



Community Banking at its Best
Strength in Numbers

JANUARY - DECEMBER

ANNUAL REPORT **2021**

 **Bank of
New Hampshire**



A *Message* from the Chairman and President

We are pleased to provide you with this Annual Report for the period of January 1 through December 31, 2021, the first since the change in our fiscal reporting year.

As we continue to navigate through one of the most challenging periods of our 190 year history, Bank of New Hampshire remains a safe, strong and secure financial institution. In fact, we have been able to achieve an unprecedented level of success.

Our annual performance results exceeded Bank-wide goals and initiatives, both financial and non-financial. Through record growth in both our commercial and residential lending areas, we were able to achieve net income of over \$23 million and with the addition of \$27 million of equity from BNH Financial's subordinated debt issuance, the Bank grew capital to over \$250 million. Between the efforts of our Retail Banking and Cash Management departments, we exceeded deposit growth of over \$250 million. Our Wealth Management division grew total assets under management (AUM) by 15% or \$169 million. As part of our ongoing foundational mission to support our communities, we were able to provide a record level of charitable contributions totaling \$610,000 to over 160 organizations statewide.

We are proud to announce that for the 10th consecutive year, NH Business Review has selected Bank of New Hampshire as the best *Local Bank for Small Business* and best *Commercial Lender* in the Best of Business poll.

We know that our success would not be possible without the commitment and dedication of our employees who hold true to all that community banking represents. We strive to make Bank of New Hampshire a "Best Place To Work." In an effort to insure that we continue to provide the necessary support to our team members, we have implemented our new Employee Engagement program, an ongoing initiative, which seeks their input to advance incremental improvements.

These successes have continued to strengthen our foundation, and while 2022 promises to deliver such challenges as supply chain disruptions, inflation, Federal Reserve interest rate increases, stock market volatility and geopolitical risks, we are well positioned to meet them.

Christopher Logan
President & CEO

Suzanne L. Stiles
Chairman of the Board

“Our greatest asset has always been, and continues to be, our employees.”

Gayle E. Price, EVP
Chief Human Resources Officer

At Bank of New Hampshire, we understand that happy employees make happy customers and communities. In our ongoing efforts to be the best bank, we continue to invest in programs to obtain and retain the highest quality employees possible.



"I love working at Bank of New Hampshire because of their support of my passion for community involvement. I am able to dedicate my time and resources to the communities in which I live, work and play. It gives me great pride to be part of a team that is committed to community service and civic leadership. Thank you BNH for supporting me and my community!"

Dennis Cote, Vice President - Senior Mortgage Loan Officer

"I love working at Bank of New Hampshire because I am able to donate to a nonprofit organization that I am passionate about and receive matching funds from the Bank, doubling the impact of my donation. Thank you BNH for your generosity!"

Barbara Laflamme, Assistant Vice President - Banking Office Manager



"I love working at Bank of New Hampshire because I am able to work from home with flexible hours, which allows me to balance the needs of my young family while maintaining a full-time career. Thank you BNH for enriching my life through your support of a healthy work-life balance."

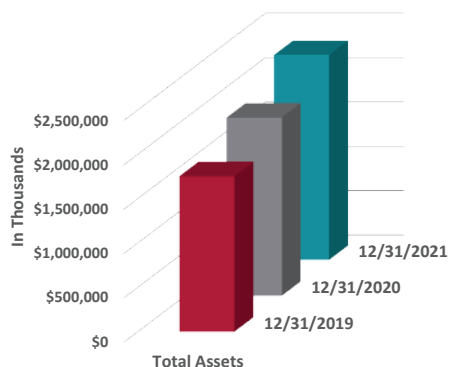
Jaime Cote, Mortgage Loan Processor/Closer

"I love working at Bank of New Hampshire because of their commitment to employee education. Through the Bank's partnership with Granite State College, I receive 100% tuition assistance to pursue my Bachelor's degree! Thank you BNH for your support in helping me reach my educational goals and making my pursuit of education affordable."

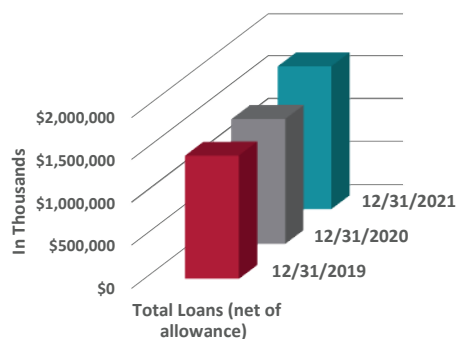
Brendan Furtek, Retirement Plan Services Support Specialist



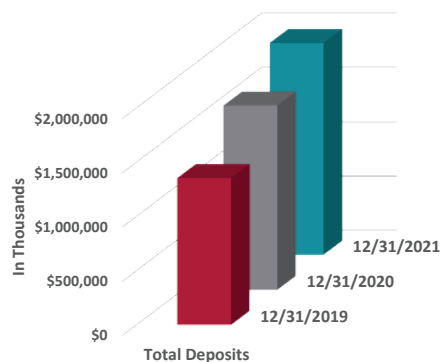
TOTAL ASSETS



TOTAL LOANS



TOTAL DEPOSITS



CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(dollars in thousands)

	Dec. 31, 2021*	Dec. 31, 2020
ASSETS		
Cash and Cash Equivalents	\$78,751	\$83,900
Investments securities	451,874	367,365
Loans		
Residential real estate	541,295	578,867
Commercial real estate	961,865	659,067
Commercial and industrial	151,286	204,823
Consumer	35,992	39,052
Gross loans	1,690,438	1,481,809
Less allowance for loan losses	22,600	22,571
Net loans	1,667,838	1,459,238
Other assets	117,507	102,407
	<u>\$2,315,970</u>	<u>\$2,012,910</u>
LIABILITIES AND SURPLUS		
Liabilities		
Deposits	1,948,926	1,699,888
Advances	1,118	1,169
Repurchase agreements	88,794	86,849
Other liabilities	56,443	19,332
Total liabilities	2,095,281	1,807,238
Surplus		
Retained Earnings	224,887	200,693
Accumulated other comprehensive income	(4,198)	4,979
Total surplus	220,689	205,672
	<u>\$2,315,970</u>	<u>\$2,012,910</u>

*Unaudited

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

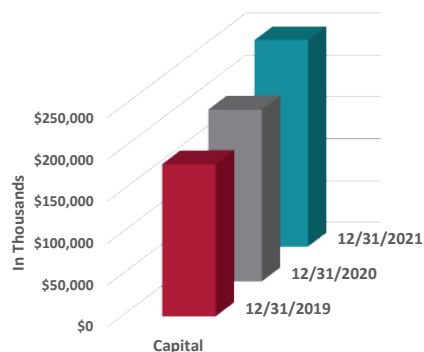
(dollars in thousands)

	Dec. 31, 2021*	Dec. 31, 2020
Interest income	68,741	71,519
Interest expense	2,258	5,427
Net interest and dividend income	66,483	66,092
Provision for loan losses	-	8,675
Net interest and dividend income after provision for loan losses	66,483	57,417
Non-interest income	17,729	14,946
Non-interest expense	54,766	47,187
Operating income before income taxes	29,446	25,176
Total income taxes	5,976	5,347
NET INCOME	\$23,470	\$19,829

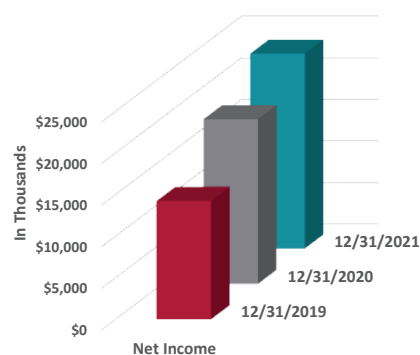
PERFORMANCE RATIOS

	Dec. 31, 2021	Dec. 31, 2020
Tier 1 Capital Leverage Ratio	10.04%	9.02%
Return on Average Assets	1.08%	1.03%
Net Interest Margin	3.25%	3.69%
Efficiency Ratio	65.74%	59.04%
Non Interest Income Percentage	21.05%	18.44%

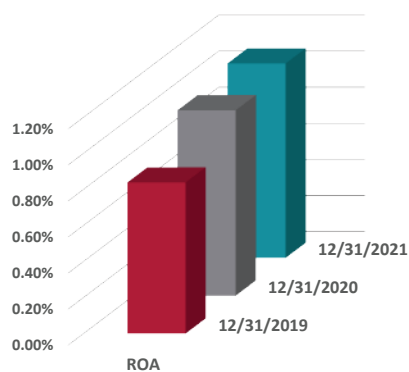
CAPITAL



NET INCOME



RETURN ON ASSETS



Management and Corporate Officers

EXECUTIVE MANAGEMENT TEAM

Christopher J. Logan
President & CEO

Ross W. Bartlett
Chief Commercial Banking & Risk Officer

Daniel R. Brown
Chief Financial Officer

Cheri M. Caruso
Chief Technology, Digital Banking & Operations Officer

Gayle E. Price
Chief Human Resources Officer

Michael J. Seymour
Chief Experience, Marketing & Retail Lending Officer

Cydney D. Shapleigh
Chief Wealth Management & Retail Banking Officer

SENIOR VICE PRESIDENTS

Frank H. Anderson
Private Banking Officer

Tania L. Bossey
Senior Commercial Credit Officer

Eric C. Carter
Digital Solutions & Innovation Officer

Cecile M. Chase
Retail Sales & Development Manager

Debra L. Davis
Bank Operations Officer

Arlene C. Folsom
Wealth Management Fiduciary Officer

Robert A. Magan
Senior Wealth Management & Private Banking Investment Officer

Charles P. Mathewson
Private Banking Investment Officer

Dona G. Murray
Investment Officer

Paul C. Nee
Technology Officer

Michael J. St. Onge
Investment Officer

Evelyn M. Whelton
Retail Lending Sales Manager

VICE PRESIDENTS

Tricia M. Abood
Banking Office Manager

Jacy C. Amenkovicz
Commercial Banker

Tiffany M. Baert
Marketing Officer

Natalia S. Beaulieu
Compliance Officer

Tamara N. Blier
Corporate Cash Management Officer

Lisa A. Byars
Human Resources Officer

Dennis E. Cote
Senior Mortgage Loan Officer

Lisa C. Dauphine
Project Management Officer

Cynthia C. Day
Wealth Management Officer

Travis J. Fraitten
Commercial Banker

Joanne M. Gagnon
Commercial Banker

James L. Glover
Banking Office Manager

Deborah I. Greenwood
Banking Office Manager

Donna C. Harris
Core Relationship & Process Improvement Officer

James R. Hayes
Corporate Cash Management Manager

Mary M. Henderson
Banking Office Manager

Darren M. Howcroft
Senior Financial Consultant

Martha L. Hughes
Digital Sales & Service Manager

Anthony J. Ilacqua
Banking Office Manager

Patricia R. Kingwill
Banking Office Manager

Peter J. Lee
Information Security & Vendor Management

Joan E. Leroux
Digital Product Administrator

Therese C. D. Linden
Wealth Management Client Support Manager

Michael P. Lowrey
Data Processing Manager

Melissa A. Mansfield
Retail Lending Operations Manager

Kelli J. Olsen
Corporate Cash Management Officer

Jeanin M. Onos
Retail Collections Officer

Alexandra P. Pelletier
Retail Banking Operations Officer

Peter C. Preston
Commercial Analyst

Jared C. Price
Controller

Sean P. Rankin
Commercial Banker

Kathryn E. Reid
Commercial Banker

Dirk R. H. Richardson
Retirement Plans Officer

Denise A. Rogers
Senior Mortgage Loan Officer

Lucinda A. Salta
Prestige Plus Officer

Kathy A. Sanderson
Senior Mortgage Loan Officer

Charles A. Schwab
Commercial Banker

Jonathan D. Shapleigh
Commercial Banker

Melissa L. Skeats
Commercial Banking Administration Manager

Deborah A. Tessier
Commercial Banker

Debra D. Thum
Commercial Banker

Christopher F. Walkley
Commercial Banker

Karen S. Wilson
Audit Manager

Randy L. Woods
Information Technology Manager

ASSISTANT VICE PRESIDENTS

Jessica L. Beane
Banking Office Manager

Michelle A. Blake
Banking Office Manager

Edith M. Carter
Banking Office Manager

Deborah J. Clapp
Senior Credit Analyst

Timothy M. Connolly
Banking Office Manager

Kristene M. Dauteuil
Banking Office Manager

Sarah A. Desrosiers
Information Security Analyst

Vickie J. DiPrizio
Mortgage Loan Officer

Kerstyn M. Flack
Banking Office Manager

Thomas J. Galante
Financial Consultant

Jennifer L. Goddard
BSA Compliance Officer

Julie L. Hitchcock
Mortgage Loan Officer

Barbara A. Laflamme
Banking Office Manager

Bambi R. Lane
Commercial Banker & CRA Officer

Elin K. Leonard
Banking Office Manager

Elizabeth W. Lyons
Banking Office Manager

Tammie M. Mahoney
Mortgage Loan Officer

Mark J. Mastenbrook
Director of Facilities

Rosemary E. Novotny
Banking Office Manager

Nancy E. O'Connor
Retail Lending Processing/
Post Closing Manager

Nicole L. Reynolds
Banking Office Manager

Rebecca A. Rodgers
Loan Operations Manager

Semi Shin-Kenison
Finance Manager

Edward F. Tobin
Banking Office Manager

Megan E. Wells
Banking Office Manager

Jonathan J. Winters
Information Security Administrator

CORPORATE OFFICERS

Heather N. Buffington
Assistant Banking Office Manager

Flora L. Boyce
Mortgage Loan Officer

Windy A. Carnes
Customer Service Officer

Kevin P. Colburn
Mortgage Loan Officer

Deanna M. Cormiea
Banking Office Manager

Stephanie L. Durfee
Electronic Banking Officer

Sandra E. Grace
Mortgage Loan Officer

Nicole J. Leroux
Deposit Operations Officer

Aimee K. Lee
Assistant Banking Office Manager

Megan E. Ryder
Commercial Banking Officer

Alison E. van Gelder
Associate Wealth Management Officer

Melissa H. Williams
Assistant Banking Office Manager

Directors and Corporators

DIRECTORS

Suzanne L. Stiles, Chairperson
Michael J. Long, Vice Chairperson
Robert E. Benoit
Gregory A. Goddard
Benoit L. Lamontagne
Christopher J. Logan
Kaitlin M. O'Neil
Kenneth L. Robinson, Jr.
Charles F. Rolecek

SENIOR DIRECTORS

Claudette L. Ayotte
Richard W. Burpee, Jr.
Bruce D. Clow
Gregory M. Dickinson
Rodney N. Dyer
John E. Gauthier
David R. Lynch
Carroll W. Stafford, Jr.
Russell W. Thibeault
H. Thomas Volpe
John F. Weeks, Jr.

CORPORATORS

Alison Ambrose
Michael R. Baron
Gail M. Batstone
Russell J. Beane
H. Edmund Bergeron
Susan M. Burpee, DC
Thomas E. Cantin
Susannah Chance
Robert P. Cheney, Jr.
Dean J. Christon
Thomas A. Clairmont
Michael F. Conklin
Joseph M. Conley
James P. Daley III
Dennis M. Denoncourt
Deborah DeScenza
Mary B. DeVeau
Robert A. Dietz
Nancy E. Dirubbo
Robert J. Evans, MD
Bruce R. Hamel
John Howe

Frederick S. Kelsey, MD
Scott Labnon
Daniel Lee
Frank H. Lemay
Robert J. MacLeod
Barbara J. McCahan, Ph.D.
Edgar D. McKean
Ellen Mulligan
James L. Paine, DVM
Heidi M. Paiva
Andrew Pike
Richard M. Piper
Wayne W. Presby II
Wende Richter
Christine L. Santaniello
Christopher Shumway
Curtis J. Stafford
Brenda M. Stowe, DVM
John B. Sullivan, Jr.
Sean C. Sullivan
Peter Widmark
David H. Wood
Brian G. Young



Back row left to right: Daniel R. Brown, EVP - Chief Financial Officer; Cheri M. Caruso, EVP - Chief Technology, Digital Banking & Operations Officer; Gayle E. Price, EVP - Chief Human Resources Officer; Michael J. Seymour, EVP - Chief Experience, Marketing & Retail Lending Officer. Front row left to right: Ross W. Bartlett, EVP - Chief Commercial Banking & Risk Officer; Christopher J. Logan, President & CEO; Cydney D. Shapleigh, EVP - Chief Wealth Management & Retail Banking Officer.

BANKING OFFICES

ANTRIM

77 Main Street
603.588.6333

BEDFORD

32 South River Road
603.471.7043

CAMPTON

21 Tower Road
603.726.3442

CLAREMONT

14 Sullivan Street
603.542.3072

CONCORD

167 North Main Street
603.224.5444

CONCORD

11 Triangle Park Drive
603.228.6101

CONWAY

29 Main Street
603.447.2408

DOVER

845 Central Avenue
603.740.4277

GILFORD

1441 Lakeshore Road
603.528.1121

GILFORD

One Country Club Road
603.528.3000

GORHAM

583 Main Street
603.466.3352

HILLSBOROUGH

325 West Main Street
603.464.5444

LACONIA

62 Pleasant Street
603.527.3210

LINCOLN

76 Main Street
603.745.3431

LITTLETON

125 Main Street
603.444.5192

MANCHESTER

705 Hooksett Road
603.626.1301

MOULTONBOROUGH

960 Whittier Highway
603.476.2265

OSSIPEE

300 Route 16B
603.539.4278

PLYMOUTH

6 Riverside Drive
603.536.4200

ROCHESTER

301 North Main Street
603.330.7000

WHITEFIELD

22 King's Square
603.837.2532

WEALTH MANAGEMENT OFFICE

3 Eagle Square, Concord

LOAN PRODUCTION OFFICE

12 Northbrook Drive, Falmouth, ME



**Bank of
New Hampshire**

BankNH.com

1.800.832.0912



Member FDIC

WEALTH MANAGEMENT SERVICES

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