



NEW HAMPSHIRE
MUTUAL BANCORP

2020 REPORT TO OUR COMMUNITIES

Mutual Support ... for our Sister Companies



Eddie Currier, 2020

To our Customers, Communities and Employees

In a year that was anything but typical, New Hampshire Mutual Bancorp (NHMB) diligently maintained a proactive focus in confronting the challenges of COVID-19. That's why we took early measures to ensure the safety of our employees and customers.

Specifically, we were early adopters of mask-wearing protocols, remote working, employee self-quarantining and social distancing—and we constantly provided health updates to our staff. In short, we had no higher priority last year than keeping everyone healthy.

We're also gratified to report that 2020 was a strong year financially for New Hampshire Mutual Bancorp and each of the companies we support - Meredith Village Savings Bank, Merrimack County Savings Bank, Savings Bank of Walpole and NHTrust.

ONGOING OUTREACH EFFORTS

Community-Related

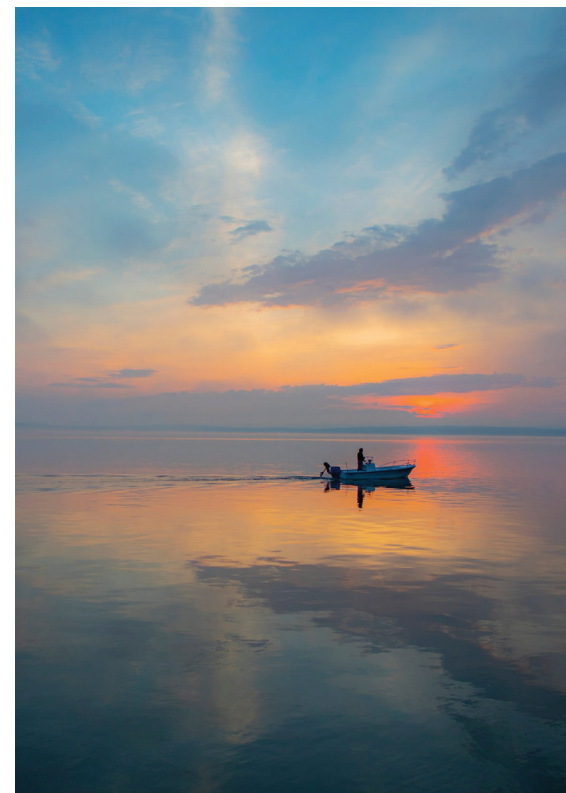
While many charitable events and fundraisers were postponed or canceled in 2020, New Hampshire Mutual Bancorp and our individual sister companies remained steadfastly committed to serving the needs of our communities and their residents.

With the enthusiastic participation of our staff, we stayed vigilant about helping address unfolding hardships and adversities—and taking remedial action, like providing crucial support to local nonprofits that faced particularly difficult challenges during the pandemic. NHMB employees proudly volunteered a total of 10,818 hours in 2020, spread across 234 nonprofits.

We made it a priority to stay on top of the many changing government relief programs, so as to best assist customers seeking resources and support. Our branch teams took calls and fielded questions about economic impact payments—while our commercial lending advisors helped implement the Paycheck Protection Program (PPP) to ensure that local companies secured business-critical funding. Additionally, our commercial lending team is ready to implement the second round of PPP loans in 2021.

Employee-Related

As an organization, we also took steps to provide specialized support for employees in navigating these unprecedented times. For example, we dispensed two payments of \$500 per employee to assist with unexpected pandemic-related expenses. Similarly, we announced in early fall that the Friday after Thanksgiving would be a paid holiday, to give employees a well-deserved break. Furthermore, mindful of the nationwide limitations and restrictions on travel, we introduced several HR policy changes—such as allowing vacation rollovers and providing payouts for unused time.



Bridgette Braley, 2020

ACTING AS ONE

Forming a synergistic alliance, Meredith Village Savings Bank, Merrimack County Savings Bank, Savings Bank of Walpole and NHTrust continue to be market leaders in providing a convenient and trusted financial service experience.

During 2020, our online banking conversions for MVSB and the Merrimack were smoothly executed. Our branch and digital banking teams were well prepared to assist customers in taking advantage of new features and benefits—including more timely account alerts, Apple Watch® compatibility and mobile access for our business cash management services. We also converted Savings Bank of Walpole to a new core banking system, one used by its sister banks.

Our digital transformation to simplify processes and reduce paperwork is ongoing—with our new online account-opening system (Q2 Gro™) recently launching at Savings Bank of Walpole, MVSB and the Merrimack. Representing leading-edge technology, Q2 Gro enables customers to open accounts online in just minutes and improves efficiency for the internal processing of those transactions.

In total, MVSB and the Merrimack processed \$105 million in consumer loans—an approximate increase of 150% over 2019. In general, these consumer loans had a higher gross average yield than other lending alternatives. Plus, as a solid reflection of the sister-bank alliance, these loans were subsequently added to the Savings Bank of Walpole portfolio.

In fact, the acquisition in January 2020 of New Hampshire Trust Company—as well as its integration with Savings Bank of Walpole Wealth Management and MillRiver Wealth Management to form a united team at the newly rebranded NHTrust—is itself another reflection of this alliance's synergism. Notably, the creation of the NHTrust brand was heavily supported by a website launch and a pervasive social media presence.

We also spent more time during 2020 reflecting on issues surrounding racial injustice, diversity in our workplace, and the importance of being and fostering an inclusive work environment. Working with our Diversity and Inclusion Officer, we began formalized training with Board and staff and welcomed open and honest conversations about diversity, equity and inclusion issues. We've engaged professional help to assist us with a journey that will be purposeful and methodical leading us to be a more diverse and inclusive company.

DOING OUR BEST ... TO BE THE BEST



As part of our commitment to be an exceptional asset to our communities, NHMB maintains a work culture that stresses camaraderie, collaboration and empathy. That's why we're excited to have been recognized as Best Employer in the 2020 Best of the Lakes Region ranking by *The Laconia Daily Sun*.

Equally important, we're proud that our employees hold to this sense of communal spirit not only in their professional lives, but in their personal lives as well. For example, employees voted to select one Circle of Excellence winner to be presented with the annual Peer-Among-Peer Award. This past year, the winner was NHMB Fraud Analyst Cody Gibbs, who was chosen for exemplifying NHMB's core values on the job and within our communities as a Good Samaritan.

TRUSTEES AND CORPORATORS

TRUSTEES

Chair: Maurice Lafreniere, *Holderness*
Vice Chair: Sylvia McBeth, *Keene*
Peter Bloomfield, *Hollis*
Joseph Coneeny, *Walpole*
James Corrigan, *Contoocook*
Jane Difley, *Webster*
James Dirubbo, *Gilford*
William Dunlap, *Amherst*
Michael Green, *Contoocook*
Charles Hanson, *Center Harbor*
Gary Kinyon, *Keene*
Jeffrey Kipperman, *Enfield*
Samuel Laverack, *Holderness*
Michelle McEwen, *Bristol*
John Moulton, *Meredith*
Michael O'Leary, *Holderness*
Gregg Tewksbury, *Keene*
(President & CEO,
New Hampshire Mutual Bancorp)

CORPORATORS

William Abbott, *Holderness*
Elyssa Alfieri, *Londonderry*
Thomas Bates, *Westmoreland*
Jill Batty, *Keene*
Emily Benson, *Keene*
Rusty Bertholet, *Gilford*
Jane Berwick, *Epsom*
Patti-Jeanne Biederman, *Plymouth*
Mark Billings, *Meredith*
Peter Bloomfield, *Hollis*
Mark Bodin, *Chester, VT*

Sarah Bradeen, *Swanzy*
Christopher Brown, *Concord*
Jamie Burnett, *Concord*
Susan Cerutti, *Center Harbor*
Kathleen Collinsworth, *Keene*
Joseph Coneeny, *Walpole*
Shelagh Connelly, *Holderness*
James Corrigan, *Contoocook*
Michael Coughlin, *Canterbury*
John Cross, *Meredith*
Glenn Currie, *Concord*
Martha Curtis, *Keene*
John Daigneault, *Wolfeboro*
Claudia Damon, *Concord*
Kelli D'Amore, *Deerfield*
Philip Davis, *Walpole*
Jane Difley, *Webster*
James Dirubbo, *Gilford*
Bradley Dunbar, *Saxtons River, VT*
Jayson Dunbar, *Walpole*
Dayton Duncan, *Walpole*
William Dunlap, *Amherst*
Sarah Mattson Dustin, *Contoocook*
Nathan Dutile, *Meredith*
Philip Emma, *Henniker*
Jeanie Forrester, *Meredith*
Mark Fraser, *Laconia*
Jerome Galloway, *Walpole*
Mark Gavin, *Keene*
David Gazaway, Jr., *Bow*
John Gilbert, *Greenland*
Yvonne Goldsberry, *Walpole*
Michael Green, *Contoocook*
David Hamblet, *Meredith*
Charles Hanson, *Center Harbor*
Nathalie Houder, *Walpole*

Jason Houston, *Keene*
Susan Howard, *Walpole*
Ruth Jacobs, *Keene*
David Johnson, *Walpole*
William Johnstone, *Holderness*
Michael Kilfoyle, *Plymouth*
Robert Kimball, *Walpole*
Gary Kinyon, *Keene*
Jeffrey Kipperman, *Enfield*
John Kitchen, *Gilford*
Linda Lacey, *Keene*
James Landry, *Concord*
Sylvia Larsen, *Concord*
Samuel Laverack, *Holderness*
Brenda Litchfield, *Concord*
Linda Lorden, *Concord*
Carmen Lorentz, *Belmont*
Linda Lovering, *Hollis*
Zachary Luse, *Keene*
Sylvia McBeth, *Keene*
Michelle McEwen, *Bristol*
Edward McLearn, *Meredith*
Jennie Meister, *Alstead*
Michael Merrill, *Meredith*
Robert Miller, *Walpole*
John Moulton, *Meredith*
James Neal, *Walpole*
William O'Meara, *Keene*
Tod O'Dowd, *Wolfeboro*
Michael O'Leary, *Holderness*
Richard Pendergast, *Meredith*
Michael Persson, *Laconia*
Jessica Prieto, *Henniker*
Mark Putnam, *New London*
Alex Ray, *Holderness*
Tara Reardon, *Concord*

Edward Reardon, Jr., *Marlow*
Jonathan Ruggles, *Concord*
Lynn Rust, *Swanzy*
Peggy Senter, *Concord*
Charles Shaw, *Walpole*
Eli Sinyak, *Gilford*
Bradford Smith, *Jaffrey*
P. Michael Snide, *Walpole*
Jay Stewart, *Hollis*
Chris Swanson, *Holderness*
Kathleen Sweeney, *Center Harbor*
Sally Tanner, *Concord*
Gregg Tewksbury, *Keene*
Christiana Thornton, *Pembroke*
Donald Tisdale, *Walpole*
William Tyson, *Walpole*
Justin Van Etten, *Holderness*
Daniel Weeks, *Nashua*
Don Weigel, *Meredith*
Peter Whittemore, *Swanzy*
David Wichland, *Keene*
Jonathan Wildes, *Alstead*
Douglas Willett, *Rumney*
Richard Wyman, *Laconia*
Jeffrey Zellers, *Concord*

Emeritus Corporators

William Fletcher
Donald Houghton
John Hubbard
Lewis McMahan Esq.
Robert Perry
Paul Trask
Joseph Walier

OFFICERS

Executive

Gregg Tewksbury, President & Chief Executive Officer

Mark Bodin, EVP & President of Savings Bank of Walpole

Linda Lorden, EVP & President of Merrimack County Savings Bank

Richard Wyman, EVP & President of Meredith Village Savings Bank

Paul Provost, President of NHTrust

Administration

Christine Scheiner, VP Executive and Administration & Corporate Secretary

Consumer Lending

Arthur Letendre, SVP Personal Lending Officer

Carol Ritchie, VP Consumer Loan Manager

Finance

Jason Hicks, EVP & Chief Finance Officer, Chief Risk Officer

Nicole LaPorte, VP Corporate Controller

Ben Pepper, AVP Corporate Reporting & Systems

Jeffrey Smith, AVP Treasurer

Jennifer Wood, AVP Assistant Corporate Controller

Nathan Rounds, Financial Accounting Officer

Danielle Wakefield, Financial Accounting Officer

Human Resources

David Cronin, EVP & Chief Human Resources Officer

Tamara Richardson, VP Human Resources Officer

Robin Pelczar, Benefits Officer

Katrina Randlett, Learning & Development Officer

Information Technology

Rob Soloway, EVP & Chief Technology Officer

Joanne Pearce, SVP & Chief Digital Officer

Donald Girard, VP IT

Matthew Guild, VP Digital Development

Tara Mudgett, VP Risk & Information Security Officer

Renee Birmingham, VP Business Applications

Marc Loughlin, Cyber Security Officer

Michael Nolan, Security Officer

Jacob Zoeller, Senior Network Infrastructure Officer

Internal Audit

Michael Boisvert, VP Internal Auditor Officer

Anita Campbell, Senior Internal Auditor Officer

Marketing

Cynthia Hemeon-Plessner, SVP & Senior Marketing Officer

Deborah Irwin, AVP Marketing Relationship Officer

Diana Johnson, Marketing Relationship Officer

Amy Mavris, AVP Communications Officer

Operations

Angela Strozewski, EVP & Senior Operations Officer

Kimberly Carter, VP Loan Operations Manager & Collections

Wendy Clark, VP Senior Compliance Officer

Michelle Driscoll, VP BSA Officer & Retail Compliance

Lynn Hurd, VP Operations

Alison Whynot, VP Facilities & Community Reinvestment Act Officer

Gloria Brisson-Covell, AVP Loan Operations

Sara Lauze, VP Digital Banking Officer

Kelley McGray, AVP Senior Loan Operations Analyst

Dayna Titus, AVP Operations Officer

Holly Andrews, IRA/HSA Operations Officer

Kasey Brown, Operations Systems Officer

Elizabeth Hazen, Collections Officer

Kathryn Settupane, Operations Officer

Cynthia Sullivan, Senior Operations Analyst

Residential Lending

Mark Danahy, SVP Mortgage Lending

Mark Chalifour, VP Residential Mortgage Sales

CONSOLIDATING BALANCE SHEET DECEMBER 31, 2020

	MVSB	THE MERRIMACK	SAVINGS BANK OF WALPOLE	NHTRUST	NHMB	ELIMINATION BANK	CONSOLIDATED
ASSETS							
Cash & Due from Banks	9,782,767	13,919,446	6,682,064	1,074,322	563,461	(1,337,782)	30,684,278
Restricted Cash	-	-	-	750,000	-	(750,000)	-
Interest Bearing Deposits	12,048,765	26,482,950	35,789,664	27,559	-	-	74,348,939
Investment Securities	72,482,155	83,249,589	108,672,615	-	(0)	-	264,404,359
Total Cash & Investments	94,313,687	123,651,986	151,144,343	1,851,881	563,461	(2,087,782)	369,437,575
Residential Real Estate	521,036,880	302,846,196	169,769,771	-	(1,890,878)	(189,287)	991,572,682
Residential Loans (Wholesale)	-	4,668,705	16,826,735	-	(37,178)	-	21,458,262
Home Equity Lines and Loans	54,812,768	31,187,940	13,036,247	-	-	-	99,036,955
Commercial Real Estate	228,849,024	282,547,359	118,037,010	-	(1,049,537)	-	628,383,855
Commercial Loans	90,891,411	166,708,111	55,534,562	-	1,843	-	313,135,926
Consumer Loans	111,512,061	89,623,075	17,851,685	-	(94,852)	-	218,891,969
Total Loans	1,007,102,144	877,581,385	391,056,009	-	(3,070,602)	(189,287)	2,272,479,650
Allowance for Loan Losses	(9,698,766)	(8,606,299)	(3,615,542)	-	2,393,120	-	(19,527,486)
Net Loans after Provision	997,403,379	868,975,086	387,440,468	-	(677,481)	(189,287)	2,252,952,164
Premises & Equipment, Net	21,061,730	17,853,897	6,803,992	1,94,001	932,499	-	46,846,119
Investment in MCSB	-	-	-	-	102,511,660	(102,511,660)	-
Investment in MVSB	-	-	-	-	120,629,033	(120,629,033)	-
Investment in MRTC	-	-	-	-	7,381,905	(7,381,905)	-
Investment in SBW	-	-	-	-	39,852,083	(39,852,083)	-
Other Investments	4,529,799	499,990	200,000	-	155,000	-	1,307,969
FHLB Stock	1,758,000	1,487,000	657,231	-	-	-	3,902,231
BOLI Insurance	15,880,253	15,587,069	6,693,624	-	-	-	38,160,946
Accrued Interest Receivable	2,800,114	2,492,506	1,513,542	-	-	(27)	6,806,134
Deferred Tax Assets	1,228,720	514,792	67,355	-	(1,127,063)	1,049,500	1,733,304
Goodwill	-	2,545,916	-	3,967,320	-	(3,000,000)	3,513,236
Amortizing Intangible Assets	473,060	2,965,262	-	3,312,000	5,105,245	-	11,855,567
Misc. Other Assets	899,698	973,680	458,204	687,588	4,824,748	(1,228,687)	6,615,232
Total Other Assets	44,554,555	44,920,110	16,393,949	8,160,908	280,265,109	(273,553,895)	120,740,737
Total Assets	1,136,271,620	1,037,547,182	554,978,759	10,012,789	280,151,088	(275,830,964)	2,743,130,476

CONSOLIDATING BALANCE SHEET DECEMBER 31, 2020

	MVSB	THE MERRIMACK	SAVINGS BANK OF WALPOLE	NHTRUST	NHMB	ELIMINATION BANK	CONSOLIDATED
LIABILITIES							
Non Interest Checking	150,811,274	184,003,666	64,777,161	-	-	(2,087,782)	397,504,319
Interest Checking	345,113,454	248,018,646	175,729,684	-	-	-	768,861,784
Money Market Deposits	185,424,827	190,497,562	31,873,509	-	-	-	407,795,898
Savings Accounts	146,596,885	122,303,185	170,690,871	-	-	-	439,590,941
Time Deposits	143,590,505	114,711,338	69,793,336	-	-	-	328,095,179
Brokered Time Deposits	3,987,199	15,186,993	-	-	-	-	19,174,192
Total Deposits	975,524,142	874,721,391	512,864,561		(2,087,782)	2,361,022,312	
Repurchase Agreements	24,381,926	46,856,071	-	-	-	-	71,237,997
Borrowed Funds	8,024,604	8,085,538	-	-	5,155,000	-	21,265,142
Accrued Expenses	3,543,373	3,314,794	1,592,931	6,076,800	1,688,029	(281,256)	10,465,551
Deferred Tax Liabilities	-	-	-	1,008,204	-	-	1,008,204
Deferred Compensation	7,123,366	-	-	-	-	-	712,366
Misc. Other Liabilities	3,456,177	2,057,728	6,691,855	1,015,000	1,800,337	(1,228,714)	7,769,713
Total Other Liabilities	40,118,446	60,314,131	2,262,116	2,630,884	8,643,366	(1,509,970)	112,458,973
Total Liabilities	1,015,642,588	935,035,522	515,126,677	2,630,884	8,643,366	(3,597,752)	2,473,481,285
EQUITY ACCOUNTS							
Common Stock & Paid In Capital	275,000	5,075,010	10	5,900,000	-	(11,250,020)	-
Undivided Profits	116,542,210	97,620,202	36,324,348	8,313,312	248,465,137	(253,275,897)	246,507,312
Dividends	(4,995,000)	(8,336,774)	(413,500)	-	-	13,745,274	-
Annual Net Income	8,018,421	6,989,203	2,761,193	6,505,593	18,595,786	(18,320,116)	18,695,080
Market Value Adjustment	788,402	1,164,018	1,180,032	-	4,446,799	(3,132,452)	4,446,799
Total Equity	120,629,033	102,511,660	39,852,083	7,381,905	271,507,722	(272,233,211)	269,649,191
Total Liabilities & Equity	1,136,271,620	1,037,547,182	554,978,759	10,012,789	280,151,088	(275,830,964)	2,743,130,476



Even though we experienced record growth and earnings in 2020, I want to particularly emphasize that—despite all the uncharted territory in a pandemic-ridden year—this period reflected one of resolute endurance and lifelong lessons learned.

Our uppermost goal during the pandemic has been to ensure the safety and health of our employees and their families, while remaining operational to seamlessly service the needs of our customers and communities. I'm immensely proud to say that we were successfully able to do so, in ways that accorded maximum flexibility to our staff to accommodate the home-related demands on their time.

We improved our internal communications and worked more collaboratively than ever as a team. Largely working remotely, we proved highly resilient in managing key staff-member retirements, major software conversions at all our affiliate companies, the purchase of The New Hampshire Trust Company, major regulation changes spurred by our growth, and increased engagement with our Corporators.

Again and again, our employees demonstrated their dedication and commitment to excellence—from working nights and weekends to process Paycheck Protection Program (PPP) loans in support of local businesses to conducting transactions with customers in parking lots or other designated-safe locations.

As a solid corporate citizen, NHMB acted on our significant responsibility to take positions on social issues that were made with good intent for beneficent purposes. We focused on moving our communities and country forward to make our nation stronger and more equitable—and we reaffirmed our promise to provide diversity-, inclusion- and equity-based training for our executives and Boards. In addition, our senior management was tasked with leading in ways that exemplified empathy and sensitivity during a time when personal levels of stress and anxiety were greatly heightened—ways that included: providing educational resources on physical and mental well-being; promoting an internal culture that more productively encouraged corrective and constructive measures pertaining to personal learning and growth; and providing every employee \$1,000 to assist with unexpected, pandemic-related expenses.

Through it all, we were able to make continual and significant progress on our corporate strategic plan. And—in what I consider personally significant (and reassuring) learning moments—I was constantly reminded that NHMB can be 150 years old with our time-honored traditions and values and still retain the energy, drive and agility to remain relevant in today's ever-changing world.

In terms of financials: For 2020, we experienced over \$500 million in deposit growth and \$300 million in loan growth—including a twofold increase over 2019 of \$110 million in consumer lending. These results reflect record growth across all lending and deposit areas. We also processed \$180 million in PPP loans.

Furthermore, our net interest margin was well above our peer group—and our net income continued its upward trend from the past several years. In short, we entered 2021 with sustained, strong momentum on the financial front. I am grateful to Carol Bickford, Senior Vice President of Retail Lending, who retired in December 2020 after 37 years of service to our companies and the communities. Her efforts played an integral role in the success of our sister banks' residential lending strength. All of us wish her the very best. In addition, Joanne Pearce was promoted to become our first Chief Digital Officer; in that role, she worked with artificial intelligence (AI) vendors to quickly develop solutions that streamlined the processing of PPP loans and forgiveness applications.

In closing, I am thankful for the opportunity to assist our communities through this past year's challenges—and I continue to be grateful for your ongoing support.

My Best,

A handwritten signature in blue ink, appearing to read "Gregg".

Gregg R. Tewksbury
President & CEO
New Hampshire Mutual Bancorp