



ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

© 2021

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# A Letter From Our President & CEO

## From the inside out—building upon our strength, stability, and purpose

As we report on the past year, we're proud to highlight our ongoing commitment to one another, to our customers, and to the broader communities we serve. We believe good corporate governance practices that foster diversity and inclusion, environmental stewardship, innovation, and social and economic equity will promote sustainability in everything we do.

Our strong financial performance and growth, complemented by our team's ability to execute on our strategic vision, have enabled us to support each of our key constituents: our customers, employees (who we call stakeholders), communities, and shareholders. We protect and stabilize internally so that we can provide the best experience, both inside and out.

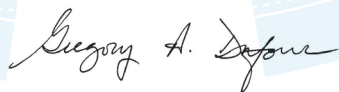
We have made **fundamental shifts to inspire us** to advance our diversity efforts, accelerate digital transformation, and create more flexible and nimble operations. These valuable changes will serve us well as we continue to advance our values and purpose as an organization. Whether a small business owner is just starting out, a customer is looking to purchase a new home, or seeking guidance as their retirement years approach, we have services tailored to meet their needs. We've demonstrated our ability to provide security and stability during volatile times.

In 2021, our Board of Directors adopted a diversity statement outlining our commitment to diversity at the board level, and we formed a Diversity Council made up of employees at all levels across the company, which I sponsor. Together, we're listening to and learning from the diverse perspectives of our stakeholders and communities as we accelerate our diversity and inclusion efforts.

We're proud to share our annual Environmental, Social, and Governance (ESG) Report, which illustrates how we continue to make strides in our efforts to have a positive impact on the communities we serve and the world in which we live. While much more remains to be done, we'll remain transparent as **we work to build a healthy and sustainable environment.**

On behalf of our Board of Directors and more than 620 stakeholders, we thank you for your support and continued trust in Camden National Corporation.

With thanks,



Gregory A. Dufour | President & CEO

**WE CONTINUE TO  
MAKE STRIDES IN OUR  
EFFORTS TO HAVE A  
POSITIVE IMPACT ON  
THE COMMUNITIES WE  
SERVE AND THE WORLD  
IN WHICH WE LIVE.**

## WE ARE GUIDED BY OUR CORE VALUES



**Honesty and integrity** -  
*above all else*



**Trust** - *built on fairness*



**Service** - *second to none*



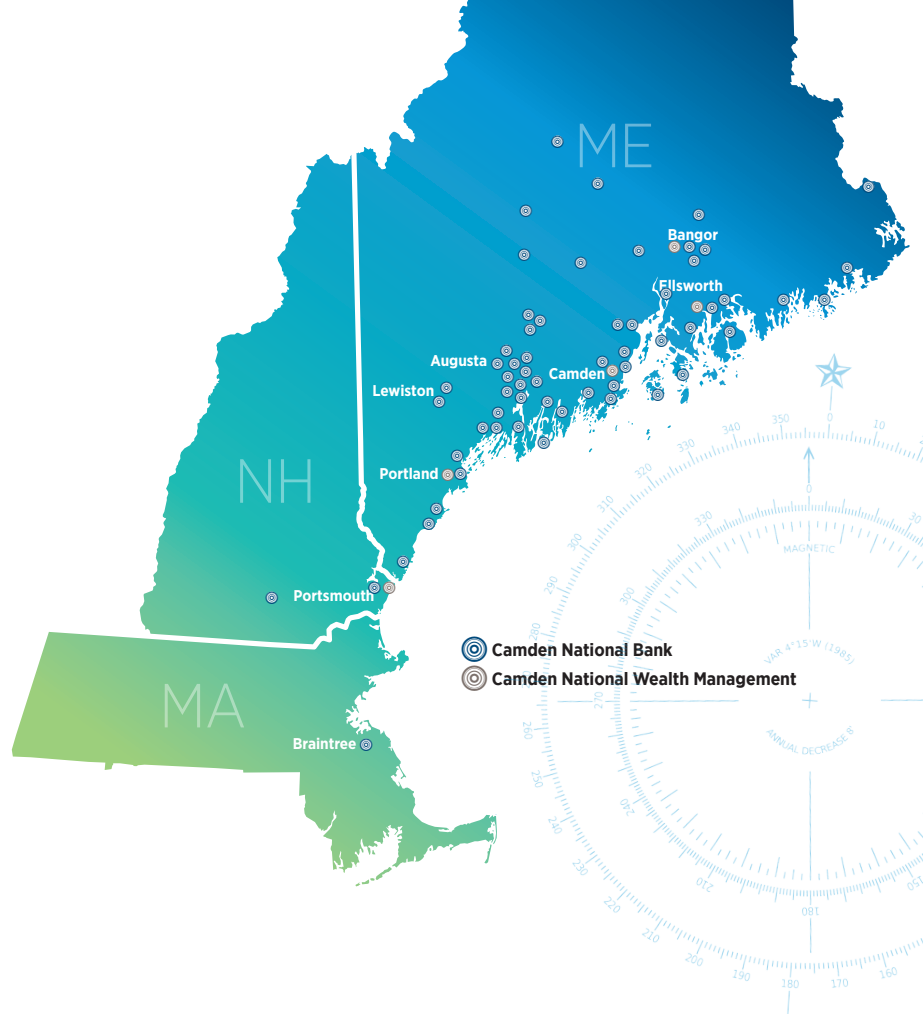
**Responsibility** - *to use  
our resources for the  
greater good*



**Excellence** - *through  
hard work and lifelong  
learning*



# Camden National at a Glance\*



620+  
Employees



24/7  
Customer Care



58  
Banking Centers



2  
Loan Production Offices



66  
ATMs



Founded in 1875  
Headquarters in Camden, ME

\* All data presented as of December 31, 2021.

## 2021 Recognition & Awards

We strive to listen to our customers and employees, understand their stories, and create personalized solutions that put their needs first and help them succeed. These exciting awards are a testament to our entire team's hard work and steadfast commitment to delivering a better banking experience for our customers every day.



**2021 Customer Experience Leader in U.S. Retail Banking**  
Coalition Greenwich



**2021 List of World's Best Banks; Ranked in Top 10 of the 75 U.S. Banks Recognized**  
Forbes



**2021 Customer Experience Leader in U.S. Commercial Small Business Banking**  
Coalition Greenwich



**Best Places to Work in Maine**  
Best Companies Group



Through our CamdenCircle customer experience program, we regularly survey customers for real-time feedback on how we're doing with meeting their needs and ways we could improve their banking experience. In 2021, we learned that **9 out of 10** of our mortgage customers were likely to recommend us to friends and family—a strong indicator of customer satisfaction and loyalty.



# 2021 ESG Highlights: Building upon our strength, stability, and purpose



70K pounds of paper securely shredded and recycled

**1,600+**

Paycheck Protection Program (PPP) loans for small business customers (\$102 million in relief funding)



Created a Diversity, Equity, and Inclusion Council to implement and advance strategic DEI initiatives

**17.9 MILLION**

digital banking logins, a 23% increase compared to 2020

**6,900+**

employee nonprofit volunteer hours



**18**

graduates from the Horizons Leadership Program

**40%**

of Board directors identify as female

**hope @home**

Reached \$650,000 donated since 2015 to homeless shelters through Hope@Home

**\$50K**

donated to 89 nonprofits in honor of employee volunteers

**50%**

of executive management team members identify as female



Maintained a flexible, hybrid work environment

**3.7 MILLION**

pages of paper saved by encouraging paperless statements



Board of Directors adopts diversity statement outlining our commitment to diversity

**14K**

hours of employee training and development



**\$22,000+**

was given to employees through our Employee Emergency Assistance Program

# ENVIRONMENTAL Report

Our operations affect the wider environment. It's our responsibility to advance smart, responsible practices that lessen our impact and also contribute to our business goals. We are mindful of the direct environmental impact of our banking centers and operations facilities. We actively seek to reduce negative impacts where possible.

We continually strive to reduce our environmental footprint while empowering customers to bank the way they want and enabling employees to collaborate and connect remotely. We help our customers and employees adopt digital tools and technology in order to manage their finances and conduct business.

We have benefited from increased adoption of digitization. The pandemic accelerated a steady shift away from physical materials and sped the adoption of digital signatures and secure digital documents. Many of these changes helped us quickly recalibrate our service delivery, and as a result, we are hopeful that environmental impact efforts will prove to be longstanding habits.

## 🌀 **Creating environmental benefits through digital adoption**

As of December 31, 2021, we reduced our paper usage by nearly 4.4 million pages and recycled over 70,000 pounds of paper through several strategic initiatives. Our paperless statement service is utilized by 54% of our consumer deposit accounts and 52% of our business deposit accounts, which translates to about 3.7 million statement pages of paper saved each year.

### 4.4 million pages of paper saved



3.7 million pages saved by encouraging customers and businesses to receive paperless statements



650,000 pages were saved by eliminating printing check images in paper statements

## **BY MINIMIZING THE RESOURCES WE CONSUME AND THE WASTE WE CREATE, WE CAN IMPROVE BOTH OUR COMMUNITIES AND OUR FINANCIAL RESULTS.**

Additionally, in July 2021, we eliminated printing check images in our paper statements, which translates to approximately 650,000 pages of paper saved each year.

We continue to increase our electronic signature (eSignature) platforms for customers to improve our efficiencies and reduce paper usage. Our efforts have led to a 57% decline in printer paper orders from the previous year.

In 2021, we securely shredded and recycled more than 70,000 pounds of paper, representing a 39% decrease from the previous year, highlighting our concerted efforts to use less paper.

We opened over 1,500 customer accounts online in 2021, reducing the need for paper forms. Our secure, easy-to-use online application platforms, MortgageTouch™ and BusinessTouch™, allow customers and employees to upload documents electronically, further reducing the use of paper. In 2021, 38% of funded residential loans were submitted using MortgageTouch™.

Our secure document imaging platform, which we installed in 2011, has improved our scanning efficiency, and currently houses 165 million pages digitally, representing an increase of 9% from the previous year, reducing the need for paper printing and storage.

## 🌀 **Generating future consumption savings**

In June 2021, we consolidated and revamped our consumer checking account products to align with our



# ENVIRONMENTAL Report

customers' lifestyle. During this process, we consolidated 18 checking account products into four products. Three of these accounts promote the use of paperless statements by charging a fee to receive paper statements.

We dispose of nearly all of our retired equipment and electronics in an environmentally sensitive manner, including reuse and reclamation of precious metals, through our partnership with Records Management Center (RMC). RMC assists us in the proper disposal of materials such as cell phones, hard drives, memory sticks, ribbon reels, and debit cards.

## 🌀 Tuning up our technology infrastructure

Our ongoing cloud migration initiative is focused on bringing value to our employees and customers, while having a positive impact on the environment and reducing costs. In 2021, we reached our initial cloud initiative to reduce the physical space occupied by our data centers by 50%, and as a result, we reduced the power consumption in these spaces by approximately 50% as well. We will continue to work on our cloud migration for an even greater impact. This initiative significantly reduces our overall carbon footprint, while yielding facility and infrastructure cost reductions. Using our more efficient storage and computing solution, the cost of operations for power, cooling, and maintenance is significantly reduced.

In 2021, we implemented print management software that allows us to identify printer use by employee, business line, and print type. Print management software protects confidential documents and reduces the volume of unclaimed printouts. By encouraging responsible printing, we are simultaneously reducing paper, toner, and power usage and costs.

## 🌀 Reducing energy consumption

As of December 31, 2021, 23% of our non-banking center employees are classified as remote workers, and 32% are hybrid (i.e. work two to three days a week in one of our facilities). This gives our employees greater flexibility while reducing the environmental impact of commuting each day. During this time, consumption of energy and water at our operations offices have also decreased.

## By leveraging technology and encouraging the utilization of digital banking solutions, we're reducing fossil fuels required to travel

- ✔ Offering customers digital banking solutions for managing everyday finances reduces the need to drive to and from banking centers
- ✔ Utilizing conferencing software allows us to host 27,000 virtual employee meetings, reducing in-person meetings
- ✔ Maintaining a flexible, hybrid work environment decreases travel to and from the workplace

In 2021, we tallied 27,000 meetings using our upgraded cloud-based conferencing software, representing a 28% increase over the previous year, allowing us to reduce travel and maintain a high level of connectivity and collaboration between employees and our customers.

## 🌀 Increasing LED lighting

In 2020, we partnered with Efficiency Maine, an independent administrator for programs to improve energy efficiency and reduce greenhouse gas emissions for consumers and businesses. Our partnership has led us to implement an energy-efficient LED lighting strategy and motion sensor automation in an effort to decrease energy consumption, while participating in tax-



# ENVIRONMENTAL Report

advantaged promotions and programs. In 2021, our LED lighting strategy led us to upgrade 14% of our banking centers.

## 🌀 Accelerating digital banking usage

We offer a full slate of digital banking solutions to provide self-service options for our customers. We are committed to delivering advanced digital banking solutions that meet customers' preferences for self-service transactions utilizing online, mobile, and ATM channels. As customers turn to our sophisticated digital banking tools for managing their everyday finances, reliance on fossil fuels for travel to and from the banking center decreases.

In 2021, total digital banking logins grew to 17.9 million, a 3% increase over 2020, with a 7% growth in active digital banking profiles. Services within digital banking also grew in popularity, with a 16% increase in total mobile deposit users over 2020. Over 55% of our consumer customers and 21% of our business customers are digitally active, with the majority of our commercial clients using our treasury services within online banking.

We also implemented a "Walk Out Working" program that allows new customers to access their digital banking immediately after opening their account. In December 2021, of our customers who enrolled in digital banking, 64% enrolled the same day they opened their account(s) with us, representing a 25% increase in same-day enrollment from 2020 to 2021, giving our customers immediate access to their banking at their convenience.

## 🌀 Providing ESG investment capabilities

Camden National Wealth Management works closely with clients to customize investment portfolios and meet any ESG-related requirements, such as avoiding fossil fuels and investing in alternative energy, on a portfolio-by-portfolio basis. While not constrained by an ESG mandate as an organization, Camden National Wealth Management closely monitors ESG practices for individual stock and bond investments, and individual company ESG rankings factor into our overall research process.



Total digital banking logins grew to 17.9 million in 2021, enabling customers to bank from anywhere



# SOCIAL Report

We recognize the importance of our relationships with our employees, customers, and the communities we serve. Our employees are the key to our success. We are powered by an extraordinary team of over 620 employees—known as stakeholders—who work together to provide expert banking solutions to help people achieve their financial potential. Together, we make impactful solutions that matter to our customers and our communities.

We embrace a diverse workforce and community. We believe we have both the experience and responsibility to take a proactive approach in engaging and supporting a broad range of employees. We strive to ensure our employees' work experience permits them to use their skills and passions to make a difference while growing their careers and being recognized and appreciated for their diverse talents, backgrounds, and perspectives.

## 🌀 Creating a diverse and inclusive work environment

We foster a culture of diversity, equity, and inclusion within our place of work, with our customers and in our communities. In 2021, our Diversity, Equity, and Inclusion Council was formed and sponsored by the president and CEO. The council is self-governed by employees and represents the diversity of our employee population, including employees who identify as minorities and LGBTQ+.

As of December 31, 2021, 68% of our employees identified as female, 50% of our executive team identified as female, and 40% of our Board of Directors identified as females.



**68%** of our workforce identifies as female

**50%** of our executive team identifies as female

**40%** of our Board of Directors identifies as female

In 2021, the Board of Directors adopted the following diversity statement outlining its commitment to equality and inclusion across the company:

***“The Company values the benefits that diversity can bring to its Board of Directors. A diverse board reflects a variety of important perspectives in the boardroom, ultimately resulting in more informed decision making. Accordingly, in identifying potential nominees, the Governance and Risk Committee also considers whether a particular candidate adds to the overall diversity of the Board. The Governance and Risk Committee seeks nominees with a broad diversity of experience, areas of expertise, professions, and perspectives including, but not limited to, diversity with respect to age, race, ethnicity, gender, gender expression, and sexual orientation. The Governance and Risk Committee will ensure that it will employ a variety of strategies to help develop a diverse candidate pool from which director nominees are selected.”***

We are also a member of the Diversity Hiring Coalition of Maine, an affiliate of the Maine Society for Human Resource Management (SHRM) State Council. The Diversity Hiring Coalition of Maine focuses on three strategic areas: 1. Aging Workforce, 2. Racial and Ethnic Diversity, and 3. LGBTQ+ Community. We engage Employment Law Compliance, LLC to conduct our annual affirmative action plan analysis, which again in 2021 showed no under-representation of minorities or females in our workforce. We also voluntarily participate in the Office of the Comptroller of the Currency (OCC) Diversity Self-Assessment that monitors progress and trends in the financial services industry regarding diversity and inclusion.

In addition, we partnered with Portland Adult Education to help foreign-trained professionals gain entry into the financial services industry by training them as bank tellers. In 2021, we donated \$5,000 to the New Maine



# SOCIAL Report

Teller Training Program, and had stakeholders provide training to immigrants in the program.

We look forward to rolling out more strategic initiatives in 2022 and beyond.

## 🌀 **Fostering a safe, welcoming workplace culture**

Through our commitment to fostering a fair, safe, and welcoming workplace environment for all, we aim to maintain a culture that enables our employees to be their best in serving our customers and communities, while achieving business success.

Through company-wide education, sound human resources practices, and communication efforts, we work to ensure that our workplace is safe for all and supports a culture where people feel they can report incidents that may compromise safety.

In our Stakeholder Handbook, which all employees review and acknowledge annually, we outline our Harassment and Retaliation Policy. In addition, we have a confidential whistleblower program that forwards complaints to the Business Ethics Officer who in turn reports to the Audit Committee and the Board of Directors, and we work to take necessary action as quickly as possible after a complaint is received.

To ensure workplace safety and preparedness, all employees take annual active aggressor awareness training. Our banking center employees are further trained on best practices in procedures for opening and closing, robberies, hostage situations, bomb threats, alarm responses, and evacuations.

## 🌀 **Delivering a “total rewards” employee compensation program**

Our “total rewards” employee compensation program aims to attract, retain, and reward high-performing talent at all levels through a pay-for-performance philosophy. Through our total rewards compensation program, we provide competitive salaries, health and wellness benefits, 401(k) matches and contributions, life insurance, and Employee Assistance Programs (EAP),

among other benefits designed to support our employees financial well-being and create a stronger economy in our communities. Our pay practices have strong governance processes, including a review of competitive market data from several proprietary surveys each year, many specifically related to the banking industry. Annual merit increases are assessed to ensure that decisions are made based on performance, without bias against any group. At any time, employees can view their individual Total Rewards Statement, demonstrating the value of their benefits and compensation, in our human resource platform.



**\$1.1 million**

in health savings account contributions.



**\$2.9 million**

in 401(k) contributions, which includes \$1.4 million of profit share contributions.



**\$25,000**

in employee wellness reimbursements.



**\$22,000+**

provided to employees by way of the Employee Emergency Assistance Program.

In the fall of 2021, we increased our minimum wage for all employees to \$17 per hour and provided an out-of-cycle wage increase of 3% or more to all non-executive employees to help combat inflationary pressures. It is noted that 61% of the wage increase dollars went to employees earning less than \$75,000 per year.

# SOCIAL Report

We aim to continue creating a culture of actively engaged employees and believe that, as a result of our investments in this area, our employees are able to enjoy personal and professional growth.

We also seek our employees' opinions when they leave our company with a confidential exit survey. Each of these surveys are reviewed by senior leaders and the president and CEO so that we have the ability to recognize themes and determine areas of improvement.

We celebrated employees at our annual employee appreciation event. During this time we were able to recognize our employees for their hard work and dedication over the past year. In 2021, 13 employees received Commitment Awards for their outstanding dedication to our customers, communities, employees, and shareholders. Two individuals received the Employee of the Year Award, our most prestigious recognition, given to recipients who emerge as natural leaders in all award categories and demonstrate an outstanding commitment to our vision, core values, and constituents.

## 🕒 Supporting employee well-being

We are committed to our employees' overall health and well-being and provide a comprehensive benefits program, including competitive medical, dental, and vision programs, some of which are offered to employees at no cost. Our focus runs so deep



A survey and awards program dedicated to identifying and recognizing the state's best employers and providing organizations with valuable employee feedback.

that each employee must include a personal well-being goal, as part of their individual goal setting. Throughout the pandemic we established a number of facility safety protocols, including hand sanitizer, face coverings, and physical distancing requirements, along with enhanced cleaning and daily health checks. We actively educate our employees on the benefits of the COVID-19 vaccine and offer paid time off to obtain a vaccine and/or booster shot. Our Pandemic Team met weekly to review federal and state regulations and guidance to be sure we adhere to best practices.

We also provide a free Employee Assistance Program (EAP), a professional and confidential resource for employees and their family members seeking assistance with any personal matter affecting their well-being, including depression, addiction, family and relationship matters, grief/loss, coping with change, and other emotional challenges. Counselors are available around the clock to provide confidential assistance. Throughout the year, we offer EAP live webinars (which are also recorded for later viewing) on various topics.

To help mitigate the stress of unexpected financial emergencies, we have a confidential Employee Emergency Assistance Program. Open to any current employee, these funds are available to employees experiencing financial hardship to assist with housing costs, utility expenses, medical bills, or the costs of other unexpected life events.

Over the past two years, we've had the opportunity to offer flexible work arrangements that support our employees and business needs, while preserving the collaboration and opportunities that are core to our culture. Our new work environment helps us support a more adaptable way of working while remaining a competitive and attractive employer to our prospective talent.

## 🕒 Maintaining open lines of communication

In order to educate and empower our employees, we



## Providing for our valuable employees. In 2021:

- ✓ Hosted monthly Wellness Education Series with topics ranging from understanding mental health to coping strategies
- ✓ Provided Financially Savvy Stakeholder seminars on a variety of topics including planning for retirement
- ✓ 34% of open positions were filled internally
- ✓ 31 officer promotions
- ✓ 19% of positions filled were referrals from current employees
- ✓ Added Juneteenth to the calendar as a paid holiday. This brings the total number of bank holidays to 11 in addition to paid time off (PTO) and a special paid day off for each employee's birthday
- ✓ Introduced six weeks paid parental leave, effective January 2022

maintain open lines of communication between all levels of employees and senior leadership. Employees receive regular company-wide emails from our president and chief executive officer, and we host quarterly all-employee conference calls to discuss financial performance, achievements, and employee recognition. Our company intranet, known as The Anchor, is a great resource for all employees to read about company updates ranging from technology to human resources and community happenings, complemented by engaging photos, employee recognitions, and access to company tools and resources.

As a part of our CamdenCircle customer experience program, employees are also encouraged to submit their feedback and ideas for making the customer and employee experiences better. In 2021, employees submitted more than 149 ideas through our online portal for review and consideration by different departments across the bank, bringing the number of employee ideas submitted since the portal opened in 2017 to 770. This program provides a mechanism for supporting employee innovation and idea generation at all levels of the bank.

### 🕒 Investing in education, training, and leadership development

Each year, employees create a set of team and individual goals that we track throughout the year. These goals help measure our

progress, accomplishments, and areas of improvement. Employees are also encouraged to create a personalized Career Development Plan in tandem with their manager to map out short- and long-term professional goals with strategies to achieve them. Managers and our human resources team support employees through this process. We strive to provide a multitude of opportunities—both at the bank and through external programs—for employees to grow, learn, and develop. We encourage each employee to create a Talent Profile which highlights their education, certifications, strengths, previous work experience, and much more so that managers can find and match career opportunities with profiles.

In 2021, 18 high-potential leaders (56% of whom identify as female) participated in our Horizons 100 and 200 leadership development programs, which bring future leaders together to hone their leadership skills, teach them to collaborate to achieve key outcomes, and help them better understand our business. This unique program provides a solid foundation for a range of targeted skill development from introducing key leadership competencies to expanding and refining key leadership capabilities.

We require our employees to learn how to ensure

## SOCIAL Report

customer privacy, prevent fraud, and stay up-to-date on federal and state banking regulations that impact their work, as well as regulations impacting employment law, such as sexual harassment laws and the Americans with Disabilities Act. We actively track our compliance training through the American Bankers Association (ABA) learning management system within our human resources platform. We require a passing score of 80% or higher on all compliance courses to be sure our employees have read and understood the material.

### **OUR EMPLOYEES LOGGED MORE THAN 14,000 HOURS OF TRAINING AND DEVELOPMENT WORK.**

We offer employees a robust tuition reimbursement benefit to help reduce the financial stress of ongoing education and encourage our employees to build new knowledge and skills. We also encourage employees to pursue certificates and offer professional designation reimbursements to help them be knowledge leaders in their area of the company. Through the ABA and the Center for Financial Training, we provide employees with access to a catalog of classes that are taught locally and online to help increase banking knowledge.

We are an equal employment opportunity/affirmative action employer. We are committed to providing a workplace free of discrimination of all types, including abusive, offensive, or harassing behavior.

### **🌀 Creating an energized, engaged workplace culture**

We dedicate time and resources to continue building a culture that will attract and retain top talent. When employees first join the bank, they attend a new hire orientation to meet senior leaders, hear from different areas of the business, and learn more about our workplace culture, core values, lines of business and differentiators, as well as opportunities for personal development at the bank. All employees are annually required to review and acknowledge an online course called “Our Camden Commitment,” which outlines our values and policies with key information and specific examples in a friendly, readable format.

## 2021 Employee Survey Highlights

- ✔ 86% Participation Rate
- ✔ Increase in Company Grand Mean from 4.20 to 4.25/5
- ✔ Highest Results in Four-Year History with Gallup:

*“In the last six months, someone at work has talked to me about my progress.”*

Partnering with global analytics firm Gallup, we regularly survey our employees for their feedback on the fundamental elements of engagement in the workplace. In 2021, 86% of our employees participated in the voluntary engagement survey, which saw the highest score since its inception in 2018. The survey includes 12 questions, known as the Q12, designed by Gallup to indicate the level of team engagement and compare progress year over year. Not only did the Grand Mean increase to a 4.25/5 from a 4.20/5 overall, but we also saw increases in the results for 8 of the Q12 items. These increases include the highest result obtained in our survey’s history for Q11: “In the last six months, someone at work has talked to me about my progress.” These data points indicate our efforts to listen to and do what is right for our employees.

### **🌀 Supporting our communities**

Our approach to community investment focuses on increasing the economic vitality of our communities. Community is the backbone to ensure a pipeline of customers for tomorrow and a self-sustaining future.



## Community Reinvestment Act

In 2021, we received an “outstanding” rating, the highest possible, on our CRA performance evaluation. This rating was given by our primary regulator, the Office of the Comptroller of the Currency, which charters, regulates, and supervises all national banks and federal savings associations.

***THIS MARKS THE 18TH YEAR THAT THE BANK HAS BEEN RATED “OUTSTANDING” FOR CRA, A REFLECTION OF OUR LONGSTANDING COMMITMENT TO SOCIAL RESPONSIBILITY AND LOCAL COMMUNITY.***

The “outstanding” CRA rating is a result of our employees’ dedication to our vision and values, and it sets us apart in the marketplace. Our rating is symbolic of the way we operate our business and deliver for our customers. We believe that helping to meet their needs—particularly for low- and moderate-income individuals, as well as consumers and businesses in low- and moderate-income areas—is essential to the continued growth and vitality of our communities and our company.

As part of our commitment to CRA, we’re proud to share that approximately 70% of our charitable donations qualify for CRA credit, being made to nonprofits that predominantly serve low-to-moderate-income individuals or work in low-to-moderate-income tracts or focus on affordable housing.

We also make qualified CRA investments to support affordable housing efforts; small business development and venture capital availability through investments in tax credit financing and participation in various investment funds for growth capital for community development activity, small businesses, and innovative technology companies. In 2021, \$4 million of capital was committed to support these efforts bringing our total current committed and funded community development investments to \$10 million of capital investment.

In 2021, we originated more than \$14 million in Community Development loans which assisted organizations that were

## Our Unique Programs:



Every time someone finances their new home with us, we donate \$100 to the nearest shelter, providing vital assistance to those in need.

Since 2015, we’ve donated \$650,000+ in unrestricted funds to 50+ homeless shelters, \$82,000 in 2021 alone.

## Leaders & Luminaries Awards

We aim to shine a light on board members who demonstrate innovative thinking and outstanding board governance.

In 2021, we recognized six board members in our community with a total of \$25,000 in grants for their nonprofits that focused on:

- Educating our youth about gender bias
- Increasing the capacity of tribal communities to respond to domestic and sexual violence
- Combating food insecurities
- Providing legal resources to low income families

Since 2011, we have donated a total of \$200,000 to 54 nonprofit organizations under the Leaders & Luminaries program to highlight leading board directors who have gone above and beyond to make an impact on our communities.

focused on affordable housing, supporting food insecurity and homeless shelters, and providing for individuals with disabilities.

### Focusing on volunteering

We encourage volunteering at every level throughout the organization. In 2021, our employees logged nearly 7,000 volunteer hours to approximately 230 nonprofit organizations. We're proud of how our employees creatively shared their energy and expertise with a wide array of programs and organizations.

### **WE MADE AN ADDITIONAL \$50,000 IN DONATIONS TO 87 NONPROFIT ORGANIZATIONS IN HONOR OF OUR EMPLOYEE VOLUNTEER EFFORTS**

Giving back is a significant part of our employee culture. Whether serving as board directors, organizing fundraisers, or mentoring children, our employees are actively participating and supporting our communities. We're proud to be able to make these donations to organizations our employees are passionate about on their behalf.

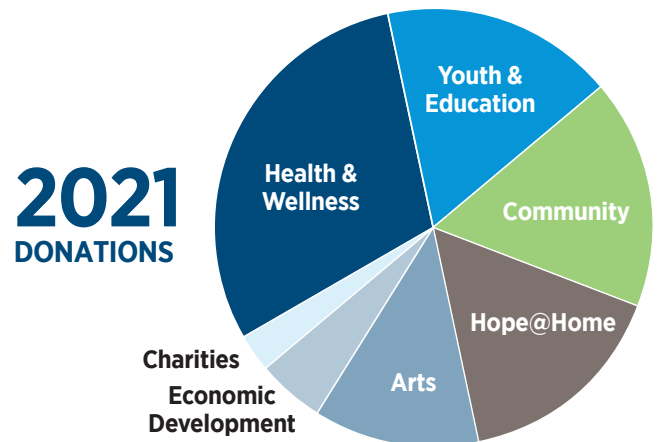
### Providing expertise

By matching the needs of our nonprofit partners with our in-house expertise, we can create mutually beneficial partnerships. Over 11% of our employees serve on a nonprofit board, offering hands-on technical assistance and bringing important skill sets to nonprofit boards, which help advance nonprofit organizations while also fulfilling our CRA commitment..

### Giving back through charitable donations

Our community investment includes philanthropic donations, contributions made in the spirit of CRA, and sponsorships that strengthen the well-being of our towns and neighborhoods.

In 2021, we donated to a variety of nonprofits.



We strive to support organizations serving diverse populations across our footprint and working to make our communities more equitable and inclusive for all. In 2021, we provided charitable donations to nonprofits supporting women and minorities, including the Maine Women's Fund, the Olympia Snowe Women's Leadership Institute, Junior Achievement of Maine, Big Brothers Big Sisters of Mid-Maine and Southern Maine, Coastal Enterprises Inc., and more.

### 🎯 Meeting the needs of our customers

#### Serving all customers and communities

To address the needs of a diverse customer base and to promote access to mainstream banking, we offer a comprehensive suite of financial products and services for consumers, small businesses, and commercial customers. These include basic banking products with no or low monthly maintenance fees so we can serve individuals who are just entering the banking system and customers who are looking to reestablish a banking relationship after experiencing banking challenges in the past.

In November 2021, we earned a Bank On certification for developing a specialty low-fee, low-cost checking account aligning with “Bank On” national account standards. In early 2022, we will initiate our Launch Checking Account, which we expect to deepen outreach to under-banked and unbanked individuals and provide safe access to affordable banking services.

In 2021, we reduced the number of consumer checking account products we offer from 18 to four, to improve our ability to service our customers. We designed the four checking account products to suit customer lifestyles, whether they are looking for convenient features to quickly and easily manage their money or take their finances to the next level with a checking account that gives added benefits.

All of our products and services are readily accessible and delivered throughout our footprint via 58 banking centers, 66 ATMs, our Customer Care Center and business banker teams, and robust digital banking tools\*. Our Customer Care Center is available 24 hours a day, seven days a week, to assist with customers’ questions and concerns.

In addition, we proactively invest in our digital banking platforms and services, so that customers are able to bank anywhere, at any time, whether they live five miles from a banking center or across the country.

## Continuing small business assistance

In 2021, we continued to participate in the U.S. Small Business Administration (SBA) Paycheck Protection Program, successfully processing an additional 1,620 applications in 2021, on top of the 3,034 PPP loans we processed during 2020. While the PPP program was active in 2020 and 2021, we assisted 4,654 small businesses, representing \$347 million in SBA PPP loans. Our business and commercial banking teams assisted business customers with access to government-sponsored support, including state and federal lending assistance

\* Data presented as of December 31, 2021.

programs such as those offered by the Finance Authority of Maine (FAME) and the SBA.

## Encouraging healthy financial habits

We encourage all customers and community members of all ages to develop and practice healthy financial habits. In 2021, we rebranded our Simply Smarts blog page to Financial Smarts. We actively write and share articles discussing healthy money habits, life events, and business smarts. We also know that whether you’re opening your first checking account or refinancing your home, managing your money can be complicated, so we launched “You can ask us,” whereby customers can email us their personal finance-related questions and we provide human or digital responses. Our Camden National Wealth Management team also provides quarterly newsletters focused on market insights and investment strategies.

## Listening to our customers

In an effort to better understand our customers and their experiences with us, our employees directly capture concerns and feedback to identify opportunities to improve our products, services, and processes. In addition, we conduct surveys of customers and prospects, while also utilizing syndicated research to measure satisfaction and loyalty to further enhance our customer service.

Our customers have multiple options for contacting us, including 24/7 customer service by telephone. Customers may also communicate with us by secure email message or live online chat.

Our marketing philosophy and policy require us to provide product and service information that is clear, comprehensive, and accurate. All marketing materials are reviewed by our compliance team to be sure we meet legal and regulatory requirements.



# GOVERNANCE Report

We believe in the importance of sound and effective corporate governance. We are uncompromisingly committed to our core values, and to pursuing opportunities to add long-term value for our customers, shareholders, employees, and the communities we serve. The Board of Directors and executive management have responsibility and accountability for setting our goals and objectives, defining strategies to achieve those objectives, and establishing the governance structures and processes to best manage the associated risks.

The Board of Directors provides oversight, support, and guidance to all constituents and plays a vital role in our shared success. Board directors are our customers, advocates, and advisors, which makes us a stronger financial institution and community leader.

**WE ARE UNCOMPROMISINGLY COMMITTED TO OUR CORE VALUES, AND TO PURSUING OPPORTUNITIES TO ADD LONG-TERM VALUE FOR OUR CUSTOMERS, SHAREHOLDERS, EMPLOYEES, AND THE COMMUNITIES WE SERVE.**

The role of chair of the Board is held by an independent non-executive director, Lawrence J. Sterrs, who has served as chair since 2017. Nine of our directors are independent and one is our president and CEO. The Board and its various committees regularly have executive sessions attended only by the independent directors and all committees are chaired by independent directors.

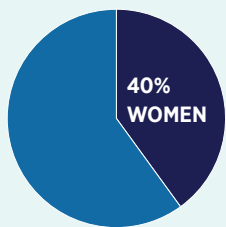
## 🕒 Maintaining Board independence

Our Board of Directors currently consists of 10 members. Under our articles of incorporation, the Board is divided into three classes, with one class of directors standing for election each year. At the annual meeting, nominated directors will be elected to serve for a term of three years and until each such director's successor is duly elected and qualified.

## 🕒 Focusing on Board diversity and expertise

We seek to have a Board composed of diverse directors with

## DIVERSITY



4 Women  
1 LGBTQ+

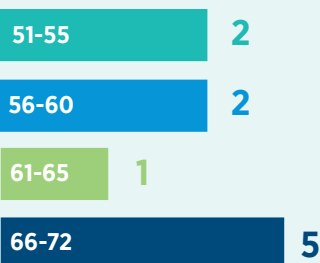
\*Company meets NASDAQ's Board Diversity Rule

## INDEPENDENCE

90% independent

(All Directors are independent except the President and CEO)

## AGE



72 Retirement Age  
62.5 Average Age

## TENURE



# GOVERNANCE Report

a variety of experience in business and in areas relevant to the company. Currently, 40% of Camden National Corporation Board directors identify as female, and 80% of directors bring financial services industry knowledge. Our directors possess the highest personal and professional ethics, integrity, and values, and they are committed to representing the long-term interests of our shareholders.

In 2021, the Board of Directors adopted the following diversity statement outlining its commitment to equality and inclusion across the company:

*The Company values the benefits that diversity can bring to its Board of Directors. A diverse board reflects a variety of important perspectives in the boardroom, ultimately resulting in more informed decision making. Accordingly, in identifying potential nominees, the Governance and Risk Committee also considers whether a particular candidate adds to the overall diversity of the Board. The Governance and Risk Committee seeks nominees with a broad diversity of experience, areas of expertise, professions, and perspectives including, but not limited to, diversity with respect to age, race, ethnicity, gender, gender expression, and sexual orientation. The Governance and Risk Committee will ensure that it will employ a variety of strategies to help develop a diverse candidate pool from which director nominees are selected.*

Additionally, the Governance and Risk Committee has been reviewing the Board's diversity, equity, and inclusion efforts, working with leading consultants to guide us through this important work.

## © Adhering to a Code of Business Conduct and Ethics and Code of Ethics for Financial Officers

All employees are bound by the provisions set forth in our Code of Business Conduct and Ethics relating to, among other topics, ethical conduct, conflicts of interest, and compliance with laws and regulations. The Board has also adopted a separate Code of

Ethics for Financial Officers that supplements the Code of Business Conduct and Ethics and applies to the company's CEO, chief financial officer, and controller, as well as all financial officers and internal audit officers. The Code of Business Conduct and Ethics and the Code of Ethics for Financial Officers can be found in the Investor Relations section of our website at CamdenNational.com.

## © Upholding strong risk management practices

We are committed to creating a strong risk management culture, supported by a risk governance process, as well as ongoing employee education, training, and testing. We require all employees with access to client and company data to complete training on regulations and practices for protecting the confidentiality of client information. Training occurs at the time of hire along with annual course requirements and ongoing training activities.

Our robust information security program and suite of security policies are focused on cybersecurity, encryption, and protection of customer data privacy and are overseen by the Board of Directors. Through open communication and training, all employees are responsible for adhering to best practices in risk, information privacy, and cybersecurity.

Our program and its components are assessed periodically by various external and internal parties, including expert cybersecurity firms and penetration testers, banking regulators, and our internal and external auditors. These include risk assessments and the evaluation of associated controls, control protocols, information security and defenses, security monitoring and response, and threat intelligence.

In order to deliver a first-in-class experience for customers, we partner with third-party vendors to provide products and services. We employ a comprehensive vendor management program that assesses vendor risks and holds vendors accountable for contracted services. The risk-based program evaluates many facets, including but not

limited to the vendor's operational risk, financial risk, security policies, control environment, and overall stability to ensure alignment with our internal practices. Every vendor is reassessed on a recurring basis.

To continue learning more about best practices in our industry, we are actively engaged with the Maine Bankers Association and the American Bankers Association. Many of our employees participate on committees, benefit from education and training, and influence public policy and government relations at the state and federal levels on these topics.

## 🕒 Fortifying risk oversight

We take a comprehensive approach to risk management with a defined enterprise risk management framework providing a structured approach for identifying, assessing, and managing risks across the company in a coordinated manner. Top-level risk categories include credit risk; interest rate risk; liquidity, market, or pricing risk; capital risk; transactional/operational risk; technology/cyber risk; people and compensation risk; compliance and legal risk; and strategic alignment and reputation risk. The Board administers its risk oversight function primarily through the Governance and Risk Committee, which meets frequently throughout the year and reports its findings to the full Board on an ongoing basis. We also have a chief risk officer (CRO), who reports on matters involving corporate risk to the Governance and Risk Committee, and periodically to the full Board. The company also has an executive level management Enterprise Risk Management (ERM) Committee that utilizes an ERM framework to identify and monitor the company's risk appetite; business strategy and risk coverage; governance and policies; risk data and infrastructure; measurement and evaluation; control environment; risk response; and stress testing.

In addition, the Compensation Committee reviews and assesses risks as related to our compensation programs. The company also has a management Incentive Plan Oversight Committee that reviews the company's various incentive plans for all active executives and employees. This includes:

- Monitoring and assessing the risks of the company's incentive compensation plans to ensure safe and sound business practices are followed and promote ethical behavior;
- Reviewing and recommending incentive compensation plans that are designed to align and achieve the company's overall compensation philosophy; and
- Providing administrative oversight of the company's incentive compensation plans.

## 🕒 Maintaining a strong control environment

Maintaining a robust control environment is a critical priority for us, as it helps ensure that we are in compliance with applicable laws, regulations, and policies. The Board provides oversight of the control environment with the assistance of our independent public accounting firm. Having a robust control environment, however, begins with our employees. Each business area is responsible for adopting and following policies and procedures designed to maintain transparency, which are periodically evaluated. Bankers in each line of business serve as the first line of defense and are responsible for identifying, managing, and owning the risks in their businesses.

Risk and other corporate support functions (for example, Human Resources, Finance, Marketing, and Information Technology departments) serve as the second line of defense, and are responsible for providing guidance, oversight, and respectful challenge to the first line of defense. Internal Audit, which is independent of management, serves as the third line of defence, and ensure that appropriate risk management controls, processes, and systems are in place and functioning effectively. We perform a periodic enterprise risk assessment, identifying, evaluating, and aggregating risks—including credit, interest rate, liquidity, market or pricing, capital, transactional/operational, technology/cyber, people and compensation, compliance and legal, strategic alignment, and reputation risk—to monitor our

# GOVERNANCE Report

overall risk profile. The CRO discusses our risk profile with the Board's Governance and Risk Committee on a quarterly basis. Our internal audit team evaluates our controls and independently tests our controls on an ongoing basis. Any issues that arise involving controls are immediately reported to the Audit Committee of the Board and result in the development of plans to address the identified issue and strengthen the control environment.

## 🎯 Engaging shareholders and customers

We have a longstanding commitment to transparency in communicating our financial performance and strategic objectives to current and potential shareholders. Our primary methods of communicating with the investment community include quarterly earnings releases, earnings conference calls, and an annual report, all available to the general public; publicly available filings with the U.S. Securities and Exchange Commission; current reports on Form 8-K; and active participation in investor conferences hosted by brokerage firms and industry groups.

Our governance structure and processes promote corporate transparency, ethical business practices, and open lines of communication among the Board, senior leadership, and employees:

- Our business ethics officer provides the executive management team and the Board with the necessary information to act appropriately in instilling and maintaining our ethical culture.
- Our Stakeholder Handbook and our Code of Business Conduct and Ethics provide examples of various scenarios to help clarify privacy situations, conflicts of interest, and more. Employees review and electronically acknowledge these documents annually to demonstrate that they have read and understood the material.
- Our employees are encouraged to report to their manager or call our confidential, safe, and secure Business Ethics Hotline to anonymously report fraud, abuse, or other information that they want to remain confidential. In our Stakeholder Handbook under Internal Reporting and Anti-Retaliation, we outline our policies prohibiting retaliation against employees who report misconduct.

The chief experience & marketing officer leads our ESG reporting efforts. Our corporate documents are publicly available in the Investor Relations section of our website at [CamdenNational.com](http://CamdenNational.com).

## Management has established the following internal groups to provide strategic direction and govern our various risk management activities:

- Allowance for Credit Loss Committee
- Asset & Liability Committee
- Community Reinvestment Act Committee
- Consumer Lending Compliance Committee
- Credit Risk Policy Committee
- Data Governance Council
- Deposit Pricing Committee
- Economic Forecast Committee
- Enterprise Risk Management Committee
- ESG Executive Leadership Group
- Incentive Compensation Committee
- Loan Committee
- Management Provision Committee
- Mortgage Pricing Committee
- Office of Project Management
- Risk and Disclosure Committee
- SOX Control Review Committee
- Senior Operating Group Committee



# Camden National Leadership

## Board of Directors



**Lawrence J. Sterrs**, Board Chair  
UniTek/UniTel & Chairman and CEO,  
Unity Foundation



**David C. Flanagan**  
President, Viking Lumber, Inc.



**James H. Page, Ph.D.**  
Chancellor Emeritus, The University of Maine  
System



**Ann W. Bresnahan**  
Civic Leader



**S. Catherine Longley**  
EVP and COO, The Jackson Laboratory



**Robin A. Sawyer, CPA**  
Retired Vice President of Corporate Finance  
and Corporate Controller, Wex Inc.



**Craig N. Denekas**  
Trustee, Chairman and CEO,  
Libra Foundation



**Marie J. McCarthy**  
Chief Operations Officer, L.L.Bean



**Carl J. Soderberg**  
President, Soderberg Company, Inc.



**Gregory A. Dufour**  
President & CEO, Camden National  
Corporation and Camden National Bank



**Robert D. Merrill**  
President, Merrill Furniture

● Camden National Corporation  
○ Camden National Bank

## Executive Management



**Gregory A. Dufour**  
President & CEO, Camden National  
Corporation and Camden National Bank



**Jennifer L. Mirabile, CFP, CWS**  
EVP, Managing Director of Camden  
National Wealth Management



**Ryan A. Smith**  
EVP, Commercial Banking



**Michael R. Archer, CPA**  
EVP, Chief Financial Officer



**Timothy P. Nightingale**  
EVP, Chief Credit Officer



**Renée D. Smyth**  
EVP, Chief Experience & Marketing Officer



**Joanne T. Campbell, CRCM**  
EVP, Enterprise Risk Management  
& Chief Risk Officer



**Heather D. Robinson, CPA, SHRM-SCP**  
EVP, Chief Human Resources Officer



**William H. Martel**  
EVP, Technology & Support Services



**Patricia A. Rose**  
EVP, Retail & Mortgage Banking

## About Camden National Corporation

Camden National Corporation (NASDAQ:CAC) is the largest publicly traded bank holding company in Northern New England with \$5.5 billion in assets and more than 620 employees. Camden National Bank, its subsidiary, is a full-service community bank founded in 1875 in Camden, Maine. Dedicated to customers at every stage of their financial journey, the bank offers the latest in digital banking, complemented by personalized service with 58 banking centers, 24/7 live phone support, 66 ATMs, and additional lending offices in New Hampshire and Massachusetts. For the past four years, Camden National Bank was named a Customer Experience (CX) Leader by Coalition Greenwich, a division of CRISIL. In 2021, it received awards in two CX categories: U.S. Retail Banking and U.S. Commercial Small Business Banking. Camden National Bank was included in the 2021 list of Best Places to Work in Maine. Member FDIC. Equal Housing Lender.

Comprehensive wealth management, investment and financial planning services are delivered by Camden National Wealth Management. To learn more, visit [CamdenNational.com](https://CamdenNational.com)

