



For the life you choose.

ANNUAL REPORT 2022

NORWAY BANCORP, MHC • SINCE 1866

With you every step



As we've made our way through the challenges of the last few years, I've been struck by the resilience of our employees, customers and communities. Together, we have a shared optimism that is foundational to our success.

Throughout the pandemic and the economic turmoil that followed, we all continued to work hard, care for each other and move forward—allowing us to persevere through an incredibly challenging time.

The success of Norway Savings Bank during these difficult times can be attributed to our **talented team of bankers who work tirelessly** to ensure that we provide our customers with the robust financial tools that they need and the unsurpassed service that they deserve. Thanks in part to our Culture of the Can-Do, the NSB team has been able to lift our customers, communities and each other up in a way that makes me proud to be a member of this incredible team.

You may have noticed the Norway Savings brand look and feel is getting an overhaul. This Annual Report provides a preview into how we are expressing our brand promise moving forward. What's not changing? **Our commitment to you.** As a customer or employee of NSB, you'll always be our top priority as we continue to innovate and provide support for the life you choose.

After my first full year as President and CEO, I can honestly say that my favorite part of the job is getting out, visiting and talking face to face (anyone else tired of Zoom calls?) with our customers, employees and community members. There's simply no other way to get to the core of what's on people's minds and in their hearts. To that end, I want to send **a special thank you to all of our front-line team members** who have been a lifeline for our customers, day in and day out, making a tremendous difference in their lives.

I also want to recognize **our community partners in the nonprofit sector.**

of the way

These organizations are some of the unsung heroes of our community, providing our neighbors in need with the additional support and resources necessary to get them through difficult times. In 2022, Norway Savings Bank was proud to support the missions of more than 360 local nonprofits by providing nearly \$1.1 Million in donations as our employees logged more than 4,600 hours of volunteer time.

Despite 2022's economic headwinds, Norway Savings was especially proud to have received, for the 33rd year in a row, **a 5-star rating from BauerFinancial**, reflecting the outstanding financial strength of our bank. Our Retail Banking, Commercial Banking and Trust & Wealth Management teams posted strong results in 2022 by attracting new customers, cultivating and expanding existing relationships and increasing loan and deposit balances.

As we look towards the future, it's also important to be thankful for what we have today. I'm personally grateful to work for an **organization that puts**



people first, with supportive colleagues who bring their best selves to work each and every day. I'm also grateful to our loyal customers, whose support and confidence humbles and motivates all of us. Rest assured, we will continue to work hard to earn your business in the years to come.

Sincerely,

Dan Walsh, President & CEO



For the **life you choose.**

For the life you choose.

New tagline... same commitment to our employees, our customers, and our community.

At Norway Savings Bank we know that a brand is more than a tagline. It's more than a logo, a "look," or even our products and services. **A brand is a promise**—a commitment that we live day in and day out. For us, it's a commitment to listen, support and guide you every step of the way—your way.

While that commitment hasn't changed over the past few years, we recognize that almost everything else has. The definition of a life well-lived is increasingly personal, shaped by a multitude of choices, both large and small. Choices as grand as starting a new business, as common as where to grab lunch, as variable as when to retire (or un-retire), and as values-driven as where to place your trust when it comes to money.

We have always honored the individual spirit, and continue to do so, with banking products and services built around you—to help make the life *you* choose a reality. Now, more than ever, we're focused on being there for all of the moments when you need us—for the big things, the little things, and everything in between.

Norway Savings Bank. For the life you choose.



The numbers be

NORWAY SAVINGS BANK

STATEMENT OF CONDITION

Annual Statement as of December 31, 2022 and 2021

| ASSETS | 12/31/22 | 12/31/21 |
|--|------------------------|------------------------|
| Cash on Hand and in Banks | \$43,638,016 | \$150,530,547 |
| United States Government Bonds & Agencies* | \$75,247,802 | \$47,624,498 |
| Mortgage-Backed Securities* | \$291,993,017 | \$296,536,675 |
| Municipal Bonds* | \$3,712,411 | \$7,496,240 |
| Corporate Bonds | \$8,750,000 | \$6,750,000 |
| Corporate Stock | \$53,871,206 | \$96,394,678 |
| Residential Real Estate Loans | \$541,398,978 | \$486,419,808 |
| Commercial Real Estate Loans | \$507,066,870 | \$444,349,180 |
| Business Loans | \$100,242,111 | \$78,892,939 |
| SBA PPP Loans | \$77,806 | \$19,028,144 |
| Other Loans | \$66,288,015 | \$59,218,169 |
| Allowance for Loan Loss | (\$8,406,819) | (\$9,140,360) |
| Federal Funds Sold | \$755,774 | \$740,278 |
| Real Estate Owned | \$39,942,158 | \$38,955,006 |
| Furniture & Equipment | \$5,772,531 | \$4,495,120 |
| Goodwill & Other Intangible Assets | \$6,760,035 | \$6,617,248 |
| Other Assets | \$58,025,928 | \$22,346,063 |
| Total Assets | \$1,795,135,839 | \$1,757,254,233 |

LIABILITIES

| | | |
|-----------------------------------|------------------------|------------------------|
| Amount Due Depositors | \$1,531,542,980 | \$1,495,406,568 |
| Other Liabilities | \$22,611,892 | \$21,424,928 |
| Other Borrowings | \$53,111,029 | \$7,617,336 |
| Reserve Funds & Undivided Profits | \$187,869,938 | \$232,805,401 |
| Total Liabilities | \$1,795,135,839 | \$1,757,254,233 |

*Listed at market value

This statement has not been reviewed or confirmed for accuracy or relevance by the FDIC.

Behind the story

STATEMENT OF OPERATIONS

For the year ended December 31, 2022

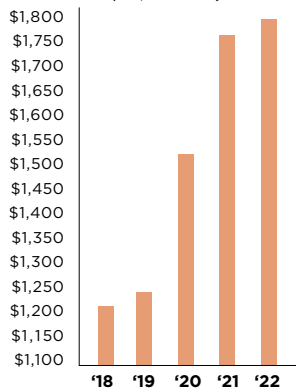
GROSS OPERATING INCOME

| | |
|---|-----------------------|
| Interest on Bonds | \$9,330,952 |
| Dividends on Stock | \$2,135,728 |
| Interest on Loans | \$51,313,427 |
| Other Interest Income | \$534,101 |
| Total Interest Income | \$63,314,208 |
| Interest Expense | \$3,423,245 |
| Net Interest Income | \$59,890,963 |
| Other Income | \$9,917,676 |
| Credit for Loan Loss | (\$200,000) |
| Operating Expense | \$48,832,121 |
| Core Earnings | \$21,176,518 |
| Security Gains (Loss) | \$4,998,549 |
| Income before Taxes | \$26,175,067 |
| Estimated Income Tax | \$5,266,020 |
| Net Operating Income | \$20,909,047 |
| Unrealized Gains (Losses) on Equity Securities, net of tax** | (\$11,630,323) |
| NET INCOME | \$9,278,724 |

**Effective 2019, changes in the fair value of equity investments recognized in net income.

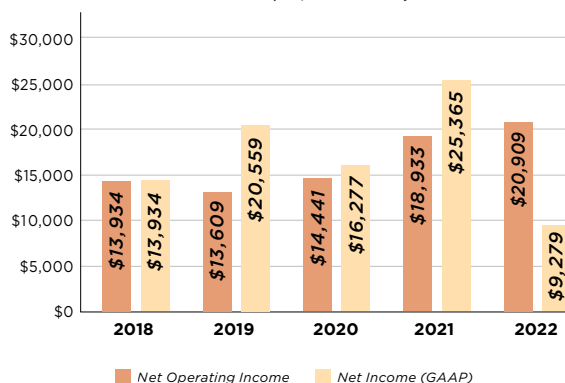
TOTAL ASSETS

(in \$ Millions)



NET OPERATING INCOME

(in \$ Thousands)



OFFICERS



Investing
in **your**
values.

PRESIDENT & CEO

Daniel Walsh

EXECUTIVE VICE PRESIDENTS

Darci Hamm
Brian Shibles
Richelle Wallace

SENIOR VICE PRESIDENTS

Ann Brett
Jennifer Cook
Richard Flagg
Karen Hakala
Deb McPhail
Carolyn Thomas

REGIONAL VICE PRESIDENTS

Melissa Babineau
Jack Day
Brian Desjardins
Jason Fitzgerald
Dana Myles
Andrea Osgood
Terry Seavey
Debora Ward

VICE PRESIDENTS

Shawn Baldwin
Gary Bellegarde
Brian Bernier
Pamela Bowerman
Sharon Breytenbach
Raymond Charest
Kristen Charette

Bobbie-Jo Chase
Holly Chase
Jennifer Corbett
Tina Croteau
Jacqueline Curtis
Janel Danforth
Larissa Darcy
Linette Dehetre
Janice de Lima
Pamela DiPietro-Hale
Randy Easler
Maria Edwards
Frank Farrell
Jill French
Kurt Garascia
Michael Grass
Robert Harville
Kyle Hodgkins
Karry Kane
Jay Kiel
Mary Leavitt
Amy Lehigh
Joseph Leland
Vicky Libby
Tina Merritt
Dylan Mooney
Michelle Morse
Holly Pepin
Ian Pullen
Hilary Record
Brittany Robidoux
Melissa Rock
Todd Schryer
Zachary Short
Kelly Sturmer
Jamie Toohey
Barry Towle
Charles Williams

ASSISTANT VICE PRESIDENTS

Heather Adams
Jaime Brochu
Patricia Brooks
Kaela Delan
Michael DeLisle
Ryan Dillingham
Talley Estes
Dana Fields
Pamela Gaudet
Douglas Gross
Anita Hamilton
Kelcey Kimball
Jessica Lilly
Michelle Luce
Mariah Martin
Christine McMann
Kerry Millett
Erin Mowery
Erin Nelson
Jacob Ouellette
Louis Paquet
Jennifer Piper
Brian Siebert
Heather Taylor
Pamela Veilleux
Michelle Wickham
Edward Williams

SENIOR LEADERSHIP TEAM



DANIEL WALSH
President & Chief Executive Officer

Dan Walsh has over 35 years of banking experience, joining Norway Savings in 1997 as a Vice President & Commercial Lender. Dan earned a Bachelor of Science in Finance from Salem State University, an MBA from Southern New Hampshire University and he is also a graduate of the American Bankers Association National Graduate School of Banking. Dan currently serves on the boards of Norway Savings Bank, Western Maine Health and Maine Preservation. Dan also serves on the Greater Portland Council of Government's Revolving Loan Committee.



DARCI HAMM
Executive Vice President, Senior Retail Banking Officer

Darci Hamm has worked in the banking industry for over 25 years. She began her career with Norway Savings Bank in 1999. Darci plays an important role in many of the Bank's strategic initiatives, while overseeing all retail banking functions, including branch administration, customer care, retail lending, asset quality, cash management and the deposit operations department. Darci holds a Bachelor of Science degree in Business Administration from the University of Maine. She is also a graduate of the New England School of Banking. Darci serves on the board of Maine hoMEworks and volunteers with Junior Achievement.



BRIAN SHIBLES
Executive Vice President, Chief Financial Officer & Treasurer

Brian Shibles began his career with Norway Savings in 2002. He was promoted to Chief Financial Officer in 2006 and was elected Treasurer in 2013. In addition to overseeing the Bank's financial accounting, budget and investments, he is involved in many of the Bank's strategic initiatives, including asset and liability management, risk assessment and facilities-related initiatives. He also works closely with the Bank's Asset Management Group and Information Technology Department. In 2008, Brian graduated from the National School of Banking at Fairfield University as class valedictorian.



RICHELLE WALLACE
Executive Vice President, Senior Resources Officer

Richelle Wallace joined Norway Savings in 2005 and has over 30 years of progressive human resources, business operations and leadership experience. She aligns talent, business intelligence, and enterprise project management with the Bank's mission, vision and strategic direction. Richelle has a Master's Degree in Human Resources Development and a Bachelor's Degree in Business Administration. She is an honors graduate of the Graduate School of Banking at Colorado. Richelle is certified as a Senior Professional in Human Resources (SPHR) and a Senior Certified Professional (SHRM-SCP). She is currently appointed by the governor to serve on the Maine Worker's Compensation Board.



ANN BRETT
Senior Vice President, Chief Technology & Information Security Officer

Ann Brett joined Norway Savings in 1983 and has been a member of the IT department since 1986. In 2005, she became the Network Administrator and was promoted to her current position in 2012 where she is responsible for the overall management of Information Technology and Information Security. Ann holds an Associate's degree in Business Administration from Andover College, is a graduate of the New England School for Financial Studies and graduated with honors from the National School of Finance, ABA Stonier Program in 2012.



JENNIFER COOK
Senior Vice President, Head of Trust & Wealth Management

Jennifer Cook has worked in the trust and investment industry for 30 years. She joined Norway Savings in 2005 and in 2016 she was promoted to lead the trust and investment department of the Bank. As the senior member of the Asset Management Group, she plays an integral role in helping families establish, plan and execute their financial goals. Jennifer graduated from the University of Maine with a Bachelor of Science in Marketing. She attended Cannon Financial Institute where she graduated from the Personal Trust Program in 1996 and Personal Trust Graduate Program in 2008. Jennifer earned her designation as a Certified Trust and Financial Advisor (CTFA) in 1997. She is a member of the Maine Estate Planning Council and has served as President and Treasurer of the Board for Seventy-Five State Street.



RICHARD FLAGG
Senior Vice President, Senior Commercial Banking Officer

Rick Flagg joined Norway Savings Bank in 2001 as a Vice President, Commercial Lender. In his current role as Senior Vice President, Senior Commercial Banking Officer, Rick oversees all commercial lending, business development and portfolio management. Rick graduated from the University of Maine in Orono, with a Bachelor's degree in Economics. In 2018 he graduated from the prestigious Graduate School of Banking at Colorado. He is a current member of MEREDA's board of directors and a past president and board member of RMA.



KAREN HAKALA
Senior Vice President, Senior Marketing Officer

Karen joined Norway Savings in 1997. She oversees the Bank's marketing functions and plays an integral role in the Bank's strategic initiatives, including product development, technology implementation, brand development, the design and branding of new branches, customer relationship management, and community giving. Karen has a Bachelor of Science degree in Leadership & Organizational Studies from the University of Southern Maine. She is also a graduate of the American Bankers Association's School of Bank Marketing and holds a Certified Financial Marketing Professional (CFMP) designation.



DEB MCPHAIL
Senior Vice President, Senior Deposit Operations & BSA Officer

Deb McPhail has worked in the banking industry for over 40 years. She joined Norway Savings Bank in 1982 and has worked in many positions as she developed her career. In her current role, she oversees and supports BSA, electronic and deposit services, as well as many other divisions of the Bank. Deb is a graduate of University of Maine at Augusta with an Associate's degree in Secretarial Science and Business, the New England School of Banking and the Graduate School of Banking at Colorado.



CAROLYN THOMAS
Senior Vice President, Chief Risk Officer

Carolyn Thomas has 40 years of banking experience, working primarily at community banks in positions with increasing levels of responsibility and diversity. She joined the commercial credit team at Norway Savings in 1999. Carolyn currently oversees the Bank's risk, compliance, commercial credit, commercial loan administration and special assets teams. Carolyn has a BA degree in Math and Economics. Carolyn is on the board of the Equality Community Center.

CORPORATORS & DIRECTORS

A culture of the **Can-Do**



CORPORATORS

Dale Akeley
R. Elizabeth Baird
Angela Bancroft
Mark Bancroft
Lance Bean, CPA
Eugene Benner
Rick Bennett
Brian Bickford
Brenda Birney
Mallory Brooke
Lennie Burke
Carl Carlson
Jared Cash
James Chalmers
William Chalmers
Peter Connell
Bill Cormier
David Cowens
Steve Cox
C. Bradley Cummings
Dottie Chalmers Cutter
James Detert
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David Dow, Esq.
Deborah Dow
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MaryEllen FitzGerald
Edmund Gardner
Todd Gauger, DVM
Andréa Girard
Peter Godsoe
Stuart W. Goodwin II
Noel Graydon

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Pam Green
Gregory Hardy, MD
Suzanne Hardy
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Robert Holden
Debi Irons
Josh Kennison
Jacqueline Kim
Myung Kim
David Kumaki
Monica Laverdiere
Brad Littlefield
David Longstaff
David McClees
Jill McGowan
Justin McIver
Daniel Meyer
Michael Meyer
Ed Michaud
Nancy Michaud
Lisa Miller, MD
Ted Moccia
Shawn Moody
Ted Morton
Tom Morton
Katy Noonan
Peter W. Oberg
Debra Partridge
Andrea Patstone
John Peters
John Pinto

Jamey Pittman
Heath Poland
Lloyd Poland
David Preble
Derralyn Rennix, DVM
Lisa Rideout
Carl Sheline
Rosemarie Sheline, DDS
Brian E. Shibles
Ronald S. Smith, Jr.
Jonathan Spak
John Stevens
William Stockwell
Christopher Thompson
Jed Troubh
Todd Truman
Daniel Walsh
Patricia Weigel
Seth Wescott
Marc West
John Weston
Nancy Stowell White
William W. White III
Steve Whitney
John Williams
Wendy Williams
Lou Wood
Tom Wright
David L. Wyman
Holly Young
Laura Zajac

DIRECTORS

HONORARY DIRECTORS

Allen Bancroft
Richard Gaisford
Francis Shorey
Edward Simensky, CPA

BOARD OF DIRECTORS

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William Chalmers
David Dow
MaryEllen FitzGerald
Edmund Gardner
Todd Gauger, DVM
Robert A. Harmon
David E. Hoisington,
CPA, Vice Chairman

H. Tom Morton
John Peters
Daniel Walsh
Patricia Weigel,
Chairwoman

IN MEMORIAM

Peter Warren

BRANCH LOCATIONS

Auburn

31 Court Street
Auburn, ME 04210
(207) 782.2700

Bethel

One Parkway, Suite 100
Bethel, ME 04217
(207) 824.4989

Bridgton

1 Harrison Road
Bridgton, ME 04009
(207) 647.3344

Brunswick, Cooks Corner

14 Gurnet Road
Brunswick, ME 04011
(207) 725.4303

Brunswick, Maine Street

83 Maine Street
Brunswick, ME 04011
(207) 725.5591

Falmouth

266 US Route 1
Falmouth, ME 04105
(207) 781.7450

Freeport

8 Mallett Drive
Freeport, ME 04032
(207) 865.6141

Fryeburg

557 Main Street
Fryeburg, ME 04037
(207) 935.2051

Gorham

65 Main Street
Gorham, ME 04038
(207) 222.1502

Gray

1 Libby Hill Road
Gray, ME 04039
(207) 791.2121

Kennebunk

68 Portland Road
Kennebunk, ME 04043
(207) 985.4001

Naples

621 Roosevelt Trail
Naples, ME 04055
(207) 693.6224

Norway, Main Office

261 Main Street
Norway, ME 04268
(207) 743.7986

Portland, Congress Street

1200 Congress Street
Portland, ME 04102
(207) 774.5000

Portland, Exchange Street

120 Exchange Street
Portland, ME 04101
(207) 879.4307

Portland, Forest Avenue

446 Forest Avenue
Portland, ME 04101
(207) 772.0017

Saco

569 Main Street
Saco, ME 04072
(207) 282.6121

Scarborough

158 US Route 1
Scarborough, ME 04074
(207) 885.0742

South Paris

7 High Street
South Paris, ME 04281
(207) 743.9771

South Portland

207 Waterman Drive
South Portland, ME 04106
(207) 741.9100

Standish

88 Ossipee Trail East
Standish, ME 04084
(207) 642.1290

Topsham

47 Topsham Fair Mall Road
Topsham, ME 04086
(207) 725.5950

Windham

10 Franklin Drive
Windham, ME 04062
(207) 892.3339

Yarmouth

688 US Route 1
Yarmouth, ME 04096
(207) 846.8701



When
you're ready,
we're
ready.



PERSONAL BANKING

Deposits

- Checking, Savings, CDs & IRAs
- GenGold® Savings Program
- Health Savings Accounts
- Contactless Debit Cards
- ATM Cards

Lending

- Home Mortgages
- Home Equity Loans and Lines of Credit
- Construction and Land Loans
- Auto, Boat and Other Personal Loans

BUSINESS BANKING

Deposits

- Checking, Savings & CDs
- Contactless Debit Cards
- ATM Cards
- NSB Alerts
- e-Statements
- CDARS and ICS
- Municipal & Government Deposit Accounts
- Merchant Services

Cash Management

- Business Online Banking
- ACH and Wire Origination
- Positive Pay
- InBusiness Remote Deposit
- Business Bill Pay
- Zero Balance Accounts
- EDI Reporting

Lending

- Commercial Real Estate Loans
- Construction Loans
- Lines of Credit
- Term Loans
- Equipment Loans
- Acquisition Financing
- Employee Stock Ownership Plan (ESOP) Financing
- Agency Guaranteed Loans
- Letters of Credit
- Municipal & Government Loans

DIGITAL BANKING

- Internet Banking
- Mobile Banking
- Bill Pay
- Zelle® Person to Person Payments
- e-Statements
- Digital Account Opening—Online and Mobile
- Telephone Banking
- Apple Pay, Google Pay and Samsung Pay
- Mobile Deposit Solutions
- NSB Alerts
- MortgageGO—Online and Mobile Residential Lending
- Banzai Financial Literacy Tools
- External Transfers

ASSET MANAGEMENT GROUP

- Investment Management
- Estate Planning
- Trust Services
- Family Wealth Management

Not FDIC Insured
No Bank Guarantee
May Lose Value



For the **life you choose.**



MEMBER FDIC

1.888.725.2207 | norwaysavings.bank | PO Box 347, 261 Main Street, Norway, ME 04268