



2023

ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

UNIVEST FINANCIAL CORPORATION

Table of Contents

Environmental

Advancing Sustainability

Managing Environmental Impacts of Our Buildings

Lending to Sustainable Businesses

Social

Supporting Our Communities

Charitable Giving

Employee Volunteerism

Promoting Financial Literacy

Providing Cybersecurity Education

Community Investment

Investing In Our Employees

Equal Opportunity Employer

Diversity and Inclusion

Training and Development

Tuition Reimbursement and College Partnership Programs

Employee Wellness

Employee Compensation and Benefits

Employee Engagement

Employee Retention

Serving Our Customers

Digital Solutions

Governance

Promoting Sound Governance

Nominating and Governance Committee

Compensation Committee

Audit Committee

Enterprise-Wide Risk

Management Committee



Univest Financial Corporation is a community- and employee-centric organization that believes in putting our core values of tradition, integrity, excellence, community and spirituality into action while delivering an excellent customer experience. With a Mission Statement that challenges us to be a strong leader in our markets and active in our communities, being a responsible corporate citizen is at the core of how we operate.

As we strive to be the best integrated financial solutions provider in the market, we realize that our vision can only be achieved if we serve the best interests of all of our constituencies – our customers, our communities, our employees and our shareholders – in a socially responsible manner. Environmental, social and governance (ESG) considerations are incorporated into the Univest culture and are integrated into the policies and principles that govern the way we do business.

Whether by providing financial solutions to individuals, businesses and nonprofit organizations, maintaining an active role in our communities, investing in our employees, cultivating a diverse and inclusive work environment, or maintaining strong governance, risk management and internal controls, Univest's focus on these important ESG considerations allows us to continue to serve and support our customers, communities, employees and shareholders. The following report outlines our commitment to corporate responsibility and how we live it at Univest.

Sincerely,

Jeffrey M. Schweitzer
Chairman, President and CEO
Univest Financial Corporation

ADVANCING SUSTAINABILITY

To promote sustainability, Univest Financial Corporation (the “Corporation” and together with Univest Bank and Trust Co, and its subsidiaries, “Univest”) has taken several steps to manage the environmental impact of our buildings:

- A comprehensive recycling plan is in place at all Univest locations.
- Green cleaning products and recycled trash bags are used at all Univest locations.
- We have installed energy efficient LED lighting in 70% of our locations.
- 68% of our locations have motion detecting light switches in private offices, breakrooms and conference rooms.
- We have made upgrades to energy efficient HVAC systems in 48% of our locations with one location utilizing a geothermal system.
- 93% of our locations utilize programable thermostats.
- Implemented software to enable calculation of Univest’s carbon footprint.
- One Univest location is LEED certified.
- Univest continually strives to increase sustainability across our operating footprint.

As part of our ongoing effort to refine and improve the delivery of banking services to our customers, Univest makes ongoing investments in our comprehensive suite of digital offerings. Our mobile banking app and online banking include services such as bill pay and electronic statements which offer both increased convenience for our clients and a positive impact on the environment. In 2023, 44% of consumer accounts received eStatements.

Lending to Sustainable Businesses

We support the environmental goals and energy-saving efforts of our clients including the purchase of solar equipment. We also provide banking services and financing to various environmentally friendly and sustainable businesses.

Examples, with combined commitments of nearly \$16 million, include:

- Solar design, build and installation companies for commercial and residential properties.
- Businesses committed to recycling such as a mobile shredding company that recycles all the waste it produces, a company that recycles tires into cow mattresses and a company that purchases wood product manufacturing waste and recycles it into flooring.
- Company producing ultra-lightweight aggregates made from 100% post-consumer recycled glass.
- Minority-owned metal recycling facility.
- Company that manufactures state-of-the art LED light fixtures to replace/retrofit energy-inefficient incandescent bulbs in commercial buildings.
- Company that designs customized gas recovery systems to provide increased process efficiency and the recovery of wasted process resources.

Our wealth division’s approach to investing does not consider ESG investing as an independent strategy or a method only employed for particular clients. Instead, its strategy views environment, social and governance issues as risks within the portfolio, just as it would view any other risk. Those risks need to be evaluated and play an important role in any responsible investment management strategy. The team has a long history of creating customized approaches that incorporate the ESG priorities and preferences of institutional and retail clients and believes that environmental, social and governance risks should have a material impact on capital allocation for long-term investors.

SUPPORTING OUR COMMUNITIES

2023 Year in Review



\$2.4m

FINANCIAL CONTRIBUTIONS



468

ORGANIZATIONS SUPPORTED FINANCIALLY



343

ORGANIZATIONS SUPPORTED THROUGH VOLUNTEER SERVICE



13,117

VOLUNTEER HOURS



30

CONNECTING WITH COMMUNITY EVENTS



7,126

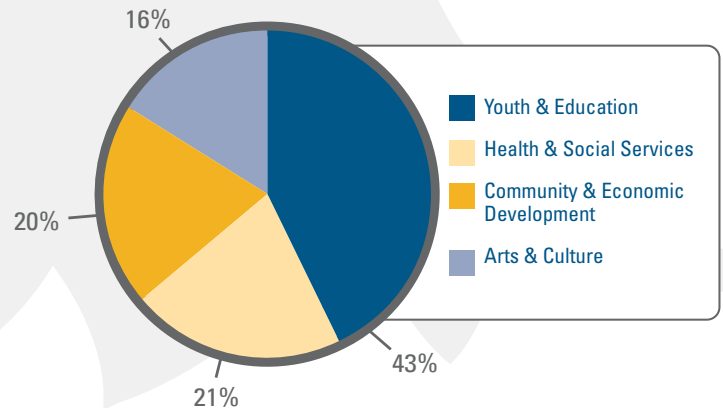
STUDENTS EDUCATED

Charitable Giving

For 147 years, Univest has stayed true to our philanthropic spirit and the strength of our Committed To Local giving program is one of the things that differentiates us. We know that Univest is only as strong as the communities we serve. Over the course of the year, we remained steadfast in our commitment to give back. The impact we made in 2023 is a testament to the Univest Family’s dedication to our community-based values.

Strengthening our local communities is at the heart of Univest’s culture. We firmly believe in giving back to the communities we serve by providing financial support, encouraging employee volunteerism and serving in leadership roles for nonprofits. We focus our giving in the areas of youth and education, health and social services, community and economic development, and arts and culture. Helping to improve the quality of life in the communities we serve is our way of making a difference each day.

In 2023, through our Committed To Local philanthropic program, Univest donated \$2.4 million to 468 organizations. The chart below shows the areas in which that giving was directed.



Employee Volunteerism

Our Connecting with Community volunteer initiative is one of the pillars of our philanthropy program. In 2023, we provided our employees with 30 Connecting with Community events to choose from in support of local charitable organizations. In addition to these Connecting with Community opportunities, we encourage our employees to volunteer independently so that they truly bring our community core value to life. In 2023, Univest employees volunteered 13,117 hours in support of 343 nonprofit organizations.

In addition to being generous with their time, our employees also supported our annual fundraiser for the United Way. Through voluntary payroll deductions, Univest employees raised more than \$69,000.

Promoting Financial Literacy

As a socially responsible company, we are committed to promoting financial literacy in the communities we serve. We provide financial literacy education to our communities and tailor presentations to cover topics appropriate for students of any age from preschool to older adults. We participate in the American Bankers Association's (ABA) annual Teach Children to Save and Get Smart About Credit Days by going into local schools with targeted presentations on these topics. Univest also partners with financial education innovator, EverFi, to underwrite the cost for local schools to provide their students with access to online courses that utilize interactive technology to educate students on critical financial concepts. Through this partnership and our visits to local schools, we educated more than 7,100 students in 2023. In addition, we have an active blog and social media pages to which we regularly post informative articles on financial topics such as budgeting, saving for retirement and tips for first-time homebuyers.

Providing Cybersecurity Education

To help our customers protect themselves against cybersecurity and fraud risks, Univest provides information and tips on our website for protecting personal information and avoiding identity theft and other scams. We also provide information on steps customers can take if they believe they are a victim of fraud or identity theft. Education is also provided on topics such as ATM skimming and popular scams.

We also share cybersecurity awareness tips through Univest's social media pages including content from the ABA aimed at educating consumers about scams, elder financial abuse, fake checks, mail fraud and more. We continued our participation in the ABA's "Banks Never Ask That" campaign to educate consumers about phishing scams and share information on cybersecurity risks, particularly those that employ social engineering.

Univest is also diligent about educating employees on cybersecurity. Regular emails from our Chief Information Security Officer inform employees of scams and how they can do their part to keep the Univest network and customer information secure.

Community Investment

Univest strives to meet the banking and credit needs of the local communities in which it does business including making sure low- and moderate-income neighborhoods have access to banking services which also ensures compliance with the Community Reinvestment Act.

Meeting the unique needs of the communities we serve is a priority at Univest. To do so, we participate in a number of programs that provide the opportunity to be an active, socially responsible corporate citizen.

Through support of programs and organizations that are making a difference in the local communities we serve, we are able to help provide affordable financial options. Examples include:

- Partnering with the Restore, Repair, Renew program which is an initiative of the City of Philadelphia and the Philadelphia Redevelopment Authority to help homeowners access low-interest loans to invest in their properties. In 2023, Univest was honored by Clarifi as its Outstanding Community Partner for our partnership on the RRR program.
- Participating in First Front Door, a first-time homebuyer grant program that provides qualifying homebuyers with \$3 in grant assistance for every \$1 they contribute, up to a maximum of \$15,000, to be used for down payment and/or closing costs.
- Supporting Home4Good which helps those who are homeless or at risk of homelessness by channeling dollars to local service organizations.
- Participating in the Philadelphia Accelerator Fund which provides flexible financing for affordable housing and community development projects in the City of Philadelphia to benefit low income communities and increase access to capital for historically disadvantaged groups.
- Partnering with Neighborhood Housing Services of Greater Berks and supporting its mission of providing affordable housing programs and initiatives to its clients including homebuyer education, counseling and lending services.
- Participating in the Greater Philadelphia Financial Services Leadership Coalition created by the Chamber of Commerce for Greater Philadelphia to increase capital for minority-owned businesses through local Community Development Financial Institutions (CDFI). This consortium of more than 30 financial institutions has pledged a fund of \$100 million which will provide grants to Philadelphia CDFIs to help strengthen their operations and better serve small businesses while addressing historical barriers faced by black- and brown owned businesses when accessing capital.
- In the Lehigh Valley, Univest committed \$600,000 over six years to support the Community Action Development Corporation of Bethlehem's Southside's Tomorrow project. This project is focused on housing affordability and quality, public and green spaces and community connectivity.
- Univest continues to serve as a certified Bank On partner and offers a Value checking account aimed at helping the under banked population. Our Consumer Services team grew our portfolio of Value checking accounts by 27% year-over-year and continued to offer an overdraft counseling program.

As we strive towards our vision of being the best integrated financial solutions provider in the market, we take pride in delivering competitive, convenient solutions and exceptional customer experience while maintaining an active role in the communities we serve.

INVESTING IN OUR EMPLOYEES

Univest is committed to attracting, developing and retaining a diverse team of employees and enhancing the employee experience by providing a supportive, positive work environment where employees are treated fairly, can be their unique self and are valued as Univest's greatest asset.

Equal Opportunity Employer

Univest strives to be an employer of choice for people from all backgrounds and experiences and actively works to create a diverse and inclusive environment. Univest's recruiting efforts support its commitment to equal employment opportunities. Human Resources lists job openings with the Commonwealth Workforce Development System as well as with several area agencies specializing in the placement of females and minorities. Job fairs are held at Univest's offices and at locations sponsored by community groups. Corporate representatives visit area schools to recruit students and offer advice on careers in banking. In addition, advertisements are featured in a variety of different sources and job websites reflecting our commitment to providing equal opportunities within our geographical labor market.

Diversity and Inclusion

Univest is committed to fostering, cultivating and preserving a culture of diversity and inclusion. We embrace and encourage our employees' differences in age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status and other characteristics that make our employees unique.

Univest's diversity initiatives are applicable – but not limited – to our practices and policies on recruitment and selection; compensation and benefits; professional development and training; promotions; transfers; social and recreational programs; layoffs; terminations; and the ongoing development of a work environment built on the premise of gender and diversity equity that encourages and enforces:

- Respectful communication and cooperation between all employees.
- Teamwork and employee participation, fostering representation of all groups and perspectives.
- Employer and employee contributions to the communities we serve to promote a greater understanding and respect for diversity.

All employees of Univest have a responsibility to always treat others with dignity and respect. All employees are expected to exhibit conduct that reflects inclusion during work, at work functions on or off the work site and at all other company-sponsored and participative events. All employees are also required to complete annual diversity awareness training to enhance their knowledge in order to fulfill this responsibility.

Our Diversity, Equity and Inclusion (DEI) Committee was established to ensure that our workplace is a supportive environment with equal opportunities for everyone. Progress on our Diversity, Equity and Inclusion Strategic Plan is reported to the Board of Directors quarterly. Our DEI Manager works to cultivate a supportive and inclusive work environment and implement inclusion programs.

Regular employee communications, including a DEI newsletter, “Univest United,” were shared throughout the year to help drive awareness. The newsletter, among other things, serves to spotlight employees and their diverse backgrounds through their own personal stories. The Corporation also employs a DEI liaison who is responsible for developing and creating content for the newsletter as well as participating in local and/or national peer DEI networks and staying current on DEI developments.

Our DEI Learning & Development Committee created learning sessions that serve as a foundation for increasing awareness on diversity, equity and inclusion topics. All employees have completed this training and it is included as part of new hire orientation to ensure all future employees receive this important information. In 2023, we introduced an Inclusive Leadership Workshop for supervisors and hiring managers. The Senior Leadership Team and approximately 200 supervisors attended in-person sessions to support our efforts to create a more inclusive and diverse workplace. This workshop will continue to be delivered quarterly.

Training and Development

At Univest, the training and development of our employees is a priority. In 2023, we invested more than \$736,000 in tools, training programs and continuing education to help our employees build their knowledge, skills and experience. We provide in-house training to employees on topics including leadership and professional development, cybersecurity, risk and compliance and technology. In addition, as part of “Univest University,” we provide several certification programs including a Skill Builder Certification Program, a Supervisor Certification, a Leadership Certification and an Advanced Leadership Certification. These programs include courses that address communication skills, customer service, managing conflict, alternative management styles, business ethics and emotional intelligence. In 2023, we introduced a Women in Business program, Business Ethics for Leaders training and piloted a mentorship program. Over the course of the year, we provided approximately 28,000 hours of training to our employees.

Tuition Reimbursement and College Partnership Programs

In addition to our internal training efforts, we provide a Tuition Reimbursement Program in which costs for undergraduate degree, graduate degree, and advanced intensive technical training programs from an accredited college or university are eligible for reimbursement up to \$3,500 per year.

Univest also participates in a College Partnership Program in which our college partners provide a variety of discounts and services for Univest employees. Each school offers unique incentives.

Employee Wellness

Univest recognizes that life presents many challenges both at work and at home. An Employee Assistance Program is in place to help employees navigate these challenges. Employees and members of their families may utilize counseling services freely and confidentially. Employees working in Montgomery and Bucks counties utilize St. Luke's Penn Foundation and all other employees utilize Health Advocate.

We also provide our employees with memberships to Care.com to assist employees with finding suitable care for members of their household. In addition, we provide access to the Calm app which is a highly rated app for sleep, meditation and relaxation, at no cost to our employees. We offer online yoga classes, gym reimbursements, on-demand mindfulness webinars and the ability for our employees to receive a flu shot or a mammogram at our main campus. In 2023, we installed AEDs in all our offices and offered online training and in-person AED and CPR classes to our employees.

Employee Compensation and Benefits

Univest believes that all individuals deserve the opportunity to earn a living wage that allows our employees to achieve a decent standard of living. As a result, we offer competitive compensation and comprehensive benefits. We have governance mechanisms, systems and controls in place that are intended to provide our employees equitable pay for the work that they do, regardless of who they are.

On an ongoing basis, we promote the wellness of our employees. Our benefits package includes health care coverage, retirement benefits, life and disability insurance, wellness and employee assistance programs, paid time off and leave policies. We also provide our lower-wage earners with higher insurance subsidies.

Employee Engagement

Our Chairman, President and Chief Executive Officer communicates with our entire organization on a weekly basis via email. These emails provide updates on key organizational initiatives, financial performance and industry insight. Additionally, we hold quarterly employee webcasts, during which senior management presents financial and strategic information and employees have the opportunity to ask questions.

We continue to recognize employee milestones and acknowledge these achievements with in-person Service Awards that celebrate employees reaching a 5-year milestone. Our employees are also invited to attend holiday socials at locations across our service area.

Employee Retention

Employee retention helps us operate efficiently and offers continuity to our customers and the community. We believe our commitment to living our core values, actively prioritizing concern for our employees' well-being, supporting our employees' career goals, offering competitive wages and providing valuable benefits aids in retention of our employees. Univest's annual turnover rate of 19.6%, adjusted for reduction in force, continues to be below the industry average of 23.5% according to the Bureau of Labor Statistics. At December 31, 2023, 17% of our current staff had been with us for 15 years or more.

SERVING OUR CUSTOMERS

We continue to make progress on our digital transformation as we actively reimagine serving our customers. As we continue this journey, our focus is on maximizing our investments by creating efficiencies in our operations and driving new business opportunities, but we will never lose sight of the importance of the human touch and delivering the exceptional, personal service for which Uninvest is known and has made us successful for the past 147 years.

Digital Solutions

Over the past several years we have made purposeful investments in technology platforms with a goal of delivering a digital experience that has the personal, human touch and exceptional service for which Uninvest is known. Significant progress has been made on building the operational environment necessary to be available to customers on a 24/7 basis and serving them in a way that aligns with their preferences. We continue to see increased adoption of Uninvest's comprehensive suite of digital solutions which includes an updated online banking platform and mobile app. These digital banking systems offer increased security, the ability to chat with our customer support team online, deposit checks, transfer money and more.

OpenAnywhere, our digital account opening system, allows for consumer checking and savings accounts to be opened in less than 10 minutes. We also offer the ability to apply for a mortgage online. In addition, mobile apps are available to our wealth and insurance clients. In 2023, significant progress was made on our digital solutions for our small business customers. We launched the ability for small business customers to apply for credit and open commercial deposit accounts online. The streamlined process features automated, risk-based credit decisions and electronic document execution for faster loan acquisition and customer on-boarding. This online functionality is an important part of our focus on securing new small business customers and deepening relationships with existing customers.

During the year we continued to refine our treasury management capabilities with enhanced online access and faster payment options. Our liquidity, payment and fraud management solutions helped our customers improve efficiency and optimize working capital. Our full suite of treasury management solutions allows us to cultivate full, meaningful customer relationships. We also continued to execute on our vision to create a fully digital, end-to-end commercial loan origination system and transitioned all commercial lending teams and their loan volume to the nCino platform. This transition created consistency, increased productivity, centralized data collection, and provided additional tools for risk management and compliance.

PROMOTING SOUND GOVERNANCE

In fulfilling our mission to be a strong, influential leader in the markets we choose to serve, Univest believes there is nothing more important than its reputation for integrity. Our board of directors, officers, and employees are bound by the highest principles of ethical conduct. Univest's Corporate Governance Principles spell out our commitment and initiatives to comply with not only the regulations, but also with the true spirit of responsible corporate governance. A substantial majority of our Board of Directors consists of independent directors.

Univest strives to maintain a diverse Board in terms of beliefs, background, education, experience, gender and race. The table below provides certain highlights of the composition of the Corporation's Board members. Each of the categories listed in the below table has the meaning as it is used under applicable NASDAQ rules. As always, we seek to add diverse individuals who contribute unique business perspectives to the Board, benefiting Univest as a whole.

The Corporate Governance Principles and the charters of the Nominating and Governance Committee, Compensation Committee, Audit Committee and Enterprise-Wide Risk Management (ERM) Committee establish a framework for the governance of the Board and oversight of the organization. Among their responsibilities, these committees oversee a range of matters pertaining to ESG topics. All of the members of the Audit, Compensation and Nominating and Governance Committees are independent as defined in the listing standards of the NASDAQ Stock Market and SEC regulations.

Nominating and Governance Committee

The Nominating and Governance Committee is responsible for identifying and evaluating individuals qualified to become Board members and to recommend such individuals to the Board for nomination. The Nominating and Governance Committee seeks to balance the skill sets of current Board members with the need for other diverse skill sets and qualities, including diversity of gender or ethnicity, which will complement the Corporation's strategic vision. All Director candidates are evaluated based on general characteristics and specific talents and skills needed to increase the Board's effectiveness. Additionally, all candidates must possess a commitment to high ethical standards and have a demonstrated reputation for integrity. Other facts to be considered include an individual's business experience, education, civic and community activities, knowledge and experience with respect to the issues impacting the financial services industry and public companies, as well as the ability to devote the necessary time to serve as a Director. A majority of the Directors on the Corporation's Board must meet the criteria for "independence" established by the NASDAQ Stock Market, and the Nominating and Governance Committee will consider any conflicts of interest that might impair their independence.

In addition, the Nominating and Governance Committee assists in establishing Univest's general strategy with respect to ESG matters, and considers, recommends and implements policies, practices, systems and disclosures that conform with the strategy.

Board Diversity Matrix As of December 31, 2023

Total Number of Directors		12			
	Female	Male	Non-Binary	Did Not Disclose Gender	
Gender Identity	—	—	—	—	
Directors	2	9	—	—	
Demographic Background	—	—	—	—	
African American or Black	1	1	—	—	
Alaskan Native or Native American	—	—	—	—	
Hispanic or Latinx	—	—	—	—	
Native Hawaiian or Pacific Islander	—	—	—	—	
White	1	7	—	—	
Two or More Races or Ethnicities	—	1	—	—	
LGBTQ+	—	—	—	—	
Did Not Disclose Demographic Background	—	—	—	—	

Compensation Committee

The Compensation Committee reviews and approves Univest's compensation and benefit programs. As part of its oversight responsibilities, the Compensation Committee also reviews the relationship among risk, risk management and compensation, including the avoidance of practices that would encourage excessive or unnecessary risk-taking.

The responsibilities and duties of the Compensation Committee include the approval of human capital disclosures, compensation discussion and analysis contained in Univest's public reports, to assist in establishing Univest's general strategy with respect to environmental performance, health and safety, corporate social responsibility, corporate governance, sustainability and other public policy matters relevant to Univest as it relates to compensation, employment and human resources ("HR ESG"), to consider and recommend policies, practices, systems and disclosures that conform with that strategy, and to monitor the implementation of HR ESG-related policies, practices and systems to ensure adherence to Univest's strategy.

Audit Committee

The responsibilities of the Audit Committee include the annual selection of the Corporation's independent registered public accounting firm, review with the internal auditors and independent registered public accounting firm of the overall scope and plans for the respective audits as well as the results of such audits, and review with management, the internal auditors and independent registered public accounting firm the effectiveness of accounting and financial controls, and interim and annual financial reports.

Enterprise-Wide Risk Management (ERM) Committee

The ERM Committee, which consists of members of the Corporation's Board and management, provides a framework to proactively identify and evaluate potential risks to Univest and to mitigate those risks. The enterprise-wide risk management process encompasses any potential risk (inherent business risk or residual risk) that can adversely affect Univest's reputation, financial condition or results of operation or franchise value. The work of the ERM Committee provides a sound basis for integrated risk management and internal controls as key components of good corporate governance. Univest's core values drive a culture of high performance matched against the highest ethical standards and business practices.

The ERM Committee provides oversight of, among other things, our Third-Party Risk Management Program. This program helps us effectively identify, assess and manage third-party risks. Responsible product sourcing and the safety and well-being of workers across the supply chain are of paramount importance to Univest and third-party providers are expected to demonstrate high standards of business conduct and integrity. With these principles in mind, we created a [Vendor Code of Conduct](#) that defines the minimum standards that are expected to be met by any vendor regarding the vendor's treatment of workers; workplace safety; the impact of vendor's activities on the environment; and vendor's ethical business practices. The Code of Conduct was provided to all vendors as of December 2023 and will be shared with vendors as they are onboarded moving forward.

