



CUSTOMER FOCUSED, COMMUNITY CENTERED ... IN EVERYTHING WE DO.

2021 report to our community



TO OUR CUSTOMERS, COMMUNITY AND EMPLOYEES



A year that began with much trepidation and uncertainty turned into a record-setting year for Savings Bank of Walpole. Despite operating the full year under the cloud of the ongoing pandemic, our bank continued to find ways to support and lift our customers and community.

WE CONTINUED TO NAVIGATE CHALLENGES TOGETHER.

We were overwhelmed by the strong reception we received as we joined with our community to help our region get through this challenging time. Being based right here in the Monadnock Region helped us focus solely on the needs of our local businesses and neighbors. We all adapted and worked together to “find a way,” whether lobbies were open or closed. You were patient with us as we added precautionary measures to keep us all safe.



INVESTING IN OUR CUSTOMERS AND OUR COMMUNITY.



Happy and proud to be in Winchester

We listened and acted as you told us which new products you were looking for from your bank. We proudly added new space and local jobs for our Customer Resource Center in Keene. And we responded to a community need in Winchester, opening our 6th branch in Cheshire County. As others exited, we chose to invest in our community.

“The Monadnock Region is where we live, work and raise our families. We are proud to be a part of it.”

RECORD GROWTH

You showed us that “local matters,” as we achieved record levels of growth including **1,700 new customers** and **\$100 million of additional deposits**. We are proud to have closed more than **\$150 million of loans** in our community including **\$92 million of mortgages** to our neighbors. Thanks to your commitment to us, **SBW has grown from a \$447 million asset bank to a \$669 million asset bank in the past two years—growth of 50%!**

THE RIGHT PARTNERS MAKE YOU STRONGER

In 2018, SBW joined an affiliation with [New Hampshire Mutual Bancorp](#). The driving force for the affiliation was the ability to maintain our local brand, products and decision making while gaining the type of scale a small bank could not achieve on its own. While maintaining local management, a local board, our local staff and local decision-making, the additional resources provided by our affiliation with NHMB have been critical in managing our way through the pandemic. It has also allowed us to make the necessary investments to upgrade our infrastructure and add a number of new applications and features for our customers. And as promised, we have added jobs in our community, as well as new opportunities for existing staff.



NEW PRODUCTS

As the savings bank of our community, our customers come first—which is why we're committed to offering products and services that are in their best interest—not ours. In 2021, we added several new products and services designed to make banking even better and easier for our customers.



Personal Financial Management (PFM) lets you monitor all your account balances and transactions (even non-SBW accounts) within SBW's Online Banking or our mobile app.

SBW GOALS allows you to keep savings for a specific goal separate from accounts by creating a temporary SBW GOAL and setting up automated transfers.

Simple Switch makes it easy for non-SBW customers to open an account and move their existing checking and/or savings accounts to SBW in just a few simple steps.

Apple Watch now works with the SBW mobile banking app so you can check your balance whenever you have the time. Pun intended!

Mobile Wallet lets you use your SBW Debit Card with Apple Pay, Samsung Pay or Google Pay. It makes touchless paying easy.

MyCardRules is an app that gives you control of your SBW Debit Card—right from your phone.

[Click titles to learn more about each new product.](#)

HOW DO WE DO IT? THE BEST STAFF IN THE BUSINESS!



**HAPPY
EMPLOYEES
MAKE CUSTOMERS
HAPPY.**

Voted Best Bank to Work For by
American Banker Magazine

The (not so secret) secret to our ongoing success is our staff. We hire the best staff, train and give them the resources to do their jobs. We provide opportunities to advance and maintain a positive, fun work environment. Most importantly, we keep them with the Bank. In 2021 we were proud to be named a **“Best Bank to Work For in the U.S.”** by *American Banker Magazine* for the **5th straight year.** Our people are committed to our customers, our community and each other—and are truly proud to work for Savings Bank of Walpole.

OUR COMMUNITY MATTERS TO US

It is clear to us that **Savings Bank of Walpole exists for our community and because of our community.** We take our responsibility to be a community leader seriously and we are committed to being there in good times and the most challenging of times. We were proud to bring another **\$16 million of federal funds to our community through the Paycheck Protection Program in 2021.**

While still dealing with the limitations of the pandemic, we were thrilled to engage with our community and friends at events such as the Keene Young Professionals Network's [Taste of Keene](#), the [Clarence DeMar Marathon](#), and the [2021 Keene Swamp Bats](#) season. We were also happy to sponsor the return of our [Walpole Concert Series](#).



WE SHOWED SUPPORT FOR OUR COMMUNITY IN MANY WAYS.



Best bank for a community business?
Watch to find out.

We work hard to be sure people know that **when they bank local with SBW, their deposits are reinvested in their community.** In 2021, we funded more than \$150 million in consumer and business loans in our community—including \$92 million in residential mortgages.

Our [Ask a Local](#) testimonial campaign celebrates our working relationships with local businesses and non-profits—promoting not only SBW, but also *their* important role in our community.

We proudly supported our community in many other ways by:

- Offering low-fee and no-fee accounts
- Contributing \$350,000 to local organizations and events
- Using local vendors whenever possible
- Serving on local boards and committees (40% of staff serve)
- Presenting our series of “Fiscally Fit” educational programs
- Providing loans to support important community projects

STEPPING UP TO HELP LOCAL NONPROFITS

We showed our ongoing commitment to local nonprofit organizations in many ways. During the summer we helped support [Monadnock Humane Society's](#) annual [Walk For Animals](#) event and several of our employees were involved both as volunteers and participants. In August, we showed our support for the [Keene Family YMCA](#) by helping to sponsor their annual [Sneaker Ball](#). In September, the [Clarence DeMar Marathon](#) returned after being cancelled in 2020 due to the pandemic and the Bank was once again a DeMar Level Sponsor of the race. Additionally, quite a few of our employees ran the race while many others volunteered at the event and still others encouraged runners at a cheer station set up at our Court Street branch. Our annual [Good Friends Campaign](#) and its stuffed toy animal “ambassadors” once again provided plenty of holiday cheer. Working in conjunction with Monadnock Broadcasting Group and Douglas Cuddle Toys, the campaign raised \$29,500 for the local nonprofit, [Monadnock Understands Childhood Hunger \(MUCH\)](#). We also introduced [Nonprofit Spotlights](#), an ongoing series designed to help create awareness about local nonprofits and provide each organization with the opportunity to share their mission and the many ways they help make a difference in our community.



2021 FINANCIAL HIGHLIGHTS

Savings Bank of Walpole had another strong financial year despite the continued challenges caused by the pandemic. The Bank's commitment to support our community was reciprocated as our community chose to support its local bank at record levels.

Loans grew by \$81 million, or 21%—
two year growth of \$159 million, or 51%

Closed \$211 million of loans—41% more
than the prior year

\$16 million of PPP Round 2 loans to local
businesses—two year total of \$55 million

Deposits increased \$100 million, or 20%—
two year growth of \$205 million, or 50%

Net income of \$2.0 million

Net interest income increased by
\$3.0 million, or 19%

In 2021, the Bank closed **\$211 million of new loans**,
including **\$92 million of mortgages for local families**.

This far and away exceeded previous high levels of \$150
and \$57 million respectively.

Deposits increased \$100 million, or 20% in 2021 for a **two year
growth total of \$205 million or 50%**. The Bank added **1,700
new customers who deposited \$42 million**, both **more than
50% above previous levels**.

We are especially pleased that these record growth levels
demonstrate the strength and relevance of the Bank in the eyes
of our community. Savings Bank of Walpole is well positioned to
continue meeting the needs of, and supporting our community.

2021 FINANCIAL HIGHLIGHTS



Net income of \$2.0 million was the Bank's **fourth consecutive year at or above the \$2 million mark**. Net income was reduced by the charge-off of a community loan impacted by the pandemic.

Net interest income, which is the excess of interest earned less interest paid and the foundation of the Bank's business model, **increased by \$3.0 million, or 19%** reflecting earnings on the growth of our loan portfolio. Our strategy to deploy funds into higher yielding assets (mainly loans to our community's businesses, organizations and families) continues to result in higher earnings and a stronger SBW.

While SBW continues to grow, our Board and Management remain committed to maintaining a sound balance sheet capable of achieving the Bank's long-term mission and commitment to our community.

FINANCIAL HIGHLIGHTS - BALANCE SHEET

----- \$ THOUSANDS -----

	DECEMBER 31, 2021	DECEMBER 31, 2020
ASSETS		
Cash and cash equivalents	\$53,558	\$42,471
Securities available for sale	127,734	109,329
Net loans	468,144	387,440
Other assets	19,240	15,738
Total Assets	\$668,676	\$554,978
LIABILITIES AND CAPITAL		
Deposits	\$613,209	\$512,864
Other liabilities	2,674	2,262
Total Liabilities	615,883	515,126
CAPITAL		
Undivided profits	54,291	38,672
Accumulated other comprehensive loss/gain	-1,498	1,180
Total Capital	52,793	39,852
Total Liabilities and Capital	\$668,676	\$554,978

FINANCIAL HIGHLIGHTS - INCOME STATEMENT

..... \$ THOUSANDS

	DECEMBER 31, 2021	DECEMBER 31, 2020
Interest and dividend income	\$19,081	\$16,639
Interest expense	911	1,426
Net interest income	18,170	15,213
Provision for loan loss	2,350	863
Non-interest income	3,103	2,735
Non-interest expenses	16,532	13,526
Income before income taxes	2,391	3,559
Provision for income taxes	411	798
Net income	\$1,980	\$2,761

KEY STATISTICS

Return on average assets	0.32%	0.54%
Net interest margin	3.07%	3.09%
Tier 1 leverage ratio	8.38%	7.03%
Total risk-based capital	15.13%	14.38%

DIRECTORS AND CORPORATORS

DIRECTORS

Mark Bodin, *Chester, VT*
(President, Savings Bank
of Walpole)

Kathleen Collinsworth, *Keene*

Joseph Coneeny*, *Walpole*

Mark Gavin, *Keene*

Jason Houston**, *Keene*

Susan Howard, *Walpole*

Gary Kinyon, *Keene*

Sylvia McBeth, *Keene*

Gregg Tewksbury, *Keene*
(President and CEO,
New Hampshire Mutual Bancorp)

* Chair

** Vice Chair

LOCAL NHMB CORPORATORS

Thomas Bates, *Westmoreland*

Jill Batty, *Keene*

Emily Benson, *Keene*

Mark Bodin, *Chester, VT*

Sarah Bradeen, *Swanzey*

Kathleen Collinsworth, *Keene*

Joseph Coneeny, *Walpole*

Martha Curtis, *Keene*

Philip Davis, *Walpole*

Bradley Dunbar, *Saxtons River, VT*

Jayson Dunbar, *Walpole*

Mark Gavin, *Keene*

Yvonne Goldsberry, *Walpole*

Nathalie Houder, *Walpole*

Jason Houston, *Keene*

Susan Howard, *Walpole*

Ruth Jacobs, *Keene*

David Johnson, *Walpole*

Robert Kimball, *Walpole*

Gary Kinyon, *Keene*

Linda Lacey, *Keene*

Zachary Luse, *Keene*

Sylvia McBeth, *Keene*

Jennie Meister, *Alstead*

Robert Miller, *Walpole*

James Neal, *Walpole*

Mark Putnam, *New London*

Edward Reardon, Jr., *Marlow*

Charles Shaw, *Walpole*

P. Michael Snide, *Walpole*

Gregg Tewksbury, *Keene*

Donald Tisdale, *Walpole*

William Tyson, *Walpole*

Peter Whittemore, *Swanzey*

David Wichland, *Keene*

Jonathan Wildes, *Alstead*

EMERITI CORPORATORS

William Fletcher

Donald Houghton

Robert Perry

Paul Trask

Joseph Walier



The Bank lost two long-time Corporators, Directors and dear friends in 2021. John Hubbard and Lynn Rust both made contributions to our Bank and community that will live on. They are missed.

BANK OFFICERS

EXECUTIVE

Mark Bodin, President *

Christine Scheiner, VP, Executive Administration

COMMERCIAL LENDING

Stephen Bianco, SVP, Senior Commercial Lender *

Chris Kebalka, SVP, Commercial Loan Officer

Amy Lehr, SVP, Credit and Administration *

Ben Wheeler, SVP, Commercial Loan Officer

Andrew Richardson, VP, Commercial Loan Officer

Kimberly Drone, Senior Credit Analyst & Bank Officer

COMMUNITY ENGAGEMENT

Danielle Ruffo, AVP Community Engagement and Marketing *

CONSUMER LENDING

Arthur Letendre, SVP, Consumer Loan Officer

HUMAN RESOURCES

David Cronin, EVP, Chief Human Resource Officer

Tamara Richardson, VP, Diversity & Inclusion Officer *

INFORMATION TECHNOLOGY

Robert Soloway, EVP, Chief Information Officer *

Joanne Pearce, SVP, Chief Digital Officer

Jay Bisson, VP, Security Officer and Information Security Officer

Matthew Guild, VP, Digital Development

FINANCE

Jason Hicks, EVP, Chief Financial & Risk Officer *

Jeffrey Smith, AVP, Treasurer

Nathan Rounds, Financial Accounting Officer

RESIDENTIAL LENDING

Mark Danahy, SVP, Residential Mortgage Lending *

Dawn Martin, VP, Mortgage Lending

Christine Greenwood-Smart, VP, Residential Mortgage Sales*

Samantha Monson, Mortgage Loan Officer

Sarah Rosley, Mortgage Loan Officer

RETAIL BANKING

Dominic Perkins, SVP, Retail Administration *

Michelle Howard, Regional VP and Branch Manager

Kendra Carter, AVP Retail Operations Officer

Lisa Bierweiler-Franks, AVP and Branch Manager

Katherine Hanks, AVP and Branch Manager

Wallace Reney, AVP & Bank Officer

Crystal Lewis, Business Development Officer

Heather Scheck, Branch Manager & Bank Officer

Eric Schlim, Branch Manager & Bank Officer

Lindsey Swett, Branch Manager & Bank Officer

RISK, COMPLIANCE AND OPERATIONS

Angela Strozewski, EVP, Chief Operating Officer *

Wendy Clark, VP, Senior Compliance Officer

Michelle Driscoll, VP, Retail Compliance & BSA Officer

Tara Mudgett, VP, Enterprise Risk & Audit Liaison

Kathryn Settupane, AVP, Customer Resource Center Officer

Cynthia Sullivan, Senior Operations Analyst

* Member Senior Leadership Team

THE ROAD AHEAD



While uncertainty from world events, the pandemic, and the economy remains, we have shown that Savings Bank of Walpole can grow stronger, even in challenging times. What is certain is that the Bank will continue to be Customer Focused and Community Centered . . . in everything we do!

Thank you sincerely for your support.

A handwritten signature in blue ink that reads "Mark". The signature is fluid and cursive.

Mark Bodin, President

“We are committed to serving our customers and supporting our community now and for a long time to come.”