

ENVIRONMENTAL,
SOCIAL & GOVERNANCE
P R I N C I P L E S



Family legacies grown locally

A Note From Our President

In 1869, the brief Idaho gold and silver rush had started to run dry. The cofounder of Baker Boyer, Dr. Baker, was still running his mercantile store but understood that sooner or later the throngs of miners would come to an end. He had owned a mercantile in California during the 1849 gold rush prior to moving to Walla Walla. He understood that a community could quickly disintegrate without the proper business, charitable, and educational infrastructure to sustain it after the rush had subsided. After living in Missouri; Portland, Oregon; and California, he had grown to love the Walla Walla Valley and wanted to create a permanent community. One that wouldn't be erased after the fever of a rush had vanished.

Walla Walla had become the territorial capital of Washington and, in fact, his son-in-law, Miles C. Moore, would become the last territorial governor of Washington prior to its admittance into the Union. As the miners subsided, Dr. Baker remembered the need for a strong business community to continue. The area needed financial backing to strengthen the entrepreneurial spirit of the area. Thus, Baker Boyer was born. Baker Boyer filled a void that the community needed. The mercantile, which had the only safe in the territory, became a financial institution. He filled the need that would make the community prosper, trusting that if it did, he would prosper as well. And thus, our journey began in 1869.

Dr. Baker and then his brother-in-law John Boyer were Presidents of Baker Boyer. Once Washington had become a State and was admitted into the Union in 1889, Baker Boyer once again transformed to become a National Bank so that it could provide support for the entire Walla Walla Valley as it spanned into Oregon's Umatilla County.

But it wasn't enough to just bank the community. Baker Boyer had to think forward to the future even as it matured and prospered. The economy

needed to evolve, diversify, and prepare for great transformational events. The Walla Walla Valley would need the support of financing and civic leadership to not only survive but thrive.

Throughout the generations of Baker family members, Baker Boyer continued to look out for our communities. Its focus on providing educational opportunities came through the donation of land to Whitman Seminary, which became Whitman College, and donating to the future Walla Walla University. Baker Boyer developed tourism by taking leadership positions, from establishing the Whitman Hotel to being a pioneer in financing the burgeoning wine industry of Eastern Washington and Eastern Oregon. We have taken ecological leadership by understanding both the natural beauty and fragility of the Walla Walla Valley river systems, as well as the risk they pose to all those who live in the Valley. That includes Baker Boyer taking leadership roles in both the Walla Walla Watershed Management Partnership and the effort to strengthen and rebuild the Mill Creek Channel, which protects from flood damage every citizen south of Mill Creek.

As we continued to accept environmental, social, and governance leadership in the Walla Walla Valley, we have also expanded our presence and dedication to communities in Yakima and the Tri-Cities. With that continues a dedication to our enduring ethos of, "If we can help make a community prosper, we will prosper."

Our ESG principles are just a small representation of all that Baker Boyer does as a thoughtful leader in business. Our commitment to assisting where we can so that all of us can grow and prosper together is the real reason we do what we do.



Mark H. Kajita
President & CEO

AS THE COMMUNITY GOES, SO GOES THE BANK

Dorsey Baker, a doctor, had vowed to do no harm and earn the confidence of patients by providing each a full measure of service and devotion. Do no harm was the guiding philosophy of Dorsey Baker and John Boyer when they formed Baker Boyer Bank. That culture of fostering our community and doing no harm has been passed down and is reflected in our pillars today.



Attentive

We are servant leaders who care for people.



Authoritative

Among the best-of-the-best wealth managers, period.



Prudent

We take a long-term, common sense view of wealth.



Distinctly Local

Self-made and world-class. Right here in Eastern Washington.



Empowering

We coach, advise and help you improve, protect and sustain your family's financial well-being.



Counselor

We have proven wisdom that creates, grows and secures multi-generational success.

Integrated environment, social, and governance framework

CREATES FINANCIAL OPPORTUNITIES
AND SUSTAINABLE RETURNS



Social Capital

COMMITMENT TO COMMUNITY
FOR OVER 150 YEARS

Giving back to the communities in which we serve is part of our core values. Baker Boyer's four areas of focus for community impact and giving are:

- *Economic development*
- *Low-income needs*
- *Education and youth development*
- *Community health*



Human Capital

DEDICATED TO INVESTING
IN OUR EMPLOYEES

Baker Boyer believes that by providing a culture of community engagement and career growth, we can hire and retain people who will help our communities flourish. We invest in our human capital through:

- *Facilitating employee engagement in the community and paid volunteer time*
- *Generous benefits to build long-term stability for employees*
- *Career growth and development, including an in-house Career Development Advisor*
- *Collaborative, employee-led initiatives and decisions*



Corporate Governance

RESPONSIBLE OVERSIGHT FOR
CLIENT PROTECTION

As a fiduciary, Baker Boyer is required to act in the best interest of our clients. Each action we take on behalf of a client is evaluated through the lens of doing no harm. We do this by:

- *Recommending appropriate investments based on a sound and proven investment strategy*
- *ESG investment options*
- *Identifying potential fraud and laundering*
- *Employing the latest best practices in cybersecurity*
- *Protecting your data and privacy*



Environment

REDUCING OUR CARBON
FOOTPRINT

Baker Boyer uses its resources responsibly to contribute to a global reduction in resources that negatively impact our environment:

- *Reducing electrical consumption in physical locations*
- *Reducing water consumption in buildings*
- *Allowing for remote work, resulting in reduction of employee footprints*
- *Promoting digital banking to reduce paper usage*

2021 ESG

R E S U L T S



Social Capital

\$205,000-plus in sponsorships and corporate donations to 61 organizations.

\$10,000 donated to Blue Mountain Action Council from FIS Impact Award program.

Provided Financial Counseling to the community at no cost.

Started financial literacy program in local schools.

265 students enrolled
848 modules completed
10 schools enrolled
453 hours of learning

\$45,000 in donations to nonprofits to support operational costs through the COVID-19 pandemic.



Human Capital

Employees paid for 1,520 hours to volunteer in the community.

\$3,084,341.42 in benefits provided to staff in 2021, an average of \$14,700 per employee.

Full-time technical trainer provided to staff, along with online trainings, manager training and other resources to encourage career and personal growth and development.

Multiple employee-led committees throughout the organization to drive decisions and priorities. Committees include Strategy, Next Generation of Clients, Employee Engagement, and many more.



Corporate Governance

Managed more than \$1.6 billion* in assets with a team of Chartered Financial Analysts and Portfolio Managers. Our due diligence process focuses on fund managers who meet our rigorous investment standards.

Robust cyber security program including end-to-end encrypted data and encryption at rest.

Multi-factor authentication to ensure clients' digital banking is secure.



Environment

Replacing incandescent lighting at all locations with LED bulbs to reduce electrical use.

In the process of putting in water efficient bathrooms.

Approximately 17% of employees are working fully or partially remote.

14,000 accounts use eStatements to reduce paper waste. 8,678 clients use online banking, reducing their carbon footprint.

54,307 pieces of paper saved by using DocuSign

*As of February 2022

*"Honor and truth were given to cherish;
Cherish them then, though all else should take flight;
Landmarks are these which never should perish,
Stars that will shine in the darkest night."*

- A poem by Dorsey Baker, founder of Baker Boyer

