

**WEST COAST**  
COMMUNITY BANCORP



**WEST COAST**  
COMMUNITY BANK



2024 ANNUAL REPORT

FORMERLY



**1<sup>ST</sup> CAPITAL BANK**  
*A division of Santa Cruz County Bank*

# RANKINGS & RECOGNITION

## NATIONAL, STATE AND REGIONAL

### American Banker Magazine

- Top 100 Best Performing Community Banks, 10<sup>th</sup> Year
- Most Powerful Women in Banking Watch List, Krista Snelling

### Newsweek Magazine

- America's Best Regional Banks 2025

### Independent Banker Magazine

- Featured as a Trailblazer for Innovation and Digital Transformation

### Federal Reserve Bank of San Francisco

- Community Depository Institutions Advisory Council Appointee, Krista Snelling

### Silicon Valley Business Journal

- 2024 Women of Influence, Caroline Chapin
- 2024 Power 100, Silicon Valley's Most Influential Leaders, Krista Snelling
- Top 25 Banks in Silicon Valley, ranked 13<sup>th</sup> in total deposits\*
- Ranked 1<sup>st</sup> among Silicon Valley banks with the fastest-growing deposits\*\*
- Ranked among Silicon Valley banks with fastest-growing Commercial & Industrial loan portfolios^

### Santa Cruz Area Chamber of Commerce

- Business of the Year, 2025, 2022 and 2018

### Monterey Peninsula Chamber of Commerce

- 2024 Business of the Year Finalist

### Volunteer Center of Santa Cruz

- 2024 Be the Difference Legacy Award

### Good Times

- Readers' Poll, Best Bank in Santa Cruz County, 13<sup>th</sup> year

### The Pajaronian

- Best of the Pajaro Valley 2024 Readers' Poll, Best Bank

### The Press Banner

- The Best of Scotts Valley 2024 Readers' Poll, Best Local Bank

### Santa Cruz Sentinel

- Readers' Choice, Best Bank in Santa Cruz County, 10<sup>th</sup> year

## FINANCIAL PERFORMANCE

### S&P Global Market Intelligence

- Top 100 Best Performing Banks Under \$3 Billion in Assets, 7<sup>th</sup> year

### Independent Community Bankers of America

- Top 25 Best Performing Community Banks, Ranked 12<sup>th</sup>

### IDC Financial Publishing

- Superior rating for every quarter in 2024

### Findley Reports

- Super Premier Performing Bank, 15<sup>th</sup> year

### BauerFinancial

- Rated 5-Star "Superior" for every quarter in 2024

### Bank Performance Group

- A top-performing California bank for overall financial performance in 2024

## SBA LENDING

### California

- Ranked 33<sup>rd</sup> in 7(a) lending by total volume in loan approvals<sup>^^</sup>

### San Francisco District

- Ranked 13<sup>th</sup> in 7(a) lending by total volume in loan approvals<sup>^^</sup>

\*As of June 30, 2024

^Year-over-year growth as of September 30, 2024

\*\*As of December 31, 2024

^^For the 2024 SBA fiscal year

# COMMUNITY SUPPORT BY THE NUMBERS



EVENTS  
**266**



VOLUNTEERS  
**100**



VOLUNTEER  
HOURS  
**3,280**



CONTRIBUTIONS  
**\$653,256**

# TO OUR SHAREHOLDERS, CLIENTS AND COMMUNITIES ||

The past year marked a transformative chapter in our organization's history—our 20<sup>th</sup> anniversary and the successful merger of Santa Cruz County Bank and 1st Capital Bank. This strategic combination formed *West Coast Community Bank*, now one of the largest community banks headquartered in California's Central Coast with total assets of \$2.68 billion and an expanded regional presence.

The merger united two high-service, community-centric banks under a shared vision: to deliver exceptional banking services with a personal touch, support the prosperity of our communities and empower the businesses and individuals with whom we partner. This strategic combination has significantly expanded our service area as we are now operating 10 full-service branches across Monterey, Santa Clara, San Luis Obispo and Santa Cruz counties. The Bank offers greater convenience, resources and expertise while serving a growing and diverse client base across agriculture, real estate, manufacturing, hospitality, education, healthcare and the nonprofit sectors.



## FINANCIAL HIGHLIGHTS

Our 2024 financial results demonstrate the strength and resilience of our franchise, especially in a year of significant organizational change and integration. West Coast Community Bank returned to the S&P Global Market Intelligence Top 100 rankings of Best Performing Community Banks with under \$3 billion in assets. The Bank also was recognized for the tenth year by *American Banker* magazine as one of the Top 100 Performing Community Banks in the nation and ranked #12 among the Top 25 Best Performing Community Banks by Independent Community Banks of America.

Compared with our Federal Deposit Insurance Corporation (FDIC) peer group consisting of insured commercial banks having assets between \$1 billion and \$3 billion, our return on average assets and efficiency ratio are both above the

90<sup>th</sup> percentile—excluding merger-related expenses. View highlights of our performance metrics for 2024 as well as historical data for the past five years on pages 9–10. These figures underscore our solid capital position, consistently strong profitability, robust credit quality and operational discipline even with the one-time costs of the merger. We remain well-capitalized, with a healthy loan-to-deposit ratio of 88.5% and minimal nonperforming assets—key indicators of our sound fiscal management and risk oversight.

## STRATEGIC GROWTH AND ENHANCED CAPABILITIES

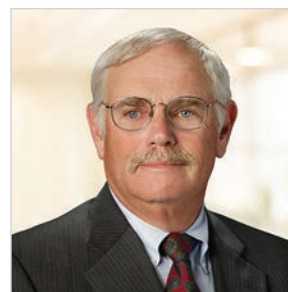
Beyond financial metrics, the merger delivered significant strategic value. With greater scale, we can now offer expanded lending capabilities, enhanced treasury management and robust digital banking solutions, all while preserving the personalized, relationship-driven service that defines community banking the West Coast Community Bank way.

Importantly, this growth allows us to deepen our community investments. In 2024, we continued to support local nonprofits, schools and civic organizations through charitable contributions, economic initiatives and employee volunteerism. Our expanded geographic reach enables us to be a more effective force for economic and social impact in the communities we serve.

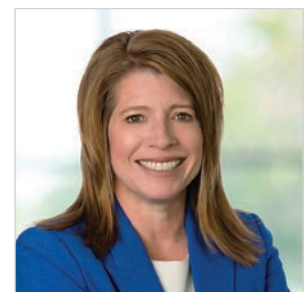
## LOOKING AHEAD

Our leadership team has demonstrated exceptional collaboration and focus, ensuring we maintain operational momentum and strategic alignment. As we embark on what is next for West Coast Community Bank, our commitment to providing trusted, relationship-based banking, supporting the communities we serve and creating long-term value for our shareholders remains steadfast.

On behalf of the Board of Directors, leadership and our dedicated bankers, we thank you for your trust and support. Together, we are building a stronger future. ■



*Stephen D. Pahl*  
**Stephen Pahl**  
Chairman of the Board



*Krista Snelling*  
**Krista Snelling**  
President and  
Chief Executive Officer





## LEGACY OF GROWTH

### L.A. HEARNE COMPANY AND WEST COAST COMMUNITY BANK

L.A. Hearne Company, founded in 1938, is a multi-generational, family-run agribusiness that has grown from humble beginnings into a highly adaptable, diversified operation based in Salinas Valley. From the start, L.A. Hearne Co. has been a cornerstone of the King City business community. The King Brand, a nod to its hometown, is well-known throughout the region and even internationally—especially for its bean export business, which supplies premium California-grown legumes to the United Kingdom and Italy.

The company began as a bean processor and has evolved into a robust enterprise spanning feed manufacturing and wholesale distribution, fertilizer sales and application with a specialty in agronomy services, cover crop, pasture and field seed distribution, trucking and retail farm stores. Today, the company employs up to 160 people and operates on a 35-acre campus in King City as well as additional property and facilities supporting their trucking and retail operations.



As the company diversified and expanded, so too did its banking needs. L.A. Hearne Co. turned to 1st Capital Bank—

and now West Coast Community Bank—for personalized, relationship-based service from bankers who understand the cycles, complexities and demands of agribusiness. The partnership has supported everything from facility expansion to seasonal financing for peak harvest operations.

*“Having a banking partner that knows who you are, understands your industry and is part of your community makes all the difference,” says Francis Giudici, president emeritus of L.A. Hearne Co. and current leader of its Bean Division.*

For West Coast Community Bank, supporting a company like L.A. Hearne Co. means investing in the agricultural heartbeat of the Central Coast and the regional values that endure: innovation, sustainability and family.

Now in its fourth generation, L.A. Hearne Co. continues to welcome new family members into the fold—each carving their own path within the business and bringing fresh energy while respecting the company’s legacy.

*“The way we’ve survived and grown is by staying diverse, staying local and listening to what our customers and our community need,” explains Giudici.*

That same philosophy is reflected in West Coast Community Bank’s mission. By standing alongside businesses like L.A. Hearne Co., the Bank is helping to cultivate the next chapter of growth not only for King City, but for all of Monterey County. ■

Photos: L.A. Hearne Co.’s multi-generational leadership team at their King City headquarters. Pictured [number indicates family generation]. Back Row (L-R): Mike Hearne (3), Brad Hearne (3), Wes Hearne (4), Ivy Hearne (4), Irene Hearne Bray (3), Jacob Hearne (4), Kade Giudici (4), Matt Hearne (3); Front Row (L-R) : Francis Giudici (3), Steve Hearne (3), Tom Hearne, current president (3). Not pictured: Jim Hearne (3), Keston Giudici (4), Karse Giudici (4); Long-time L.A. Hearne Co. operators with the bean mill.



# ‘POWER’-FUL PARTNERSHIP

## MADONNA INN AND WEST COAST COMMUNITY BANK

In the heart of San Luis Obispo, the iconic Madonna Inn stands as a symbol of creativity, craftsmanship and community. Known for its whimsical charm, rose-patterned carpet, Swiss-inspired architecture and decades of hospitality, the family-owned inn has long been a landmark on California’s Central Coast. Yet, beyond the pink walls and cherub-themed suites lies a story of striving for sustainability and a trusted financial partner helping to make it happen.

Clint Pearce, Real Estate Manager of Madonna Inn, has worked closely with West Coast Community Bank for years. Our partnership has supported the inn through large-scale improvements, changing economic conditions and, most recently, the successful development of a 1.3-megawatt solar field that will offset 100% of the inn’s electrical usage.

*“When we decided to take the plunge into solar, our first call was to Mary Sansone at West Coast Community Bank,” said Clint Pearce. “We’ve worked with Mary and her team for years on a variety of projects, and we trust them. They made this happen—quickly, efficiently and with a real understanding of our vision.”*

The solar array, which sits on approximately five acres of

land, not only reduces the inn’s environmental footprint but is also projected to pay for itself in less than four years. “It’s a small footprint for the good it does,” Pearce added. “This investment aligns with our long-term goal of becoming more energy efficient, especially given the unique challenges of operating a facility originally built in 1958.”

West Coast Community Bank’s expansion into San Luis Obispo County, following the 2024 merger of Santa Cruz County Bank and 1st Capital Bank, allows us to serve more clients like Madonna Inn—businesses with deep local roots and a strong commitment to their communities.

*“Supporting Madonna Inn isn’t just about financing,” added Mary Sansone. “It’s about preserving a local institution and helping it evolve in ways that benefit the community and the environment.”*

As the inn continues to welcome visitors from around the world with its one-of-a-kind rooms and nostalgic charm, it does so powered—literally and figuratively—by the strength of a local banking relationship grounded in trust, flexibility and a shared vision. ■



Photos (left to right): Madonna Inn’s recently installed solar array; The iconic Madonna Inn sign; Mary Sansone and Clint Pearce near the inn’s carved wooden entry doors.





## HOMEGROWN SUCCESS

### MARIANNE'S ICE CREAM AND WEST COAST COMMUNITY BANK

Few names capture the heart of Santa Cruz quite like Marianne's Ice Cream. Since 1947, visiting the shop has been a rite of passage for generations of locals and a must-do for travelers craving a scoop of nostalgia. So, when owners Kelly Dillon and Charlie Wilcox—the third owners in the company's 77-year history—began envisioning the next chapter of growth for Marianne's, they turned to another homegrown institution: West Coast Community Bank.

By 2015, Marianne's had outgrown its production space on Delaware Avenue. To keep up with soaring demand that now stretches from Santa Cruz and Silicon Valley to the Monterey Peninsula and East Bay, the team needed a purpose-built facility to house their growing operations. They also needed a financial partner who understood the heartbeat of their business.

***"We were looking for a community bank to support the construction of our new production plant," explains Kelly Dillon. "The folks at West Coast Community Bank weren't just bankers—they were customers. They knew who we were. They understood that this little ice cream shop had some real opportunity to grow, and they helped us make it happen."***

That collaboration led to the construction of a 14,000-square-foot facility with 3,500 square feet of -20° freezer space capable of holding up to 200,000 gallons of ice cream where, as Wilcox jokes, "It snows in Santa Cruz every day!" The Fair Avenue site includes a scoop shop where customers can taste flavors made on-site, including seasonal creations, customer favorites and allergen-conscious batches, crafted with care and community in mind.

The relationship has since grown beyond the initial construction loan. Marianne's has partnered with West Coast Community Bank on a line of credit, additional business loans and the acquisition of another ice cream business. Through it all, the partnership has remained grounded in mutual respect, shared values and a deep commitment to the Santa Cruz community.

Today, Marianne's continues to innovate while preserving its legacy. And West Coast Community Bank remains their first call when it's time to dream big. Together, these two Santa Cruz originals are building a stronger, sweeter community through business success. ■

Photos (left to right): Kelly Dillon, Angelo DeBernardo Jr., EVP Chief Lending Officer, and Charlie Wilcox behind the counter at Marianne's Ice Cream on Fair; Exterior of newest scoop shop at 1201 Fair Avenue in Santa Cruz; Angelo and Charlie in the Marianne's Ice Cream freezer.



# CAPACITY AND COMMITMENT

## SANCO PIPELINES AND WEST COAST COMMUNITY BANK

When Sanco Pipelines, a leading underground construction firm headquartered in Los Gatos, Calif., faced urgent financial needs during the COVID-19 pandemic, stepped in with speed and expertise. What began as a crucial Paycheck Protection Program (PPP) loan in 2020 quickly evolved into a robust and trusted banking relationship—one that exemplifies the strength and service-oriented approach the Bank has brought to its expansion into Santa Clara County over the past five years.

Founded in 1956, Sanco Pipelines has been a cornerstone of infrastructure development across the Bay Area and beyond. With projects stretching from Salinas to Sacramento, the company specializes in installing essential underground systems for residential and public developments: water, sewer, storm and fire lines.

As Don Drexel, Sanco's Vice President and Chief Financial Officer for four decades, puts it: *"If everything goes well, no one ever sees our work. But they rely on it every day."*

The transition to West Coast Community Bank came at a critical time. Sanco's prior financial institution struggled to deliver PPP support, leaving the company in need of a responsive, knowledgeable banking partner with greater lending capacity. Thanks to a connection between Sanco's

Chief Operating Officer, Tim David, and the Bank's Chief Lending Officer, Angelo DeBernardo Jr., the relationship was formed. "The PPP loan went through smoothly and that really built our confidence," said Drexel. "From there, we progressively moved all our accounts—credit line, long-term financing, demand accounts and payroll."

With approximately 250 employees and up to 15 active projects at any time, Sanco relies on the Bank's flexible financing to manage the heavy upfront costs of materials and labor on large-scale developments. Recent projects include installation of a cutting-edge stormwater capture system in a Marina, Calif. subdivision, designed to filter water back into the aquifer—an example of innovation and environmental stewardship enabled by Sanco's work.

*"West Coast Community Bank understands the complexities of our business," Drexel added. "Our bankers are very good friends. They made it an easy transition, and it's been a great relationship."*

As West Coast Community Bank continues its strategic growth in Silicon Valley, experiences like that of Sanco Pipelines are a powerful reminder of how a bank's commitment to local businesses and long-term relationships helps companies and communities thrive. ■



Photos (left to right): Tim David, Sanco Pipelines Chief Operating Officer, on a job site in Marina; Don Drexel in the plans room; WCCB bankers Michael Luong, Gaurav Saini and Emily Ruvalcaba with Don Drexel in front of the Sanco headquarters in Los Gatos.

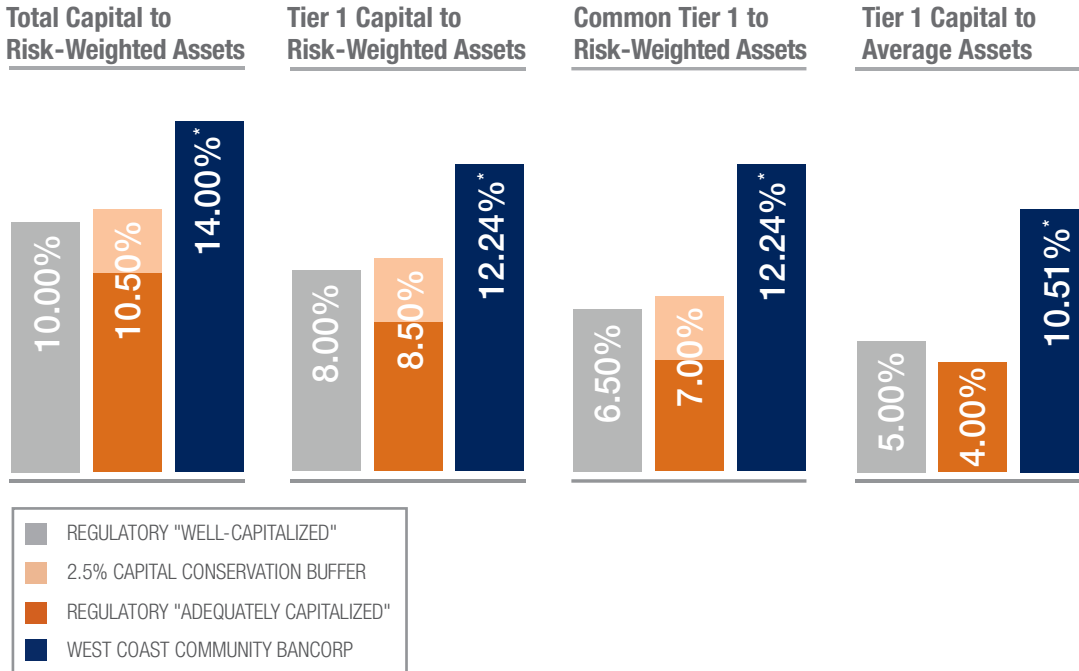
# FINANCIAL STRENGTH

The safety and soundness of West Coast Community Bank remain central to our operations—particularly in today’s dynamic economic environment. The merger of Santa Cruz County Bank and 1st Capital Bank significantly enhanced our already strong balance sheet. Our capital levels continue to substantially exceed regulatory requirements to be classified as “well-capitalized,” while our on-balance-sheet liquidity has increased by 59% over year-end 2023 and unused borrowing capacity has grown to \$1.06 billion.

Our robust capital position ensures the security of client deposits and enables us to actively reinvest in the local economy by supporting individuals and businesses through strategic lending.

In addition to our capital strength, the Bank consistently ranks among the highest performers in the industry and continues to earn annual recognition for financial excellence. ■

## STRONG REGULATORY CAPITAL



## STRONG LIQUIDITY

No significant industry or individual client concentrations	\$387 million in on-balance-sheet liquidity*	\$1.06 billion in unused borrowing capacity*
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\*December 31, 2024

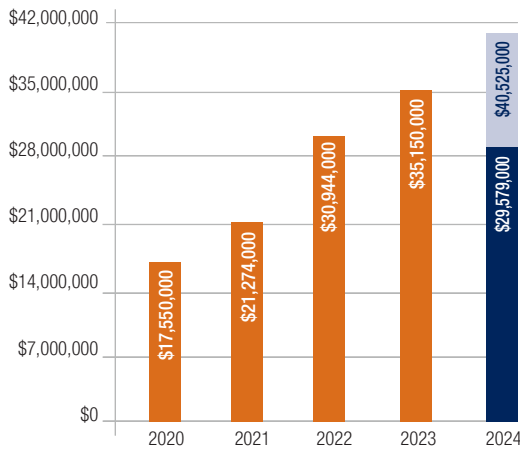
# REWARDING OUR SHAREHOLDERS

<b>JANUARY 2024</b> Quarterly cash dividend increased to \$0.17 per share	<b>APRIL 2024 and JULY 2024</b> Quarterly cash dividend of \$0.17 per share	<b>OCTOBER 2024</b> Quarterly cash dividend increased to \$0.18 per share	<b>JANUARY 2025</b> Quarterly cash dividend increased to \$0.19 per share
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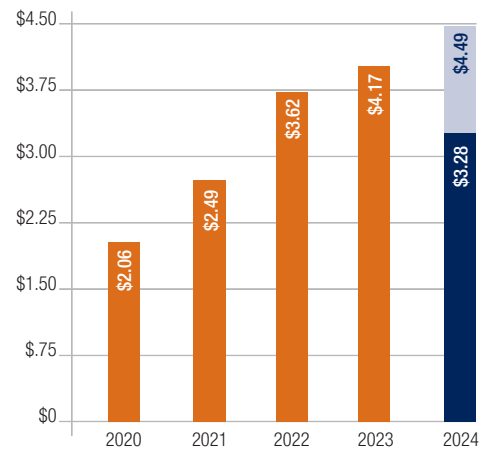


# 5 YEAR HISTORICAL PERFORMANCE

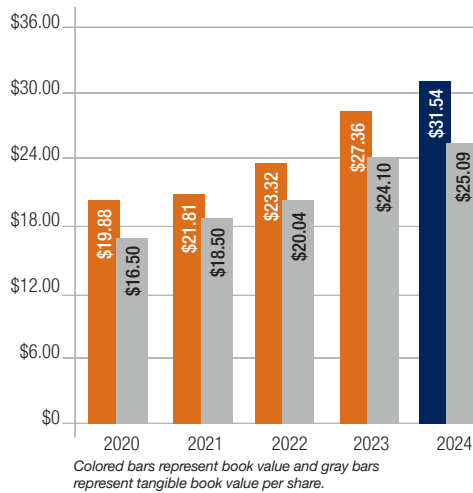
## NET INCOME



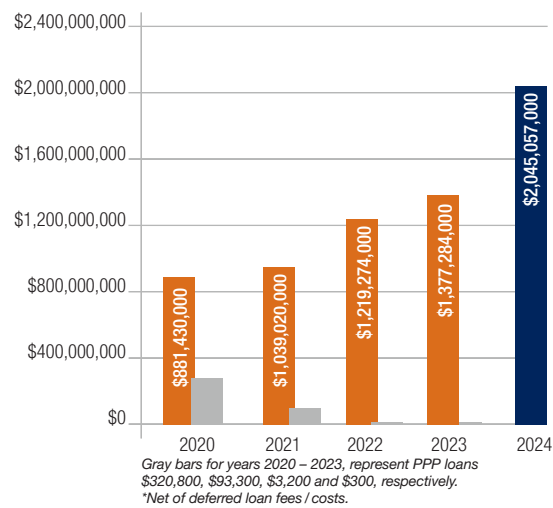
## EARNINGS PER COMMON SHARE<sup>1</sup> (Diluted)



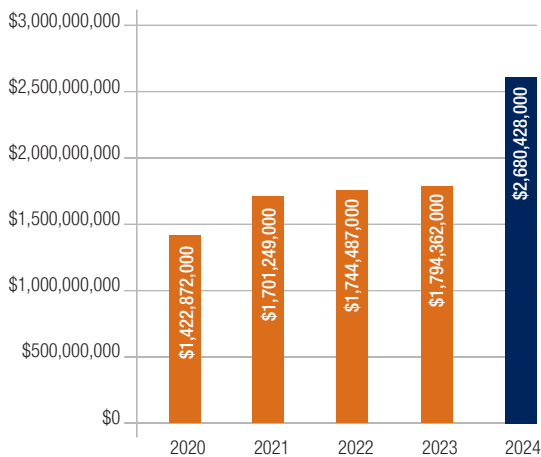
## BOOK VALUE PER SHARE<sup>1</sup>



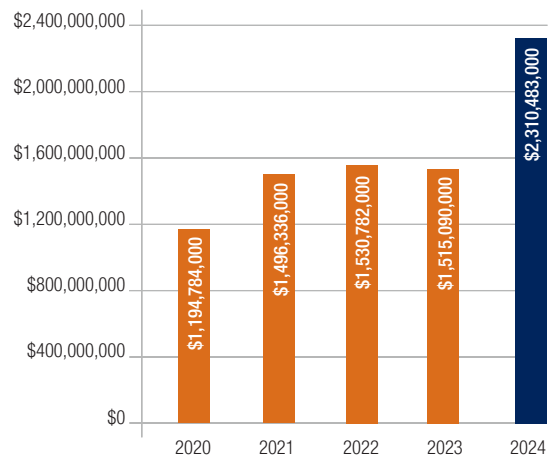
## LOANS, HELD FOR INVESTMENT\* (Excl. PPP)



## TOTAL ASSETS



## TOTAL DEPOSITS



All numbers rounded to the nearest \$1,000 except per share amounts.

■ Indicates financial performance when adjusted for 2024 merger-related expenses. Refer to Q4 2024 financial report at [wccb.com/investor\\_relations](http://wccb.com/investor_relations) for an explanation of these non-GAAP measures that offer additional perspectives on operating results, financial condition and performance trends.

<sup>1</sup> Per share data was adjusted for the two-for-one stock split to shareholders of record as of March 3, 2022, and the 10% stock dividend in November 2021.

# 5 YEAR FINANCIAL SUMMARY

## AS OF OR FOR THE YEAR ENDED DECEMBER 31,

(in thousands, except per share amounts)

	2024 <sup>1</sup>	2023	2022	2021	2020
<b>RESULTS OF OPERATIONS</b>					
Interest income <sup>2</sup>	\$ 119,637	\$ 94,403	\$ 71,624	\$ 63,040	\$ 51,486
Interest expense	24,509	12,149	1,852	1,816	2,709
Net interest income	95,128	82,254	69,772	61,224	48,777
Provision for credit losses <sup>3</sup>	7,039	1,413	1,611	6,926	2,786
Net interest income after provision for credit losses <sup>3</sup>	88,089	80,841	68,161	54,298	45,991
Non-interest income <sup>2</sup>	4,053	4,082	4,981	5,087	4,423
Non-interest expenses <sup>3</sup>	50,205	35,153	29,383	29,320	25,736
Income before income taxes	41,937	49,770	43,759	30,065	24,678
Income tax expense	12,358	14,620	12,815	8,791	7,128
Net income	\$ 29,579	\$ 35,150	\$ 30,944	\$ 21,274	\$ 17,550

### PER SHARE DATA<sup>4</sup>

Earnings per common share – basic	\$ 3.32	\$ 4.19	\$ 3.63	\$ 2.50	\$ 2.07
Earnings per common share – diluted	\$ 3.28	\$ 4.17	\$ 3.62	\$ 2.49	\$ 2.06
Book value per common share	\$ 31.54	\$ 27.36	\$ 23.32	\$ 21.81	\$ 19.88
Tangible book value per common share	\$ 25.09	\$ 24.10	\$ 20.04	\$ 18.50	\$ 16.50

### SELECTED FINANCIAL CONDITION DATA

Loans held for investment, net of fees (excludes PPP)	\$ 2,045,057	\$ 1,377,284	\$ 1,219,274	\$ 1,039,020	\$ 881,430
Loans held for sale	\$ 0	\$ 33,696	\$ 45,263	\$ 69,507	\$ 31,630
PPP loans	\$ 158	\$ 313	\$ 3,202	\$ 93,278	\$ 320,818
Total assets	\$ 2,680,428	\$ 1,794,362	\$ 1,744,487	\$ 1,701,249	\$ 1,422,872
Total deposits	\$ 2,310,483	\$ 1,515,090	\$ 1,530,782	\$ 1,496,336	\$ 1,194,784
Total liabilities	\$ 2,347,447	\$ 1,564,326	\$ 1,546,811	\$ 1,515,159	\$ 1,254,386
Total shareholders' equity	\$ 332,981	\$ 230,036	\$ 197,676	\$ 186,090	\$ 168,486

### SELECTED FINANCIAL RATIOS

Return on average stockholders' equity	11.11%	16.60%	16.35%	11.84%	10.92%
Return on average assets	1.50%	2.02%	1.76%	1.32%	1.35%
Net interest margin, taxable equivalent <sup>2</sup>	5.09%	4.95%	4.19%	4.01%	4.02%
Cost of funds	1.45%	0.80%	0.12%	0.13%	0.24%
Efficiency ratio <sup>3</sup>	50.62%	40.72%	39.31%	44.22%	48.38%
Tier 1 leverage ratio	10.51%	12.09%	10.39%	9.50%	10.27%
Common equity tier 1 ratio	12.24%	13.72%	13.69%	13.62%	14.34%
Tier 1 risk-based capital ratio	12.24%	13.72%	13.69%	13.62%	14.34%
Total risk-based capital ratio	14.00%	14.98%	14.94%	14.88%	15.59%

<sup>1</sup>Certain financial measures for 2024 were impacted by charges associated with the merger which total \$15.2 million pretax and \$10.9 million after tax.

<sup>2</sup>Effective January 1, 2024, dividends from non-marketable equity investments held by the Bank are reported as non-interest income instead of interest income. Prior period figures have been restated for comparability.

<sup>3</sup>For comparability to more recent periods, figures prior to 2023 have been adjusted to reclass provision for credit losses on unfunded commitments from non-interest expense to provision for credit losses. This adjustment also resulted in a revised efficiency ratio figure for the impacted periods.

<sup>4</sup>Per share data was adjusted for the two-for-one stock split to shareholders of record as of March 3, 2022, and the 10% stock dividend in November 2021.



# LEADERSHIP TEAM ||



**Krista Snelling**  
*President, Chief Executive Officer*



**Cecilia Situ**  
*EVP Chief Financial Officer*



**Jon P. Sisk**  
*EVP Chief Banking Officer*



**Angelo DeBernardo, Jr.**  
*EVP Chief Lending Officer*



**Shawn Lipman**  
*EVP Chief Credit Officer*



**Matthew March**  
*EVP Chief Information Officer*



**Maxwell Sinclair**  
*EVP Chief Risk Officer*



**Frederick L. Caiocca**  
*EVP Regional Credit Executive*

# BOARD OF DIRECTORS ||



**Stephen D. Pahl**  
*Chairman*



**Kurt J. Gollnick**  
*Vice Chairman*



**John C. Burroughs**



**Caroline D. Chapin**



**Kenneth R. Chappell**



**Wayne Doiguchi**



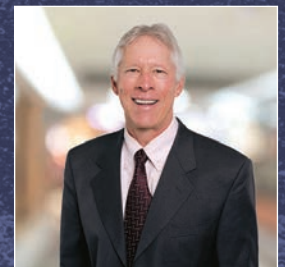
**Craig French**



**Daniel R. Hightower, MD**



**Krista Snelling**



**James L. Weisenstein**





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