



CORPORATE SOCIAL RESPONSIBILITY REPORT



2022



OUR GUIDING PRINCIPLES



**BUILDING
BUSINESS
RELATIONSHIPS
FOR LIFE**



**SENSIBLE
ADVICE**



**ANTICIPATING
NEEDS**



**CUSTOMER
ADVOCATE**



**FOSTERING
DIVERSITY,
EQUITY &
INCLUSION**



**COMMUNITY
MINDEDNESS**

TABLE OF CONTENTS

1	CEO Welcome
3	Diversity, Equity & Inclusion
5	Community Impact
7	Culture of Service
9	Midwest Financial Partner
11	Leadership & Governance



Craig Dwight
Chairman & Chief Executive Officer
*2022 Michigan City Economic Development
Lifetime Achievement Award Winner*

Dear Shareholders, Advisors and Clients,

As we reflect on 2022, we are truly excited for the year ahead as it marks an extraordinary milestone for Horizon Bank. We celebrate our anniversary in 2023 and are proud to say we are **150 years strong**. From the great depression, to the great recession and the recent pandemic we have grown stronger and ever more resilient with an unwavering focus on service to our communities. It is almost hard to put into words how truly inspired we are to continuously be counted on as a trusted financial partner for so many individuals and businesses over these past 150 years.

In 2022, as we continued to help members of the community navigate through unprecedented economic times, we provided over \$89 million in loans within programs promoting small business and community development, in addition to over \$16 million in home ownership and revitalization programs to those most in need throughout our Indiana and Michigan communities. We also partnered with many wonderful charitable organizations and through our grants and sponsorships, provided nearly \$1 million to more than 1,000 well-deserving organizations.

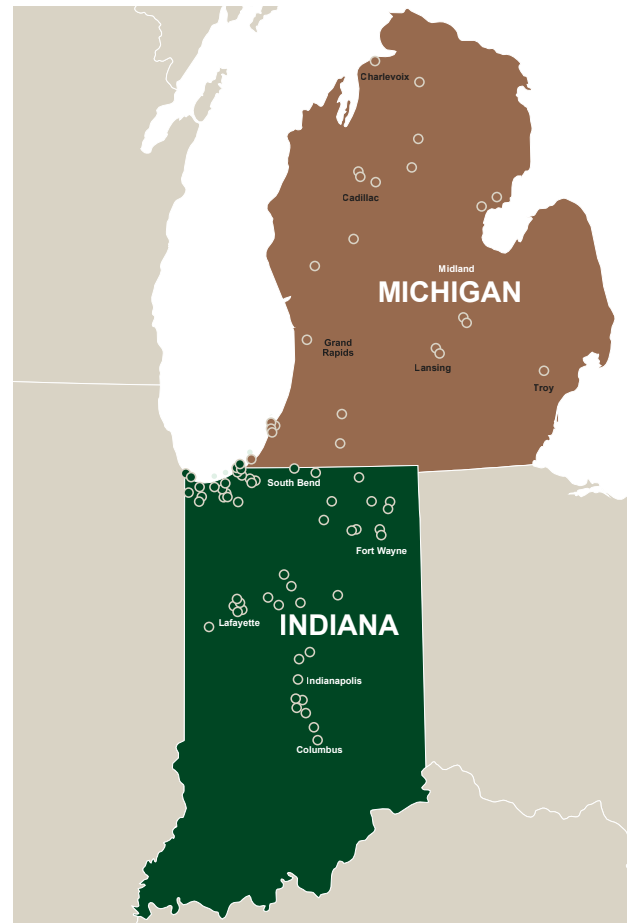
At the core of our legacy of success is our people – first philosophy that begins with our talented employees – we call Advisors. Their dedication, engagement and passion for service to our customers and communities, backed by their incredible work ethic, is what defines us as a community bank. We firmly believe every one of our Advisors has unique talents and perspectives that are invaluable to the growth of our company and in support of the communities we serve.

150^{Year} ANNIVERSARY 150 YEARS STRONG AND GROWING

In this, our third annual Corporate Social Responsibility report, we demonstrate how we seek to foster diversity and inclusivity throughout our organization and the communities we serve. In the past year, we made continuous progress on this mission such as acquiring property at the northeast corridor of Indianapolis to build a full-service branch in an underserved market as well as forming a new Horizon Bank Community Development Corporation for investing in low-to-moderate income housing. We have already started investing in an Indianapolis housing development by acquiring land contiguous to our future Indianapolis Branch. In addition, we are finalizing an investment for low-to-moderate income housing to be located in downtown Hammond, Indiana.

As we celebrate our 150 years of service to our communities, we are steadfast in our understanding that as a leader in corporate responsibility, we must remain focused on advancing diversity and inclusion within our company, promoting the long-term growth and prosperity of our communities, and becoming environmentally sustainable.

Sincerely,
Craig M. Dwight
Chairman & Chief Executive Officer



We are headquartered in
Michigan City, Indiana, with over
70 LOCATIONS
throughout Indiana and Michigan

DIVERSITY EQUITY & INCLUSION

AS OF 12/31/2022



Horizon's workforce of 923 employees were made up of
77% women



Underrepresented minorities made up
14%
of our team, accounting for 21% of hires

Awarded **Best Bank to Work for** by American Banker for the second straight year



Our advisors in the main lobby of our headquarters in Michigan City, Indiana.

Horizon Bank values and celebrates differences of all kinds among our team, customers, and business partners. We are intentional in how we approach diversity, equity and inclusion and are committed to continued growth and improvement.”

— Horizon Advisor, Michigan City, IN location

DIVERSITY WITHIN OUR WORKFORCE

We believe our people are our most valued asset and should reflect the diversity of the communities we also call home. That's why we continuously seek to recruit, hire and retain diverse talent. At year-end 2022, underrepresented minorities made up 14% of our workforce, individuals with disabilities made up 21%, and women made up 77%. Our focus on inclusion has resulted in 21% of new hires self-identifying as underrepresented minorities.

MORE THAN BANKERS

We call ourselves Advisors and understand financial education and advice are core to increasing financial wellness for our customers. We offer company-wide and personal development courses to pursue individual career advancement.

As trusted financial advisors, compliance and information security are necessary and participation in formal training is required annually.

2,149 elective
courses taken in 2022

100% completion
of compliance &
cyber security training



Horizon Bank genuinely cares about each employee and the leaders show this with their actions. As a financial institution, Horizon is inclusive and creates safe spaces within each and every office for all individuals to feel welcome and to thrive as professionals.” — Horizon Advisor

ADVISOR RESOURCE GROUPS

Horizon introduced Advisor Resource Groups in 2021 to promote inclusion and diversity throughout the company. These voluntary groups are open to all advisors to foster an affirming environment and assist with educating and recruiting advisors, community outreach as well as identifying unique opportunities to assist the communities we serve.



Some of our Voices of Pride LGBTQIA+ ARG members supporting Kalamazoo, Michigan Pride Event

**VOICES of
PRIDE**



\$36 Million spent with women
and minority-owned businesses

**Membership in LGBTQIA+, Women's and
Multicultural Network ARGs represent
10% of all Horizon Advisors**

SUPPORTING WORK/LIFE BALANCE

Our people-first philosophy goes beyond the workplace as we strive for balance in our lives and pleasure in our work. We foster an environment of continuous improvement, progressive learning, creative thinking, and personal fulfillment. Our attractive health and wellness insurance plans and incentives are competitive including our 401k plan and paid time off for vacation, sick time and bereavement. Horizon also provides for 11 paid holidays to reflect, celebrate and participate in community events around holidays such as Martin Luther King Day, Veterans Day and for the first time in 2022 a paid day off in observation of Juneteenth.

DIVERSITY BUSINESS COUNCIL

Our commitment to diversity extends beyond our immediate team members. In 2004, we formed our Diversity Business Council that includes not only company executives and Horizon Advisors, but also community and non-profit leaders who provide valuable outside counsel. This group provides strategic oversight and input on Horizon's overall diversity efforts, its policies and practices, and goals. In addition, Horizon has 17 regional advisory boards made up of local leaders with diverse perspectives providing insight into the needs and opportunities of the local communities we serve.

COMMUNITY IMPACT

In 2022, Horizon has



awarded more than
\$950,000
in charitable grants and
donations to over 1,000
organizations



awarded a **\$15,000**
grant to Junior Achievement
of Northern Indiana for a
3 year partnership with Finance Park
Business Town Initiative



donated
\$30,000
to Inspire People to Give
during Unity Foundation's
30th Anniversary



provided financing for over
\$47M
to SOLCAP
renewable energy
projects



Lafayette Advisors presenting a check to Junior Achievement for a 3 year partnership supporting financial literacy.

Horizon Bank donated
\$50,000
to Otsego County United Way
and Otsego Community Foundation
for Tornado Disaster Relief



HORIZON CARES

At Horizon, we understand that we are only as strong as the people we serve. Our mission is to make a positive difference in the future of our communities by supporting education, economic development, the arts and community efforts that meet the housing needs of low-to-moderate income families. At the core, our efforts are focused on making generational and transformative impacts to enhance the quality of life for residents across our Indiana and Michigan communities. Through our Horizon Cares Community Grant Program, we provide grants of \$5,000 or more to nonprofit organizations doing incredible work for our communities.

¡Bienvenidos!

Centro Bancario Español

HORIZONSM

BANK

Serving our bilingual Hispanic community in LaPorte, Indiana

During 2022 we provided over \$200,000 in grants to more than 20 organizations. To put it in perspective, Horizon Bank has donated more than \$4 million to nonprofits over the last five years.

BILINGUAL BANKING CENTER

We continue to offer Spanish banking services in LaPorte, and Whiting Indiana, which has 40% Hispanic residents. These offices are staffed with Spanish-speaking team members, and provide a full range of banking services as well as bilingual financial education and planning assistance for customers via live chat, phone, email and video.



As a leader in corporate citizenship, Horizon Bank is committed to doing our part to improve the lives of our customers, employees, communities, and shareholders.”

— Thomas Prame, President of Horizon Bank

FINANCIAL LITERACY & EDUCATION

Educating high school students across Northwest Indiana about finances and banking is an important part of our mission.

In an effort to get more involved with financial literacy and educating the region’s youth about banking, we operate two Horizon branches inside of LaPorte and Michigan City high schools. After being closed the last two school years due to the pandemic, the branches reopened this August 2022.

Since early 2014, the Horizon Bank Michigan City High School ‘Wolves Branch’ has had an increasingly positive impact on both current and former students who have worked at the branch or been able to open accounts with ease. The skills that students have learned are invaluable tools that will help them succeed throughout their lives.



Banking on our youth. Student teller outside our LaPorte, Indiana high school branch.

In 2022, our advisors participated in over 250 financial literacy events and had over 2,600 Community Reinvestment Act (CRA) related volunteer hours.



CULTURE OF SERVICE



900+ advisors



volunteered in over

539 non-profit organizations



Michigan City Advisors volunteering in our annual Red Kettle Drive for the Salvation Army

Horizon Bank makes it a priority to rally together to support our communities facing significant challenges. Our culture of giving back permeates our entire company through our formal paid time off policy in which we encourage advisors to seek volunteer opportunities giving them freedom to support organizations and causes that are important to them.

We seek to support nonprofits that are actively addressing the most pressing challenges our communities face, including food insecurity and housing.

We are proud to support the great work of the Salvation Army and their Red Kettle Donation initiatives in several of our markets. In addition to our financial contributions, our employees volunteered their time to these food pantries and our team and customers alike came together in December to help their neighbors in need with a special in-branch Red Kettle drive.



Horizon Bank Awarded \$10,000 Grant to LaPorte County Habitat for Humanity

in support of their 2022 build project that has resulted in the completion of another new, affordable home in the community. LaPorte County Habitat for Humanity addresses the need for affordable housing by building homes for low-income working people as housing prices and rent have significantly risen in the area, with three bedroom homes renting for more than one-thousand dollars per month. The build, located on Home Street in LaPorte, was completed in November, in time for the family to enjoy Thanksgiving.

“Horizon walks the talk regarding diversity and inclusion. I have been very impressed with the steps that they have taken to include people at all levels of diversity and they have created community programs to support a variety of groups.”

— Horizon Advisor

Horizon Bank Awarded \$5,000 Grant to Habitat for Humanity of Kent County

in support of the Affordable Homeownership Program to enrich communities and families of Roosevelt Park, Baxter and Black Hills neighborhoods. The supply of affordable homes to low-to-moderate income families continues to shrink as home values continue to rise in Kent County. Habitat’s neighborhoods of focus are at the epicenter of the affordable housing shortage occurring in Grand Rapids. Neighborhoods like Baxter and Roosevelt Park have seen prices more than double. These funds help seven families to achieve homeownership through their traditional model, nine families achieve homeownership through the Accelerated program and twenty-two families to complete the education program.



AMERICAN BANKER

2022 Best Banks to Work For

Named a Best Bank to Work For by American Banker for 2022

“Employees are truly treated like family. Diversity and inclusion is very important to Horizon, this is unusual in a company of this size.” — Horizon Advisor

MIDWEST FINANCIAL PARTNER



\$89.4M

in loans to programs promoting

small business
& community
development



\$16.3M

in loan programs provided to

low-to-moderate
income
homeowners



Horizon Advisors are recruited from our local communities, bringing perspectives that only those actively engaged can bring.

As a community bank that continues to grow, beyond \$7.5 billion in assets, we have maintained our community focus. Our advisors are purposely hired from local communities and empowered to act, because we understand the value of local knowledge.

SUPPORTING SMALL BUSINESS

Horizon Bank has sought to be a source of stability to small businesses in our Indiana and Michigan markets. As we continue to help navigate the economic challenges in our current environment, Horizon remains strong and a valuable partner for our small businesses. As an SBA Preferred Lender Horizon, made 1,432 SBA loans to small businesses in 2022 enabling them to start, grow and thrive by getting them the funding they need at favorable terms.

ECONOMIC INCLUSION

We are committed to improving access to financial services to minority populations in cities that have historically been underserved. Our branch in Gary, Indiana, employs four local residents who serve their neighbors and local



Horizon Bank branch in Gary, Indiana.

businesses. In addition to providing retail and commercial banking services to the Gary community, we were proud to support several nonprofits and initiatives in the region. Our Advisors also volunteered at several Gary non profits including: The Legacy Foundation, Guaranteed Income Validation Effort, Inc., Urban League of Northwest Indiana and Educate Create Innovate Entrepreneur Relationships (ECIER).

NEW BRANCH IN INDIANAPOLIS, INDIANA

We believe community banking is at the foundation of a healthy community. Near the end of 2022, Horizon purchased land for a new full-service banking center in the heart of the northeast corridor of Indianapolis located at the intersection of 38th and Arlington. We have also partnered with the United Northeast Community Development Corporation and the Indianapolis Neighborhood Housing Partnership with plans to create a mixed use affordable housing development in the area.

COMMUNITY DEVELOPMENT CORPORATION

Horizon Bank is proud to be one of the first community banks in the country to be approved by the FDIC and Indiana Department of Revenue to organize its own community development corporation.



Horizon Bank made the process really easy. It was great working with them because they went every step with us.

This has given our family a chance to make a difference in a community.” – Immanual & Ambi

FOCUSED ON HOME OWNERSHIP & REVITALIZATION

Throughout our growing footprint, we are an in-market lender, providing credit to individuals where our advisors live and work so they understand the unique needs and sometimes challenges these communities have. We make sure the underserved in our communities are not overlooked. Our unique and wide-ranging programs are designed for everyone as well as programs aimed at economic inclusion such as our Home Pride and Home Ready Cash Programs, Section 8 mortgage financing and our Fresh Start Loan Program.



HOMEOWNER WORKSHOPS

Horizon has made a strong commitment to home ownership and revitalization in our low-to-moderate income communities. Throughout the year our CRA team conducted “Journey to Homeownership” seminars to residents throughout the states of Indiana and Michigan, in communities to help residents make their dream of homeownership a reality.

Alexis Harris, CRA Officer at Horizon Bank

“Very easy and transparent mortgage application. I was provided excellent service!” — Horizon customer

EXPERIENCED LEADERSHIP & SOUND GOVERNANCE



Craig Dwight

Named One of *Indianapolis Business Journal Media's*
Most Influential People in 2022



women &
underrepresented
minorities
comprise

38%
of Horizon's
Board of Directors

33%
of Horizon's Executive
Management Team



Our new President, Thomas Prame, leads a meeting with our Advisors.

As a community bank, we are proud of the strong local ties, diverse backgrounds and perspectives of our Executive Leadership Team and our Board of Directors. Horizon's highly engaged Board of Directors held eight meetings during 2022, and each director attended 75% or more of these meetings and those of the committees they served on. In addition, all directors actively participate in continuing education, with each director completing 100% of their assigned educational programs during 2022. 11 of our 13 board members are independent directors.

NATIONALLY RECOGNIZED by *Bank Director Magazine* as one of the
TOP PERFORMING BANKS IN BANK DIRECTOR PERFORMANCE SCORECARD 2015-2022

STRATEGIC PLANNING

We strive to maintain strong governance and risk management practices, as it is the foundation of a sustainable and well-governed company. Our Board's Corporate Governance and Nominating Committee reviews our corporate social responsibility (CSR) strategy and performance, including development and implementation of CSR initiatives, privacy and data security, political contributions and lobbying and manages our board recruitment.

BUSINESS ETHICS

Our formal code of ethics, charters and policies are available in the Corporate Governance section of our Investor Relations website, investor.horizonbank.com/corporate-information/corporate-governance. Our formal code of conduct encourages all advisors to hold

the Bank and their colleagues accountable by adhering to these core values, and we hold all accountable and encourage open communication to report policy violations or other concerns.

RISK MANAGEMENT

Our approach to risk management has positioned us well to continue growing and creating value for our shareholders. Our risk management policies and procedures continuously evolve and reflect the best practices to provide better solutions for our customers and drive strong financial performance.

Data protection and information security are of the utmost priority to us, as we focus on ensuring the highest standards for the safety of our customers. In 2022 100% of our advisors completed formal cybersecurity awareness and regulatory compliance trainings.

THOMAS PRAME JOINS HORIZON BANK AS PRESIDENT

In August of 2022, Banking Industry leader Thomas Prame joined Horizon. This represented an important step in Horizon's strategic expansion of its leadership team. In this position, Thomas plans to advance Horizon's expansion of lending teams, technology, durable customer relationships, and low-cost Midwest deposit franchise to further position the Company for long-term sustainable growth. As announced in January 2023, Mr. Prame has been appointed Chief Executive Officer for Horizon Bancorp, Inc. and Horizon Bank as of June 1, 2023 following the retirement of Craig Dwight. Mr. Dwight will remain the Chairman of the Board of both organizations.

EXECUTIVE LEADERSHIP TEAM



Craig Dwight
Chairman & Chief Executive Officer



Thomas Prame
President



Mark Secor
Executive Vice President
Chief Financial Officer



Kathie DeRuiter
Executive Vice President
Sr. Operations Officer



Lynn Kerber
Executive Vice President
Chief Commercial
Banking Officer



Noe Najera
Executive Vice President
Senior Retail & Mortgage
Lending Officer



Todd Etzier
Executive Vice President
General Counsel

Additional Resources

Sustainability Accounting Standards Board (SASB) Disclosures
horizonbank.com/docs/csr-2022-sasb-disclosures.pdf

Diversity and Inclusion | Horizon Bank
horizonbank.com/about-us/community-outreach/diversity-and-inclusion

Fair Lending Policy | Horizon Bank
horizonbank.com/about-us/community-outreach/affordable-loan-options

Community Grant Program | Horizon Bank
horizonbank.com/about-us/community-outreach/community-grant-program

Careers | Horizon Bank
horizonbank.com/about-us/careers/join-our-team



Horizon Bancorp, Inc.
515 Franklin Street, Michigan City, IN 46360
HorizonBank.com | (888) 873-2640
A NASDAQ Traded Company – Symbol HBNC

INVESTOR RELATIONS
(219) 814-5618



ABOUT HORIZON BANCORP, INC.

Horizon Bancorp, Inc. (NASDAQ GS: HBNC) is the commercial bank holding company for Horizon Bank, which serves customers across diverse and economically attractive Midwestern markets. Customers rely on Horizon's convenient digital and virtual tools for a majority of their transactions with the bank, along with its Indiana and Michigan branches. Horizon's retail offering includes prime residential, indirect auto and other secured consumer lending to in-market customers, as well as a range of personal banking and wealth management solutions. Commercial lending represents over half of total loans outstanding with a primary focus on in-market sponsors, and Horizon also provides a comprehensive array of business banking and treasury management services. More information on Horizon, headquartered in Northwest Indiana's Michigan City, is available at horizonbank.com and investor.horizonbank.com.