

BEYOND — *Simply Better.*

2022 YEAR IN REVIEW



A Message From Our President and Chief Executive Officer



As I take some time to reflect back on 2022, I am most struck by the impressive combination of resilience and resourcefulness that exists in the Savers Bank team. Last year presented us with another series of unexpected challenges that ranged from international conflicts to domestic economic turmoil, yet our over 110-year-old institution continued to display both stability and adaptability as the circumstances dictated.

From the Federal Reserve combatting inflation by raising the Federal Funds Rate by 4.25%, to scarcity in the residential real estate market to retail and service industry staffing shortages, our customers have been facing many fiscal obstacles. But our longstanding position as a local bank dedicated to serving our communities has helped guide the way and provide financial solutions.

Our employees are part of the communities that we serve, and building and maintaining strong ties within our communities, among customers, and with one another is an important part of our company's ethos. As the Covid 19 pandemic subsided, it has been especially enjoyable to expand our presence in various community events. One particularly impressive outreach project was the 2022 United Way campaign. The Savers Bank team exhibited extraordinary generosity and care for our community through record-high contributions.

As many of you know, our core upgrade was completed last April under Keri Gonzalez's excellent leadership. We began this complex journey with me expressing that I had the utmost confidence that we would achieve all of our milestones: open communication with no surprises; an on-time upgrade completion by April 11; an overall positive employee and customer experience; measurable best practices and process improvements and a unified team effort laying a foundation vital to the Bank's continued success and longevity. I am happy to report that my confidence was well-founded, and all the hard work, energy, and imagination made this dream a reality. Since then, we've continued to implement new products, services, and efficiencies such as contactless debit cards, Apple Pay, digital money management tools, and Spanish language options in telephone and online banking. As we take advantage of our new core and relationship with COCC, our focus remains on enhancing the customer experience across all channels.

One of the largest nationwide concerns towards the end of 2022 and into 2023 has been bank stability. I'm proud to be able to report that Savers has a solid financial foundation made up of strong capital and earnings. Our Leverage Capital Ratio and Return on Assets remain incredibly strong at 11.37% and .76%, respectively. Total assets grew at a modest 2% ending 2022 at \$689 million. Our loan portfolio grew by 11% to \$509 million. A total of \$148.9 million in loans to businesses and individuals were originated in 2022 (an increase from the \$113.4 million that were originated in 2021), and deposit growth totaled \$28.9 million, representing an increase of 5.4%.

As interest rates increased throughout the year, our experienced lenders continued to find solutions that met our customer's needs. Our disciplined and prudent approach to lending continues to serve us well, as evidenced by our continued strong credit quality. Savers' teams pride themselves in providing exceptional customer service and strive every day to make each banking interaction a positive one. We value each and every relationship and understand that long-term relationships are built with trust and confidence.

It's been nearly two years since we launched our "Be Simply Better" initiative, and I see, every day, how that motto is incorporated and showcased at every one of our branches, at our headquarters, and through our social media and online customer interactions. Our positive and encouraging results from 2022 are a true reflection of how everyone at Savers Bank brings 'Simply Better' into every detail of our jobs and contact with our customers.

Savers prides itself on being a mutual institution. I envision our ongoing goal to be turning our mutuality into a "super-power" that will re-establish what it means to be a community bank, with reimagined product offerings and a further embrace of our community responsibilities. This may be a large undertaking, but I know Savers is more than up to the challenge of defining the true essence of being community-focused and Simply Better.

Warmly,

A handwritten signature in black ink that reads "Rosemary Picard". The signature is fluid and cursive, with a large initial 'R'.

Rosemary Picard, CEO

Financial Highlights

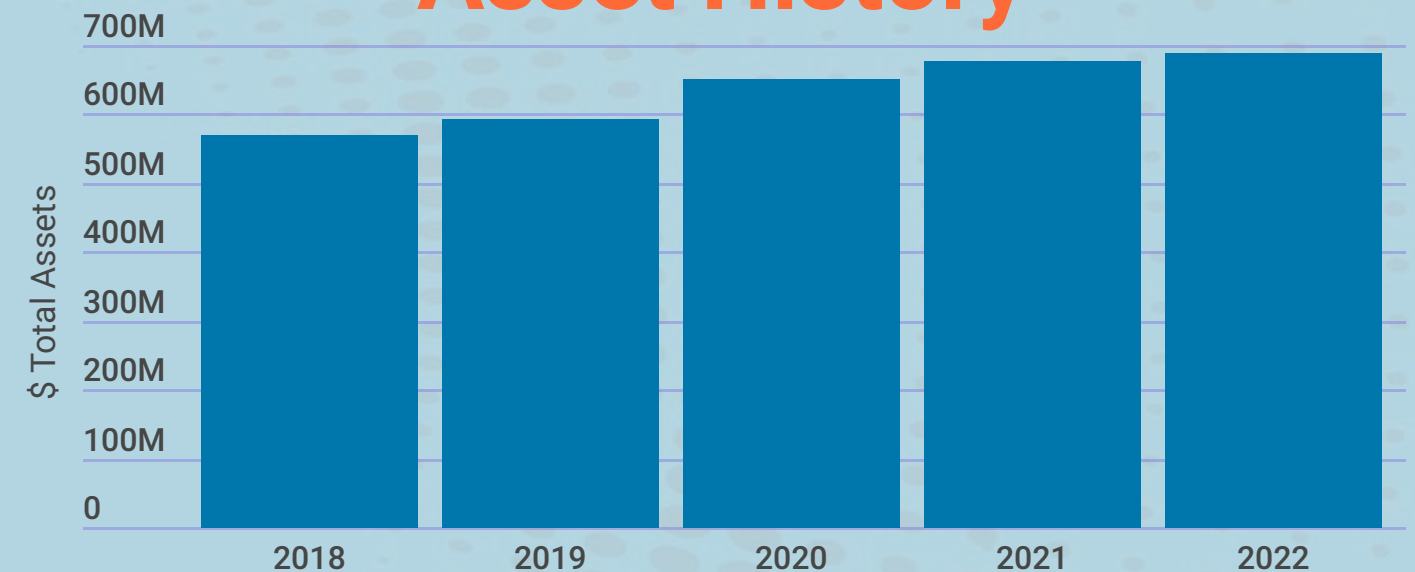
Savers Bank ended 2022 with a strong financial performance. Over the past five years total assets have grown by over \$120 million closing our year-end balance sheet at \$689 million which represents a 2% increase over 2021, or \$12 million.

Net income totaled \$5.2 million which is an increase of \$287 thousand over 2021 or 6%. Included in the net income increase for 2022 were one-time adjustments to non-interest income, negotiated long-term contract savings and an increase in net interest income.

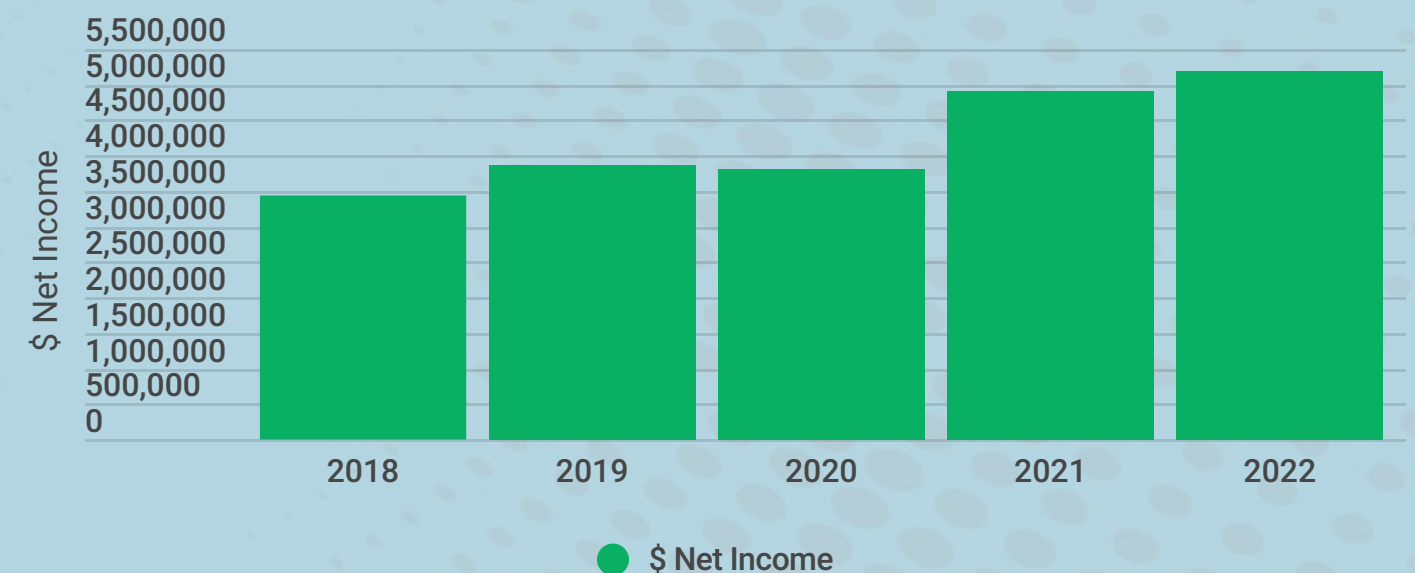
In 2022 large cash balances were converted to investments at higher yields. The Bank ended 2022 with a 3.14% net interest margin as compared to 2.69% in 2021.

The Bank continues to maintain a Strong Leverage Capital ratio, exceeding both regulatory Capital as well as the Community Bank Leverage Ratio minimums.

Asset History

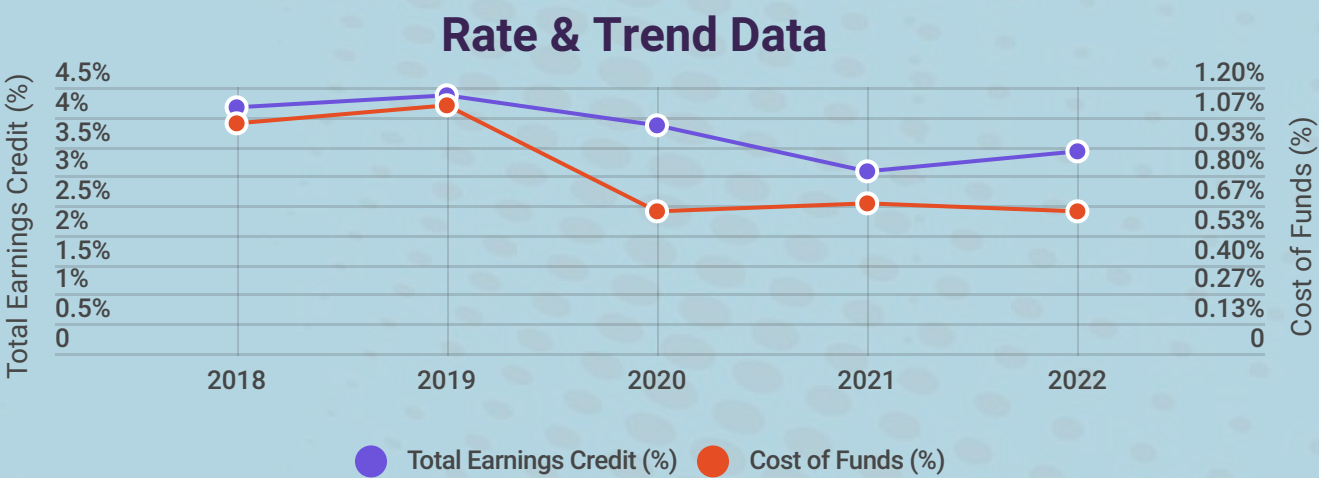
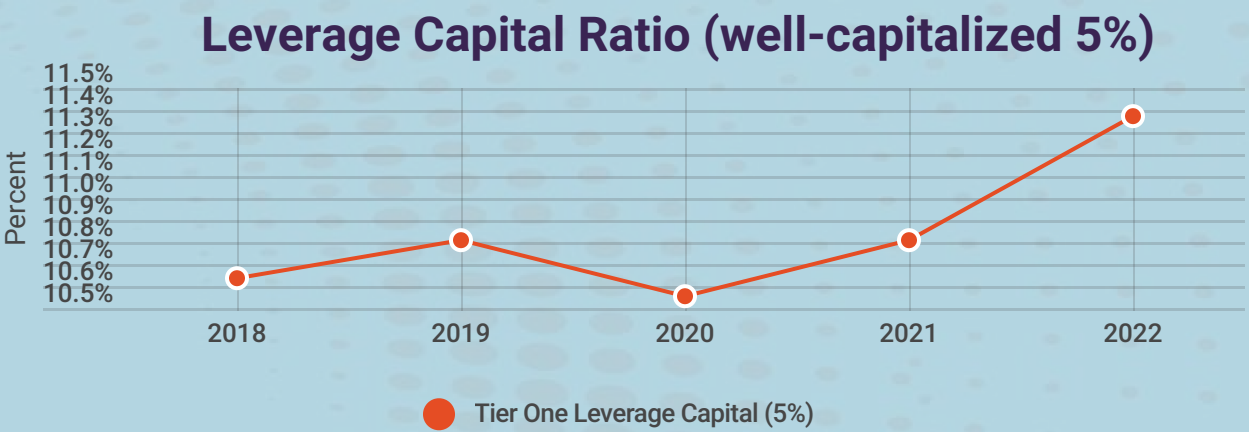
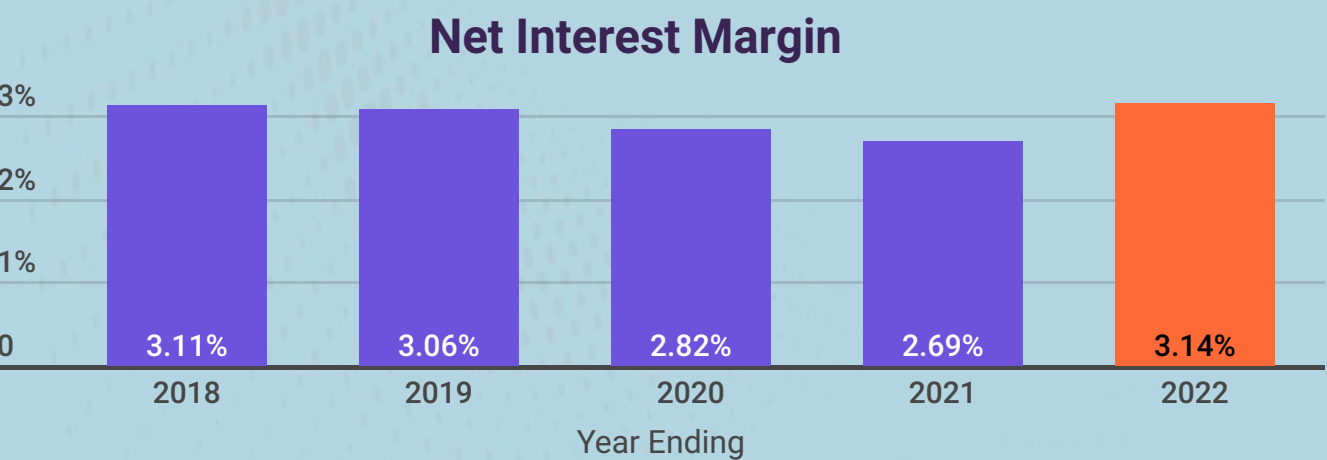
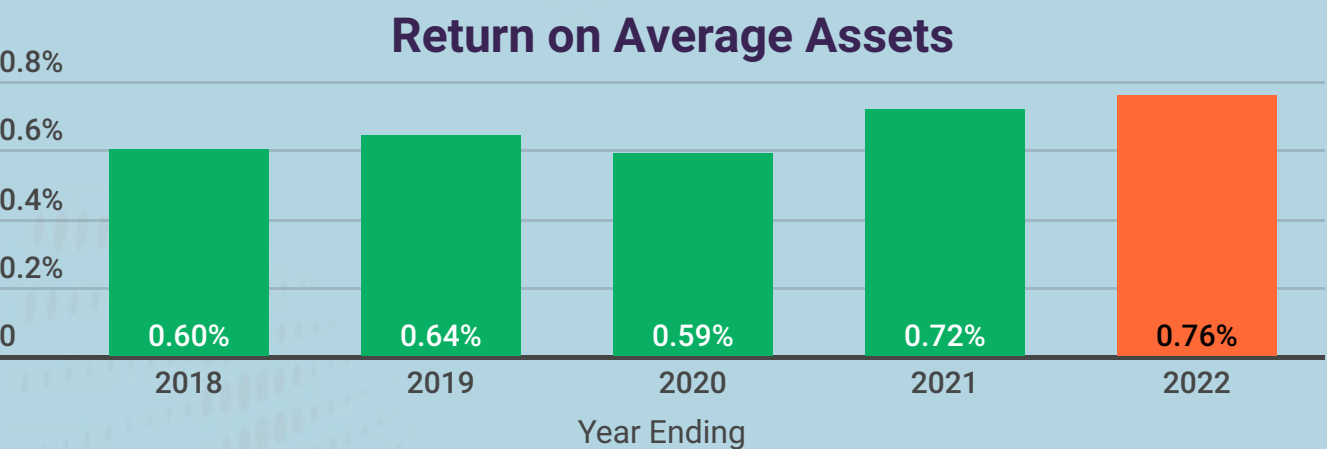


Net Income



Key Financial Ratios

Performance Ratios

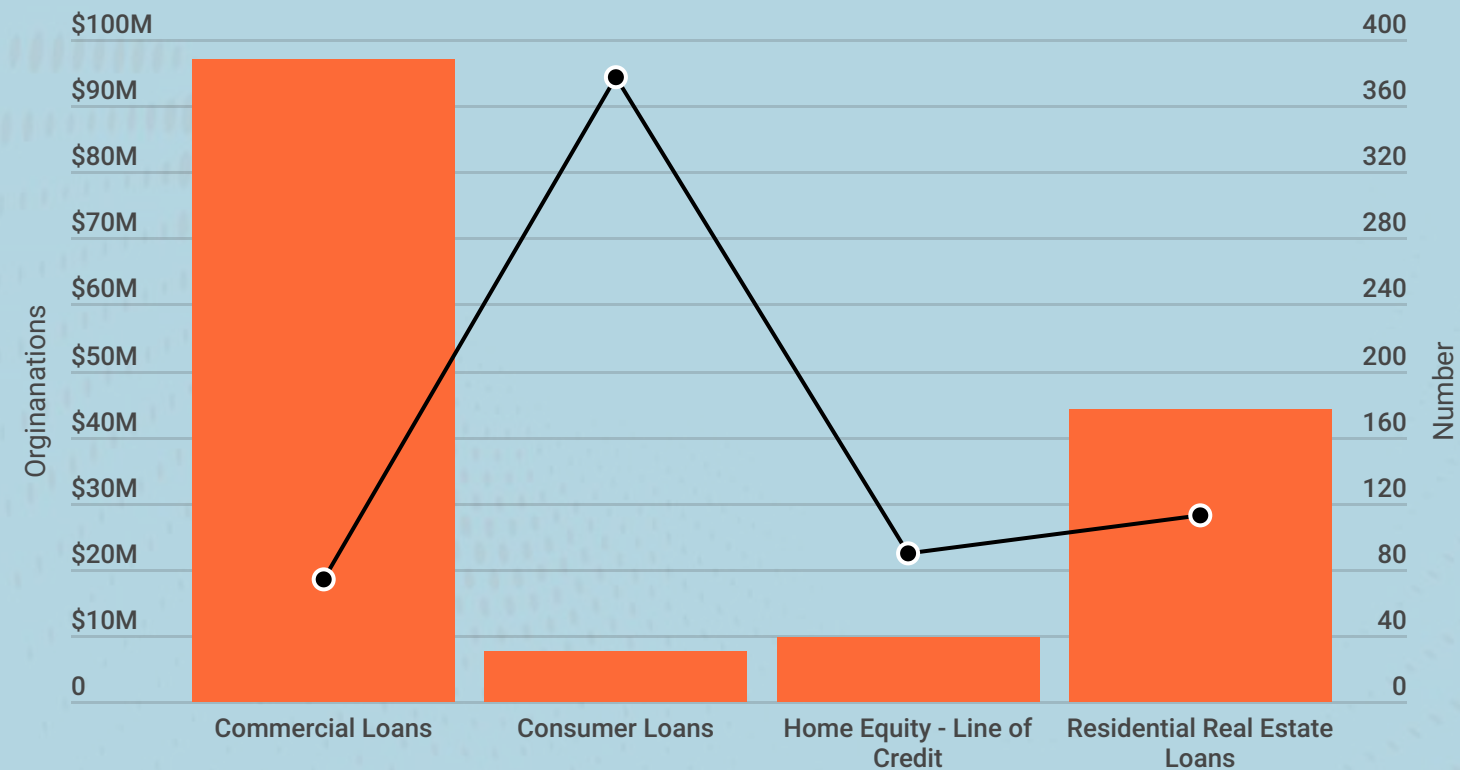


Credit Quality Data

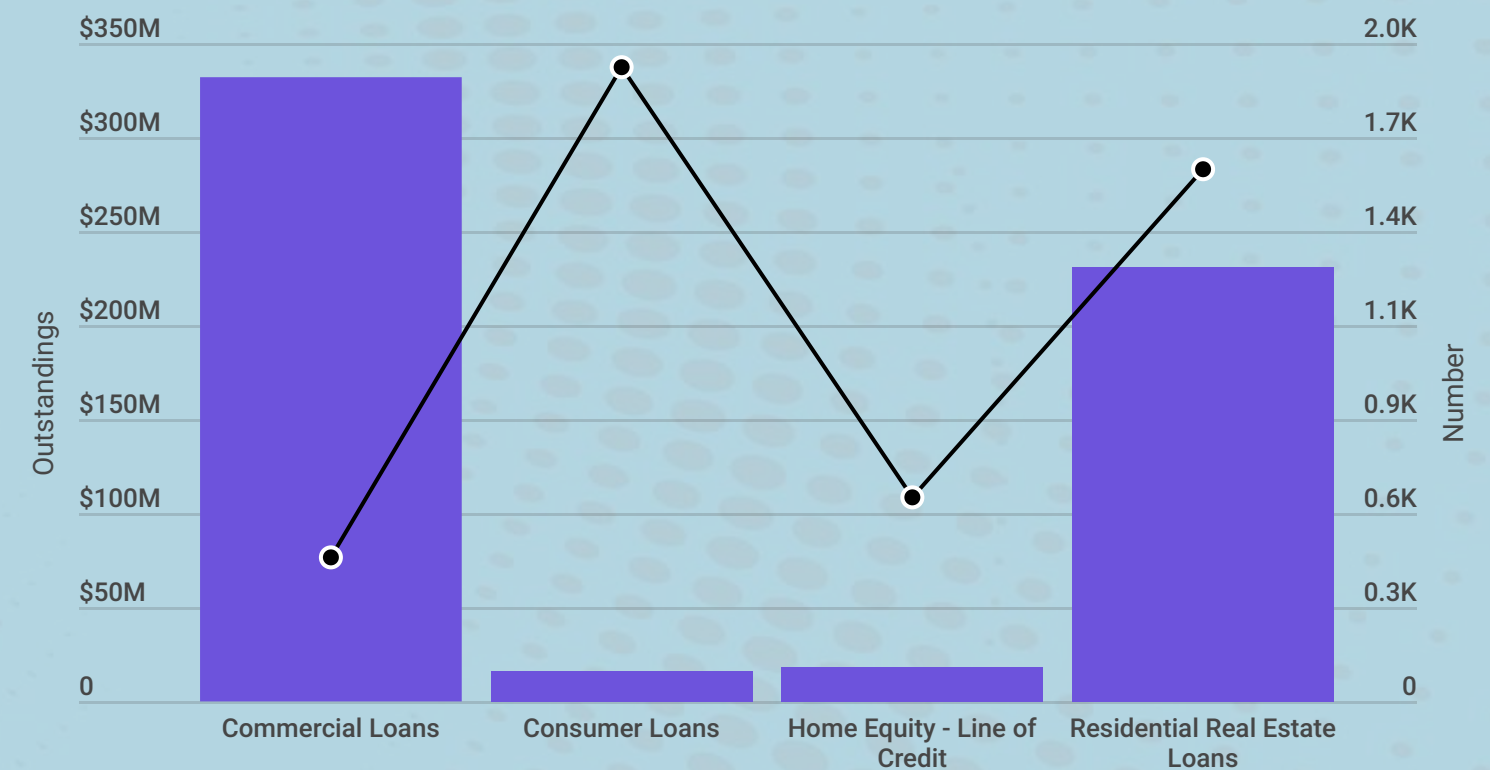
	2018	2019	2020	2021	2022
Total Past Due & Non-Accrual/Gross Loans	1.24%	1.20%	2.13%	1.19%	1.38%
Total 90+ day past due and nonaccrual/ Gross	0.54%	0.44%	0.53%	0.42%	0.62%
ALLL / Gross Loans	0.88%	0.93%	1.00%	1.09%	1.07%
Classified	\$ 5,369,738	\$ 4,488,850	\$ 4,849,975	\$ 3,880,436	\$ 6,232,202
Classified / Capital Ratio	8.84%	6.86%	6.95%	5.26%	9.21%

2022 Loan Production

New Fundings



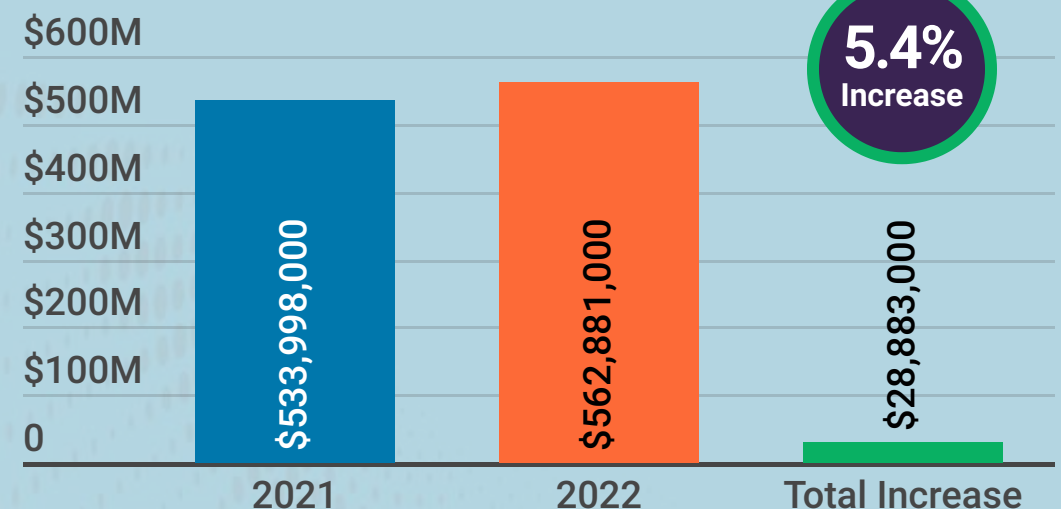
Portfolio Outstandings



Gross Commercial loan originations in 2022 was phenomenal! Commercial Loan Growth exceeded anything in the history of Savers Bank totaling \$97.1 million. Residential lending also had a strong 2022 with \$44.2 million in total originations. Savers Bank has an expert team of commercial lenders that is supported by a talented team of underwriters, commercial credit analysts, and loan servicing personnel. Collectively, they all contributed to make this record year possible. Savers Bank mortgage success also comes from our variety of programs such as First Time Homebuyer, Flexible Construction Loan program and FHLB grant offerings. We are here to offer consumers a wide range of financing solutions that will help meet their lending needs.

Deposit Growth

Total Deposits

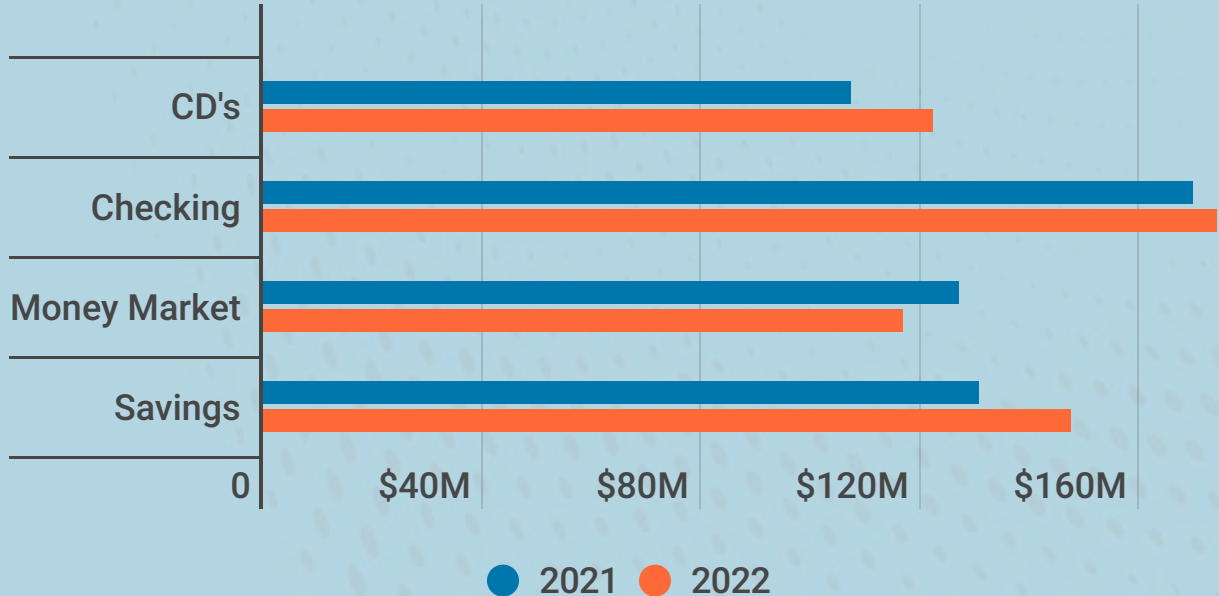


Total Bank deposits grew by \$28.9 million primarily in our high yield ULTRA CD and Money Market products. CD terms offered were 9 and 15 months with the majority of customers opting for 15 months. Our ULTRA Money Market is a tiered offering with the highest rate for deposit balances \$500,000 and greater. The new ULTRA products were positively received and was the primary driver for new deposits to the bank. The ULTRA products also were key to retaining deposits as the competitive markets began to heat up.



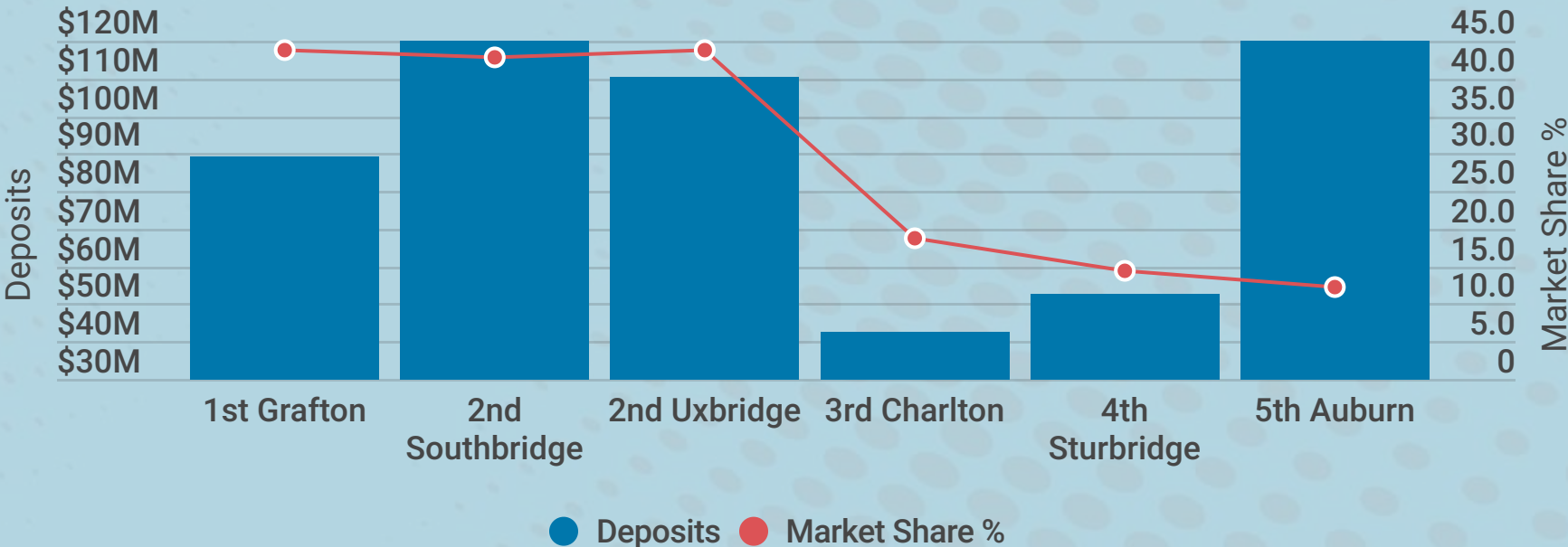
Savers Bank has received another 5 Star Bauer Financial rating distinction with 108 consecutive quarters awarding the Bank with the “Best of Bauer” Five Star distinction. Dual FDIC/DIF Insurance and this rating provided confidence in the Bank’s soundness.

Deposit Composition



Deposit Market Share Ranking

FDIC Data as of June 2022

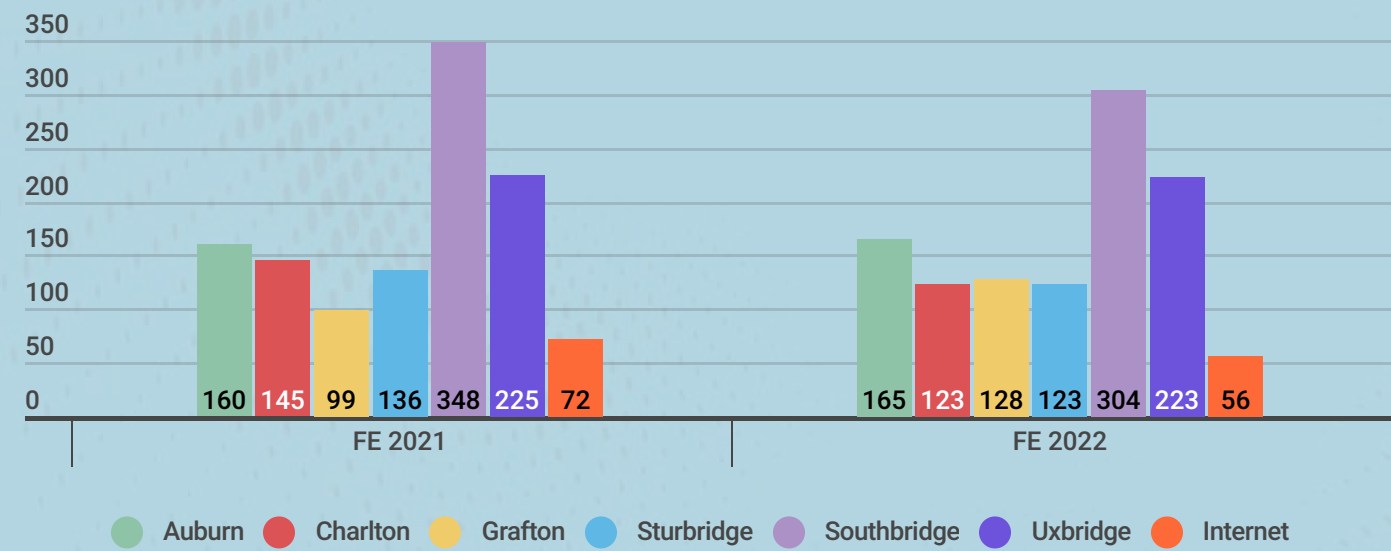


New Checking Accounts

Personal Checking

+ 1,185
Added in FE 2021

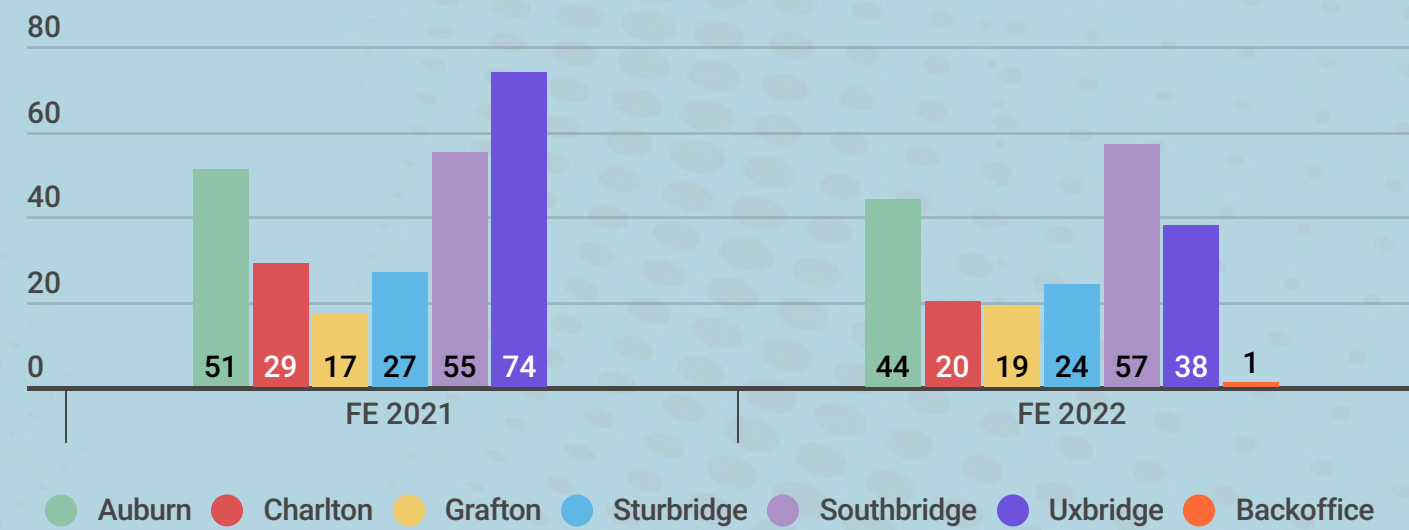
+ 1,122
Added in FE 2022



Business Checking

+ 253
Added in FE 2021

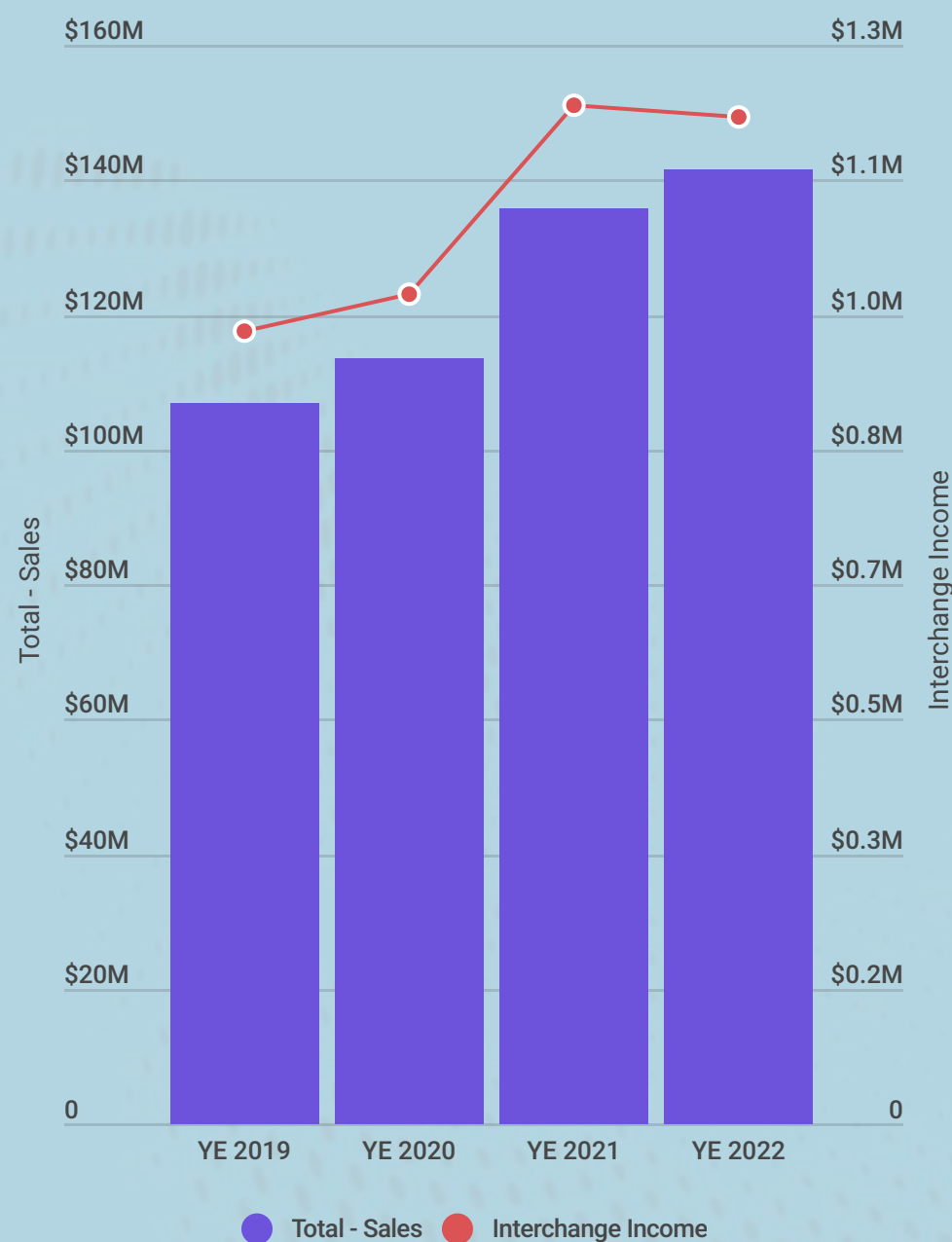
+ 203
Added in FE 2022



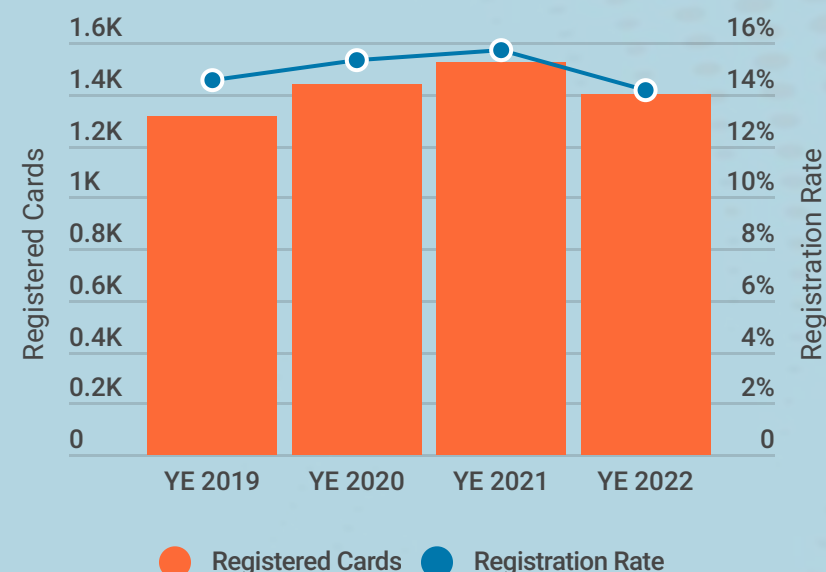
Investing in new and improved online and self-service banking services along with upgrading our branches to match our contemporary digital presence is attracting new customers and retaining our existing customer base. Savers Bank welcomes new generations while always valuing our loyal customers. We see account holders referring family and friends to experience Simply Better Banking. Our checking product mix offers a variety of choices for customers across all generations that suit their financial lifestyle needs. We continue to see that over 48% of the total personal checking accounts opened are brand new customers to the Bank. In 2022, 703 new accounts representing 65% of all new accounts opened were either GEN X, Millennials or Gen Z. The age demographic range from these three segments are from 20 – 57 and they have brought in new balances just under \$2.0 million. Baby Boomers are still a key contributor with 294 new accounts with total balances of \$1.8 million. We also have added 88 new checking accounts from the Silent Generation, aged 77 - 97 with balances over \$1.4 million. Savers Bank will always value our longtime relationships but we will need to continue to attract the younger generations. New business checking account sales started to rebound as businesses started to open and rebound from Covid-19 impacts.

Debit Card Reward Program

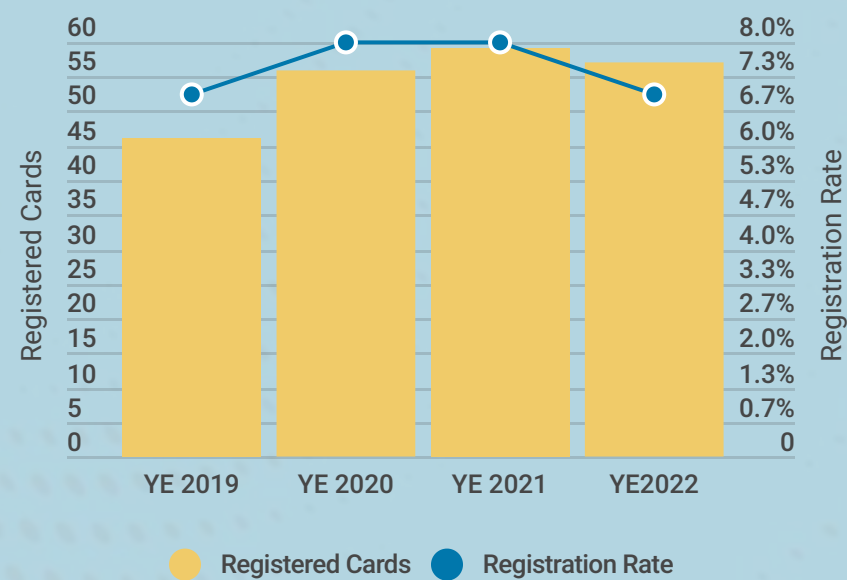
Debit Card Sales & Interchange Income



uChoose Consumer Registration



uChoose Business Registration



Debit card sales have been increasing year over year, with 2022 having over \$141 million in transactions. Higher debit card sales equate to higher interchange income. We closed out 2022 with generating over \$1.2 million in interchange income for the year. Our Debit Card Rewards program is designed to help drive interchange by rewarding both consumer and business customers with points to use towards merchandise, gift cards, cash back options and more. The interchange received from debit card transactions helps us to provide this reward program that offers added value to the checking account relationship.

Last year, we implemented contactless debit cards as well as digital wallets. Both of these technologies allows our customers to have faster and secure checkout experiences whether in person at a store or from their mobile device.



OUR PEOPLE
MAKE US

@ Simply Better

Living our Simply Better brand continues to highlight our employees and delight our customers by sharing a little bit more about who is behind our brand. Since the start of the Be Simply Better initiative, over thirty employees have shared their personal mantras for Being Simply Better. Sharing these posts on Facebook, LinkedIn and our branch digital displays have been positively received by our customers and employees. Numerous comments from customers with accolades that attest to these employees are received daily. There is no better way to represent our brand than through the people who work for Savers Bank and live the brand.

Sponsorships

Highlights



\$9,000

Health Related



\$27,700

United Way Employee & Bank Match



\$7,500

YMCA & Family Services



\$3,250

Various food pantries and shelter initiatives



\$8,150

Academic Programs



\$9,500

Green Environmental Initiatives



\$8,200

Community Social Services



\$1,250

Animal Causes



\$6,365

Local Chambers & Business Partnerships



500+ Hours

Volunteerism

Over \$100,000 in sponsorships was awarded to 30 plus non-profits in 2022 ranging from Health to numerous Community Services.

Our commitment to support our communities has always been and continues to be an important facet of Savers Bank. We are continually looking for ways to best serve our non-profits across our market area. We proudly support our community non-profits with both monetary sponsorships and through employee volunteerism.

2022 being the first real post Covid-19 year resulted in numerous requests from non-profits as they reopened their fund raisers and events. Savers Bank stepped up giving not only monetarily, but also through employee voluntarism. Savers Bank voluntarism clocked in over 500 hours each year working with Meals on Wheels, various school and community out-reach programs and numerous city and town events. Many of our employees also hold board seats to offer their professional services.

Digital and Self-Service Banking Solutions

Consumers and Businesses are now asking for more self-service and digital banking options. We welcome in-person branch visits that provides for a personal one on one experience but also offer personal and business customers with the latest in self-service options with a 24/7 convenient banking experience.



Enrolled Online/Mobile Banking
10,212 users



Active Online/Mobile Banking
7,138 users.



Mobile Deposits
2,849 users for a total of 17,881 deposits.



Bill Pay
1,944 enrolled users for the bill pay service.



E-Statements
11,666 accounts opting in for this green option.



Telephone Banking
3,386 average calls per month received.



Spanish Telephone Banking
126 average calls per month. Introduced in April 2022.



Money Transfer Services
9,503 outgoing wire and ACH originations occurred in 2022. This is a service utilized primarily by our business customers.



Completed 2022

With our successful completion to our new COCC Insight core we have begun to roll out new services that today's customers expect. With partnerships with COCC and Alloy Labs Alliance we can pursue our strategic mission to meet and exceed our customer's expectations. Customers want the big bank technology with a hometown bank feel. We have launched this improved customer experience and have upcoming and future projects to go beyond their expectations.



View Deposited Item Images via Online

Digital Wallet Apple Pay

New online and mobile banking digital platform that includes money management tools, mobile and online advertising

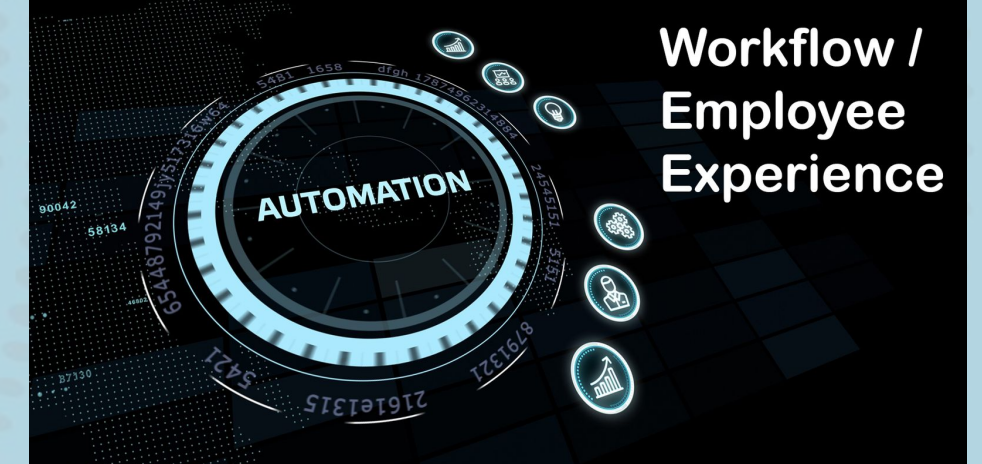


Telephone / Online - Banking Spanish option

Roll It Up – Automatic round up debit card savings

Combined Deposit Statements

Contactless Debit Cards



Successful COCC Insight implementation with several processing and customer enhancements

New online consumer loan originations platform

Robust United Way employee campaign

Expanded presence in community events. High visibility, employee engagement and community support



2023 Upcoming Projects and Future Innovations

Digital Banking



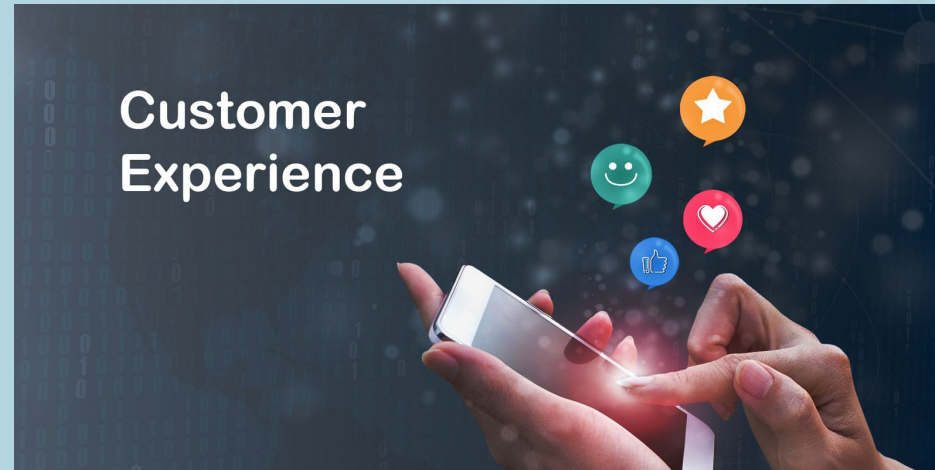
Expanded digital wallet pay options Samsung Pay and Google Pay

Self-service wire initiation using online banking

e-Notices

On-line esign

Customer Experience



New Contactless ATMs Uxbridge, Auburn, Sturbridge and Southbridge

New Person to Person Payment Service - Implementing the CHUCK network

Email receipts - Green alternative to in-branch transaction receipts

Expanded instant issue custom card images

On-Line Consumer Account Opening

Future Innovations



New Business Services – Lockbox, Positive Pay, Overnight Sweep and Enhanced Merchant Card Services

Digital Gift Cards through Online Banking

Business Online Account Opening

Savers Bank University for Employees

Consumer Financial Literacy Programs

The Transformation Continues in 2022/2023

Auburn Branch

Savers Bank continues to invest in the future with the modernization of our branch locations. What better way to celebrate our 65th year Auburn branch anniversary than with an updated look. Auburn is the second branch to be remodeled with a fresh look to the exterior and complete makeover to the interior. Our updated brand elements will be included in the design and will now mirror our digital image. Auburn is scheduled to be completed mid-May 2023. Our strategic plan is to have all six locations remodeled within the next three to four years. Investing in our assets has been well received by our customers and businesses as they see we are investing in our communities and providing a pleasant environment for them to bank in.



Savers Bank Board of Directors



Rosemary Picard
President and Chief Executive Officer



Dr. Dewey J. Tiberii
Chairman of the Board



Patrick S. Morrill
Vice-Chairman of the Board

Meet our resolute and experienced Board of Directors who collectively average over 18 years of sound guidance for the Bank. This talented group of individuals support the Bank in providing the best financial services to consumer and business customers with safety and soundness as the center of focus.



Paul Jalbert



Joseph Coderre



Amy Messina



Andrea Hogarth



Steven M. Ward



Bruce Desrosier



Daniel Finn



Ken Rizner



Matt Dixon



Michael Cove

