



2024

Impact Report

Contents

Message from our CEO	3
Our vision, mission, and core values	3
About us	3

Introduction 4

Rooted in the past, committed to the present, focused on the future	4
By the numbers	5
Growing to serve	6
Local presence, personal service	7
Your deposit at work	8
Commercial customers gain enhanced support	9

Social 10

Purposeful giving, powerful results	10-11
Compassion into action	12-13
Building financial confidence	14
Empowering youth through financial literacy education	15
Service is our culture	16
Leading by example: David Seppala's commitment to community	16

Environmental 17

Energy efficiency initiatives	17
Reducing our carbon footprint	18
Paperless banking	18
Recycling and waste reduction	19

Employees 20

Empowering growth and leadership	20
Employee benefits	20
Team member milestones	21
Celebrating excellence	22
Cultivating future leaders	24
Supporting professional growth	25

Governance 26

The foundation of our success	26
Board of directors	26
Corporate board committees	27
Cybersecurity and data privacy	27
Risk management	30
Preparing for the unexpected: Isabella Bank's business continuity plan	30
Shareholder appreciation	31



Message from our CEO



At Isabella Bank, “Local. Growing. Staying.” is more than just a tagline—it’s the foundation of who we are and who we strive to be. For more than 120 years, it has guided our commitment to personalized service, strong relationships, and unwavering dedication to the communities we proudly serve.

Service is our culture, and it’s built on the core values that shape every interaction and decision we make. These values drive our commitment to customers, employees, shareholders, and the environment, and they inspire us to be a catalyst for innovation and sustainability within our footprint.

As a trusted partner to our communities, we hold ourselves to the highest ethical standards. Our focus on making a positive impact isn’t just part of our strategy—it’s at the heart of everything we do.

This 2024 Impact Report is a reflection of our enduring commitment to the people and places we are honored to serve. As we look to the future, we will continue to grow locally, uphold our values, and stay true to our promise of building stronger communities together.

A stylized, handwritten signature in black ink, appearing to read 'JS'.

JEROME SCHWIND,
PRESIDENT & CHIEF EXECUTIVE OFFICER, ISABELLA BANK CORPORATION
CHIEF EXECUTIVE OFFICER, ISABELLA BANK

Our Vision

To be recognized as the leading independent community bank.

Mission Statement

To be the preeminent financial services provider benefiting our customers, shareholders, and employees.

Core Values

- Demonstrate unwavering integrity
- Community bank focused
- Continued stability and independence
- Exceptional customer service delivered in a personal manner

About us

- Founded in 1903.
- A full-service bank providing commercial, retail, treasury, and wealth management services.
- Largest bank headquartered in mid-Michigan.
- \$2.1 billion in assets.
- 31 locations in 8 counties: Bay, Clare, Gratiot, Isabella, Mecosta, Midland, Montcalm, and Saginaw.
- Wealth assets under management totaling \$658 million.



Rooted in the past, committed to the present, focused on the future

At Isabella Bank, “Local. Growing. Staying.” is more than just a tagline—it’s the foundation of who we are and who we strive to be. It embodies over 120 years of personalized service, strong relationships, and unwavering commitment to the communities we serve.

“Local” represents our deep roots in the region. It’s about being a trusted partner to tens of thousands of customers—individuals, family businesses, farms, municipalities, schools, universities, and nonprofits alike. It’s about knowing the people we serve, because we live and work alongside them.

“Growing” speaks to our thoughtful pursuit of progress. Under the leadership of our Board of Directors,

and driven by a strategic vision executed by senior executives and managers, we continue to expand our reach and innovate our offerings. Whether face-to-face or through digital banking, we evolve to meet the needs of a changing world while staying true to our mission.

“Staying” represents our steadfast dedication to being a community bank. It highlights our intentional leadership development, succession planning, and long-term commitment to the customers and communities we serve across our eight-county region. We know that our success is directly tied to theirs.

This simple yet powerful three-word statement is a reflection of the daily efforts of our team members, who deliver exceptional care, respect, and expertise to every customer interaction.

At Isabella Bank, “Local. Growing. Staying.” is more than a promise—it’s our legacy, our vision, and the reason we are here and will be for generations to come.



By the numbers 2024

2.1 billion

in assets

120+ Years

serving central michigan



Local. Growing. Staying.

8

counties served

31

locations

300+

employees

\$631,800

community monetary donations

274

organizations received
monetary support

8,185

employee
volunteer hours

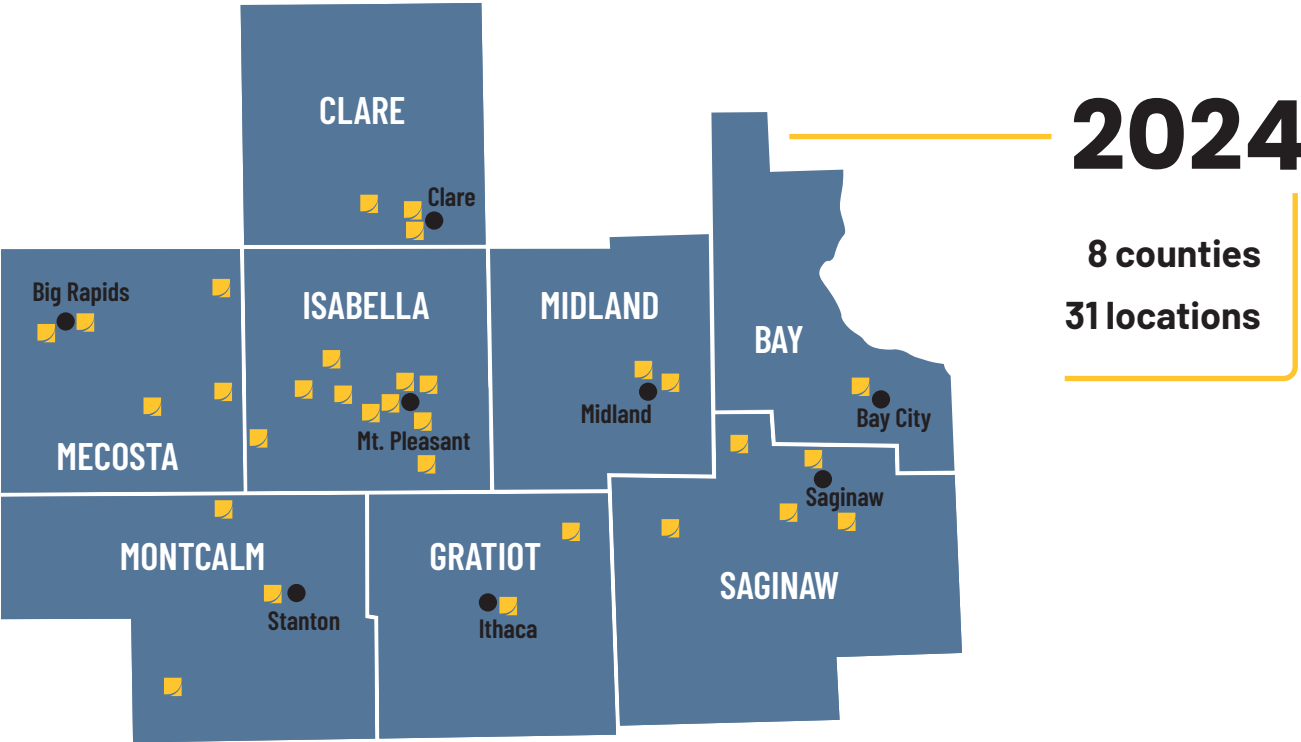
314

organizations served
across 8 counties



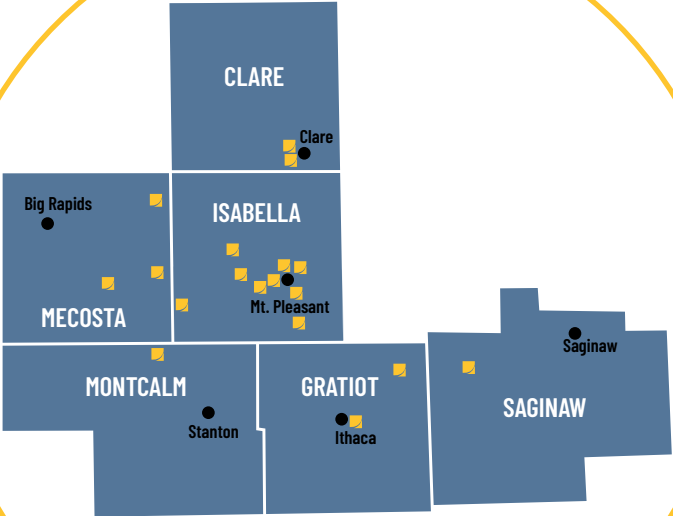
Growing to serve

Expanding our reach across communities



2000

6 counties
18 locations



Local presence, personal service

At Isabella Bank, staying local means more than geography—it's about creating meaningful connections with the people we serve and delivering the personalized support our customers need, wherever and however they prefer.

In today's fast-paced world, flexibility and accessibility are key. That's why we prioritize meeting our customers where they are, whether that's through innovative digital solutions, personal interactions, or welcoming spaces at our local branches. Our commitment to staying local means offering the convenience of technology alongside the warmth of human connection—because financial guidance should always feel personal.

Our branches are more than just places to manage money; they are community hubs. Strategically located in the heart of the neighborhoods we serve, our branches are part of the efforts to revitalize

downtown areas, contributing to the vibrancy and growth of these communities. By establishing multiple branches in key downtown locations, we not only bring financial resources closer to the people who need them but also play an active role in building brighter futures for entire neighborhoods.

Through partnerships with local organizations, investments in community projects, and unwavering dedication to fostering economic growth, we reflect our commitment to investing in places we call home. Our team works endlessly to create welcoming spaces that empower individuals and strengthen communities.

At Isabella Bank, staying local isn't just about being physically present; it's about making a meaningful difference in the lives of our customers and neighbors. Together, we're creating opportunities and building stronger communities.

Before



Main Branch on Broadway

In 2024, we completed a full exterior renovation of the Main branch on Broadway Street in Mt. Pleasant. More is in store for this branch in 2025 with an interior renovation already underway. Photo credit: Robert A. Banta Photography.



Your deposit at work



How Banking Local Builds Stronger Communities

When you do business with us at Isabella Bank, your money does more than sit in an account—it helps power progress in our community! Every deposit you make gives us the ability to do what community banks do best:

reinvest locally. While your funds remain safe and accessible to you, they also allow us to provide loans to small businesses, support affordable housing, and contribute to local nonprofits.

This creates a positive cycle of economic growth. Business owners can grow and hire, families can

find stable housing, and nonprofits can expand their reach. It all adds up to stronger neighborhoods, more job opportunities, and a thriving local economy.

So when you bank local, you're not just managing your money, you're helping build a better future for our community.



Commercial customers gain enhanced support for evolving needs

Isabella Bank empowers local businesses with upgraded treasury services and personalized solutions.

In today's fast-paced business environment, adaptability is key—Isabella Bank's Treasury Department is rising to the occasion. To better serve the growing and evolving needs of our commercial customers, we have introduced significant upgrades to our support services, blending advanced technology with the Bank's hallmark personalized care. From updating banking software to installing remote deposit capture machines for seamless check processing, our Treasury team ensures clients are equipped to thrive.

With a larger team, enhanced technology, and streamlined processes, Isabella Bank is positioned to provide businesses, nonprofits, and municipalities with tailored solutions that maximize the value of their banking services.

"These upgrades are about delivering superior support so customers get the most out of their banking services and technology," said Gregory Mapes, Vice President, Deposit Administration. "Faster response times and improved access to support means we're here for our customers when they need us most."



"Faster response times and improved access to support means we're here for our customers when they need us most."

GREGORY MAPES, VICE PRESIDENT, DEPOSIT ADMINISTRATION



The integration of technology with the sales team—along with the expansion of the Treasury team—has enabled Isabella Bank to deliver faster and more proactive service. But while tools and processes are essential, Mapes emphasized that it's our people behind the services who truly make the difference.

"Our competitors offer wire transfers and other tools, just like we do. And we all work with the same currency," Mapes said. "The difference lies in how Isabella Bank responds when things don't go as planned. That's what sets us apart. We have an experienced team with deep roots in our communities."

This commitment to local, personalized support continues to strengthen relationships and fuel growth, as word-of-mouth referrals from satisfied customers bring new businesses to the Bank. Whether helping customers navigate new technologies or solving complex challenges, Isabella Bank stands ready to help local businesses succeed—because when they do, the entire community benefits.



Purposeful giving, powerful results



\$631,800

Monetary donations

274

Organizations received
monetary support

We believe in showing up for the organizations that uplift our communities because when they thrive, we all do. Our approach to giving is intentional, grounded in local needs, and focused on impact that lasts. The following impact stories represent trust, shared purpose, and the power of partnerships making a difference.

Bridging the Gap with Compassion

Imagine facing the tough choice between buying diapers or paying the electric bill—because essential personal care items like soap, toothpaste, or toilet paper aren't covered by Bridge Cards. For many in our community, this isn't a rare dilemma, it's a daily reality. That's where The Care Store steps in, filling a critical need by providing these often-overlooked essentials to individuals and families who are struggling.

As the only organization in our region dedicated to this work, The Care Store plays a vital and unique role, and Isabella Bank is honored to stand alongside them. "When my family moved here, I quickly noticed Isabella Bank's presence everywhere," shared Executive Director Julia Eigenbrood. "But once I stepped into the nonprofit world, I realized the depth of that presence." She describes Isabella Bank as a true partner, not only showing up for the community but investing in it wholeheartedly. "They don't just talk about compassion—they live it. And in the nonprofit sector, that means everything."

Through volunteerism, financial contributions, and a shared commitment to community, Isabella Bank is proud to support The Care Store's mission. This collaboration reflects a deeply held belief: that dignity should never be a luxury, and everyone deserves access to the basic products that support health, confidence, and a better quality of life.



Isabella Bank pledged \$10,000 to support The Care Store over 2024 and 2025. From left to right: Neil McDonnell, Isabella Bank President, Julia Eigenbrood, Care Store Executive Director, and Jerome Schwind, Isabella Bank CEO.

Helping Students Achieve Their Dreams

At Isabella Bank, we believe that investing in education is key to building strong communities. Through our longstanding partnership with the Mt. Pleasant Area Community Foundation (MPACF), we proudly support the Isabella Bank Scholarship Fund, helping students across our footprint pursue higher education.

Each year, nine scholarships are awarded to graduating seniors who demonstrate academic achievement, financial need, and a commitment to community service. By easing financial barriers, we empower young leaders to achieve their goals and contribute to a thriving future for our region.



Scholarship recipient Isaac Finch pictured with family and Neil McDonnell, Isabella Bank President, far right.

United for Impact

Driven by a passion for service, Isabella Bank continues its longstanding partnership with the United Way through our annual three-week Corporate Campaign, where employees unite to raise funds and gain awareness of the United Way's impactful work in our communities.

During the campaign, employees are not only encouraged to contribute financially but also to learn about the issues facing our regions. Our goal is to create community advocates that are dedicated to providing sustained support for essential services to help those in need.

These funds will be reinvested directly into the communities where we live and work, supporting the United Way's efforts to improve quality of life. Their programs focus on enhancing access to education, healthcare, financial stability, and critical resources for families in crisis.

We are incredibly proud of our employees' generosity and are honored to collaborate with the United Way. This partnership reflects our ongoing commitment to fostering a culture of giving and strengthening the foundation of the communities we call home.



Total donations to
United Way Agencies
throughout our footprint
\$35,578
through corporate
and employee gifts

Isabella Bankers receiving the Campaign Excellence award from United Way.



Compassion into action

Every October, Isabella Bank transforms our commitment to community service into a powerful, hands-on experience through Compassion into Action.

Volunteering and giving back are at the heart of our culture, and this dedicated day of service allows employees across the bank to participate in meaningful projects that address local needs. It's a day that deepens our connection to the communities we serve and strengthens the bond between our team, our neighbors, and the organizations we proudly support.

320

Employees participated

1,489

Volunteer hours

19

Organizations served



Thank you to the 19 inspiring organizations we partnered with in 2024, who welcomed our teams and gave us the opportunity to support meaningful projects throughout our communities:

- Affordable Housing Alliance
- Boys and Girls Clubs of the Great Lakes Bay Region
- Community Village Assisted Living
- Eagle Village
- God's Helping Hands of Mecosta County
- Gratiot County Commission on Aging
- Isabella Community Soup Kitchen
- Isabella County Commission on Aging
- Isabella County Habitat for Humanity
- Isabella County Restoration House
- Life Choices of Central Michigan
- Mid-Michigan Community Action Agency
- Midland County Habitat for Humanity
- Midland's Open Door
- RISE Advocacy, Inc.
- The Care Store
- United Way of Gratiot and Isabella Counties
- United Way of Midland County - Camp Neyati
- United Way of Montcalm-Ionia Counties

"It would take us hours, days, even months to do what the crews can knock out in a short amount of time. It takes a village, and we're just really grateful that Isabella Bank is part of ours."

CATHEY PRUDHOMME, PRESIDENT AND CEO, EAGLE VILLAGE



Building financial confidence

Financial literacy is the foundation of personal empowerment and long-term stability.

Through presentations, online tools, classroom lessons, and one-on-one guidance, we're committed to helping individuals of all ages build the skills they need to manage money confidently. By meeting people where they are and providing practical support, we're fostering stronger, more financially resilient communities.

Total invested in financial literacy programs:

\$52,560



Junior Achievement classroom sponsorships

Boys & Girls Clubs' Money Matters program sponsorship

Free online financial education tools for the community

Financial literacy booklets distributed to local classrooms

Left: Amanda Pratt, Senior Branch Manager, and Len Desormeau, HR Generalist, proudly display the Michigan Bankers Association Financial Literacy Award, recognizing Isabella Bank's commitment to financial education. Both Amanda and Len are dedicated Junior Achievement volunteers, helping to empower the next generation with essential money management skills.



Empowering youth through financial literacy education

Isabella Bank is proud to partner with the Boys & Girls Clubs of the Great Lakes Bay Region to deliver Money Matters: Make It Count—a vital initiative that equips teens with essential financial skills for lifelong success.

Designed to help young people set goals, budget, save, and invest, Money Matters blends engaging lessons with interactive tools to build both confidence and practical knowledge. The program prepares participants to make informed financial decisions that will serve them well into adulthood.

In 2024, Isabella Bank deepened its commitment to the program by not only sponsoring it but also providing employee volunteers to lead sessions at Clubs in Bay and Saginaw Counties. Bank representatives guided youth through budgeting exercises, goal-setting workshops, and real-world financial scenarios, offering insight and encouragement along the way.

“Financial literacy is essential, but all too often we don’t get enough of it as part of our regular education,” said David Brown, Vice President, Senior Commercial Loan Officer, who helped lead Isabella Bank’s involvement in the program. “That’s why we are honored to partner with the Boys & Girls Clubs of the Great Lakes Bay Region and their Money Matters program.”

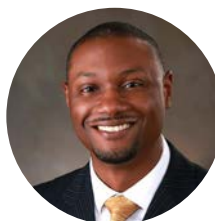
This partnership reflects Isabella Bank’s belief that financial literacy is a cornerstone of community strength. By investing in today’s youth, we’re helping to build a future of informed, empowered citizens ready to lead and thrive.

According to Boys & Girls Clubs CEO Lynn Pavlawk, members who complete the Money Matters curriculum consistently demonstrate improved financial management skills in early adulthood—and support from experts at Isabella Bank only enhances its impact.

“Our motto is ‘Great Futures Start Here,’ making this program integral to our values,” Pavlawk said. “Financial literacy is a keystone of lifelong stability and success, and we are tremendously excited to see how this collaboration benefits our young leaders.”



“As a community bank, we believe financial literacy is a fundamental building block for individuals of all ages. Investing in our young people will lead to future homeowners, highly educated and skilled workers, equipped entrepreneurs, and positive contributors to our local communities.”



**DAVID BROWN, VICE PRESIDENT,
SENIOR COMMERCIAL LOAN OFFICER**



Service is our culture

Our passion for making a difference is at the heart of everything we do. We believe that giving time and talent strengthens the fabric of our communities, and our team members embrace volunteer opportunities that reflect their diverse skills and interests.

Board and Committee Roles

With expertise in areas such as finance, operations, and technology, our employees lend their leadership and collaboration skills to nonprofit boards and committees, helping organizations grow and thrive.

Event and Fundraising Support

From managing registration to processing financial transactions, our team members provide hands-on support at nonprofit events, ensuring that fundraising efforts run smoothly and have the greatest impact.

Teaching and Education

We're committed to empowering our community through financial education and fraud awareness. Our employees share these important lessons with local schools and community organizations.

Community Service Projects

From serving at food banks and organizing donation drives to helping animals find new homes and mentoring youth, our team members eagerly embrace a wide range of initiatives that strengthen our communities.

Volunteering is a deeply rooted part of Isabella Bank's culture. Beyond giving back, it lifts morale, creates meaningful connections, deepens our understanding of community needs, and strengthens the bonds we share as a team.



15

Local fundraising
auctions supported
with fiscal
expertise

314

Organizations
served across
8 counties

8,185
Volunteer hours

"I've always believed, as a community banker, that an essential part of my job is to support the region where I work and live. It's been fulfilling to be part of the solutions to local challenges and to make a difference through the various boards I'm involved with."



Leading by example: David Seppala's commitment to community

As Regional President, David Seppala exemplifies what it means to be a community banker. In 2024 alone, he dedicated more than 260 volunteer hours, serving on eight nonprofit and civic boards. Whether he's helping guide affordable housing initiatives through Montcalm County Habitat for Humanity, supporting local improvements through the Greenville Area Community Foundation, or advancing economic growth through the Montcalm Economic Alliance, David uses his time, talents, and leadership to make a lasting impact.

DAVID SEPPALA, REGIONAL PRESIDENT



Energy efficiency initiatives

Reducing energy consumption is a priority at Isabella Bank, and we continuously seek innovative ways to optimize operations and conserve resources. Following an energy study in 2022, we identified several opportunities to enhance efficiency and lower environmental impact.



Optimized Heating and Cooling

- Use of programmable thermostats and high-efficiency HVAC systems



Energy-Efficient Technology

- Energy Star-compliant computers
- Virtualization technology
- Monitors set to sleep mode after 15 minutes
- Phone displays set to sleep mode during the evening



Smart Lighting Solutions

- LED bulb replacement plan: nearly 90% of our light bulbs have been replaced with LED
- Occupancy sensors
- Converting branch signage to LED



Reduced Travel Impact

- Remote work
- Virtual meetings
- Reduced courier run frequency
- Online training to minimize transportation emissions

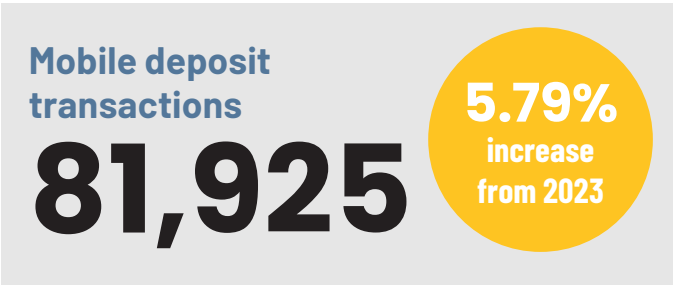
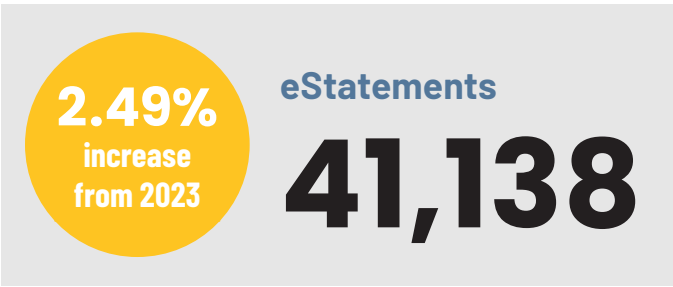


Reducing our carbon footprint

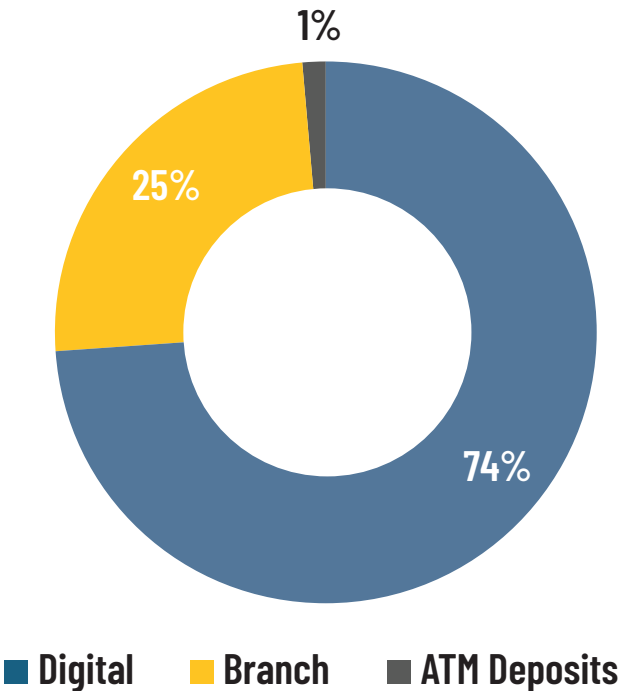
At Isabella Bank, we are committed to minimizing our environmental impact by increasing electronic transactions and expanding green workplace initiatives. As digital payment adoption grows, we continue to seek opportunities to further enhance our sustainability efforts.

Paperless Banking

- Electronic document imaging system stores over 2 million documents.
- Workflow system processes 2,000+ digital tasks daily.
- Electronic signatures for loan and deposit functions.
- Virtual tickets for teller transactions.



Digital vs In Branch vs ATM Deposits



Recycling and Waste Reduction

We recycle and donate materials to reduce waste and for the betterment of our planet. Take a look at our numbers from 2024!



**34 tons
of paper**



from routine shredding and
community shred days

- Community Shred Days provide a secure disposal method for personal, financial, and medical documents, helping prevent identity theft.
- We shred and recycle all paper materials, and our vendor processes the paper into secondary products such as napkins, toilet tissue, and paper plates.

**133 cubic yards
of cardboard**

from daily business activity

100 lbs of plastic

from instant issue cartridge ribbons

**8,100 lbs of
scrap metal**

from updating and
remodeling our branches

**\$450 in used
furniture
donated**

to the Mt. Pleasant Habitat
for Humanity Restore



Empowering growth & leadership

Our employees are the heart of our organization. At Isabella Bank, we offer more than just competitive salaries and benefits—we provide a supportive environment where employees can thrive and advance in their careers. Our vision is to foster a culture that supports and respects the differences in others, in order to create an atmosphere which allows for individual career growth and company success.



Employee benefits

Our employees are the foundation of our success. We are committed to offering a comprehensive and competitive benefits package that supports their health, well-being, and financial security. By prioritizing employee wellness, we attract and retain top talent, foster a strong workplace culture, and drive the continued growth and success of our organization.

Benefits Offered

- Medical, Dental, and Vision Plans
- Free 24/7 Tele-Medicine
- Health Savings Accounts (HSA)
- Long-Term Disability Insurance Coverage
- Group Term Life Insurance
- Supplemental Life Insurance
- AFLAC
- Medical Flex & Dependent Care Accounts
- Pet Insurance
- Employee Assistance Program (EAP)
- Exercise Equipment Purchase Program
- Computer Purchase Program
- Tuition Reimbursement Programs
- Competitive Wages
- Generous PTO
- Paid Holidays
- Incentive Pay
- 401K with Employer Match and Immediate Vesting
- Employee Stock Purchase Program
- Free Banking Services



Team member milestones

In 2024, we recognized and celebrated the following individuals on their recent promotions, retirements, and service anniversaries. Congratulations to all on your accomplishments and we thank you for your dedication!



Isabella Bank Officer Promotions

- Coy Campbell
Branch Manager I, Officer
- Neil McDonnell
President
- Amanda Pratt
Senior Branch
Manager, Officer
- William Schaefer
Chief Financial Officer
- Jerome Schwind
Chief Executive Officer

Retirements

- Jayne Robinson
35 years
- Audie Nichols
29 years
- Sandy Baur
28 years
- Cindy Holt
26 years
- Theresa Price
21 years
- Jae Evans
16 Years
- Elaine Griffith
16 years

Service Anniversaries

40 years

- Sharon Parks

35 years

- Deb Markley

30 years

- Kim Betts
- Stephanie Lybeer
- Michelle Mease

25 years

- Suzi Fussman
- Brian Goward
- Kathy Korson
- Jerome Schwind
- Amy Simon
- Deb Young
- Tracy Zayler

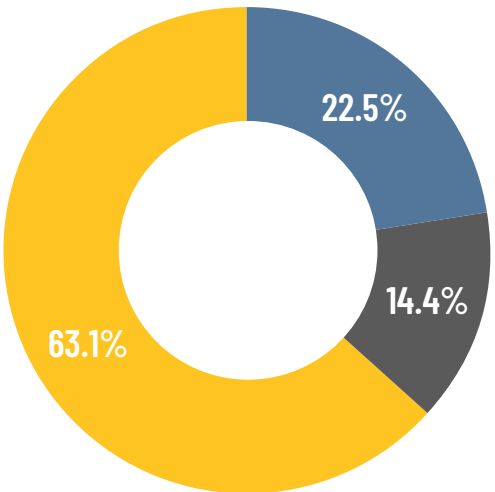
20 Years

- Jill Goodfellow
- Michael Huenemann
- Grep Mapes
- Leslie Thielen

15 Years

- Liz Guzman
- David Seppala

Years of Employment at Isabella Bank



■ 20+ years ■ 10-19 years ■ Less than 10 years



Celebrating excellence

Recognizing the dedication and hard work of our employees is at the core of our culture. Service awards are a powerful way to honor the contributions of those who go above and beyond in their roles, strengthening our team and organization. By celebrating achievements, we not only show appreciation but also inspire others to reach new heights. Join us in congratulating these outstanding individuals who exemplify excellence and commitment.



Izzy Award

Presented annually to employees nominated by their peers for exemplifying our customer service standards and going above and beyond in their roles.



Amanda Allen, Teller, Greenville

Recognized for her warm, welcoming approach to customer service and for helping prevent fraud through quick thinking and attention to detail.



Debra Mauck, Senior Teller, Weidman

Appreciated for her uplifting energy, eagerness to lend a hand, and the genuine appreciation she shows to both customers and teammates.



Mekenzie Beracy, Teller Supervisor, Breckenridge

Honored for building strong customer relationships and taking ownership of challenges to ensure timely and effective solutions.



Lauren McQueen, Senior Teller, Breckenridge

Acknowledged for her can-do attitude, proactive problem-solving, and the positive energy she brings to every interaction.



Diane Blanz, Customer Service Representative, Remus

Celebrated for her consistently positive attitude and willingness to support both customers and coworkers with kindness and enthusiasm.



Jean Newman, Commercial Loan Processor II

Celebrated for her professionalism, respectful service, and commitment to accuracy and timeliness in every task.



Laing Gau, Senior Teller, South Mission

Recognized as a dependable team member who offers guidance and support to others while delivering excellent service to every customer.



Cassie Taylor, Facilities Coordinator

Recognized for her caring nature, helpful spirit, and dedication to making a positive difference across the organization.



Team of the Year Award

Recognizing two outstanding teams—one serving internal customers and one serving external customers—for their exceptional collaboration, service, and impact.

Facilities Team

- Jerry Fountain
- Beth Haack
- Tim Slother
- Cassie Taylor

Honored for their outstanding responsiveness, professionalism, and support across all bank locations—tackling a wide range of requests with efficiency, positivity, and dedication.

Canadian Lakes Branch Team

- Jill Goodfellow
- Allison Clayton
- Tina Pelton
- Stacy Roberts
- Jessica Silva

Recognized for their resilience, teamwork, and exceptional customer service during a challenging year, stepping up to lead their branch and consistently delivering excellence.



Community Champion Award

Honoring employees who contribute 100+ volunteer hours, this award celebrates those making a meaningful difference in our communities while inspiring company-wide volunteerism.

- Felicia Bielecki
- Kristen Churchman
- Brian Goward
- John Jatczak
- Mark Marshall
- Dee Powell
- Claudia Rey-Perry
- Jillyan Rose
- Daniel Sanders
- David Seppala
- Harry Steib
- Sarah Swisher
- Lori Todd
- Amy Vogel
- Mary Welsh
- Tracy Zayler



Cultivating future leaders

Q&A with Hayley Hages: former intern, now digital banking specialist

At Isabella Bank, we believe in investing in people, starting with the next generation. Our internship program offers students real-world experience, meaningful projects, and mentorship opportunities that prepare them for successful careers. Former intern Hayley Hages is a great example of that commitment. Today, she's part of our Digital Banking team, continuing to grow her career right here at Isabella Bank.

Q: Can you share a bit about your journey, starting as an intern and transitioning to a Digital Banking role with our team?

A: I started as an intern with the Deposit Operations team working on clean-up projects—focusing efforts to identify, review, and validate systems, records, and processes—which gave me a great foundation in the basics. One of the best parts of my internship was the opportunity to shadow different departments across the Bank. Eventually, I was offered a chance to assist in Digital Banking, which allowed me to keep learning and growing. The environment at Isabella Bank is incredibly supportive, and there are so many opportunities to develop new skills.

Q: What aspects of our internship program stood out to you as being particularly valuable?

A: The opportunity to shadow other departments stood out to me as one of the most valuable aspects. It gave me a well-rounded understanding of how different areas of the Bank operate and helped me gain a deeper insight into the banking industry.

Q: Can you talk about a specific project or experience during your internship that helped you grow professionally?

A: One of the most impactful experiences was working on a market research project for our Vice President and Director of Customer Service Operations. It involved analyzing products and services in the banking industry. Knowing the information I gathered would be used to inform decisions pushed me to think critically and communicate effectively.



"It's motivating to be in an environment where people genuinely want to see me succeed and help me grow."

**HAYLEY HAGES,
DIGITAL BANKING SPECIALIST**

Q: Were there any mentors who had a big impact on your development?

A: Absolutely! Jenn Brick, Vice President, Director of Customer Service Operations, was a huge influence during my internship. Her support made me feel truly appreciated. Dee Powell, Digital Banking Manager, also supported me both professionally and personally, which really shaped my experience and gave me confidence to succeed.

Q: What is the most important lesson you learned during your internship that you still apply in your role today?

A: The importance of building and establishing connections with people. Strong relationships make it easier to navigate my job and create a real sense of belonging—internally and with our customers.

Q: What excites you most about being part of an organization that invests in future leaders?

A: Knowing I have a strong support system behind me, no matter what. It's motivating to be in an environment where people genuinely want to see me succeed and help me grow.



Supporting professional growth

We strive to create a workplace where employees can grow, learn, and succeed. Through training programs and educational initiatives, we equip our team with the skills needed to excel in a dynamic industry while supporting their career advancement within the bank.

Training and Development Opportunities

- Graduate School of Banking
- Perry School of Banking
- Dale Carnegie Leadership Training
- Leadership Development Classes
- Industry Seminars and Conferences
- Professional Certifications and Designations
- Isabella University Career Pathing
- Annual In-Service Training Day
- Learning Management System (LMS)
- Internship Program
- Executive Leadership Development
- Succession Planning Programs
- Tuition Reimbursement

Congratulations to some of our Dale Carnegie graduates from 2024! From left to right: William Schaefer, Kylie Bos, Christina Goatley, Katie Graham, and Jesse Kendall.

12

Dale Carnegie Leadership Graduates in 2024

"The Dale Carnegie Leadership Comprehensive course was a game-changer for me. It not only boosted my confidence but also equipped me with practical communication skills that I use daily. This experience has truly been a cornerstone in my professional development."

JESSE KENDALL,
COMMERCIAL LENDER



The foundation of our success

Isabella Bank is built on a foundation of strong governance, lasting relationships, sound risk management, and financial stability. For over 120 years, this approach has earned the trust and confidence of our shareholders, customers, and communities. As we continue to grow, we remain committed to integrity, disciplined operations, and thriving as an independent community bank.

Board of directors



Sarah R. Opperman - Chair
Vice President (retired),
The Dow Chemical Company



Jill Bourland, CPA, HCCP
Chief Executive Officer & Partner,
Blystone & Bailey, CPAs, PC



Jerome E. Schwind
President & Chief Executive Officer,
Isabella Bank Corporation,
Chief Executive Officer, Isabella Bank



Melinda M. Coffin
Chief Executive Officer (former),
Soaring Eagle Gaming Enterprises



Neil M. McDonnell
President,
Isabella Bank



Jae A. Evans
President & Chief Executive Officer, Isabella Bank Corporation,
Chief Executive Officer, Isabella Bank (retired);
Interim President/CEO, United Bankers' Bank



Dr. Jeffrey J. Barnes
Physician (retired),
L.O. Eye Care



Chad R. Payton, CPA
Officer & Managing Partner,
Roslund, Prestage & Company, PC



David B. Behen
Co-Founder & Chief Strategy Officer,
SensCy



Vicki L. Rupp
Corporate Director (retired),
The Dow Chemical Company



Brian R. Sackett
Senior Partner,
Sackett Potatoes

Corporate board committees

At Isabella Bank, strong governance is the foundation of our commitment to transparency, ethical banking, and long-term stability. Our Board of Directors is supported by specialized committees that provide oversight and ensure responsible decision-making.

Audit Committee: Ensuring Financial Integrity & Transparency

- Assists directors in meeting their responsibilities to shareholders, stakeholders, and regulators.
- Oversees accounting practices, financial reporting, and external audit processes.
- Ensures regulatory compliance and upholds the quality and integrity of financial reports.

Nominating & Corporate Governance Committee: Building a Strong & Diverse Leadership Team

- Identifies and evaluates Board candidates.
- Conducts annual review of Board performance.
- Strengthens governance policies.

Compensation & Human Resource Committee: Ensuring Fair & Competitive Compensation

- Evaluates and recommends executive officer and director compensation plans.
- Reviews all compensation policies and programs.
- Aligns pay structures with ethical banking and market standards.

Cybersecurity and data privacy

At Isabella Bank, cybersecurity is a critical component of our operations, and an essential element of our commitment to governance responsibility. We are dedicated to safeguarding our customers' financial assets, personal information, and privacy, while fostering digital inclusivity, accessibility, and transparency.



- Protecting sensitive information is both a legal obligation and an ethical duty. We invest in state-of-the-art cybersecurity infrastructure and educate employees and customers on safe online practices.
- Our Board of Directors oversees cybersecurity strategy and risk management, ensuring it remains central to our governance framework.
- We adhere to industry regulations and best practices, continuously evaluating and strengthening our cybersecurity policies.
- To ensure transparency and accountability, we conduct regular internal audits and engage independent third-party assessments to validate our security measures.



5 tips to protect yourself from fraud

- 1 Stay calm:**
Scammers often use urgent language or scare tactics to trick you into acting quickly. Pause and think before responding.
- 2 Watch for typos:**
Emails or texts with misspellings or awkward grammar—no matter how official they seem—are often red flags for fraud.
- 3 Don't trust caller ID:**
Fraudsters can spoof phone numbers to appear as though they're from your bank. If something seems off, hang up and call Isabella Bank directly at 800-651-9111.
- 4 Avoid unexpected links or attachments:**
Banks rarely send unrequested attachments or links. Clicking on them can expose your devices and personal information.
- 5 Trust your instincts:**
If something feels suspicious, it probably is. When in doubt, call us at the number above for guidance.



"Everything we do prioritizes keeping customer information secure."

**JENN BRICK, VICE PRESIDENT,
CUSTOMER SERVICE OPERATIONS**

Fighting fraud

Isabella Bank strengthens customer protection with a new fraud prevention team.

Fraud is on the rise—and so is Isabella Bank's commitment to keeping its customers safe.

Cybercriminals are constantly evolving their tactics, targeting both individuals and businesses with increasingly sophisticated schemes. In response, Isabella Bank launched a dedicated fraud prevention team in August 2024 to proactively combat these threats and empower customers to protect their finances.

"Every day, our fraud prevention team works diligently to protect our customers," said Jenn Brick, Vice President, Customer Service Operations. "They monitor for suspicious activity, assisting victims in recovering losses, and implementing measures to stay ahead of fraudsters."

Fraud typically occurs in two primary ways:

- **Check Fraud:** Scammers engage in forgery, altering, counterfeiting, and other illegal practices to steal funds.
- **Digital Fraud:** This includes account takeovers, email scams, phishing attacks, electronic transfer schemes, and other online attempts to compromise information or money.

To address these threats, Isabella Bank continuously enhances the tools and features within its online banking platform. Beyond technology, the fraud team actively participates in community outreach events, educating customers on emerging scams and sharing strategies to stay safe.

"Protecting our customers' information is at the core of everything we do," Brick said. "While fraudsters will always find new ways to exploit vulnerabilities, we are relentless in adopting advanced security measures to stop them."



Staying ahead of fraud: proactive prevention and employee awareness

Fraud prevention is not just about reacting to threats, it's about staying ahead of them.

As fraud tactics continue to evolve, so do our efforts to protect our customers and organization. At the forefront of these efforts is our Assistant Vice President and Information Security Officer, Miles Coffland, who actively works to educate and equip employees with the knowledge they need to recognize and prevent fraud.

Through a combination of ongoing training, real-world simulations, and timely updates, we ensure that every member of our team is prepared to identify potential risks before they become threats.

BEE Aware: Educating Employees on Emerging Threats

One of the key components of our fraud prevention strategy is BEE Aware, our internal blog dedicated to educating employees on the latest scams, identity protection tactics, and cybersecurity best practices. Whether it's spotting red flags in phishing emails, understanding the dangers of social engineering, or learning about new fraud trends, BEE Aware provides employees with relevant, real-time information to strengthen our organization's defenses.

"In today's world we all must approach security awareness as second nature in all we do. That's why we train to 'verify before you trust'."



MILES COFFLAND,
ASSISTANT VICE PRESIDENT,
INFORMATION SECURITY OFFICER

Phishing Simulations: Putting Knowledge to the Test

Recognizing fraudulent emails is a critical skill in today's digital landscape. To reinforce this, our team conducts phishing simulation emails, designed to test employees' ability to identify suspicious messages. These simulations provide valuable insights into potential vulnerabilities while reinforcing best practices for handling suspicious emails. By practicing in a controlled environment, employees gain confidence in their ability to spot and report phishing attempts.



Information Security Updates

Fraud tactics change rapidly, and staying informed is key to staying protected. Miles provides ongoing email updates with the latest fraud trends, security best practices, and alerts about new threats. These updates empower employees to take proactive steps to protect customer data and company information.

A Culture of Security Awareness

Fraud prevention is a team effort, and through continuous training and education, we foster a culture where every employee plays a role in safeguarding our customers. By staying informed, vigilant, and proactive, we ensure that fraudsters stay one step behind—while we stay ahead.

Our commitment to prevention of fraud isn't just about protecting our business, it's about protecting the trust our customers place in us every day.



Risk management

Isabella Bank is committed to maintaining a strong enterprise risk management framework that supports long-term stability, ethical operations, and informed decision-making.

The Board Risk Committee plays a critical role in this commitment by overseeing the Bank's risk management strategy and ensuring that it is integrated across all lines of business and operations.

Key elements of this framework include:

- **Risk identification, measurement, monitoring, and mitigation** carried out in alignment with the Bank's established risk appetite.
- **Ensuring effective practices are in place** to support regulatory compliance, strategic planning, and a strong culture of risk awareness.

Preparing for the unexpected: Isabella Bank's business continuity plan

At Isabella Bank, we take preparedness seriously. While we hope to never face disruptions, we know that storms, power outages, equipment failures, and even unexpected crises can happen. That's why we have a comprehensive Business Continuity Plan in place—to protect our employees, serve our customers, and ensure our communities can rely on us no matter what comes our way.

The heart of our plan is simple: people come first

In any emergency, the safety of our employees and visitors is our top priority. We have clear response guidelines for evacuations, severe weather, and other threats, ensuring that everyone knows how to act quickly and safely. Our teams receive regular training so they can respond with confidence, whether facing a winter storm or a power outage.

Keeping the bank running smoothly in a crisis requires teamwork

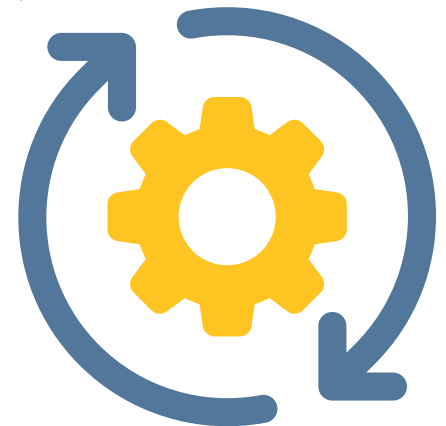
Our Crisis Management Team leads the way, coordinating efforts across departments and locations. Business Unit Recovery Teams ensure that operations can resume as quickly as possible. And thanks to

alternative workspaces and processing centers, we can continue serving customers even if one of our branches is impacted.

Preparedness isn't just a one- time effort— it's an ongoing commitment

Our Business Continuity Risk Management Committee conducts regular drills to ensure our plans remain effective and adaptable to new challenges. Whether it's protecting critical data, meeting regulatory requirements, or minimizing financial impacts, we are always refining our approach to stay one step ahead.

At Isabella Bank, resilience is part of who we are. Our Business Continuity Plan is more than a policy—it's a promise to our customers, employees, and community that we will be ready, no matter what the future holds.





Shareholders enjoying their appreciation luncheon.

Shareholder appreciation

At Isabella Bank, we are committed to transparency, engagement, and strong governance. Each year, we host two key events that provide shareholders with opportunities to stay informed, ask questions, and connect with leadership.

Annual Meeting

A cornerstone of our commitment to corporate accountability, the Annual Meeting provides shareholders with a transparent view of the bank's performance and strategic direction. This event ensures shareholders have a direct voice in key decisions, including board elections, governance updates, and future growth initiatives.

Shareholders Luncheon

A special appreciation event where executives personally serve lunch to shareholders, fostering a spirit of engagement and gratitude. This gathering offers a unique opportunity to connect with leadership, network with fellow investors, and discuss the bank's ongoing initiatives in a more informal setting.

Interested in becoming an Isabella Bank shareholder?

Learn more at ir.isabellabank.com today!



"I look forward to the Shareholders Luncheon every year because it's a chance to personally thank our shareholders and celebrate the relationships that have helped Isabella Bank grow and thrive."

JEROME SCHWIND,
PRESIDENT & CHIEF EXECUTIVE OFFICER
ISABELLA BANK CORPORATION





401 NORTH MAIN STREET
MT. PLEASANT, MI 48858