The start of something <b>new</b>.

2021 YEAR IN REVIEW
Mission

Our Bank of Guam Familia culture is built on the legacy of our Founder. It is a philosophy of respect, fairness, generosity, and integrity. This heritage drives the mission of our Bank:

• To help our Customers prosper through expert advice and genuine care
• To empower our Employees through opportunities for growth and development
• To reward our Stockholders with a fair return and pride of ownership in a locally-owned, profitable, and community-centric enterprise
• To strengthen our Community by fostering economic, social, and environmental sustainability

Vision

Bank of Guam®, “The People’s Bank,” will be the driving force for sustained prosperity in the communities it serves.

A journey of a thousand miles begins with a single step.
Håfa Adai Stockholders,

Last year, we saw the pandemic shake many of our homes and businesses. The ability to adapt quickly and pivot was key to being a good, responsible community partner and as a Company, I believe we did well.

After a modest year in 2020, our profits in 2021 increased by 68.1% to $21.0 million. This resulted primarily due to the increase in non-interest income by $11.5 million (70.4%) to $27.9 million and the reduction to the provision for loan losses by $8.2 million (79.2%) in 2021. These were partially offset by the increase in non-interest expenses by $7.7 million (10.6%) and the decrease in net interest income by $1.3 million (2.3%) from the prior year.

Our capital ratios remain well above the levels necessary for our regulators to consider us to be “well capitalized.” Growth of our assets continues to outpace that of our liabilities, allowing us to continue paying dividends to our stockholders.

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On July 6, 2021, the Company completed its final purchase of 25% of voting common stock of ASC Trust LLC bringing the Company’s ownership of ASC Trust LLC to 70%. This transaction resulted in the consolidation of ASC Trust LLC with the Company, which increased the Company’s total assets by $3.1 million (0.11%), revenues by $5.3 million (5.0%), and net income by $2.0 million (9.5%).

Throughout the global shutdown, we continued to challenge ourselves and strive to do more with less. We kept our masks on and standards high, pushing daily to do good and be better. Our spirit of resilience accelerated meaningful shifts within our subsidiaries.

Bank of Guam, in preparation of its 50th Anniversary kicked off The Start of Something New, signifying our journey towards constant improvement and greater convenience, while maintaining the legacy of service our customers and community have come to know.

When the Bank was founded in 1972, not many would have envisioned the significant impact technology would have on our lives today. As we joined the world in adapting to a second year of our new normal, we continued to adjust to life within the pandemic restrictions and found ourselves further dependent on technology to maintain operations, strengthen relationships and keep the heartbeat of our Bank and our Islands going strong. In doing so, we allowed ourselves to fast-track improvement and expand our reach across our enterprise, bringing greater agility, flexibility and convenience to all we serve.

The Bank’s ability to be flexible and offer solutions in the most uncertain of situations will be a lesson we carry with us into future investments. Because of this, we are proud to stand by our digital endeavors which include a new corporate website and refreshed online and mobile banking platforms, which are the gateway to even more exciting things to come!

In keeping with the Bank’s digital transformation efforts, customers visiting Guam branches now have access to free In-Branch Wi-Fi, allowing them to like, love, share, discover and explore all the newly launched features of the Bank’s new website, online and mobile banking solutions. The Bank’s work continues as it plans to bring In-Branch Wi-Fi to its customers in the CNMI and neighboring island branches in 2022.

Realizing the demand on our operations throughout the pandemic, we responded by increasing accessibility with the upgrade of our entire network of 86 ATMs. With more than 90% of the installation completed, the Bank maintains the region’s newest and largest fleet, equipped with deposit taking capabilities, enhanced anti-skimming security, customizable withdrawal denominations and an intuitive user interface.

The launch of TASI® Bank, a division of Bank of Guam, in July was not just a strategic goal but a significant milestone in the Bank’s growth and expansion. Serving strong for 38 years as our San Francisco Branch, TASI Bank has been coined the “oldest new bank” in the San Francisco Bay Area as it continues the Bank’s legacy of serving as trusted advisors to its commercial customers.

Our San Francisco Familia, our newly re-branded Mavericks across the Pacific, provided another year of strong results for TASI Bank, earning $9.5 million in pre-tax income for the year while the credit portfolio continued to perform well.

“We allowed ourselves to fast-track improvement and expand our reach across our enterprise, bringing greater agility, flexibility and convenience to all we serve.”

Joaquin P.L.G. Cook
President & Chief Executive Officer

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A Message from our CEO
Looking forward into 2022, the primary markets of the San Francisco Bay Area and San Diego are likely to continue their pandemic recovery, offering growth opportunities for us in the California region, well beyond our markets in the Pacific.

Operationally, after nearly 40 years of serving residents and businesses in Guam’s northern community, the Bank officially closed our Dededo and Harmon branches. The shift in consumer behavior around digital adoption illuminated the opportunity to further invest in our digital banking capabilities and greenlight our plans to right-size our branch footprint, paving the way for all the exciting things ahead. As part of this process, we also streamlined our operations in the Commonwealth of the Northern Mariana Islands (CNMI) by consolidating our Chalan Pago Facility with our Garapan Branch. While bittersweet, we invited our customers along every step of the way, asking them to trust the journey while embracing something new.

On March 13th, we launched our first annual Founder’s Day of Giving, a celebration of the legacy of our founder, his vision and the privilege of serving our communities. Employees throughout the organization from Guam, CNMI, Federated States of Micronesia (FSM), Republic of the Marshall Islands (RMI), Republic of Palau and California joined together for a single day of goodwill that resulted in the collection of over 8,000 pounds of trash and cleaner communities.

While the pandemic has greatly impacted our ability to connect physically, it has not dampened our spirit to teach and give.

Our Corporate Social Responsibility Team turned to creative solutions, financially empowering 760 lives, many of which were students, parents, homeowners and small businesses throughout the year. Additionally, through our ongoing support of the Guam Women’s Chamber, we came on board this year as the Financial Sustainability partner, of which were students, parents, homeowners and small businesses throughout the year. Additionally, through our ongoing support of the Guam Women’s Chamber, we came on board this year as the Financial Sustainability partner, our organization received $5,000 to help fund their missions, and Women United Together Marshall Islands. Each donation or through the hours we give in people power. GIVE provides a holistic view into the causes we support, whether it’s through monetary donations or through the hours we give in people power.

Also, as a part of GIVE by Bank of Guam, our employees once again selected key organizations that made a big impact within our communities to be recipients of our holiday corporate giving. Through their votes, $25,000 was collectively given to Harvest House, H.E.A.R.T. Rescue Guam, Ayuda Wings for Life, Ola Foundation (CNMI), and Women United Together Marshall Islands. Each organization received $5,000 to help fund their missions, demonstrating to our employees that what matters to them, matters to us.

As you can see, it was a very busy and eventful year. I would like to send a sincere and heartfelt thank you to all our shareholders for their continued support for all that we do. Without the trust and confidence you place in our company, we would not be able to achieve all that we do.

After three years serving as President and Chief Executive Officer, I continue to be inspired by all of our stakeholders and the impactful work we do together.

Biba Bank Holding Company and Biba Guam!

Joaquin P.L.G. Cook
President & Chief Executive Officer
Step by step, Bank of Guam is building the new.
Since the beginning of 2021, Bank of Guam has embarked on a transformative journey coined, The Start of Something New, promising to integrate a legacy of personalized services with leading-edge technologies that deliver safe, secure, and convenient access right to the hands of our customers.

After 40 years of serving in Harmon and Dededo and nearly 10 years in Chalan Piao, closing our doors was sentimental for many, having come from an era where brick and mortar branches were a symbol of strength and success. With our teams on site, the last day was bittersweet. As we shared the excitement of what’s to come with our customers, the positive energy was felt knowing this was just a brief pause, necessary to continue to be the driving force for prosperity as our Founder envisioned.
Accolades

Transformation doesn’t happen accidentally.

“Believe you can and you’re halfway there.”

Lesley-Anne Leon Guerrero
Bank of Guam Senior Vice President,
Chief Experience Officer

Bank of Guam is honored to have received many prestigious industry awards in 2021. We consider these as your awards, too. Thank you for being part of our success.

- 2021 Marcom Platinum Award: Corporate Social and Environmental Responsibility - 2021 Founder’s Day of Giving
- 2021 Marcom Platinum Award: Team Achievement - Communications & CSR Department
- 2021 ABA Brand Slam Awards: Best in Crisis Communications and Social Media Campaign - Stop Covid, Spread Love

Products & Services

With an overall focus on convenience and transformation, our marketing strategy focused on shifting customer behavior to self-service and digital banking solutions. Our advertising coupled with social media content and personal service within our branches detailed specific benefits and ‘how to’ tutorials for a user friendly experience. In addition, our Visa Debit Card initiative to increase usage was highlighted throughout the year and concluded with prize incentives during the holidays. The campaign results strengthened partnerships, added value for our customers and boosted cardholder revenues.
As many community banks continue to adapt to new ways of banking systems and processes, it is said that having good people just isn’t enough. We believe we are ahead of the curve when it comes to the importance of developing our people. We pride ourselves in having great employees who form an amazing team hosting an unmatched desire to learn how to be our best for the people we serve - and they demonstrate it daily.

Our commitment to engage with The Emmerich Group, who specialize in results oriented systems and processes, has proven to be a worthwhile investment. In the second quarter, we launched our intensive training program to the enterprise with a light hearted kick-off video from our Senior Management Team. This simple and fun effort sent an important message to our Bank Familia, that no matter the title, when we work together we are EXTRAordinary.

Our teams embraced the challenge and we are now beginning to see and feel the results of hard work. The shift toward a sales driven culture has helped to define and execute on our sales process, one that will lead to better customer experiences, strengthen relationships and business deals won on value not on price. Now better equipped with more tools in our box, our teams are focused on cross sales, our key markets and top 100 customers and to creating and maintaining our standards of excellence and collaborative environments so we can keep those wins coming in.
Our community outreach is founded upon the teachings of our Founder and many before us who have dedicated time in their lives to impact others through giving.

We continue to be inspired and expand our programs beyond our branches and island homes. Our Be Kind campaign is the overarching theme that challenges us to seek out kindness whether it’s making a donation to a charity, helping out a friend in need, or just extending an act of kindness to a stranger – any act, big or small, has the power to make a difference in someone else’s life. This year, we thought to use our voice to share kindness within our community.
Being the best version of ourselves.

“To move forward you’ve got to give back.”

Maria Eugenia H. Leon Guerrero
Bank of Guam Executive Vice President & Chief Operating Officer
Social Media Campaigns

Our social platforms @bankofguam have extended our reach and helped open up another channel for our Bank, employees and community to engage, share, like, love and inspire others along the way.

Corporate Social Responsibility

People. Planet. Prosperity.

Corporate Social Responsibility is a huge part of who we are and why we do what we do. Serving our people, developing our economy and protecting our environment has empowered our organization for the past 49 years. Drawing on our Founder’s vision to create a Bank that would sustain and uplift its people, we continue to pursue our efforts to be good corporate citizens, doing our part to build financially strong communities.

We are proud to announce that Bank of Guam has earned two Guam Green Growth (G3) badges for the United Nation’s Sustainable Development Goals, ‘No Poverty’ and ‘Zero Hunger’. These badges represent our embedded commitment to sustainable development for both our people and our planet.

The goal of No Poverty, our familia have demonstrated a commitment to empowering our local people and students through our financial literacy programs, scholarships, and the direct assistance that you have provided via community drives and outreach activities.

The goal of Zero Hunger, our familia have collaborated with community partners to provide sustenance to those in need. These include supporting farmers or agricultural groups like Guahan Sustainable Culture and Farm to Table, as well as through direct volunteer activities such as community gardening and tree planting.

Bank of Guam® Achieves Two Guam Green Growth badges.

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JP Torres Success Academy

Gather to Garden
**2021 Holiday Outreach**
- Zero Down / Gil Breeze / Gil Baza Communities
- Angel Tree Program
- Latte Treatment Center
- Give by Bank of Guam Featured Causes

**2021 Holiday Corporate Giving**
- Ayuda Wings for Life Guam
- The Ohala Foundation CNMI
- Women United Together Marshall Islands, Marshall Islands
- HEART Rescue Guam Guam
- Harvest House Guam

**1st Annual Founder’s Day of Giving**
To commemorate our 49th anniversary, we celebrated our first-ever Founder’s Day of Giving – an enterprise effort to clean-up and give back to all the communities we serve.

Guam’s clean-up collected over 8,000 lbs. of trash in 4 locations

**Gather to Garden**
During our Gather to Garden event, employees volunteered to help build and nourish the island’s first community garden in Hagåtña together with community partners

**Charitable Donations**
Throughout the year, the Bank of Guam has made donations to various organizations. In giving, we explored opportunities for partnership, collaboration and creation of initiatives that will develop a circular giving effect.

**Financial Empowerment**
GROUPS REACHED
- Habitat for Humanity
- Build EXITO Program
- UOG TRiO Upward Bound
- Guam HeadStart Program
- JP Torres Success Academy

760 Lives impacted

**2021 Scholarships**
- IFIT SCHOLARS
- LIFE SCHOLARS First Inaugural LIFE Scholarship Awarded
You can’t stop the waves, but you can learn to surf.

TASI Bank (www.tasi.bank), located in San Francisco’s Financial District, has served a broad community of commercial customers in the nine Bay Area counties since 1983. A maverick in community banking, the Bank builds value for its client base by being flexible and adaptive and providing the traditional services of a bank combined with online, fintech capabilities. A division of Bank of Guam, TASI Bank encourages its staff to create and provide innovative products and services that meet customer needs, always looking out for ways to “yes” when others say “no.”

J. David Joves
President, TASI Bank, Division of Bank of Guam

In July, we proudly announced Dave Joves’ designation as President of TASI Bank. This was a natural and well deserved elevation for Dave as we credit rapid and positive growth to his leadership. For the past decade, Dave and the San Francisco team is lauded for the Bank’s growth from a total asset base of $35 million to more than $450 million.

J. David Joves

Every member of the team has a role to play. When we do our job, it all works out!

TASI Bank Team

We’re happy to do our part to make our borrowers’ dreams come true. - Hitesh and Jesus

Each transaction is different. We are able to tailor our solutions to meet our customer’s needs. - Vowel & Note Department
We like to say we’re in the business of opening doors. Since first opening our doors in 1972, our love for our community has driven our legacy of service. We’ve seen paths to bigger and brighter futures. We’ve seen the heart of our people. We’ve seen our communities come together to help one another. We’ve seen passion become successful business plans. We’ve seen generations of families grow with us. And when we think of all the doors we helped to open, we can’t help but be reminded of the reason we’re still here today. Our people.
William D. Leon Guerrero
Chairman of the Board

Joaquin P.L.G. Cook
Vice Chairman

Roger P. Crouthamel
Board Secretary

Maria Eugenia H. Leon Guerrero
Assistant Board Treasurer

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Board Secretary

Maria Eugenia H. Leon Guerrero
Assistant Board Treasurer

Senior Management

Danilo M. Rapadas
Senior Vice President, General Counsel & Chief Risk Officer

Symon A. Madrazo
Senior Vice President, Chief Financial Officer

John S. San Agustin
Board Member

Frances L.G. Borja
Board Member

Joseph “Joey” Crisostomo
Board Member

Patricia P. Ada
Board Member

Keven F. Camacho
Board Member

Mark G. Sablan
Board Member

Senior Management BankGuam Holding Company

BankGuam Holding Company

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Joyce B. Miyashita
Senior Vice President, Chief Credit Officer

Josephine L. Mariano
Senior Vice President, Chief BSA & Central Operations Officer

Danilo M. Rapadas
Senior Vice President, General Counsel & Chief Risk Officer

Jacqueline A. Marati
Senior Vice President, Chief Communications & Corporate Social Responsibility Officer

J. David Joves
President, TASI Bank

Theresa C. Olimpo
Senior Vice President, Chief Human Resources Officer

Lesley-Anne Leon Guerrero
Senior Vice President, Chief Experience Officer

Janice R. Chargualaf-Quichocho
Senior Vice President, Chief Retail and Card Services Officer

Keven F. Camacho
Senior Vice President, Chief Sales Officer

Matthew E. Limtiaco
Senior Vice President, Chief Technology Officer

Symon A. Madrazo
Senior Vice President, Chief Financial Officer

We thank our Senior Executive Retirees who had a hand in making Bank of Guam what it is today. We will be forever grateful for the knowledge and expertise each of them have given to us.

Joseph P. Bradley
Former Senior Vice President and Chief Economist
29 years

Frank M. Atalig
Former Senior Vice President and Chief Financial Officer
29 years

Ernest P. Villaverde
Former Senior Vice President and Chief Technology Officer
18 years

A journey is best measured in friends rather than miles.

May you all be proud of the work you’ve done, the people you are and the difference you’ve made.

Joaquin P.L.G. Cook
President & Chief Executive Officer

Maria Eugenia H. Leon Guerrero
Executive Vice President & Chief Operating Officer

William D. Leon Guerrero
Chairman of the Board
- In Memoriam -

**Martin D. Leon Guerrero**

Martin, BankGuam Holding Company Board Treasurer and Assistant Secretary, passed away on April 21, 2022, at the age of 70. Martin was appointed to the Bank of Guam Board of Directors in 1990. During his 32 years of service, he previously held roles as Audit Committee – Vice-Chairman; Trust Committee – Chairman; and Nominating & Governance Committee – Vice-Chairman as well as membership on various other Bank Committees. Martin also served as Treasurer and Assistant Secretary on the Board of BankGuam Holding Company, the Bank’s parent company since its inception in 2011.

**Joaquin C. Arriola**

Joaquin, Bank of Guam’s outside counsel and advisor, passed away on May 4, 2022, at the age of 96. In 1972, Joaquin composed the Bank’s constitution and bylaws and played an important role in the Bank’s quest to obtaining insurance by the Federal Deposit Insurance Corporation (FDIC).