



DIVERSITY, EQUITY AND INCLUSION POLICY

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LCNB NATIONAL BANK

DIVERSITY, EQUITY AND INCLUSION POLICY

EFFECTIVE DATE

Effective with the adoption of this Policy (also known as DEI Policy), all employees of LCNB National (“Bank”) must comply with the terms of this Policy and procedures. As this Policy for the Bank was first adopted by the Board on March 18, 2019, there are certain aspects of this Policy which represent aspirational levels and statements, which will take time to implement over the coming years. Updates to this Policy will reflect that progress and updated expectations.

POLICY STATEMENT

The diversity of our employees and contractors is essential to our ability to fulfill our purpose and achieve our business strategy of responsible growth. Diversity and inclusion are part of our values. We take proactive steps to promote diversity of our employees, in thought, the dimensions of race, ethnicity, gender or gender identification, sexual orientation, socio-economic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies (D & I Representation).

We hold our leaders accountable for building diverse teams and fostering an inclusive environment. This accountability starts with our senior management, including the President/CEO, Executive Vice President/COO and the Senior Vice President of Talent & Development (“DEI Officers”) who oversee and direct the Bank’s diversity and inclusion efforts. The bank has created a DEI Council to provide input, help coordinate efforts, and lead the Bank’s DEI program.

LCNB National Bank is committed to providing a work environment that is free of discrimination. In keeping with this commitment, the Bank prohibits any unlawful discrimination. This Policy applies to all levels of employees at LCNB National Bank.

LCNB National Bank continues to offer development programs designed to build an inclusive environment, strengthen the retention and engagement of diverse professionals and educate our employees about diversity. These programs and processing help to build a stronger Equity within the organization.

LCNB National Bank expects to hold management at all levels accountable for diversity, equity and inclusion efforts. Management ensures that such efforts align with the Bank’s future business strategy.

It is our Policy to provide a full spectrum of businesses with the opportunity to compete on a fair and equal basis for our business and, ideally, to expand and grow while working with us. We will encourage the use of qualified businesses where opportunities exist, promote strategic partnerships and engage a number of external stakeholders in support of our efforts. We will continue to make progress expanding the reach of our vendor diversity and inclusion efforts. We currently have diversity and inclusion definitions where we operate, which include the following categories (D & I Business Categories) such as:

- *Ethnic Minority Owned, including Indigenous Owned*
- *Locally Owned and Small and Medium Enterprise*
- *Disability Owned*
- *Service-Disabled Veteran Owned Small Business*
- *Social Enterprise Business*
- *Veteran Owned Small Business*
- *Women Owned*
- *LGBTQ Owned*

The vendor diversity information and supporting documents will be tracked and reported through Venminder as part of annual vendor reviews.

LCNB National Bank will inform all of its employees and Board of Directors on related policies and practices. Our website will include this Policy so our community, vendors, potential employees, etc. are aware of our continued effort to promote inclusion.

ENFORCEMENT

Changes to this Policy require approval by the Board of Directors of the Bank.

The Board of Directors has the authority to approve this Policy, and changes to the Policy thereafter. Senior management is responsible for ensuring the directives are implemented and administered in compliance with the approved Policy.

The primary responsibility for enforcement of this Policy and its operating procedures rests with the DEI Officer and senior management and our employees. The Bank has established a DEI Council to provide direction, input and oversight to the diversity and inclusion efforts. The Council will meet throughout the year and will review data and plans for the Bank's Diversity, Equity and Inclusion efforts.

No part of this Policy or its supporting operating procedures should be interpreted as contravening or superseding any other legal and regulatory requirements placed upon the Bank. Protective measures should not impede other legally mandated processes such as records retention or subpoenas. Any conflicts should be submitted immediately to the Human Resources Department and the DEI Officer for further evaluation and/or subsequent submission to the Bank's legal counsel.

POLICY STANDARDS

Organizational Commitment to Diversity and Inclusion

The Bank includes diversity and inclusion considerations in both employment and contracting as an important part of its strategic plan for recruiting, hiring, retention, and promotion.

This Policy is approved and supported by the Executive Committee and the Board of Directors.

Senior management and the Board of Directors have designated DEI Officers to oversee and direct the Bank's diversity and inclusion efforts.

The DEI Officers will provide regular progress reports to senior management and the Board of Directors at least annually.

The Bank will offer development programs designed to build an inclusive environment, strengthen the retention and engagement of diverse professionals and educate our employees about diversity at key points in their career lifecycle to build a more equitable workforce. This will begin with education for officers and managers. The DEI Officer is responsible for ensuring that the Bank conducts training and provides educational opportunities on equal employment opportunity and on diversity and inclusion on a regular basis.

It is the Bank's Policy to take proactive steps to promote a diverse pool of candidates, including the D & I Representation, in its hiring, recruiting, retention, and promotion, as well as in its selection of board members, senior management, and other leadership positions.

Workforce Profile and Employment Practices

The Bank implements policies and practices related to workforce diversity and inclusion in a manner that complies with all applicable laws.

On an annual basis, the bank will prepare a diversity profile of the existing staff to determine areas of concern. This analysis will be reported to the Human Resources Department and the Executive Committee. If areas of concern are noted, the recruiting practices will be re-evaluated.

The Bank ensures equal employment opportunities for all employees and applicants for employment and does not engage in unlawful employment discrimination based on the D & I Representation.

It is the Policy of the Bank to create diverse applicant pools for both internal and external opportunities that will include:

- Outreach to minority and women organizations;
- Outreach to educational institutions serving significant minority and women student populations; and
- Participation in conferences, workshops, and other events to attract the D & I Representation group and to inform them of employment and promotion opportunities.

The Bank utilizes both quantitative and qualitative measurements to assess its workforce diversity and inclusion efforts. The bank will track applicants, hiring, promotions, separations, career development, and retention across all levels and occupations of the Bank, including executive and managerial ranks. Reports will be provided to senior management and the board of directors on an annual basis.

The Bank expects to hold management at all levels accountable for diversity and inclusion efforts, by ensuring that such efforts align with business strategies and individual performance plans. This will begin with the adoption and introduction of the Policy, and will continue into future strategies and plans.

Procurement and Business Practices—Supplier Diversity

It is the Policy of the Bank to provide D & I Business Categories owned businesses with the opportunity to compete on a fair and equal basis for our business. In addition to the D & I Business Categories businesses, the Bank will provide a full spectrum of businesses with the fair opportunity to compete for procurement of business goods and services. The bank will develop diversity and inclusion definitions where we operate, which might include the D & I Business Categories.

The Bank will use metrics and analytics related to annual procurement spending, percentage of contract dollars awarded to D & I Business Category-owned business contractors, and percentage of contracts with D & I Business Category-owned business subcontractors to evaluate its supplier diversity. This will be tracked through the vendor management system as reported by companies and managers responsible for vendor contracts.

To promote a diverse supplier pool, the Bank will expand outreach to minority-owned and women-owned contractors, will participate in conferences, workshops, and other events to attract minority-owned and women-owned firms and informs them of contracting opportunities; and develop an ongoing process to publicize its procurement opportunities.

Practices to Promote Transparency of Organizational Diversity and Inclusion

The Bank will be transparent with respect to its diversity and inclusion activities by making the following information available to the public annually through its website or other appropriate communication methods. This will evolve over time as milestones are achieved.

- The Bank's Policy on its commitment to diversity and inclusion;
- The Bank's progress toward achieving diversity and inclusion in its workforce and procurement activities, which will include the Bank's current workforce and supplier demographic profiles; and
- Opportunities available at the Bank that promote diversity, which may include:
 - Current employment and procurement opportunities;
 - Forecasts of potential employment and procurement opportunities; and
 - The availability and use of mentorship and developmental programs for employees and contractors.

Self-Assessment

The Bank conducts self-assessments of its diversity policies and practices annually. These are evaluated by the Diversity Council, and reported to the Executive Committee and Board of Directors.

The Bank monitors and evaluates its performance under its diversity policies and practices on an ongoing basis, and updates and modifies such on an as needed basis.

The Bank may provide information pertaining to the self-assessments of its diversity policies and practices to the OMWI Director of the OCC and the Federal Reserve as contemplated by Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.