation of renewable energy and sustainable agriculture projects.

As a company, we have created programs that perpetuate diversity, mentor women business leaders, protect human rights, and support housing, education, and economic advancement.

In 2023, CPB and the CPB Foundation together donated \$1.6 million to worthy nonprofit causes. CPB employees contributed more than half a million dollars to the United Way campaign alone, in addition to the other charitable fundraising drives held throughout the year. In particular, the company and our employees contributed generously to the relief efforts and to those impacted by the Maui wildfires, which was a tragic event that brought out compassion in our company and our people.

This report details numerous examples of CPB’s positive impact on the community, environment, and workplace, all of which contributes to quality corporate governance, which helps create value for our investors and best serves the passions of our employees, customers and community.

Our focus on caring for the people and land is considered in all of our business and operational decisions and is incorporated into our strategic planning, which guides us in our mission to make a positive difference in people’s lives - beyond banking.

Arnold Martines
President and Chief Executive Officer

Contents

- 3 2023 Highlights
- 4 The Four Business Pillars and Core Values of CPB
- 8 Overview: We Stand for Our Community
- 9 Corporate Governance: CPB Leadership
- 11 Corporate Governance: Risk Management
- 13 Corporate Governance: Business Ethics
- 15 Corporate Governance: Stakeholder Engagement
- 16 Social Responsibility: Support for Our Employees
- 21 Social Responsibility: Support of the Community
- 35 Environmental Initiatives: Protecting Our Future



2023 Highlights

Founded by WWII veterans to provide financial resources for all of Hawai'i's people.

“No bank does more for Hawai'i Small Businesses”

Hawai'i Business Magazine's
“Best Places to Work”

Provided More
PPP LOANS
Than Any Bank in the State

Newsweek
Best bank in its category

**TOP SBA
LENDER
in the STATE**

“Outstanding”
Community Reinvestment Act (CRA) Rating
Every Year Since 2005

Exceptional
Customer Service Recognitions

Environmental Initiatives

\$8.6 MILLION

Renewable Energy
Company Loans

\$85 MILLION

Residential PV Loans
Outstanding

2023 Annual
Paper Recycling
SAVED
Approximately:

578,000 KILO WATTS

578 CUBIC METERS of
LANDFILL AVOIDED

2,600 TREES

2.31M METRIC TONS of
CARBON EQUIVALENT

289 BARRELS of OIL

Dedicated & Diverse Workforce

91%

Ethnically Diverse

64%

Female
with

34%

of Employees Remained with
CPB for More Than a Decade

53%

as Managers

**GIVING
BACK**

\$232,000

Total Awarded to Schools
& College Scholarships

\$38 MILLION

in Loans Outstanding to
Build Low-Income Housing

\$500,000

Donated from CPB Employees
to the United Way

\$1.6 MILLION

Donated to More Than 100
Non-Profit Organizations
by CPB and the CPB Foundation

5,200+

Community Service Hours
at over 127 Organizations

Our Business Pillars

Digital

Continue our transformation to become a “Digital First Bank” using technology that provides additional convenience and value to our customers that also creates internal efficiencies to reduce our cost of doing business.

Home Ownership

Our goal is to become a leading advocate of affordable housing in Hawaii, to help assure that our young people can continue to live here and achieve the dream of home ownership. We will work with the various industry, government and community stakeholders to help drive tangible results over time.

Small Business

Over 90 percent of all business in Hawaii is small business, making it the backbone of the local economy. We will continue to build on our position as the top small business bank in Hawaii, providing products, services, and community resources to help facilitate economic growth and expansion in this key area.

Japan Market Development

Dating back to our founding, the Japan market has and will continue to be a point of emphasis for CPB. We will continue to facilitate business opportunities for those looking to do business in Japan as well as Japan companies who would like to invest in Hawaii to benefit the local economy.

CPB's Mission, Vision, and Values

Our Mission

To make a positive difference in people's lives - beyond banking.

Our Vision

To bring the Aloha Spirit to Banking.

Our Core Values

Voyaging Spirit

Our vision, determination and perseverance brought us into the world. These same qualities will push us forward.

Positively 'Ohana

We were founded by the community, for the community. We've always seen our customers as members of our extended family.

Central Pacific Bank is the only bank subsidiary of Central Pacific Financial Corp., a bank holding company listed on the New York Stock Exchange. In this Report, “CPB” is used to refer to both Central Pacific Bank and Central Pacific Financial Corp.



CPB's Approach to Caring for our 'Aina and People

CPB believes that a commitment to sound corporate governance practices, including social, environmental, and economic responsibility, is important to our success as a company. As such, we are committed to integrating governance, social and environmental considerations into our business practices and operations. Our priority is to mitigate risk and improve performance, while optimizing the positive impact on our business, customers, employees, community, and environment.



We do this through:

- **Corporate Governance**

CPB strives to protect and enhance the interests of shareholders with strong Board and executive leadership and sound corporate governance and risk management practices.

- **Support of Employees**

CPB aims to recruit and retain an exceptional, diverse workforce and is committed to the health, safety, well-being and success of its employees.

- **Support of Customers**

CPB is committed to providing exceptional customer service and offering practical solutions and valuable resources to help make our personal and business customers more successful. This includes:

Expanding Access to Banking through Digital Channels

CPB provides digital banking channels for customers through online account opening, enhanced ATMs, online and mobile banking apps, and a digital bank account so that our personal customers can perform banking safely and securely when and where they want.

Support of Small Business

CPB is focused on supporting Hawai'i's small businesses. We are seen by our small business customers as not just a trusted bank, but a trusted partner to them in finding financial solutions that meet their needs.

Support of Housing and Homeownership

CPB sets targets to assist in addressing Hawai'i's housing shortage. We focus on supporting (1) the construction of subsidized rental housing, affordable rental units, and workforce housing; and (2) members of our community to purchase homes.

- **Support of the Community**

CPB is a leader in philanthropic initiatives across Hawai'i.

- **Environmental Stewardship**

CPB endeavors to preserve the natural resources of our islands by implementing energy efficient and other "green" practices across the organization and setting targets to increase our financing of projects in the renewable energy and climate change adaptation sectors.



CPB Founders meeting under a banyan tree at Ala Moana Beach Park.

We Stand for Our Community

A Legacy of Inclusion

2024 is a special year for CPB as it marks 70 years since we began banking in Hawai'i and helping people reach their financial goals. CPB was founded in 1954 by Nisei WWII veterans who returned home to Hawai'i as decorated heroes, only to find social and economic injustices against them and the immigrant population. With a passion to create change, they founded a bank that would serve all the people of Hawai'i. They believed that by providing opportunities for all people regardless of race, they could realize their greatest potential, and that their vision would one day become a legacy for future generations.

We hold the vision of our founders near and dear today as we continue to perpetuate the belief that diversity in the business community leads to a strong local economy. We honor their legacy by engaging in ethical and compliant business practices and sound risk management. We give back by investing in our communities. We move forward by hiring and supporting a diverse workforce that's inclusive of all ethnicities, faiths, sexual orientations and gender identities. And we protect our islands by taking steps to preserve the natural resources of our 'aina.

Brand Promise

- To carry forward our legacy and an unwavering commitment to service – we stand for inclusivity, opportunity, and doing the right thing.
- To commit to the financial health of our customers so that together, we can build a stronger Hawai'i.
- To push forward with vision, determination and perseverance.
- To treat our customers as members of our extended 'ohana.

How We Serve

Since its inception, CPB has served as an essential bank for Hawai'i's communities, and we are committed to making our island home a better place to live, work, and play. In today's ever-changing business environment, we are investing in powerful projects – from homegrown entrepreneurship to community reinvestment – to foster sustainability and economic growth. Internally, we strive for an inclusive, healthy work environment and to be an organization that attracts and retains top talent. Finally, we are investing in safe and secure digital technology to enable our customers to bank from anywhere with confidence.

Additional Disclosures

We are committed to reporting in alignment with leading Environmental, Social and Governance (ESG) frameworks to ensure that our disclosures are consistent with leading best practices and helpful to our stakeholders. In 2021, 2022, and 2023 we released disclosures in accordance with the Sustainability Accounting Standards Board (SASB) Commercial Banks, Mortgage Finance, and Consumer Finance Sustainability Accounting Standards. All of our ESG related disclosures, including our SASB disclosures, can be found on our investor relations website at ir.cpb.bank/Corporate-Social-Responsibility.



CPB founding directors

Central Pacific Bank Leadership

Strong corporate governance shepherded by Central Pacific Financial Corp.'s and CPB's Board and management level Executive Committee drive trusted and transparent business practices, intelligent risk management, and long-term sustainability. This leadership, combined with effective strategies and policies, contribute to CPB's culture of high ethics, integrity, and compliance.

CPB Board of Directors

As of February 1, 2024, CPB's Board is comprised of 13 directors with deep business and community ties in Hawai'i and beyond. 77% are independent, and all are esteemed business and community leaders who bring to the table dynamic value and expert skill sets, including banking, accounting, technology, marketing, retail, insurance, real estate, and law. Notably, the Board strives for inclusive representation being 31% female and 85% diverse (meaning directors who self-identify as one or more of: Black or African American, Hispanic or Latinx, Asian, Native American or Alaska Native, Native Hawaiian or Pacific Islander, or two or more races or ethnicities).

The Board is fully engaged and meets regularly, setting strategy and providing ongoing oversight for CPB's business plans, budgets, and performance. They oversee CPB's risk appetite and receive regular reports on ESG and risk management.

They also adopt the Corporate Policies and Procedures critical to creating an environment where employees act with ethics and integrity and comply with all laws. Focused oversight is provided by Board Committees, including the Audit Committee, Governance Committee, Compensation Committee, Board Risk Committee, Directors Loan Committee, and Trust Committee. Specific measures within the Board structure itself ensure effective governance. The Board appoints a lead independent director, with specific authorities that are independent of CPB's executive team and day-to-day operations. To scrutinize and ensure maximum effectiveness, the Board also conducts self-assessments on an annual basis, measuring strengths of the Board and Committee structure, while identifying areas of improvement.

"Our Board and Board Committees are structured to oversee both the risks facing our business, and the achievement of our business plans and strategic goals. The diverse skill sets of our directors help the company evaluate risks, anticipate challenges, and identify opportunities."

— Catherine Ngo, Board Chair
Central Pacific Financial Corp. and Central Pacific Bank



Central Pacific Financial Corp. and Central Pacific Bank Board of Directors

CPB Executive Committee

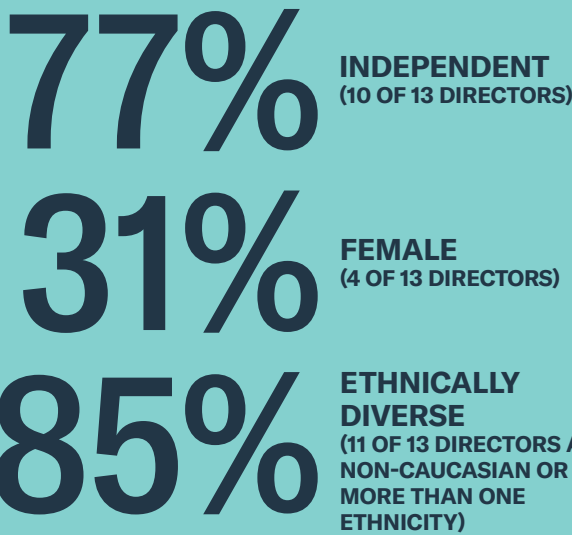
CPB's management level Executive Committee drives execution of the company's strategy, including annual business plans, capital plans, and budget. The Executive Committee is also charged with optimizing organizational structure, including succession planning to ensure a strong future for the organization. The Executive Committee reflects CPB's commitment to diversity. As of February 1, 2024, the Executive Committee was 40% female and 100% diverse (meaning directors who self-identify as one or more of: Black or African American, Hispanic or Latinx, Asian, Native American or Alaska Native, Native Hawaiian or Pacific Islander, or two or more races or ethnicities).

At the highest level, CPB's Board and Executive Committee lead by example, upholding the code of conduct, ethics, and internal controls while maintaining transparent stockholder communications through press releases, quarterly earnings calls, SEC filings, proxy, and 10-K reports, and shareholder engagement calls. They are also active in various nonprofit community causes.

Strategic Plan and Business Plan

CPB's Board annually adopts a Business Plan and updates a three-year Strategic Plan. ESG aligned goals are incorporated into these plans and our executive's incentive compensation plan is tied to the successful completion of our Business Plan initiatives. Regular updates on the status of Business Plan goals, including ESG related goals, are given to the Board.

Central Pacific Bank Board

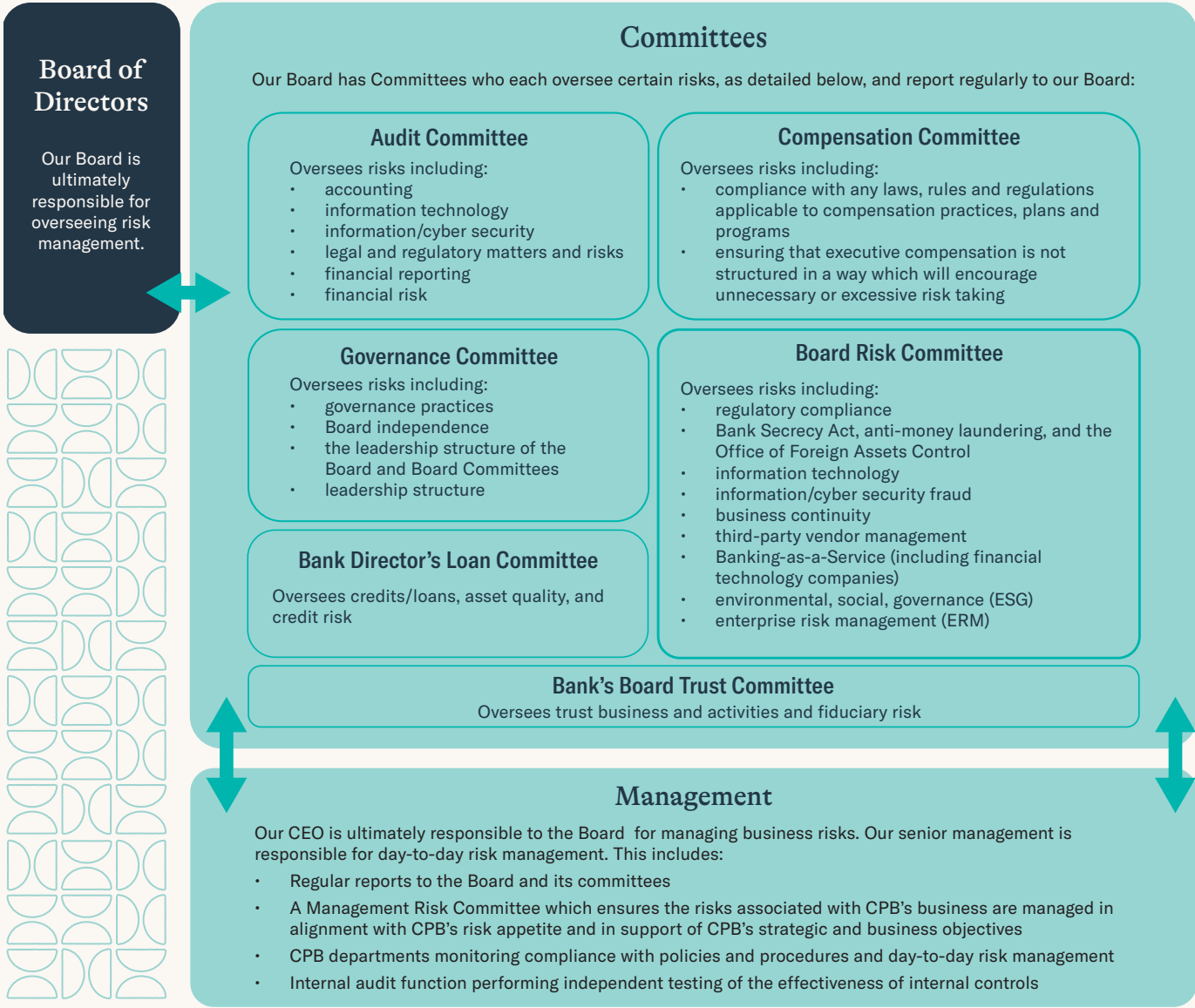


Corporate Governance: Sound Risk Management

Strong policies, disciplined training, internal controls, and monitoring contribute to CPB's approach to risk management. CPB conducts training on an ongoing basis, covering compliance and regulatory topics, as an expectation of all employees. Complaints, quality assurance, and internal controls are diligently monitored and tested with internal and independent audits, with results consistently reviewed by CPB's leadership and Board.

"We recognize the profound responsibility that comes with managing our customers' financial information and transactions. In an era where digital solutions are not just conveniences but necessities, CPB is deeply committed to upholding the trust and confidence our customers have in us. A core design principle in our approach to digital innovation is to protect and assure the integrity of our customer's financial information."

– Manny Edmondson, Executive Vice President & Chief Technology Officer, Central Pacific Financial Corp. and Central Pacific Bank



Oversight

Board: Our Board has ultimate responsibility for oversight of our ESG program. Our Board regularly receives reports on ESG, considers environmental, health and safety, and social matters as part of its oversight functions, and has incorporated ESG related initiatives into the Company's 2024 Strategic Plan and Business Plan.

Board Risk Committee: Our Board Risk Committee has formal oversight of our ESG program, initiatives, and reporting. The Board Risk Committee receives quarterly updates from management on the status and activities of our ESG initiatives.

Management Risk Committee: The Management Risk Committee oversees ESG risks at CPB so that these risks are identified, measured, managed, monitored, and reported in alignment with CPB's risk appetite, consistent with appropriate risk/reward returns, and in support of CPB's strategic and business objectives. The Management Risk Committee receives quarterly updates from management on the status and activities of our ESG initiatives.

Data Privacy

All information we collect about customers and/or employees is obtained through lawful and transparent means, with explicit consent of the data subject where required, and is stored and used only for the purposes for which it was collected, to enable CPB's legitimate business activities.

Information Security

CPB is fully committed to safeguarding the confidentiality and integrity of our customers' information, especially in an increasingly digital world. CPB maintains a formal and comprehensive information security program that protects the confidentiality, integrity, and availability of the Company's information assets. The information security program includes a threat intelligence program, a cyber risk program, third party risk assessments, a formal incident response program, mandatory trainings of employees and independent contractors both regularly and upon hire, reviews of vendors who handle sensitive information, policies and procedures, compliance to banking regulations, and annual audits.

Internal Cyber/Information Security Oversight

We have multiple levels of oversight for our information security program:

- **Board:** Our Board is ultimately responsible for overseeing all of our risks, including information security. The Board reviews and approves the Company's information security program at least annually.

- **Board Risk Committee:** Our Board established the Board Risk Committee, which is primarily responsible for oversight of cyber/information security. The Board Risk Committee receives updates at least quarterly from the Company's Chief Information Security Officer/Chief Technology Officer regarding cyber/information security matters.
- **Board Cyber Incident Response Committee:** In 2023, CPB's Board established a Board Cyber Incident Response Committee, which is an ad hoc committee that will represent the Board to work with and advise CPB management if a cyber incident which requires immediate attention and where time is of the essence and has or could have a material impact on CPB were to occur.
- **CPB Management:** CPB's Chief Information Security Officer/Chief Technology Officer is a member of the Management Risk Committee and the Managing Committee.
- **Management Risk Committee:** CPB's Management Risk Committee oversees information/cyber security risks at CPB to ensure that these risks are identified, measured, managed, monitored, and reported in alignment with CPB's risk appetite, consistent with appropriate risk/reward returns, and in support of CPB's strategic and business objectives.

External Cyber/Information Security Oversight

CPB's cyber/information security program is also regularly assessed by third parties to ensure that we are adequately managing information security risks. These third party reviews include:

- **Penetration Tests:** CPB's cyber posture is independently assessed through an annual penetration test
- **Third Party Cyber Risk Assessments:** Quarterly third party cyber risk assessments are conducted on various key aspects of the cyber program.
- **Audits:** CPB's Information Technology and Information Security Departments are annually audited by an independent internal auditor and our external auditor.
- **Regulatory Examinations:** CPB's Information Technology and Information Security Departments are annually examined by the Federal Deposit Insurance Corporation (FDIC). Our regulatory examinations include reviewing our risk management activities to ensure we are properly and adequately managing our risks appropriate to the size and complexity of our business and operations.

For more information on CPB's cybersecurity and data protection programs, please see "Cyber Security and Data Protection" at ir.cpb.bank/Corporate-Social-Responsibility.

Corporate Policies and Business Ethics

Code of Conduct and Ethics

CPB maintains a Code of Conduct & Ethics applicable to all employees, officers, and directors. When they're hired and annually thereafter, CPB employees must certify that they have read and understood the Code of Conduct & Ethics. The Code of Conduct & Ethics preserves, promotes, and fosters the highest ethical conduct, addressing conflicts of interest, corporate opportunities, honesty and integrity, securities trading, fair dealing, diversity and inclusion, confidentiality, protection, and proper use of CPB assets. It also encourages the reporting of any suspected violation of the Code through robust reporting protocols and whistleblower protections. Waiving of any provision of the Code can only be done by CPB's Board.

The Code of Conduct & Ethics for Senior Financial officers covers the Executive Chair, President, CFO, Controller, and other principal financial officers, accounting officers, or any person performing any similar role.

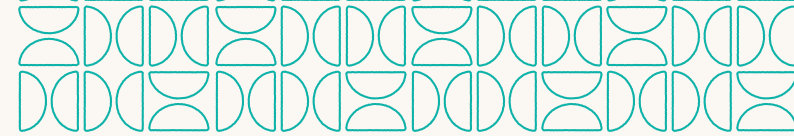
Bribery and Corruption

Bribery and corruption are both against CPB's values and illegal, and could expose both employees and CPB to fines and penalties, including imprisonment and reputational damage. Bribery is the offer, promise, or payment of cash, gifts, or even excessive entertainment, or an inducement of any kind offered or given to a person in a position of trust to influence that person's views or conduct or to obtain an improper advantage. Corruption is dishonest or fraudulent conduct by those in power, typically involving bribery. Our policies prohibit bribery regardless of the amount, and require fair dealing with all third parties.



Additional Policies

- **Corporate Governance Guidelines:** Sets the role of CPB's Board, including the qualification and nomination process for directors.
- **Company Stock Trading Policy:** While CPB does encourage employee and director support of the company through stock ownership, there are strict guardrails in place to prevent insider trading.
- **Sexual Harassment & Other Forms of Harassment Policy:** With zero tolerance for harassment of any nature, CPB maintains stringent procedures for investigation, discipline, prohibition of retaliation, and confidentiality.
- **Whistleblower Protection:** CPB has strong whistleblower and anti-retaliation protections through its Complaint Policy. It encourages the reporting of complaints and infractions through designated internal channels, or if preferred, through an anonymous alert line hosted by an external third party.



CPB is committed to communicating with its customers clearly, completely, and in compliance with all applicable consumer protection laws.



Bank Secrecy Act, Anti-Money Laundering and Fraud

As a financial institution, CPB maintains bank secrecy, anti-money laundering, anti-fraud and identity (ID) theft prevention programs to identify and report suspicious activity and transactions, and to take action to prevent and prohibit activity that is believed to be illegal, criminal, or fraudulent.

These programs include internal policies, procedures and controls, designated roles and responsibilities, employee training, and regular testing of the program by an independent internal auditor. They are designed to comply with applicable laws and regulations relating to consumer protection, anti-money laundering, counter-terrorist financing, and Office of Foreign Assets Control. CPB has established written Bank Secrecy Act / Anti-Money Laundering and ID Theft Red Flag Policies that are reviewed and approved annually by our Board of Directors. CPB requires that all employees comply with its Bank Secrecy Act / Anti-Money Laundering and ID Theft / Fraud Policies.

Responsible Marketing

CPB is committed to communicating with its customers clearly, completely, and in compliance with all applicable consumer protection laws, such as the federal Truth in Savings Act and federal Truth in Lending Act. CPB's legal and compliance teams regularly review communications with customers such as notices, disclosures, statements, and agreements to ensure compliance with laws and regulations and for clarity of terms and provisions. Advertisements are reviewed for compliance with laws and regulations and to ensure they are not deceptive or misleading. CPB has several policies in place with respect to advertisements and customer communications, and relevant employees are trained on the policies that are applicable to them. Furthermore, CPB's compliance with consumer protection laws is regularly reviewed by our internal audit function and our regulators.

Responsible Sales Practices

CPB is subject to strict regulations for responsible sales practices. Employees receive training on compliance with consumer protection and sales regulations on an annual or more frequent basis. Training includes, but is not limited, to the federal Truth in Lending Act, Truth in Savings Act, fair lending laws and regulations, and laws and regulations prohibiting unfair, deceptive, or abusive acts or practices. Applicable employees are also trained on CPB's debt collection policies and procedures. CPB also has channels, including an anonymous hotline, to report inappropriate sales practices.

Stakeholder Engagement

CPB strives to have an open dialogue with all of its stakeholders through both formal and informal engagement. Below is an overview of our engagement with our stakeholders. Additional details of some of these activities is elsewhere in this report.

Stakeholder	Engagement Overview
Employees	<ul style="list-style-type: none">Employees and managers review goals, accomplishments, and performance on an annual basis.An annual employee culture survey is conducted and allows us to identify areas of strength and opportunities for improvement to ensure continued satisfaction and retention of our employees.We offer a comprehensive compensation and benefits package to attract and retain talent.
Customers and Communities	<ul style="list-style-type: none">We offer innovative and affordable solutions to address the banking and credit needs of our customers and community.We work to educate both our business and individual customers on the products and services available to them, and topics relevant to them, such as fraud and cybersecurity.
Shareholders	<ul style="list-style-type: none">We communicate with shareholders through our Annual Report and Proxy Statement, Securities and Exchange Commission filings, press releases, and our cpb.bank website.We engage with our analysts and shareholders through quarterly earnings calls, investor meetings and conferences, annual shareholder meetings, and proxy outreach calls.
Industry Alliances	<ul style="list-style-type: none">We, together with our directors and executives, are active in community and business organizations in Hawai'i and beyond.



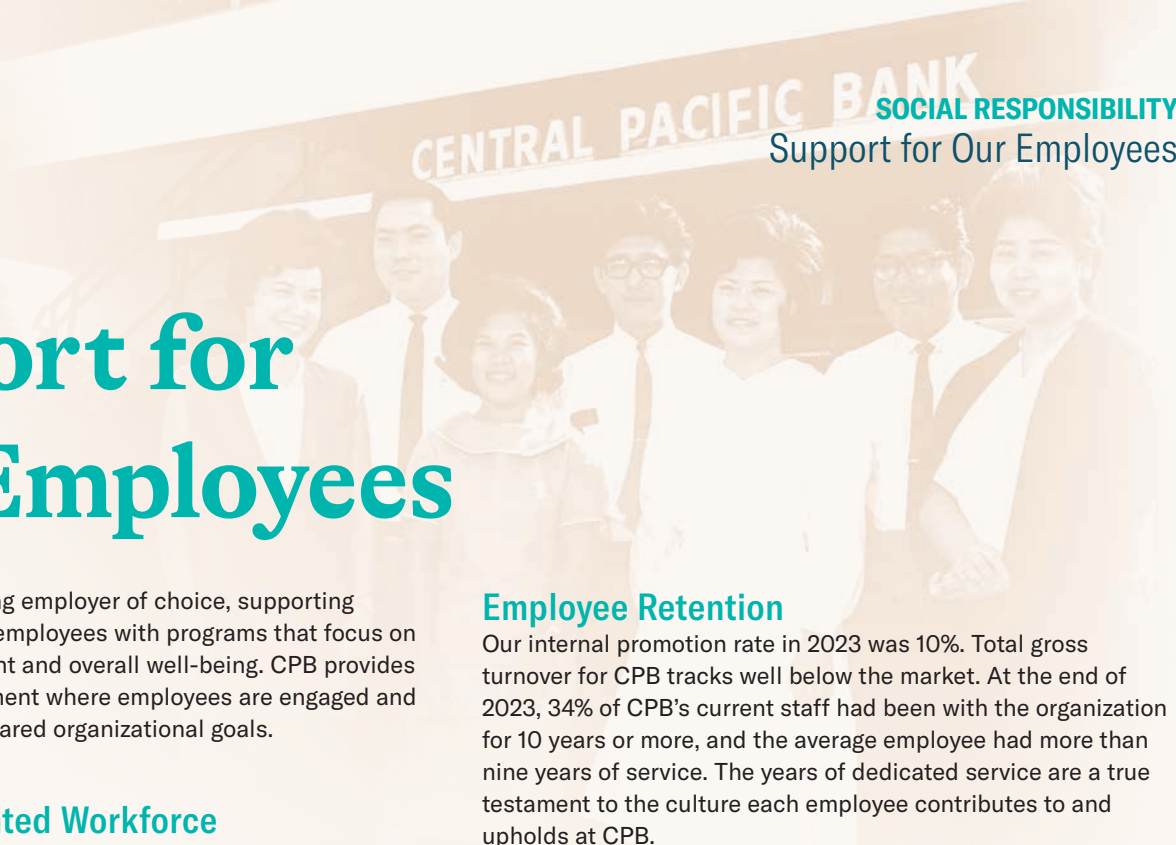
Support for Our Employees

CPB strives to be a caring employer of choice, supporting successful and healthy employees with programs that focus on professional development and overall well-being. CPB provides a positive work environment where employees are engaged and work together toward shared organizational goals.

A Diverse & Talented Workforce
CPB has a long-term focus on improving diversity, equity, and inclusion among its workforce and aims to have a positive impact on greater society. At the end of 2023, CPB's workforce was over 91% ethnically diverse (non-Caucasian or two or more races) and 64% female, with 53% of all management staff having a supervisory role being female. CPB prides itself on the diversity of cultures, generations and backgrounds of our workforce which mirrors the diverse communities we serve.

Employee Engagement
At the heart of our organization are our dedicated employees. We believe that fostering a culture of employee engagement is crucial for our success. In December 2023, we launched our annual Employee Engagement Survey to provide a platform for our workforce to voice their opinions, concerns, and suggestions. This survey enables us to gather valuable data on employee satisfaction and identify areas for improvement. In 2023, 78% of employees submitted feedback to CPB's annual Employee Engagement Survey.

We have taken several initiatives to foster employee engagement, including the creation of a Chief Happiness Officer position to manage engagement programs and activities. Additionally, we introduced the Friendship Floor to promote social connections among employees and host monthly and quarterly engagement activities throughout the company. To adapt to changing work dynamics, we launched hybrid/remote or alternative worksites. These efforts demonstrate our commitment to creating a workplace where all employees feel valued, supported, and empowered. We actively address the feedback received from employees to drive positive change within our organization



Employee Retention
Our internal promotion rate in 2023 was 10%. Total gross turnover for CPB tracks well below the market. At the end of 2023, 34% of CPB's current staff had been with the organization for 10 years or more, and the average employee had more than nine years of service. The years of dedicated service are a true testament to the culture each employee contributes to and upholds at CPB.





Leadership Development

Strong leadership is essential for driving organizational growth and success. To ensure the continual development and effectiveness of our leaders, CPB has implemented a comprehensive leadership development framework. This framework provides a roadmap for leadership growth and is designed to cultivate essential leadership skills and competencies. It encompasses various components, including leadership training programs, coaching, mentorship opportunities, and ongoing performance evaluations.

CPB’s leadership development framework cultivates and nurtures a strong pipeline of capable leaders within the organization. It aims to provide employees with the necessary tools, resources, and experiences to enhance their leadership skills, enabling them to effectively lead teams, drive organizational success, and adapt to a rapidly evolving business landscape. By investing in leadership development, CPB fosters a culture of continuous learning, empowers employees to reach their full potential, and ensures a sustainable leadership succession plan for future growth and success.

CPB’s leadership development framework includes:

- 1 Developing People Skills:** The "People Skills" training can help leaders and employees enhance their interpersonal skills, communication, and collaboration abilities, fostering a positive work environment and employee engagement. This, in turn, can contribute to CPB’s social responsibility and inclusive culture.
- 2 Building a Culture of Compliance:** The "Compliance" training can educate leaders and employees about regulatory requirements, ethical practices, and responsible business conduct. This helps to establish and reinforce a culture of compliance within the organization, promoting integrity and good governance.
- 3 Nurturing Organizational Excellence:** Training programs like "Operational Excellence" and "Digital Excellence" equip leaders and employees with the knowledge and skills to drive innovation, enhance operational efficiency, and adapt to changing market dynamics. This can contribute to CPB’s sustainable growth and competitiveness, while also addressing environmental and social challenges.
- 4 Enhancing Leadership Capabilities:** The various leadership development programs, such as "Change Leadership," "Developing Talent," and "Drives Vision & Purpose," empower leaders to effectively manage change, foster talent development, and align the organization towards a shared vision. By promoting strong leadership, CPB can inspire employees to contribute towards sustainable business practices.
- 5 Promoting Collaboration and Effective Communication:** Training programs like "Collaborates" and "Communicates

Effectively" facilitate teamwork among employees. This enables them to work towards common goals, leading to better outcomes and a more engaged workforce.

6 Emphasizing Results-Orientation and Time Management:

The "Drives for Results" and "Time Management" training programs can help leaders and employees prioritize tasks, manage their time efficiently, and focus on achieving sustainable business outcomes. This promotes responsible resource allocation and maximizing productivity.

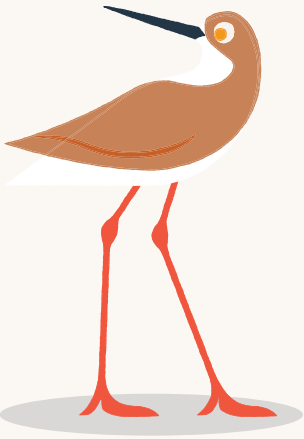
By investing in the development of our leaders, we aim to create a culture of excellence, innovation, and continuous improvement.

The benefits to CPB employees of leadership development include:

- **Skill Development**
- **Personal and Career Growth**
- **Increased Confidence**
- **Expanded Network**
- **Enhanced Decision-Making**
- **Professional Networking**
- **Increased Job Satisfaction**
- **Adaptive Leadership**

Management/Leadership Competencies

As part of CPB’s commitment to developing effective leaders at all levels of the organization, CPB has identified and defined core management/leadership competencies. These competencies serve as a guide for leadership development, performance management, and succession planning. Our leaders are encouraged to embrace and enhance these competencies, which include attributes such as strategic thinking, effective communication, agility, collaboration, and ethical decision-making. By focusing on these competencies, we strive to create a cohesive leadership team that can navigate challenges, inspire their teams, and drive positive change.



Human Capital Management

Training, Education and Mentorship: CPB believes that employees should constantly grow and learn new skills. Upskilling and developing career pathways for internal promotions is an ongoing priority. CPB’s investment in our employees includes the following:

- **Tuition Reimbursement:** CPB has a tuition reimbursement program for external trainings and courses. In 2023, CPB provided \$39,700 in tuition reimbursements for the benefit of employees.
- **Training:** CPB mandates employee participation in formal training courses in both in-person and online formats. In 2023, CPB employees completed trainings for a total of approximately 19,000 participant training hours. This works out to an average of approximately 26 annual training hours per employee.
- **Mainland Banking School:** Each year a cohort of two to three high potential employees is sent to the Pacific Coast Banking School to further develop banking technical skills. In 2023, one CPB employee completed this program.
- **Toastmasters:** Our CPB Toastmasters club helps participating employees gain confidence in public speaking, communication and leadership skills.
- **Women’s Leadership Program:** The CPB Women’s Leadership Program (WLP) provides opportunities for CPB’s top 80 women leaders. The WLP develops leadership skills, builds a support network by establishing several Lean-In circles that meet monthly, and gives back to the broader community through service projects.

Community Service: CPB supports its employees giving back to their communities. CPB participates in an annual donation drive for the Aloha United Way, as well as company-sponsored volunteer events. Employees are given three paid community service days for individual volunteer efforts to support local nonprofit organizations.



“Aside from the customers at CPB, the bank is also very team-oriented and is also very involved with various community services. I really appreciate that I am able to get to know other employees of the bank and bond with them may they be in different branches or different departments.”

– Lea Balallo, Universal Banker II, Kahala Branch



President and CEO Arnold Martinez with participants of the new leadership development program started in 2023 called Voyagers Program

Total Rewards

Our employees are our greatest asset, and we believe that investing in their well-being is essential. CPB is committed to investing in its employees through a comprehensive and competitive compensation and benefits package that includes health insurance, retirement savings plans, employee development programs, career advancement opportunities, and a focus on preserving a work/life balance.

CPB's compensation philosophy is designed to support our strategic objectives to attract, motivate, and retain talented employees who drive CPB's success. We strive to provide base salaries that align with the market when employees are fully proficient and meeting expectations. Employees with extensive experience, who consistently perform above expectations, may be paid a higher base salary, and therefore salaries for these employees may lead the market.

In addition to base salary, our compensation program includes variable pay for all employees. Our variable pay programs are designed to motivate and reward high levels of individual performance that aligns with our corporate strategy and business plan, and contributes to CPB's success. In addition, our variable pay programs encourage employees to do the right things for the right reasons for our customers and CPB and are reviewed to ensure that compensation does not improperly incentivize unsafe and unsound practices. Performance both as a team and individual contributes directly to serving CPB's customers and communities; sustaining the CPB's strong performance, and adding value to shareholders.



Benefits provided by CPB include:

- Competitive salary
- Career advancement opportunities
- Incentive award/bonus program
- Paid Time Off including for vacation, dependent care, community service and sickness
- Paid Family and Medical Leave (FMLA), including parental leave
- 401(k) Retirement Savings Plan with Company Matching Contributions
- Medical, Prescription Drug, Vision & Dental Plans
- Health & Wellness Programs
- Employee Assistance Program
- Flexible Spending Plan
- Group Life Insurance
- Long Term Disability Insurance
- Long Term Care Insurance
- Voluntary Insurance Products
- Training Programs
- Tuition Reimbursement
- Employees Club Activities
- Company-Sponsored Events
- Bus Pass Program
- Biki Bike Program
- Pre-Tax Parking Benefits
- Banking Benefits
- Employee Recognition Events

CPB's benefits are equally provided to all gender identities. Parental leave is available to both biological and adoptive parents of any gender.

CPB's health plans provide coverage in accordance with the Gender Affirming Treatment Act for treatment of gender dysphoria. Benefits include coverage for gender reassignment surgery, hormone therapy, hospital room and board and other medically necessary gender reassignment related services and supplies.



Health, Safety and Wellness

- CPB complies with all applicable regulations for workplace safety. We track data related to workplace health and safety.
- **Mental Health Support:** CPB places importance on its employees' mental health. Mental health services are covered in the health insurance policies offered to CPB employees, and employees are able to use sick days for mental health purposes. In addition, CPB offers an Employee Assistance Program which offers employees assistance with any issues that may be interfering with an employee's job or personal life, with access to professional services relating to mental health, legal, financial, healthcare navigation, mediation, identity theft or coaching.
 - **Work/Life Balance:** CPB understands the importance of ensuring its employees' have meaningful, productive lives outside of work. CPB allows employees to work remotely at the discretion of each manager based on role and business needs. Non-customer facing employees may be offered flexible and variable work schedules, as approved by their manager. Some positions that are under stricter regulatory oversight may primarily have set schedules; however, among the positions that are flexible, approximately 65% of total employees can work with their managers to find accommodations.
 - **Employee Safety:** CPB's Safety Committee creates and fosters a culture of safety and employs programs designed to provide a safe working environment for our employees as well as our customers and community. CPB conducts safety training including first aid, CPR and use of AED devices that are readily available across our branches and business offices. Employees understand their responsibility to immediately report any potential safety hazards, promote safe work habits and adhere to all safety policies and procedures.

- **Health and Wellness Programs:** CPB is committed to keeping the employee portion of health care premiums to a minimum while also providing creative wellness programs to promote healthy lifestyles among employees throughout the year. For eight consecutive years, employees have enjoyed no increase in their health benefits cost. CPB has absorbed all additional expenses of its rising cost of healthcare to allow employees to better manage the expense of providing essential benefit coverage for themselves and their family members.
- **Team Building:** A variety of programs are offered to CPB employees to have fun and strengthen camaraderie. Quarterly Team Building activities, paid for by CPB but planned by the participating departments, encourage teams from different divisions to engage and form strong relationships. The Employees' Club, which offers companywide gatherings throughout the year, and Holiday Party, are also much anticipated and coveted opportunities to share in each other's company, beyond the office setting.

“With the duties that you have here at the bank you really learn the importance of teamwork and communication, which are skills you can apply to your everyday life. Exceptional customer service to me means going above and beyond your customers expectations. It’s a challenge now to find great customer service and that is why its important to me to provide exceptional customer service. I want to serve customers the way I want to be served.”

– Jessica Helsham, CPB Universal Banker II, Ewa Branch



CPB employees supporting UH athletics



SOCIAL RESPONSIBILITY

Support of the Community

Being a 'Best Place to Work'

CPB is proud to have been voted by employees as one of Hawaii Business Magazine's "Best Places to Work" the 14th time since 2006. We're constantly anticipating the environment and tools our employees need to perform at their best. One of the ways we do this is by conducting an annual culture survey, for which results are carefully reviewed and disseminated among leaders.

Equal Opportunity

CPB publishes a summary of its EEO-1 Report at ir.cpb.bank/Corporate-Social-Responsibility (see "Workforce Gender, Racial, Ethnic Diversity"). This workforce diversity data showcases CPB's commitment to building a diverse and vibrant workforce that reflects the communities in which we serve.

It is CPB's policy to require employment, promotions, compensation, and all employment-related actions to be based solely on individual merit and personal capabilities without regard to race, religion, color, national origin/ancestry, gender/sex, age, sexual orientation, arrest and court record, marital status, disability, military service, veteran status, genetic information, or any other characteristic protected by law. We periodically conduct analyses of all employment-related actions to ensure equal opportunity.



CPB is proud to be named to the Best Places to Work list



"Best Places
to Work
14 Years
Running"



CPB is Where People Like Banking

Since our founding in 1954, CPB has proudly served the needs of our customers and the broader community. Our investments in the latest products and services, as well as our generous donations to the community reflect this longstanding commitment and our desire to help address Hawai'i's future needs with lasting, positive impact.

No bank does more than CPB to help small businesses in Hawai'i

We know that local businesses are critical to a strong local economy. There are many reasons why CPB is considered the bank of choice for small businesses, and here are just a few:

- Top SBA lender in the state among mid-sized banks
- CPB provided more PPP loans to small businesses than any bank in Hawai'i during the COVID pandemic

"As we move forward, we see an opportunity to transform our institution from one that not only serves the community and our customers with the best service and value added products, but one that puts a greater emphasis on strengthening the financial health of our organization so that we can continue to grow and flourish to serve our customers and the community for decades to come."

– Arnold Martinez, President & CEO, CPB



Central Pacific Plaza at the corner of King and Alakea streets in downtown Honolulu

Supporting Customers through our Products and Services

CPB is unwavering in our commitment to enrich the lives of our customers and the community. We demonstrate this daily by providing exceptional customer service and offering practical solutions and valuable resources to help make our personal and business customers successful.

A Best Bank with Satisfied Customers

CPB is honored to be ranked in America's Best 250 Regional Banks and Credit Unions list according to Newsweek. CPB was selected based on Newsweek's own independent criteria and research which included profitability, financial relevance, media monitoring, and overall health and stability. It also collected social media comments and app store reviews to support its findings.

Digital Banking, the CPB Way

The world continues to evolve with digital technologies at the forefront. Customers expect more conveniences, choices, and the ability to perform transactions when and where they want them on any device. CPB has doubled down on a "digital first" approach to banking, and we call it "Digital Banking the CPB Way." This means having more online and mobile options, all with the highest standards of safety and security.

- Shaka Checking: Hawai'i's first and only digital bank account.
- iOS and Android Banking Apps: For customer's everyday banking needs, including mobile deposits.
- Hawai'i's First Online Live Chat Feature: When customers need immediate customer service support on their smartphone or computer.

"It's the first time that I've felt I was a very important client. To have a bank that really feels like they are part of the community and they value you, is really important to me and it helps us as a business. Central Pacific Bank has earned our business because they've treated us with respect and they made us feel important."

– David Sellers, Hawaii Off-Grid

- The Latest Generation ATMs: To provide more customer convenience than any other bank in Hawai'i.
- Online Appointment Scheduling: Customers can book an appointment online to visit us in person or via phone or video chat from the comfort of their own home.
- Quick and secure online account openings.
- Online term loan applications and approvals.
- Business online banking.

CPB's mobile and online banking options and enhanced ATMs expanded our community's access to banking services, while minimizing their need to travel into a branch. CPB has special staff members who work with customers to educate them on ATMs and our digital offerings so that they can perform banking transactions outside a branch to make life easier and more convenient.

Shaka Checking

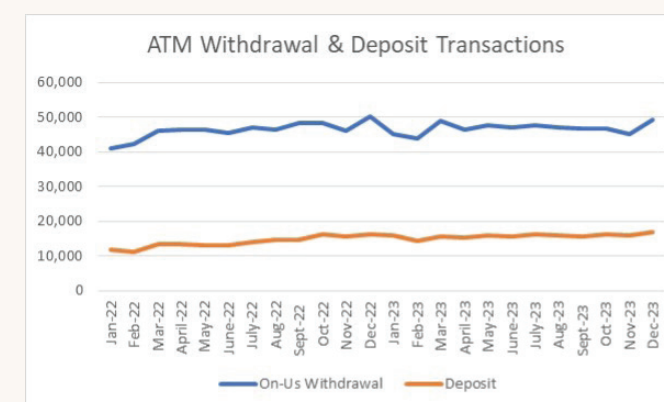
In November 2021, CPB launched Shaka Checking, Hawai'i's first all-digital checking account offered by a local bank. Shaka Checking has no minimum balance (\$25 needed to open account online), no monthly fees, and one of the highest interest rates offered by a checking account in Hawai'i. It also offers customers with the opportunity to get their paycheck up to two days early, as well as up to \$20/month in ATM fees refunded. Since its launch, Shaka has provided exceptional and convenient online banking services to exceed CPB customers' financial needs. Shaka customers can access their accounts anytime and anywhere on their online or mobile devices, making fewer trips to branches.

Enhanced ATMS

CPB's state-of-the-art ATM network with increased functionalities includes envelope-less cash and check deposit, and extended same-day credit on deposits made by 5:30 p.m. on a bank business day. Another key feature is that customers can choose their bill denominations upon cash withdrawal. CPB is the only major bank in Hawai'i to offer four different bill denominations. CPB customers can now perform more transactions at ATMs that used to be done only in branch.

In 2023, CPB updated all foreign languages available on its ATMs (Japanese, Chinese, Korean and Spanish) to improve readability and the access of non-English speakers to our ATM services. CPB also enhanced our ATM receipts so that "Central Pacific Bank" and our phone number are displayed on the receipt, which helps protect both CPB and the customer from fraud.

CPB continued to work with customers on educating and training on ATM functions like Cash and Check Deposits and Multi-Bill Denomination Withdrawal to save customers time and enjoy a better banking experience. The number of deposits and withdrawals at CPB's ATMs continued to increase in 2023:



In 2023, CPB worked towards additional ATM enhancements meant to further increase banking options for our community. These enhancements, including the addition of Tagalog and Ilocano language options, and using tap technology (rather than inserting a card) for increased security, are expected to go-live in 2024. CPB's Filipinx customers asked us to add Tagalog and Ilocano to our ATMs, to increase their access to ATM services, and we listened. Approximately 26% of Hawai'i's population is Filipinx and Filipinx-American.

Financial Education for Youth

In 2023, CPB partnered with Greenlight to offer a new service to CPB customers. Greenlight offers a debit card and money app for families, managed by parents. CPB customers are able to utilize the Greenlight Select plan (valued at \$4.99/month), as long as they fund the Greenlight debit cards with a CPB account. Parents can create chores for their children to complete and pay allowance by funding their children's debit cards. Parents can also set flexible controls and get real-time notifications of their children's spending activity. Children can set savings goals and have unique pay links through which friends and family members can send money for gifts or services. By using the Greenlight app, parents can teach children money management skills and the importance of saving money. The app has in-app financial literacy educational content and games.





Support of Housing and Homeownership

CPB has long been a proponent of affordable housing, believing that all residents should have the opportunity to rent or purchase a home. Hawai'i has had a housing shortage for decades and CPB set targets to assist in addressing this issue. Our focus is both on construction of new units, including subsidized rental housing, affordable rental units, and workforce housing, and assisting members of our community to purchase homes at all levels of the housing ladder.

In 2023, CPB offered 13 Community Development (CD) loans for a total of \$75.8 million in support of affordable housing for low- to moderate-income individuals and families. The Home Loans Division financed one fee simple, affordable loan to value housing project in 2023. In addition, CPB has committed over \$48 million in investments in low-income housing to-date, with \$38 million in loans outstanding as of December 21, 2023. CPB has achieved an “Outstanding” Community Reinvestment Act (CRA) rating every year since 2005. It’s important to note that only 6% of the CRA ratings issued by the FDIC since 2014 have garnered “Outstanding” status. CPB also supports first-time homebuyers, making 50 loans to first-time homebuyers in 2023, totaling \$27 million.

Support of Small Businesses

CPB continues to help Hawai'i small business owners reach for their dreams. Since 2007, CPB has been recognized 14 times by the Lender of the Year (Category 2) by the U.S. Small Business Administration’s (SBA) Hawai'i District Office. In 2023, CPB originated more loans to small business than the other major banks in Hawai'i combined, was also awarded Lender for Most Veteran Loans, and had nine bankers receive SBA Lending Officer Awards. CPB originated 91 7(a) loans and three 504 loans for a total of \$13.4 million in fiscal year 2023.

CPB’s services designed to support the growth of its small business customers include:

- Online and mobile banking platforms specially designed for small businesses;
- Business checking accounts with no minimum opening balance and no monthly service charge;
- Merchant processing solutions through our partner Elavon; and
- Our Rising Tide program, which any business in Hawai'i can join, provides resources for small businesses, including educational workshops, promotions and special events.

13 COMMUNITY DEVELOPMENT (CD) LOANS
\$75.8M IN SUPPORT OF AFFORDABLE HOUSING
\$48M INVESTED IN LOW-INCOME HOUSING

"Outstanding"
COMMUNITY REINVESTMENT ACT (CRA) RATING SINCE 2005

“My relationship with CPB started in 2015 when I got my first commercial loan. Since that time, we have worked with CPB on residential loans, HELOC’s, business banking, and every single person I have come in contact with at CPB is so professional, goes above and beyond in terms of customer service and we feel they are such champions for small businesses.”

– Angela Leone, Maui Leone DBA Coconut Condos

“What I really love about CPB is the access to my business banker. On the personal side I have been banking with CPB for more than 20 years and on the business side since I opened Doctors of Waikiki. Even in the preplanning phase we actually established our relationship with CPB and they helped us grow our business. It’s a very great partnership.”

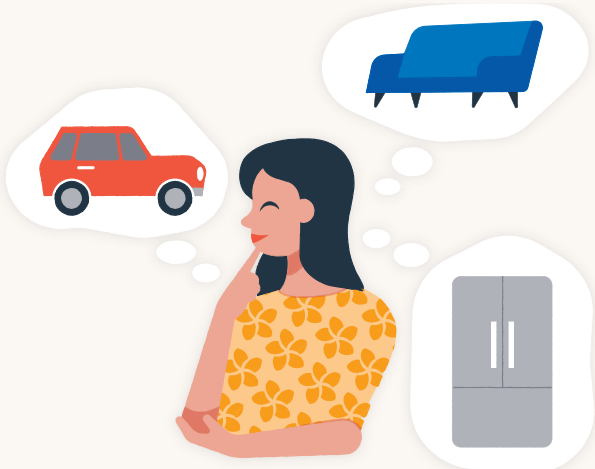
– Dr. Alan Wu, Doctors of Waikiki

Support of Borrowers

For individual and business borrowers who are experiencing financial difficulties, CPB offers short-term deferral payment options to qualified loans. CPB also works with mortgage borrowers to provide short-term loan forbearance and modification options. In 2023, CPB granted a total of approximately 570 loan modifications and/or forbearances to assist its borrowers, which includes the modifications offered to customers impacted by the Maui wildfires.

Support of Nonprofits

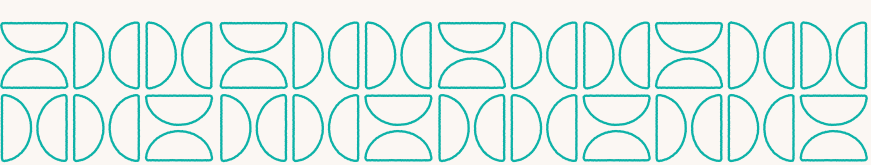
CPB supports nonprofit customers’ banking needs with a team of bankers focusing on nonprofit customers. Our Nonprofit Plus program is designed to support our nonprofit customers’ needs, with benefits that include an assigned relationship officer, checking account with a sweep account that earns interest, CPB sponsored seminars on topics pertinent to nonprofits, and discounted fees on investment and payroll services. As of December 31, 2023, we had approximately 180 nonprofit customers, to whom we had committed over \$63.6 million in loans. CPB’s nonprofit customers had approximately \$91.6 million in deposits at CPB. In addition, our main branch features Tidepools, which makes free of charge coworking spaces available to nonprofits.



180 NONPROFIT CUSTOMERS
\$63.6M IN NONPROFIT LOANS
\$91.6M IN NONPROFIT DEPOSITS



CPB Employees at the 2023 American Heart Association Heart Walk



Supporting Residents Impacted
by the Maui Fires

CPB employees and leadership jumped into action to assist the Maui community in the wake of the August wildfires. Many of our Maui employees went above and beyond to assist the Maui community, while facing difficult personal circumstances at home. Thanks to the efforts of a cross-functional CPB team, our Lahaina branch and ATMs reopened on August 28, 2023.

CPB set up multiple programs to assist Maui customers impacted by the fires. These include:

- **Loan Deferrals Programs** for all loan types for those impacted by the wildfires. These include deferral programs for residential mortgages, consumer loans, auto loans, HELOCs, small business loans, commercial loans, and commercial real estate loans. As of December 31, 2023, we processed payment deferral on 146 loans with outstanding balances totaling approximately \$32 million in response to the fires.
- **Maui Community Savings Program** with a special rate of 3.25% Annual Percentage Yield to provide customers a safe place to deposit their insurance proceeds that earns higher than market rates but also offers them the liquidity to withdraw without penalty anytime the need arises. Both impacted businesses and consumer customers are eligible. As of December 2023, there are 21 customers with balances totaling \$4.7 million.
- **Natural Disaster Loan Program** offers customers loans of up to \$10,000 at special rates with flexible terms for people impacted by the Maui fires.
- **Waived Safe Deposit Box Fees** waived for Lahaina Branch customers with existing boxes received a 1-year fee waiver.
- **Waived ATM Fees** at all Maui ATMs for anyone on Maui, and CPB customers who are Maui residents will be reimbursed ATM fees when using non-CPB machines on a monthly basis.
- **Waived Fees for Expedited Debit Card and Check Replacement** for Maui residents affected by the fire.
- **Dedicated Hotline** to expedite calls from Maui people.

In addition, CPB and the CPB Foundation both donated money to assist Maui, and coordinated monetary collections from employees and the community. These include:

- Hawaii Bankers Association Aloha for Maui Campaign: Community members can drop off a monetary donation in any amount to any CPB branch, 100% of the funds CPB collects will go to the Hawai'i Community Foundation Maui Strong fund.
- CPB Foundation donated \$50,000 to the Downtown Athletic Club of Hawai'i "Luna Strong" fund to help displaced Lahainaluna High School student-athletes and coaches get back on the field (this was a portion of a \$100,000 total donated to the Downtown Athletic Club of Hawaii in 2023)
- CPB Foundation donated \$50,000 American Red Cross of Hawaii.
- CPB Foundation donated \$25,000 to the Maui Foodbank.
- CPB Foundation and Ace Hardware partnered to hold two donation drives at the Lahaina Gateway providing several hundred sets of essential supplies to residents.
- The bank partnered with Chef Hui, a Maui nonprofit, to raise \$25,000 through community donations online to pay for meals for residents who were adversely impacted by the Maui wildfires.



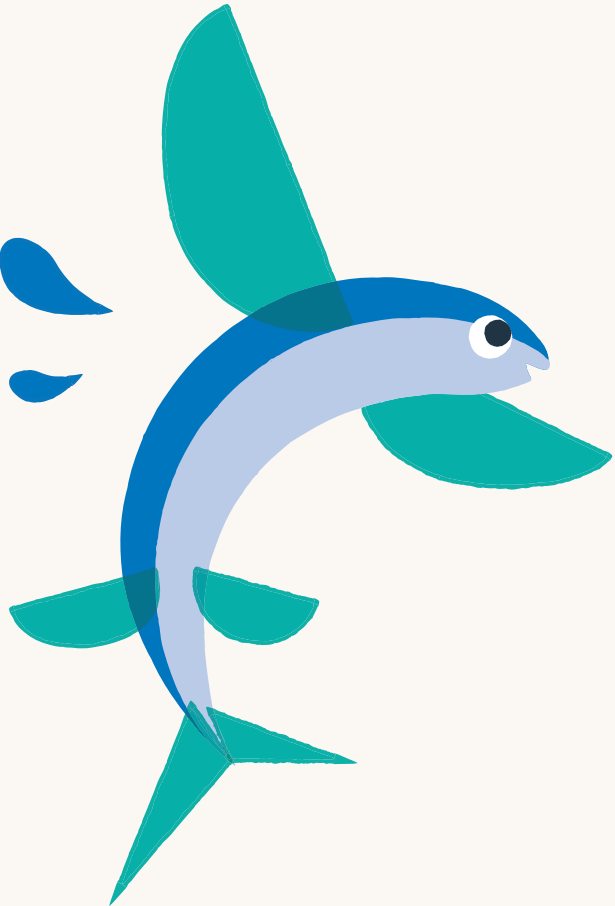
CPB donation to Chef Hui to buy holiday meals for Maui residents

Our Operations

CPB operates to protect its customers and take ESG considerations into account in its business decisions.

Protection of Customers

CPB is governed by regulations affecting commercial and consumer banking products prohibiting bribery, unfair and deceptive practices, privacy violations, and similar provisions. As a responsible and ethical lender, CPB strictly prohibits abusive, misleading, or fraudulent banking practices. Regular training of front-line staff and sales teams' personnel on our product offering(s) and compliance requirements ensures that they offer products and services appropriate for our customers' needs and income profiles. Our goal is to support our customers in making an informed choice. Customer satisfaction is important to CPB, and we regularly ask our customers for feedback.



ESG Investing and Credit Standards

When we choose where to invest our money, we not only consider financial and other risk factors, but also governance practices, environmental and social impacts, and regulatory and reputational risks. This approach is reflected in our Investment Policy adopted by our Board.

When we choose who to lend to, we not only consider financial and other risk factors, but also how borrowers safeguard the environment, advance social equality, and employ good corporate governance. This approach is reflected in our General Lending Policy adopted by our Board. In accordance with our current General Lending Policy:

- **We will not make loans to businesses or organizations involved in:**
 - illegal activities
 - cannabis
 - activities that support unsustainable forestry practices
 - mining
 - fracking
 - nuclear energy and other nuclear activities
 - oil and gas exploration and extraction
 - gambling
 - pawn shops
 - payday lenders
 - hate groups
- We highly scrutinize and may not make loans to businesses or organizations involved in:
 - adult entertainment and publications
 - blockchain and/or cryptocurrency
 - debt collection agencies
 - firearms, weaponry, and ammunition manufacturers, distributors or retailers
 - legal/over-the-counter CBD products
 - private prisons
 - tobacco and vaping products
 - trading in endangered/protected wildlife products



Our Vendors

CPB asks that its vendors agree to a Vendor Code of Conduct. We expect all vendors providing goods and services to us to be committed to caring for the environment, equal treatment of employees and others, and conducting their business activities with the highest standards of integrity and ethics, in accordance with all applicable laws and regulations. As part of our vendor screening process, we ask vendors to provide us with an overview of their ESG related initiatives and policies. Vendor Management takes into consideration qualified women-owned, minority-owned, LGBTQ+-owned, and other small businesses, as those businesses are an integral part of the community CPB serves. Vendors are subject to CPB's risk assessment and are carefully managed to limit exposure.

Human Rights

We are committed to the protection and preservation of human rights. As outlined in our Human Rights Policy:

- We are committed to paying our employees a fair, living wage, and remunerating employees based on their training, experience, responsibilities, functions, and performance.
- We are committed to the protection of women's rights.
- We respect and recognize workers' fundamental rights to choose to form and associate with unions or representative bodies or to refrain from doing so.
- Our workers' health and safety is paramount, and we comply with all applicable health and safety laws and take appropriate measures to ensure safety and health in the workplace.
- We have programs, policies, procedures and processes to prevent the illegal use of our products and services, including abuse that may result in human rights violations.



CPB employees supporting the 2023 Men's March Against Violence



CPB employees participating in the 2023 Honolulu PRIDE Festival

Sponsorships and Charitable Activities

CPB and its employees along with the Central Pacific Bank Foundation (CPB Foundation) contribute to key areas including housing and community development, education and youth activities, economic advancement and innovation, culture and arts, and environmental initiatives – all pathways leading to a thriving and sustainable future for generations to come. Since its inception in 2007, the CPB Foundation has been committed to strengthening Hawai'i communities through partnerships, collaborations, and signature programs.

In 2023, \$1.4 million was granted by the CPB Foundation to nearly 100 nonprofit organizations in the State of Hawai'i to support residents and businesses where help is needed most. In addition, CPB directly donated more than \$450,000 to 96 organizations that benefit the community in 2023.

Support for Housing and Community Development

In 2023 the CPB Foundation continued to foster social progress, while creating opportunities for residents statewide by providing over \$185,000 in financial contributions and volunteer support to numerous local causes in these key areas.

- **American Red Cross**
- **Maui Food Bank**
- **Puuhonua O Waianae Farm Village**
- **Paying it Forward Inc**
- **St. Francis Healthcare Foundation**
- **Palama Settlement**
- **Domestic Violence Action Center**
- **Special Olympics Hawai'i**
- **Soto Mission of Aiea**
- **Lanakila Pacific**
- **A Family Tree (Hawaii International Child Placement & Family Services, Inc.)**



CPB employees at the 2023 Great Aloha Run Expo



CPB employees participating in the 2023 ACE Hardware Donation Drive for Maui residents



Support of Education and Medical Research

In 2023, education and medical research were again key areas of focus for CPB Foundation support.

- **CPB Foundation Scholarships:** The CPB Foundation Scholarship was launched in 2012 to support and encourage employees, their children, and their grandchildren to go to college and help lessen the cost of attending college. For the 2023-2024 academic year, the CPB Foundation awarded four college scholarships totaling \$12,000 for dependents of Bank employees. Eligible recipients also have the opportunity to renew their scholarship each subsequent academic year for up to four years, or up to \$12,000.
- **Central Pacific Bank Rising Scholars Program:** Funding from the CPB Foundation helps economically disadvantaged individuals, many of whom are the first in their families to attend college, to fulfill their potential through the University of Hawai'i at Mānoa College Opportunities Program ("COP") Central Pacific Bank Rising Scholars scholarship. COP provides a free six-week summer academic and residential program to prepare students for a successful first year and provides ongoing counseling support.
- In addition, the CPB Foundation donated \$470,200 to various causes in the areas of education and medical research.



Surfboard donation from CPB Ambassadors and pro surfers Carissa Moore and Ezekiel Lau to Maui surf teams that lost boards in the August 2023 wildfires



CPB celebrated bike month by giving away hundreds of bicycle helmets

- Downtown Athletic Club of Hawai'i
- UH Foundation
- Kaua'i Planning & Action Alliance
- American Heart Association
- Kapiolani Health Foundation
- Hawai'i Tokai International College (HTIC)
- Boys & Girls Club of Hawaii
- Moore Aloha Charitable Foundation
- Assets School
- American Diabetes Association
- Purple Mai'a Foundation
- Hawaii Academy of Science
- Roots School
- St. Louis School
- Shidler College of Business
- Hawai'i Executive Collaborative – Ka'u Dream
- Girl Scouts of Hawai'i Foundation
- Maui Preparatory Academy
- Public Schools of Hawaii Foundation
- American Cancer Society
- American Lung Association

Support of Economic Advancement and Innovation

We believe a diverse local economy creates a stronger and healthier community for all.

- **Made in Hawai'i Festival:** In partnership with the Hawaii Food Industry Association, CPB was proud to serve as the "Official Bank" of the 2023 Made in Hawai'i Festival, just one of four primary sponsors. CPB's support to help underwrite the event enabled approximately 400 small businesses to reach nearly 25,000 customers over the three-day event selling locally made products. Additionally, CPB worked with the Patsy T. Mink Center for Business and Leadership's small business networks to invite and pay for booths for 20 exhibitors, many of whom never previously participated in the Festival.
- **Recognition by the U.S. Small Business Administration (SBA):** In 2023, CPB was proud to announce it received the most awards and recognitions of any local bank from the U.S. Small Business Administration's (SBA) Hawaii Pacific-Islands District Office including Lender of the Year Category 2. CPB is honored to receive this award 14 times since 2007. In addition, CPB was recognized as the Lender of the Year for the most loans provided to veteran owned businesses. CPB employees were also awarded 16 of the 18 individual SBA Lending Officer of the Year categories.



CPB Sponsored Vendor For J's Hawaii at the 2023 Made In Hawaii Festival

Support of Environmental Initiatives

CPB and the CPB Foundation are committed to protecting the environment of our islands. This guides our support of programs to further sustainability and environmental protection.

Support of Culture and the Arts

CPB and the CPB Foundation recognize that a vibrant community thrives on more than just commerce and technology. Culture and the arts add color, life and perspective to create a sense of place. To that end, in 2023, CPB and the CPB Foundation donated \$147,500 to local causes that support culture and the arts.

- U.S.-Japan Council (USJC)
- Hawaii United Okinawa Association (HUOA)
- Japanese Cultural Center of Hawai'i
- Hawai'i Symphony Orchestra
- Friends of HISAM
- Japan-American Society of Hawaii (JASH)
- Pa'i Foundation
- 100th Infantry Battalion Veterans
- Hoola Na Pua

"I tell everybody. Since I've been banking with Central Pacific it's been nothing but great. I feel it is very personal. They are not just my bankers, they have become my friends and family. The whole experience has been awesome. I've banked with all the different banks, all the competition, over my 12 years and I've found my home."

– Nakoa Pabre, Umekes LLC



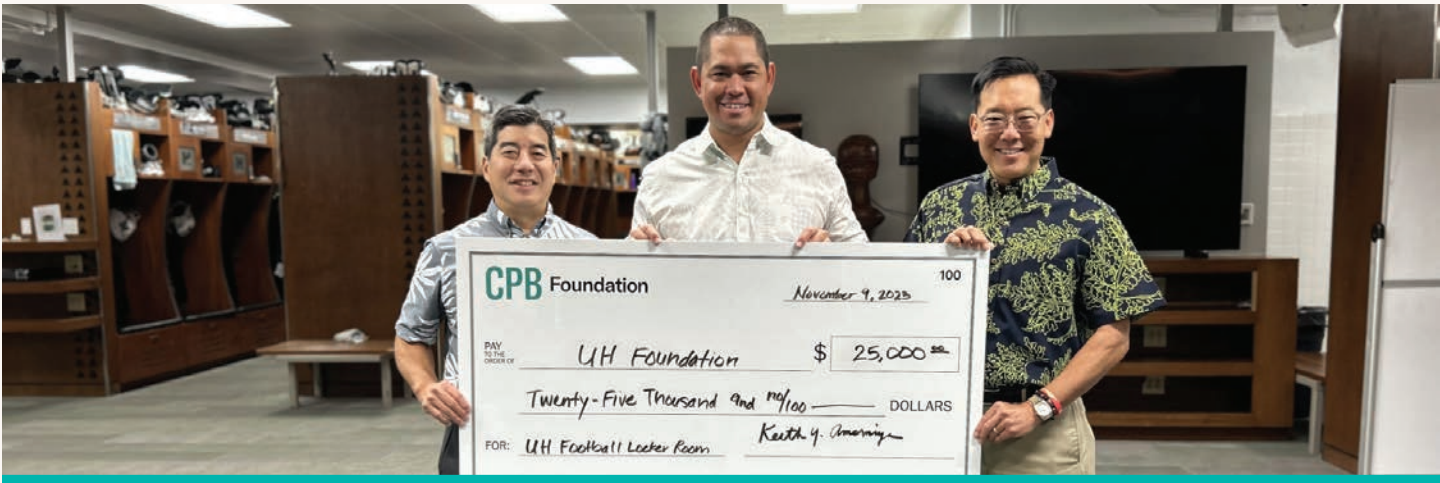
Support of Student Athletics

CPB recognizes the importance of youth sports, along with the camaraderie and sportsmanship that comes with youth activities, and is proud to serve as the first ever title sponsor for the three neighbor island leagues, including the Big Island Interscholastic Federation (BIIF), Maui Interscholastic League (MIL), and Kauai Interscholastic Federation (KIF), sports championships for the next three school years (2023-24 through 2025-26).

CPB will serve as the title sponsor for 21 sports championships that will be conducted in the fall, winter, and spring sports seasons. CPB will generously provide funding to help pay for the costs to perform the championships, such as game officials, security, gate personnel, trophies and medals.

“The tragedy in Maui showed us how sports can rally a community and provide a sense of normalcy during challenging times,” said CPB President and Chief Executive Officer Arnold Martines, who was born and raised on Hawai’i Island and is a graduate of Honoka’a High School. “High school sports are an important component of our student-athletes’ educational experience and are a healthy outlet for young people, which is why it is a privilege to provide this commitment of support for the neighbor island schools.”

In 2023, CPB continued to sponsor the University of Hawai’i Athletic Department, including a donation of funds and in-kind services by the CPB Foundation for the first renovation of the UH Football Team locker room in a decade.



CPB’s Chief Financial Officer, David Morimoto, University of Hawaii at Manoa Head Football Coach, Timmy Chan and CPB’s Community Relations Manager, Keith Amemiya



CPB serves as title sponsor for Maui, Kauai, and Big Island leagues covering the costs to perform high school sports championships



Our Signature Programs Supporting the Community

- **WE by Rising Tide** – Now in its third year, CPB and the CPB Foundation continued its signature program benefiting women entrepreneurs with a \$100,000 investment. WE by Rising Tide is an accelerator program offering consultation on finances, leadership development, and marketing for 20 women business owners in each cohort, over a 11-week period. It is coordinated by the YWCA Oahu’s Patsy T. Mink Center for Business & Leadership, via promotional opportunities provided by aio Media, and with support from Rising Tide Hawai’i, CPB’s entrepreneur community.
- **United Way Corporate Campaign** – Each year, CPB employees support our United Way corporate campaign through collective donations that support the urgent needs of our community. In 2023, 73% of employees gave generously to raise more than \$500,000.
- **Employee Community Service** – CPB is also proud of its many employees who generously volunteer hours of community service and steward numerous local causes. In 2023, our employees tirelessly devoted more than 5,200 hours of service to more than 127 nonprofit organizations. Employees are given three days of paid leave annually for individual volunteer efforts.



The 2023 WE by Rising Tide participants with program executives



CPB employees volunteering at an Access Surf event



CPB employees raised more than \$500,000 for the United Way corporate campaign



Protecting Our Future

Climate change is a global crisis that poses increasing risks to our communities here in Hawai‘i.

Overview

As a bank that is headquartered in the only island state in the country, CPB is keenly aware of the ongoing impact of climate change on us, our customers, and our communities.

Addressing the Crisis

CPB’s Board and management are focused on environmental issues, including the impacts of climate change (such as sea-level rise, major storms, flooding, and increasing temperatures) on our business, customers and communities. CPB is working with leaders across the State to address climate change collectively, as our islands are at significant environmental risk from oceanic and atmospheric conditions.

CPB is working to assess the risks of climate change and sea-level rise to its business, including with respect to its operations, customers, investments and loan portfolio, and taking sustainability into account in its future business plans. CPB has assessed the potential impact of climate events (sea level rise, volcanic activity (earthquake and lava), flood, tsunami, and fire risk) to our owned and leased properties, and we believe our locations are safely positioned (with few exceptions) and adequately insured to cover potential damages given the probability of our sustaining severe damage from such events.

Our deposits, loans and other products focused on renewables include:

- \$8.6 million in loans outstanding as of December 31, 2023 to our renewable energy company customers;
- Deposit accounts for over 60 renewable energy customers;
- 2,595 loans to finance residential photovoltaic (PV) systems, with approximately \$85 million in loans outstanding as of December 31, 2023;
- HELOCs used by customers for residential PV and/or battery storage systems;
- Business loans used by businesses for PV, battery storage and/or energy savings upgrades to commercial real estate; and
- Sustainable investment options for our wealth management customers through LPL Financial that consider positive ESG strategies.

CPB also supports Hawai‘i’s agricultural sector. Hawai‘i’s 2050 Sustainability Plan aims to double local food production by 2050 so that 20% to 30% of the food consumed in Hawai‘i will be produced locally. As of December 31, 2023, CPB has approximately 730 customers in the agricultural sector and has \$3.6 million in loans outstanding to these customers. These agricultural customers had a total of approximately \$60 million in deposits at CPB as of December 31, 2023.

“As a company rooted in sustainable agriculture and growing food for local people, it is important for us to work with a bank like CPB that shares our community and environmental beliefs. CPB cares about us as a customer and the community as a whole. Together, we are making a positive difference today, and for generations to come.”

– Grant Nakama,
Senior Vice President of
Operations, Mahi Pono, LLC

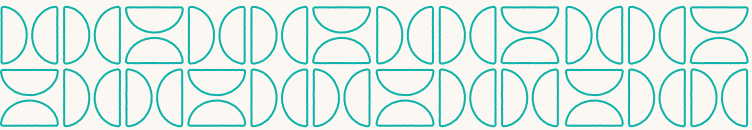
Leading Energy Efficiency Efforts and Practices

CPB is dedicated to its commitment to prioritize energy efficiency and environmental efforts.

- PV panels are installed at four CPB facilities producing approximately 29% of the total annual energy usage of such facilities. The annual average of energy produced by these PV panels is about 480,000kWh, amounting to approximately \$210,000 in cost savings. Additional PV opportunities are being explored for other locations.
- Energy efficiency at all branches is continuously monitored, and management looks for opportunities for LED retrofits, HVAC modifications, and other energy efficiency opportunities.
- Green cleaning products are in use by all janitorial staff.
- Sustainable forest certified paper is sourced for all printers/copiers.
- Policies are in place to limit paper use and migrate to digital documents.
- Two new electric vehicles were added to the company fleet, which saved approximately 1,500 pounds of carbon emissions.
- Electric vehicle charging stations are available at the CPB headquarters building and are being explored at other locations.
- Bus passes are heavily subsidized for employees to limit the use of cars as transportation to work. Currently, 128 employees use the bus to commute to work through this program.
- The use of Biki Bike as transportation to work is fully subsidized.
- Remote work is a privilege and is supported for those who can maintain productivity and service. Although this was driven by the pandemic for the health and safety of our workforce, future remote work opportunities will be seriously considered to minimize cars on our roadways, increase employee satisfaction, and support a better work/life balance.

Recycling Programs

- Recycle bins are conveniently located near offices at all locations.
- 2023 annual paper recycling saved approximately 578,000 Kilo Watts, 289 barrels of oil, and 2,600 trees. 2.31 million Metric Tons of Carbon Equivalent (MTCE) and 578 cubic meters of landfill were avoided.
- All electronic waste is responsibly recycled to minimize environmental issues such as harmful toxins and to save natural resources. In 2023, we recycled over 2,900 pounds of e-waste.



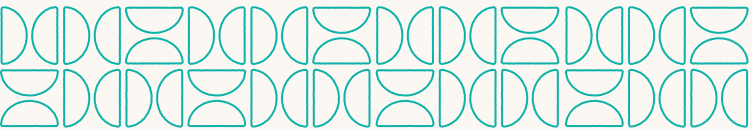
2023 Annual Paper Recycling
saved approximately

578,000 289
Kilo Watts ⚡⚡⚡ barrels of oil

2,600 trees

2.31 million Metric Tons
of Carbon Equivalent (MTCE)

578 cubic meters
of landfill avoided





Environmentally Friendly Features at
Central Pacific Plaza

Our flagship main branch and office building includes energy efficiency features which both save money and reduce emissions.

- Replacement of all building lighting fixtures with LED lamps reducing overall fixture wattage by approximately 62%.
- Occupancy room sensors control lighting installed for newly renovated floors.
- Air Handler Units (AHUs) equipped with Variable Frequency Drives (VFD) controlled by the Building’s Energy Management System (EMS). The VFDs modulate the speed of the AHU fan and temperature settings to meet required cooling, reducing energy consumption when cooling is not needed throughout the day.
- Restrooms equipped with low flow fixtures meeting current codes.
- Exterior glass façade and window tinting designed to exceed the previous heat transmission and reflectivity rating, limiting the heat load being transmitted during the day and reducing HVAC cooling requirements.
- Installation of five water bottle fill stations to help reduce plastic use and minimize the amount that ends up in oceans and landfills.



Central Pacific Plaza at King and Alakea

Environmentally Friendly Features at
New Branches

We are currently constructing and renovating new branches, with features designed to conserve water, reduce stormwater runoff, and conserve energy. Design features at new branches will include:

- Use of drought tolerant native Hawaiian plants, gravel and wood mulch;
- Preservation of existing trees;
- An irrigation controller system that automatically adjusts based on weather conditions;
- Tinted, thick exterior glazing on windows limits the heat load being transmitted during the day and reduced HVAC cooling requirements;
- Use of sustainable or recyclable building materials when available and cost effective;
- Use of LED lighting installation with appropriate energy efficient lighting controls;
- Installation of photovoltaic systems;
- Storm water retention system returns water to ground water table;
- A high-efficiency air conditioning system that is designed to efficiently cool the building and to adjust cooling automatically based on day and occupancy; and
- Use of low-flow plumbing fixtures to conserve water;



Rendering of the new Kahului branch in Maui

Our Greenhouse Gas Emissions

In 2023, we completed our first greenhouse gas (GHG) emissions inventory for Scope 1 and Scope 2 emissions. “Scope 1” emissions refers to direct emissions, including company-owned generation and company vehicles. “Scope 2” emissions refers to indirect emissions, which are primarily purchased electricity. Given the importance of ESG to CPB, it is a priority for us to understand our GHG emissions footprint. Our initial GHG emissions inventory will be refined and expanded over time and will guide development of future climate-related targets and action plans.

Scope 1: Direct Emissions

CPB’s direct emissions relate to fuel purchases for our nine backup generators and five non-electric company vehicles.

METRIC	2023
Fuel Purchased (gallons)	2595
Scope 1: Emissions (TCO2E ¹)	39.3

1. TCO2E stands for metric tons of CO2 equivalent.

Water Management

CPB does not operate in an area of water stress (as defined by the Aqueduct Water Risk Atlas). Nonetheless, CPB recognizes the importance of water as a vital resource and strives to conserve and protect water resources, including the water conservation measures noted in our new branch construction, such as variable irrigation based on weather, storm water retention systems, and low-flow plumbing fixtures. Reduction of water use results in both conservation of a crucial resource and dollar savings.

Commitment to Biodiversity

CPB recognizes the critical importance of biodiversity and is mindful of the impacts associated with its loss. We understand that protecting and conserving biodiversity, maintaining ecosystems, and managing living natural resources are key factors for global sustainability. We are considering ways to evaluate customer actions that we may become aware of with potentially adverse consequences to biodiversity or ecosystems.

Scope 2: Indirect Emissions from Purchased Electricity

Our Scope 2 emissions include purchased electricity for our owned and leased properties and are reported in line with the GHG Protocol using the location-based method. Our data for 2021 and 2022 covers 29 of our locations, accounting for approximately 91% of the square footage owned or leased by CPB. Our 2023 data covers 31 of our locations, accounting for approximately 91% of the square footage owned or leased by CPB.

METRIC	2021	2022	2023	Change 2023 vs. 2022
Electricity Purchased (KwH)	6.42MM	6.32MM	6.16MM	-2.5%
Location-Based Scope 2 Emissions (TCO2E)	4,480	4,420	4,321	-2.2%

2023 reductions in electricity purchased are partially due to March and April 2023 LED lighting retrofits in 10 of our branches, which were expected to reduce 2023 electricity use by approximately 93,000 KwH.

Hawai’i has committed to having 100% of its electricity generated by renewable sources by 2045. As of 2022, about 29% of the electricity generated in Hawai’i came from renewable sources. Given that Hawai’i’s electricity retail price is about three times the U.S. average, reducing our energy use is both positive for CPB’s bottom line and the environment.

Waste and Emissions

CPB, as a community bank, does not have significant emissions of hazardous air pollutants (HAPs) or dispose of a significant amount of hazardous waste. Any hazardous waste generated by CPB is recycled if possible, and otherwise is stored and disposed of in accordance with applicable laws. CPB’s construction vendors employ waste management plans that include waste mitigation, recycling, the proper storage and disposal of hazardous waste, and the consideration of product substitution when a product is identified as hazardous.



CPB Leadership in Environmental Initiatives

The Hawai'i Executive Collaborative (HEC) is a consortium of key public, private, and nonprofit stakeholders across the State. The HEC's CHANGE Initiative focuses on several key sectors, including the natural environment. "Troubled Waters: Charting a New Fiscal Course for Hawai'i" is a report to HEC members on the fiscal outlook for Hawai'i over the next 30 years. It conservatively estimated that the cost to prepare for natural disasters and climate change is \$15.3 billion, and that the sea level will rise three and a half feet by the end of the century.

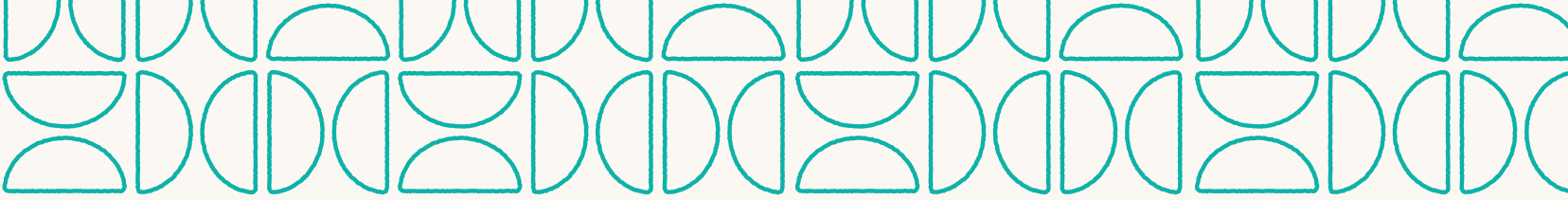
As key HEC executive team members, CPB's Chair Catherine Ngo, and Directors Duane Kurisu and Robert Nobriga are playing major roles to devise a statewide climate change policy and strategy to address the daunting climate change issues facing our State. In addition, CPB leadership is part of the U.S.-Japan Council, where climate change is a top priority in service and collaboration between our two forward-thinking countries.

The Pacific International Center for High Technology Research (PICHTR) is a Hawai'i nonprofit with a vision of being a leader in planning, development, evaluation and deployment of place-based sustainable practices to facilitate their adoption and implementation throughout Hawai'i and the Asia Pacific. Chairman Emeritus Paul Yonamine and Company Director Duane Kurisu serve on PICHTR's Board. PICHTR's projects include its Climate Grants Accelerator, which is a "one stop shop" of support services for NGOs, government entities and businesses wanting to pursue Federal funding for their climate change mitigation, adaptation and resilience initiatives. From 1996 to 2022, PICHTR managed federal programs totaling \$248 million.

CPB Directors are active in sustainability efforts, both through the companies they lead, and through the boards on which they serve. Initiatives which our Directors are involved in include PV installation, energy conservation efforts, energy efficiency building retrofits, Hawai'i's renewable energy law which mandates 100% of Hawai'i's power will come from renewable energy by 2045, tree planting, and climate change adaptation programs to support Hawai'i's resilience and economy. Our directors bring this experience and knowledge to CPB in supporting CPB's environmental initiatives.



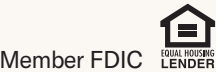
CPB employees donating their time and passion at the Waikalua Fishpond to help the 'aina"



About Central Pacific Bank

Central Pacific Bank is the primary subsidiary of Central Pacific Financial Corp., a Hawai'i-based bank holding company with approximately \$7.64 billion in assets as of December 31, 2023. Central Pacific Bank operates 27 branches and 58 ATMs in the State of Hawai'i. For additional information, please visit the Company's website at cpb.bank.

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