

“Come Grow With Us!”

2024

Annual Report



President's Message

2024 was an exciting year of achievement and growth for our team, our Customers and our Communities. The Bank settled into the technology upgrade from 2023 and embraced the opportunities this change presented. Thanks to more effective and efficient systems, CSB has been able to strengthen the personal connections we maintain with our customers, relationships that remain of the utmost importance to us. We believe technology is here to improve the customer experience, not replace it. As your trusted advisors, we are committed to meeting you on your terms, how, when, and where you choose to bank with us. Whether it is remotely while watching a child's soccer game or in person with one of our dedicated relationship bankers, we are here to serve you. Our culture has never been stronger, and we remain dedicated to empowering our team members, our customers and our communities. Join us as we continue to grow, improve and earn your trust and loyalty.



Deepening Our Roots

CSB continues its strong commitment to our communities. In 2024, CSB team members actively supported numerous charitable, community, social and economic organizations. Guided by our belief in the power of vibrant local economies as the foundation of our communities across NH and VT, 60 employees volunteered a total of 1,774.5 hours in support of 101 organizations across 26 towns. In addition, CSB team members served on 41 community non-profit boards and committees, contributing another 874 hours to vital community organizations, bringing our total community volunteer engagement to 2,648 hours, a fact we are very proud of. Additionally, CSB provided \$35,000 in donations, \$115,000 through the Foundation and \$37,905 in sponsorships, supporting over 100 community organizations throughout 2024.

To stay closely connected with our Customers and the Communities we serve, CSB maintains a strong group of community ambassadors, the 46 member Board of Corporators. We are deeply grateful for their contributions to our communities and for being such valuable partners to CSB. The newly appointed Corporators in 2024 were: Noah Souza, Hypertherm; Richard Ackerman, Red River; and Alex Scott, Buckley & Zopf.

We also want to take a moment to recognize Jon Liland, who became the newest member of the Bank's Board of Trustees. Jon has been a valuable addition to the Board, and we are excited to have him in this new role with the Bank. Looking ahead to 2025, your Corporators, Trustees, Senior Management and all members of the CSB and CFS teams remain focused on what we do best. We continue to be dedicated to our founding vision of exceptional service, community support and independence. This principle has been the foundation of CSB since its inception, is the core of what the Bank stands for today and will continue to guide us into the future.

Thank you for your trust in CSB and allowing us to earn your relationship each and every day. Come Grow With Us!

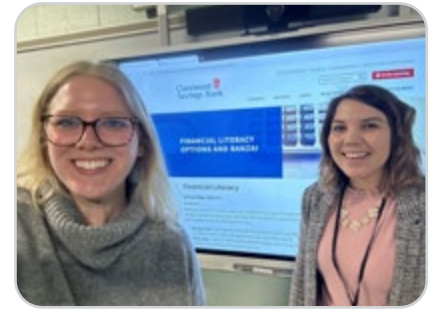
A handwritten signature in black ink, appearing to read 'D. Finnerty', written in a cursive style.

David J. Finnerty
President and Chief Executive Officer

Bank Highlights

In 2024, we introduced competitively priced CD specials and High Yield Money Market accounts, designed to offer greater value to our customers and help maximize their savings. We also saw significant improvements in our Online Banking and Mobile Banking apps, which enhanced customer awareness and fraud protection through new features like personalized account alerts and real-time debit card spending notifications, allowing customers to stay informed about their account activity. Our Business Banking capabilities have expanded to provide greater value to our business customers. Business remote and mobile remote deposit capture solutions make it easier than ever for business owners to deposit checks directly through their business or their mobile phone, saving time and improving efficiency. Additionally, we introduced Positive Pay, a powerful tool that helps combat check fraud, protecting businesses from the negative impact of fraudulent transactions. Plus, many more.

We are thrilled to continue our momentum and embrace the exciting opportunities that lie ahead in 2025. As we move forward, we remain dedicated to offering products and services that enhance our customers' financial experience, making it the best it can be. With that, we are excited to announce the launch of our new online and mobile account opening platform, which will be live for consumers in Quarter 1 and for businesses in the later half of the year. Be on the lookout for more information throughout the year. Our Claremont Financial Services (CFS) team has been busy working on an additional Insurance product that we believe brings great value. In Quarter 1, CFS will start offering Pet Insurance allowing those who love their furry family members to protect them in emergencies.



Financial Highlights

The CSB Team successfully navigated the challenges posed by the high and volatile interest rate environment in 2024, achieving a positive outcome with loan growth exceeding \$15 million and total asset growth of nearly \$7 million. As part of a strategic approach, deposits were reduced by \$4 million through the shift of high-cost non-customer deposits to lower-cost borrowings, which helped lower the Bank's overall interest expenses. These efforts culminated in a robust net income of over \$2.2 million for the year, marking an increase of \$500 thousand compared to 2023.

The interest rate challenges that impacted 2023 persisted into 2024, driving interest expenses up from \$8 million in 2023 to \$10 million in 2024. However, through the focused efforts of the Residential Mortgage and Commercial lending teams, interest income from loans grew from \$21 million in 2023 to \$23 million in 2024. These remarkable contributions didn't stop there. The entire CSB team collaborated on income and expense management, resulting in a net increase of \$240 thousand in non-interest income/expense from 2023 to 2024. Additionally, the equity securities portfolio provided significant support for the Bank's liquidity needs and net income. By strategically trading some stocks at gains in the first half of 2024, CSB helped bolster its liquidity and income, while the portfolio continued to perform well overall. With the strategic direction set by the Board of Trustees, CSB is positioned for continued growth and sustainable financial success. Looking ahead, 2025 and beyond look very promising for CSB!



Claremont Savings Bank Financials

Years Ended December 31, 2024 and December 31, 2023

CONSOLIDATED BALANCE SHEETS

	2024 <i>(Unaudited)</i>	2023 <i>(Audited)</i>
ASSETS (000's)		
Cash and due from banks	\$ 40,746	\$ 18,051
Investment securities	53,838	87,656
Loans, net	429,921	414,367
Premises and fixed assets	9,561	9,818
Other assets	\$ 24,824	22,201
Total assets	<u>\$ 558,891</u>	<u>\$ 552,093</u>

LIABILITIES AND EQUITY

	2024	2023
LIABILITIES (000's)		
Deposits	\$ 415,937	\$ 420,102
Borrowings	71,988	62,605
Other liabilities	3,885	2,839
Total liabilities	<u>\$ 491,810</u>	<u>\$ 485,546</u>
EQUITY (000's)		
Total Equity Capital	<u>\$ 67,081</u>	<u>\$ 66,547</u>
Total liabilities & equity	<u>\$ 558,891</u>	<u>\$ 552,093</u>

INCOME STATEMENTS

	2024	2023
INTEREST INCOME (000'S)		
Total Interest Income	\$ 22,663	\$ 20,777
Total Interest Expense	9,532	8,195
Net Interest Income	<u>\$ 13,130</u>	<u>\$ 12,582</u>

NET INCOME

	2024	2023
PRE-TAX INCOME (000's)		
(Reversals)/Provision for Loan Losses	\$ 39	\$ (140)
Non-Interest Income	3,595	2,908
Non-Interest Expense	15,918	15,472
Unrealized Gains/(Losses) on Equities	(4,247)	1,792
Realized Securities Gains	6,365	65
Pre-Tax Income	<u>\$ 2,886</u>	<u>\$ 2,014</u>
INCOME TAXES (000's)		
Income Taxes	\$ 664	\$ 307
Net Income	<u>\$ 2,223</u>	<u>\$ 1,707</u>

Team Members Welcomed to the CSB Family in 2024



Sarah Powell
Teller



Brevin Legase
Relationship Banker



Jessica Morin
Teller



Davis Benn
Network Administrator



Makenna Grillone
Seasonal Teller



Reagan Buskey
Teller



Karaline Pelchat
Teller



Cindy St. Armant
Operations Specialist



Paul Yang
SVP, Chief Financial
Officer



Carie Kelly
SVP, Digital Banking
Officer



Gabriel Chabot
IT Support Technician



Mollie Merrow
Relationship Banker



Nathanael Blake
Relationship Banker



Rhya Smith
Relationship Banker



Anna Palmer
BSA Analyst



Keegan Carpenter
Branch Manager



Mia Tripodes
Relationship Banker

Team Member Promotions

CSB prides itself on exemplary dedication to our Customers and Communities, all made possible by our incredible Team. We would like to celebrate our Team members, their promotions and their 2024 achievements:



Carol Vivian
promoted to
**Executive Vice President,
Chief Customer
Experience Officer***



Jim Lynch
promoted to
**Executive Vice President,
Chief Lending Officer***



Paul Yang
promoted to
**Executive Vice President,
Chief Financial Officer***



Dawn Churchill
SVP, Bank Risk Officer*



Ashleigh McFarlin
SVP, Claremont
Financial Services*



Ann Dewey
VP, Retail
Innovation Officer*



Sean Long
VP, Senior Commercial
Banking Officer*



Adam Pippin
VP, Commercial
Lending Officer*

Team Member Promotions con't



Becky Cook
AVP, Senior Commercial
Credit Analyst



Vicki Corliss
BSA Officer and
Audit Manager



Brian Baril
Information
Security Officer



Kayla Rivet
Administrative/Assistant
Advisor



Travis Blain
Systems
Administrator



Adrianna Lee
Loan Operations System
Analyst



Shanna Emanuel
Retail Business
Systems Analyst



Hayley Roach
Business Services
Support Specialist I



Karaline Pelchat
Loan Operations
Specialist I



Gabriel Webb
Relationship
Banker III



Logan Garrow
Relationship
Banker III



Felisha Powell
Relationship
Banker II



Reagan Buskey
Relationship
Banker I



Brevin Legase
Relationship
Banker I



Jessica Morin
Relationship
Banker I



Sarah Powell
Relationship
Banker I

* Denotes promotions effective 1-1-2025.

2024 Key Anniversaries



Jim Parsons
35 Years



Denise Roberts
35 Years



Vicki Corliss
30 Years



Joanie Davis
25 Years



Tamara Simino
20 Years



Virginia Hudson
20 Years



Zachary Haines
15 Years



Christine Fratzel
15 Years



Nicole Picard
10 Years



Lori Ward
10 Years



Mike Lavigne
10 Years



Ellen Perra
10 Years



Sean Long
5 Years



Jerica Tyrell
5 Years



Carla Hynes
5 Years



Becky Cook
5 Years

Trustees

CSB would like to honor three members of the Board of Trustees who will be retiring in 2024. We thank them for their many years of tireless, dedicated service to the Bank. They have been true pillars of the Bank and our community, and through their leadership, they have guided CSB to the strong position it holds today. Please join us in thanking them for all they have done and wishing them the best of luck as they continue to pursue new journeys in life and remain advocates for our communities and community banking.

We are grateful for their service and dedication:

Robert Porter (37 Years)

Tom Connair (33 Years)

Joseph Gorman (39 years)

Heather J. Minkler, Chair
Kathy A. Hubert, Vice Chair
Tammy L. Bergeron
Brian J. Boardman

Thomas P. Connair
Joseph J. Gorman, Jr.
Sera E. Gray
David J. Finnerty

Bryan L. Huot
Jon S. Liland
Steven L. Monette
Robert H. Porter

Corporators

The Board of Corporators is a distinguished group of customers and ambassadors of CSB. Comprising of 42 dedicated members, they help us stay closely connected to the community and offer valuable advice and guidance. As always, their wisdom, experience, and unwavering commitment remain an invaluable asset to the Bank.

Richard Ackerman
Tammy Bergeron
Brian Boardman
Scott Bouranis
Thomas Connair
Bradley Cossingham
Candace Crawford
Elyse Crossman
Eric Crainich

Jill Edson
Chris Eldredge
Derek Ferland
David Finnerty
Michael Fuerst
Kerry Gagnon
Christian Gomes
Joseph Gorman, Jr.
Sera Gray

H. Clay Hawkins IV
Nathan Hewes
Kathy Hubert
Bryan Huot
Ian Kipperman
Andre Lafrieniere
EJohn Lambert
Robert Landry

Jon Liland
April Love
Wayne McCutcheon
Heather Minkler
Steven Monette
Ben Nelson
Robert Porter
Keith Raymond

Brenda Reed
Randall Rhoades
Alexander Scott
Greg Soho
Noah Souza Steven
Spetelunas
Albert St. Pierre
Arion Thiboumery

Senior Management

David J. Finnerty - President and Chief Executive Officer

Paul Yang - Executive Vice President, Chief Financial Officer

Carol L. Vivian - Executive Vice President, Chief Customer Experience Officer

James A. Lynch - Executive Vice President, Chief Lending Officer

Brandy Blackinton - Senior Vice President, Residential and Consumer Lending

Dawn M. Churchill - Senior Vice President, Bank Risk Officer

Chrissy L. Fratzel - Senior Vice President, Human Resources and Corporate Training

Carie Kelly - Senior Vice President, Digital Banking Officer

Ashleigh M. McFarlin - Senior Vice President, Investment Advisor Representative

Lynn H. Smith - Senior Vice President, Controller

Bank Leadership

Vicki Corliss - Vice President, BSA Officer and Audit Manager

Brenda Cox - Vice President, Commercial Credit Administration

Terri Decker - Vice President, Private Banking

Ann M. Dewey - Vice President, Retail Innovation Officer

Austin Haase - Vice President, Mortgage Credit Administration Manager

Zachary J. Haines - Vice President, Digital Product Manager

Sean T. Long - Vice President, Senior Commercial Banking Officer

Julie C. Martin - Vice President, usiness Services

Adam Pippin - Vice President, Commercial Lending Officer

Tausha L. Shute - Vice President, Retail Banking

Melissa C. Wooddell - Vice President, Loan Servicing

Rachel Bouranis - Assistant Vice President, Accounting Manager

Becky Cook - Assistant Vice President, Senior Commercial Credit Analyst

Howard G. Grace - Assistant Vice President, Facilities Manager

Ann Lavigne - Assistant Branch Manager, Officer

Nicole E. Picard - Deposit Operations Manager, Officer

Sheila Rook - Branch Manager, Officer

Tracey Rouillard - Call Center Manager, Officer

Claremont Financial Services Highlights

Claremont Financial Services continued building on the foundation established over the last several years, ending 2024 with another strong performance. The team continued its growth by helping new and existing clients, gaining over 30 new client relationships and bringing in new net assets. As they look ahead to what 2025 will bring, including continued growth and the introduction of Pet Insurance, they are excited for the year. The team is also expanding its presence with a permanent spot at the West Lebanon branch.

Claremont Financial Services



Ashleigh McFarlin
*LPL Investment Advisor
Representative*



Becky Vittum
*LPL Investment Advisor
Representative*



Kayla Rivet
*LPL Investment Advisor
Representative*

Claremont Savings Bank ("Financial Institution") provides referrals to financial professionals of LPL Financial LLC ("LPL") pursuant to an agreement that allows LPL to pay the Financial Institution for these referrals. This creates an incentive for the Financial Institution to make these referrals, resulting in a conflict of interest. The Financial Institution is not a current client of LPL for advisory services. Please visit <https://www.lpl.com/disclosures/is-lpl-relationship-disclosure.html>

Securities and advisory services are offered through LPL Financial (LPL), a registered investment advisor and broker dealer (member FINRA/SIPC). Insurance products are offered through LPL or its licensed affiliates. Claremont Savings Bank and Claremont Financial Services **are not** registered as a broker-dealer or investment advisor. Registered representatives of LPL offer products and services using Claremont Financial Services, and may also be employees of Claremont Savings Bank. These products and services are being offered through LPL or its affiliates, which are separate entities from, and not affiliates of, Claremont Savings Bank or Claremont Financial Services. Securities and insurance offered through LPL or its affiliates are:

Not Insured by FDIC or Any Other Government Agency	Not Bank Deposits or Obligations	Not Bank Guaranteed	May Lose Value
-----------------------------------------------------------	-----------------------------------------	----------------------------	-----------------------

CSB In The Community





For 118 years, Claremont Savings Bank has served the banking needs of people throughout the region. And while much has changed since 1907, you can be sure that our commitment to providing exceptional personal service remains today as in years past.

For the years to come, and through all of life's changes, we are here to help. Whether you are looking to build your savings, purchase a home, efficiently manage your finances, or take advantage of convenience services such as online and mobile banking from a local resource you can trust, we're here for you. ***Come grow with us.***



Claremont • Charlestown • Springfield, VT • West Lebanon

(603) 542-7711 • 1-800-992-0316
claremontsavings.bank

EQUAL HOUSING LENDER

MEMBER FDIC