PUBLIC DISCLOSURE

March 2, 2026

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

TruNorth Bank
Certificate Number: 26484

248 Andover Street
Peabody, Massachusetts 01960

Division of Banks
One Federal Street, Suite 710
Boston, Massachusetts 02110

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the Division of Banks concerning the safety and soundness of this financial institution.

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This document is an evaluation of the Community Reinvestment Act (CRA) performance of TruNorth Bank (bank or TNB) prepared by the Massachusetts Division of Banks (Division), the institution's supervisory agency as of March 2, 2026. The Division rates the CRA performance of an institution consistent with the provisions set forth in Massachusetts Regulation 209 CMR 46.00.

INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Outstanding.**

An institution in this group has an outstanding record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

PERFORMANCE LEVELS	**PERFORMANCE TESTS**		
	Lending Test*	**Investment Test**	**Service Test**
Outstanding	X		
High Satisfactory		X	X
Satisfactory			
Needs to Improve			
Substantial Noncompliance			
** The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.*			

The Lending Test is rated Outstanding.

- Lending levels reflect excellent responsiveness to assessment area credit needs.
- The bank made a substantial majority of its home mortgage and small business loans inside the assessment area.
- The geographic distribution of home mortgage and small business loans reflect excellent penetration throughout the assessment area.
- The distribution of borrowers reflects excellent penetration among individuals of different income levels and businesses of different sizes in the assessment area.
- The bank makes use of innovative and flexible lending practices in a safe and sound manner.
- The bank is a leader in making community development loans.
- There is no evidence of loans that show an undue concentration and a systemic pattern of lending resulting in the loss of affordable housing units.
- A good record relative to fair lending policies and practices.

The Investment Test is rated <u>High Satisfactory</u>.

- The bank has a significant level of qualified investments and grants, particularly those that are not routinely provided by private investors, often in a leadership position.
- The bank exhibits good responsiveness to credit and community development needs.
- The bank makes significant uses innovative and/or complex investments to support community development initiatives.

The Service Test is rated <u>High Satisfactory</u>.

- Delivery systems are reasonably accessible to essentially all portions of the institution’s assessment area.
- To the extent changes have been made, the institution’s record of opening and closing of branches has improved the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or individuals.
- The bank’s retail services (including where appropriate, business hours) do not vary in a way that inconveniences portions of the assessment area, particularly in low- and moderate-income geographies and/or individuals.
- The institution provides a relatively high level of community development services.

SCOPE OF EVALUATION

General Information

This examination covers the period from the prior TNB evaluation dated July 25,2022, to the current evaluation dated March 2, 2026. Examiners used Large Institutions Examination Procedures to evaluate the bank's CRA performance. These procedures include three performance tests: The Lending Test, Investment Test, and Service Test.

The assessment area consists of the full counties of Essex, Middlesex, Norfolk, Suffolk and Plymouth Counties in Massachusetts, as well as Rockingham County in New Hampshire. These counties are all part of the Boston-Cambridge-Newton MA-NH Multistate MSA. Examiners used the 2020 US ACS updated data for metropolitan area boundaries, census tracts and their income levels, and demographic information.

The Lending Test considered the institution's performance according to the following criteria:

- Lending Activity
- Assessment Area Concentration
- Geographic Distribution
- Borrower Profile
- Innovative and/or Flexible Lending Practices
- Community Development Loans
- Fair Lending Program
- Loss of Affordable Housing

The Investment Test considered the following criteria:

- Number and dollar amount of qualified investments
- Responsiveness to credit and community development needs
- Innovativeness or complexity of qualified investments

The Service Test considered the following criteria:

- Accessibility of delivery systems
- Changes in branch locations
- Reasonableness of business hours and services

Loan Products Reviewed

Considering the bank's strategy and the number and dollar volume of loans originated during the evaluation period, TNB's major product lines are home mortgage loans and small business loans. The bank's record of originating home mortgage loans contributed more weight to overall conclusions.

This evaluation considered all home mortgage loans reported on the bank's2022, 2023, 2024 and 2025 Home Mortgage Disclosure Act (HMDA) Loan Application registers (LARs). The bank originated 388 HMDA reportable loans totaling $205.0 million in 2022, 135 HMDA reportable loans in 2023 totaling $105.8 million in 2023, 194 HMDA reportable loans totaling $154.8 million in 2024 and 254 HMDA reportable loans totaling $161.8 million in 2025. Examiners also considered the bank's affiliate home mortgage lending in 2023, 2024 and 2025 under the Geographic Distribution and Borrower Profile criterion. Affiliate loans attributed to TNB were originated and included on the bankESB HMDA LARs and distributed amongst affiliate lenders based on geographical location. The bank's affiliate lender originated 378 HDMA reportable loans totaling $194.9 million in 2023, 393 HMDA reportable loans totaling $163.8 million in 2024 and 615 HMDA reportable loans totaling $363.1 million in 2025.

Examiners reviewed the bank's reported small business loan data on the CRA LARs for 2022, 2023, 2024 and 2025 to draw conclusions about the bank's small business lending performance. TNB originated 136 small business loans totaling $45.6 million in 2022, 136 small business loans totaling $40.5 million in 2023, 94 small business loans totaling $30.9 million in 2024 and 80 small business loans totaling $31.2 million in 2025.

For the Lending Test, examiners reviewed the number and dollar volume of home mortgage and small business loans. While the tables throughout this evaluation include both the number and dollar volume of loans, examiners emphasized the bank's performance by number of loans, as the number of loans is a better indicator of the number of individuals and small businesses served. While examiners analyzed home mortgage and small business loan data for 2022, 2023, 2024 and 2025, only 2023 and 2024loan data is presented in the tables.

For the community development lending activity, innovative and flexible lending, qualified investments and donations, and qualified community development services, examiners drew conclusions based on data provided by bank management dating back to the prior CRA evaluation on July 25, 2022.

DESCRIPTION OF INSTITUTION

Background

TruNorth Bank (TNB) is a state-chartered Co-Operative Bank that operates in Eastern Massachusetts and Southern New Hampshire. The bank's main office is located at 248 Andover Street in Peabody, MA.

TNB, formally known as North Shore Bank, is a wholly owned subsidiary of the Hometown Financial Group (HGP). HFG is a $6.9 billion mutual multibank holding company and is the parent company of TruNorth Bank, bankESB, and bankHometown. Additionally, 16 Harrison Avenue Corp., 48 South Main Street Corporation, Compass Rose Security Corporation, First Eastern mortgage Corporation, NACB Securities Corporation, North Shore Security Corp., Essex County Properties LLC and Beach Street Securities Corporation are subsidiaries of TNB.

In 2024, North Shore Bank and Abington Bank merged, bringing North Shore Bank into the Hometown Financial Group. In 2025, North Shore Bank merged with Colonial Federal Savings Bank. In 2026, North Shore Bank and Abington Bank announced its name change to TruNorth Bank.

Operations

TNB is headquartered in Peabody, MA and operates 29 full-service branches. The bank's 27 MA branches are located in Abington, Avon, Beverly (3), Braintree, Cohasset (2), Danvers, Holbrook (2), Marion, Merrimac, Middleton, Peabody (2), Quincy (2), Randolph, Reading, Salem (2), Saugus (2), Stoughton (2), and Weymouth. The bank also operates one branch in Newton, NH and one stand-alone ATM in Plaistow, NH. At the time of the last evaluation, the bank operated 15 full-service branches. However, since the prior evaluation, the bank has merged with Abington Bank (10) and Colonial Federal Savings Bank (4), adding 14 branches.

TNB offers various financial products and services for consumers and business customers. The bank offers deposit products which include checking, savings, money market, certificates of deposit, and Individual Retirement Accounts. The bank offers loan products to its customers which include commercial, home mortgage, and consumer loans.

Ability and Capacity

As of December 31, 2025, the bank's assets totaled $3.2 billion, loans totaled $2.4 billion, deposits totaled $2.6 billion, and securities totaled $365.8 million. At the previous evaluation, the bank's total assets were $1.7 billion. The increase in assets is due to the bank's mergers with Abington Bank in September of 2024, and Colonial Federal Savings Bank in October of 2025. According to the bank's December 31, 2025, Call Report data, residential lending represents the majority of the loan portfolio, followed by commercial lending. The following table illustrates the loan portfolio distribution.

Loan Portfolio Distribution as of 12/31/2025		
Loan Category	**$(000s)**	**%**
Construction and Land Development	158,355	6.4
Secured by Farmland	307	0.0
Secured by 1-4 Family Residential Properties	1,111,104	44.9
Secured by Multifamily (5 or more) Residential Properties	352,830	14.3
Secured by Nonfarm Nonresidential Properties	697,370	28.2
Total Real Estate Loans	**2,319,966**	93.8
Commercial and Industrial Loans	149,348	6.0
Agricultural Loans	0	0.0
Consumer Loans	2,593	0.1
Other Loans	278	0.0
Less: Unearned Income	0	0.0
Total Loans	**2,472,185**	100.0
Source: Reports of Condition and Income		

Examiners did not identify any significant financial, legal, or other impediments that affect the bank's ability to meet the assessment area's needs.

DESCRIPTION OF ASSESSMENT AREAS

TNB designated one contiguous assessment area in the Boston-Cambridge-Newton, MA-NH Metropolitan Statistical Area (MSA). The Boston-Cambridge-Newton, MA-NH MSA includes the Boston, MA Metro Politan Division (MD), the Cambridge-Newton-Framingham, MA MD, and the Rockingham-Strafford, NH MD. Since the previous evaluation, the bank expanded its assessment area which now includes the full counties of Essex, Middlesex, Suffolk, Norfolk, and Plymouth in MA and Rockingham, NH. The following table reflects the cities and towns within each county.

Essex County, MA					
Amesbury	Andover	Beverly	Boxford	Danvers	Essex
Georgetown	Gloucester	Groveland	Hamilton	Haverhill	Ipswich
Lawrence	Lynn	Lynnfield	Manchester	Marblehead	Merrimac
Methuen	Middleton	Nahant	Newbury	Newburyport	North Andover
Peabody	Rockport	Rowley	Salem	Salisbury	Saugus
Swampscott	Topsfield	Wenham	West Newbury		
Middlesex County, MA					
Acton	Arlington	Ashby	Ashland	Ayer	Bedford
Belmont	Billerica	Boxborough	Burlington	Cambridge	Carlisle
Chelmsford	Concord	Dracut	Dunstable	Everett	Framingham
Groton	Holliston	Hopkinton	Hudson	Lexington	Lincoln
Littleton	Lowell	Malden	Marlborough	Maynard	Medford
Melrose	Natick	Newton	North Reading	Pepperell	Reading
Sherborn	Shirley	Somerville	Stoneham	Stow	Sudbury
Tewksbury	Townsend	Tyngsborough	Wakefield	Waltham	Watertown
Wayland	Westford	Weston	Wilmington	Winchester	Woburn
Norfolk County, MA					
Avon	Bellingham	Braintree	Brookline	Canton	Cohasset
Dedham	Dover	Foxborough	Franklin	Holbrook	Medfield
Medway	Millis	Milton	Needham	Norfolk	Norwood
Plainville	Quincy	Randolph	Sharon	Stoughton	Walpole
Wellesley	Westwood	Weymouth	Wrentham		
Plymouth County, MA					
Abington	Bridgewater	Brockton	Carver	Duxbury	East Bridgewater
Halifax	Hanover	Hanson	Hingham	Hull	Kingston
Lakeville	Marion	Marshfield	Mattapoisett	Middleborough	Norwell
Pembroke	Plymouth	Plympton	Rochester	Rockland	Scituate
Wareham	West Bridgewater	Whitman			
Suffolk County, MA					
Boston	Chelsea	Revere	Winthrop		
Rockingham County, NH					
Atkinson	Auburn	Brentwood	Candia	Chester	Danville
Deerfield	Derry	East Kingston	Epping	Exeter	Fremont
Greenland	Hampstead	Hampton	Hampton Falls	Kensington	Kingston
Londonderry	Newfields	Newmarket	Newton	North Hampton	Northwood
Nottingham	Plaistow	Portsmouth	Raymond	Rye	Salem
Sandown	Seabrook	Stratham	Windham		

Economic and Demographic Data

The assessment area consists of 1,104 census tracts with the following income designations according to the 2020 US American Community Survey (ACS).

- 110 low-income census tracts
- 198 moderate-income census tracts
- 396 middle-income census tracts
- 353 upper-income census tracts
- 47 census tracts with no income designation.

The low-income census tracts are located in Beverly, Boston (44), Brockton (7), Cambridge (2), Chelsea (2), Everett, Framingham (3), Gloucester, Haverhill (3), Lawrence (16), Lowell (10), Lynn (8), Malden (2), Methuen, Peabody, Quincy (2), Revere (2), Salem, MA (2), and Somerville (2). The moderate income-census tracts are located in Amesbury, Arlington, Beverly (3), Boston (40), Brockton (9), Cambridge (4) Carver (2), Chelsea (6), Danvers (3), Derry (2), Dracut, East Bridgewater, Everett (9), Framingham (3), Gloucester (3), Hampstead, Haverhill (5), Lakeville, Lawrence (2), Lowell (13), Lynn (12), Malden (4), Marlborough (2), Medford (4), Melrose, Methuen(5), Middleborough (3), Norwood (2), Peabody (3), Plymouth (2), Portsmouth, Quincy (7), Randolph, Raymond, Revere (7), Salem, MA (3), Salem, NH, Salisbury, Saugus (2), Seabrook, Somerville (4), Stoughton (3), Swampscott, Waltham (5), Wareham (3), Watertown (2), Weymouth (3), Winthrop, Woburn (3).
The following table illustrates demographic information of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	1,104	10.0	17.9	35.9	32.0	4.3
Population by Geography	4,810,743	9.3	18.6	37.8	33.2	1.2
Housing Units by Geography	1,917,937	8.7	18.7	38.8	32.7	1.1
Owner-Occupied Units by Geography	1,110,274	3.3	14.5	42.5	39.2	0.5
Occupied Rental Units by Geography	692,650	17.2	25.4	32.8	22.8	1.8
Vacant Units by Geography	115,013	9.8	19.1	38.7	30.6	1.9
Businesses by Geography	608,513	6.5	15.2	35.5	41.4	1.4
Farms by Geography	11,349	3.5	14.2	43.1	38.4	0.7
Family Distribution by Income Level	1,140,890	22.4	16.4	20.1	41.0	0.0
Household Distribution by Income Level	1,802,924	26.2	14.5	17.0	42.3	0.0
Median Family Income MSA – 14454 Boston, MA		$112,607	Median Housing Value			$519,067
Median Family Income MSA – 15764 Cambridge-Newton-Framingham, MA		$121,481	Median Gross Rent			$1,593
Median Family Income MSA – 40484 Rockingham County-Strafford County, NH		$107,377	Families Below Poverty Level			5.9%
Source: 2020 ACS, 2025 D&B Data, and FFIEC Estimated Median Family Income; (*) The NA category consists of geographies that have not been assigned an income classification.						

According to ACS data, the assessment area is comprised of 1,917,937 housing units. Of these units, 57.9 percent are owner-occupied, 36.1 percent are rental units, and 6.0 percent are vacant. According to 2020 ACS Data, the median housing value is $519,067. This is an increasing since the prior evaluation period in which the median housing value was $361,241.

The 2020 ACS Data also shows that 5.9 percent of the population in the assessment area are below the poverty level, which is a subset of the low-income category. These families generally face financial hardship and would likely not qualify for traditional home mortgage loans. Additionally, low-income census tracts contain only 3.3 percent of the areas owner-occupied housing units, which limit opportunities for institutions to make home mortgage loans in these geographies compared to the percentage of owner-occupied units in other geographies.

Examiners used the Federal Financial Institutions Examination Council (FFIEC) updated median family income levels to analyze home-mortgage loans under the Borrower Profile criterion. The following table shows the low-, moderate-, middle-, and upper-income categories for the assessment area.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
Boston, MA Median Family Income (14454)				
2022 ($129,500)	<$64,750	$64,750 to <$103,600	$103,600 to <$155,400	≥$155,400
2023 ($136,900)	<$68,450	$68,450 to <$109,520	$109,520 to <$164,280	≥$164,280
2024 ($136,200)	<$68,100	$68,100 to <$108,960	$108,960 to <$163,440	≥$163,440
2025 ($150,200)	<$75,100	$75,100 to <$120,160	$120,160 to <$180,240	≥$180,240
Cambridge-Newton-Framingham, MA Median Family Income (15764)				
2022 ($138,700)	<$69,350	$69,350 to <$110,960	$110,960 to <$166,440	≥$166,440
2023 ($146,200)	<$73,100	$73,100 to <$116,960	$116,960 to <$175,440	≥$175,440
2024 ($146,600)	<$73,300	$73,300 to <$117,280	$117,280 to <$175,920	≥$175,920
2025 ($155,300)	<$77,650	$77,650 to <$124,240	$124,240 to <$186,360	≥$186,360
Rockingham County-Strafford County, NH Median Family Income (40484)				
2022 ($122,500)	<$61,250	$61,250 to <$98,000	$98,000 to <$147,000	≥$147,000
2023 ($135,200)	<$67,600	$67,600 to <$108,160	$108,160 to <$162,240	≥$162,240
2024 ($138,600)	<$69,300	$69,300 to <$110,880	$110,880 to <$166,320	≥$166,320
2025 ($144,000)	<$72,000	$72,000 to <$115,200	$115,200 to <$172,800	≥$172,800
Source: FFIEC				

According to 2025 D&B data, there were 608,513 businesses in the assessment area. GARs for these businesses are below.

- 89.2 percent of businesses have GARs less than or equal to $1.0 million,
- 3.7 percent of businesses have GARs greater than $1.0 million, and
- 7.1 percent of businesses have unknown revenues.

Service industries represent the largest portion of businesses at 36.2 percent; followed by non-classifiable establishments (23.9); finance, insurance, and real estate (12.4); retail trade (9.0); and construction (7.4). In addition, 61.2 percent of the area businesses have four or fewer employees, and 92.4 percent operate from a single location.

Competition

TNB operates in a highly competitive market for financial services. According to 2024 branch and deposit data, the assessment area has 202 financial institutions that operate 1,617 branches. State Street Bank and Trust Company, Bank of America, N.A., Citizens Bank, N.A., Santander Bank, N.A., and were the top five institutions in the assessment area with 69.2 percent of total deposits. TNB ranked 36th in the assessment area with 0.3 percent market share.

The bank also faces high levels of competition for home mortgage and small business lending from national lenders, mortgage companies, community banks, and credit unions. In 2024, 696 HMDA-reporting lenders originated or purchased 140,591 loans in the assessment area. Citizens Bank, N.A., Guaranteed Rate, Inc., and Bank of America, N.A., held the largest market share. The top three lenders held 15.8 percent of the total market share.

For small business lending in 2024, 203 lenders originated 145,024 small business loans in the assessment area. The top three lenders in the market were American Express National Bank, JPMorgan Chase Bank, N.A., and Bank of America N.A. held 58.0 percent of the market share.

Community Contact

As part of the evaluation process, examiners contact third parties that are active in the assessment area to understand the area's credit and community development needs. This information helps to determine whether local financial institutions respond to those needs. The information also shows what credit and community development opportunities are available. Examiners contacted three community contacts with organizations serving communities within the assessment area.

Examiners met with a representative of an organization active in the bank’s assessment area. The contact indicated that while local institutions support small business development, affordable housing remains a significant community development need. The contact discussed an increase in new housing construction in the area; however, it was unclear whether a meaningful portion of new units would be affordable for low- and moderate-income individuals and families, further detailing the need for affordable housing in the area.

A second community contact represented an organization that provides community services primarily to low- and moderate-income individuals within the bank’s assessment area. The organization offers a broad range of programs, including housing and shelter services; food and clothing banks; emergency assistance for household expenses; financial and digital literacy workshops; and down payment assistance for first-time homebuyers. The contact identified affordable housing as the primary credit need in the area, citing rising market prices and limited housing inventory. The contact also noted that achieving homeownership is particularly challenging for individuals and families with incomes below the median level. In addition, the organization indicated a need for financial education for young adults entering the workforce.

The final community contact represented a community service organization that serves communities throughout New Hampshire, with a primary focus on low-income individuals in need of rental assistance or temporary housing. In addition to homelessness prevention services, the organization provides youth-focused support, including childcare assistance, afterschool programming, and supplies for camps. The contact indicated that local institutions are active in the area; however, the contact identified a continued need for financial education and family resource centers, particularly in low- and moderate-income communities.

Credit and Community Development Needs and Opportunities

Examiners considered information obtained from community contacts, discussions with bank management, and a review of available economic and demographic data to assess the assessment area's primary credit and community development needs. This collective information indicated that access to affordable housing is the predominant community development need within the area. Community contacts consistently cited limited housing inventory, rising home prices, and increasing rental costs as key factors contributing to affordability challenges. These conditions, when considered alongside median family income levels and the financial constraints faced by low- and moderate-income individuals and families, support the conclusion that affordable housing remains the most significant need. In addition, examiners identified financial education, such as digital and financial literary, as an important complementary need, particularly for low- and moderate-income residents. Examiners also identified the need for innovative and flexible lending products that increase access to lending for low- and moderate-income individuals and families through lower down payments and grant programs.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

The bank's Lending Test is rated "Outstanding". The following sections discuss the bank's performance under each criterion.

Lending Activity

Lending levels reflect excellent responsiveness to the assessment area credit needs. In 2022, TNB originated or purchased 388 home mortgage loans totaling $195.0 million within its assessment area. The bank's lending activity in 2023 decreased to 135 home mortgage loans totaling $105.8 million. In 2023 TNB originated or purchased 194 home mortgage loans totaling $154.8 million and continued to increase lending in the assessment area in 2025 in which the bank originated or purchased 225 home mortgage loans totaling $147.6 million within the assessment area. TNB originated 111 small business loans totaling $39.1 million in the assessment area in 2022. In 2023, the number of small business loans increased to 113 loans totaling $37.1 million. The bank's small business lending decreased in

2024 and 2025. The bank originated 91 small business loans totaling $29.3 million in 2024 and 70 small business loans totaling 27.4 million in 2025.

During the evaluation period the bank also originated 91 community development loans for approximately $115.8 million. The bank's community development lending represents an increase of 145.9 percent by number and 134.0 percent by dollar. TNB maintained an average loan to deposit ratio of approximately 92.1 percent since the previous evaluation. This reflects lending activity appropriate for the bank's level of deposits and supports good performance.

Assessment Area Concentration

The bank made a substantial majority of its home mortgage and small business loans inside the assessment area. During the evaluation period, the bank's lending inside its assessment area increased by both number and volume. For the evaluation period, the bank originated 90.8 percent of its loans inside the assessment area by number and 94.6 percent by dollar amount.

Lending Inside and Outside of the Assessment Area										
Loan Category	**Number of Loans**				**Total**	**Dollar Amount of Loans**				**Total $(000)**
	Inside		**Outside**			**Inside**		**Outside**		
	#	**%**	**#**	**%**	**#**	**$(000)**	**%**	**$(000)**	**%**	
Home Mortgage										
2023	135	87.1	20	12.9	155	105,818	93.5	7,373	6.5	113,191
2024	194	92.4	16	7.6	210	154,843	96.0	6,431	4.0	161,275
Subtotal	**329**	**90.1**	**36**	**9.9**	**365**	**260,661**	**95.0**	**13,805**	**5.0**	**274,466**
Small Business										
2023	113	88.3	15	11.7	128	37,088	91.5	3,426	8.5	40,514
2024	91	96.8	3	3.2	94	29,315	94.9	1,563	5.1	30,878
Subtotal	**204**	**91.9**	**18**	**8.1**	**222**	**66,403**	**93.0**	**4,989**	**7.0**	**71,392**
Total	**533**	**90.8**	**54**	**9.2**	**587**	**327,064**	**94.6**	**18,794**	**5.4**	**345,858**
Source: Bank Data										

Geographic Distribution

The geographic distribution of home mortgages and small business loans reflects excellent penetration throughout the assessment area. The bank's performance in originating home mortgage loans and small business loans in low- and moderate-income census tracts support this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent penetration throughout the assessment area. The bank's lending performance in low-income census tracts trailed the aggregate performance for 2023 and 2024 but exceeded the percentage of owner-occupied housing units in those tracts. In moderate-income census tracts, the bank's lending performance was above the aggregate in 2023 and was consistent with the aggregate in 2024. In lending moderate-income census tracts, the bank was above the percentage of owner-occupied housing units again in both 2023 and 2024. In 2025, the bank's performance increased to 4.0 percent in lending to low-income census tracts and to 15.7 percent in lending to moderate-income census tracts.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	**% of Owner-Occupied Housing Units**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	3.3	4.8	22	4.3	21,533	7.2
2024	3.3	4.5	17	2.9	14,061	4.4
Moderate						
2023	14.5	14.5	78	15.2	51,419	17.1
2024	14.5	15.4	90	15.3	52,594	16.5
Middle						
2023	42.5	39.1	236	46.0	105,545	35.1
2024	42.5	42.7	267	45.5	87,747	27.5
Upper						
2023	39.2	40.8	173	33.7	119,644	39.8
2024	39.2	36.8	209	35.6	149,088	46.8
Not Available						
2023	0.5	0.9	4	0.8	2,551	0.8
2024	0.5	0.6	4	0.7	15,096	4.7
Total						
2023	**100.0**	**100.0**	**513**	**100.0**	**300,692**	**100.0**
2024	**100.0**	**100.0**	**587**	**100.0**	**318,586**	**100.0**
Source: 2020 ACS; Bank Data, Bank Data, "--" data not available.						

Small Business

The distribution of small business loans reflects excellent penetration throughout the assessment area. In 2023 and 2024 the bank exceeded aggregate performance and the percentage of businesses in low- and moderate-income census tracts. In 2023, the bank originated 16.8 percent of small business loans in low-income census tract compared to the aggregate at 6.0 percent and the percentage of businesses at 6.3 percent. In moderate-income census tracts, the bank originated 25.7 percent of small business loans in 2023 and increased the percentage of loans to 31.9 percent in 2024. The bank's performance was above the aggregate at 16.2 percent and the percentage of businesses at 15.0. In 2025, the bank's small business lending in low-income tracts increased to 11.4 percent.

Geographic Distribution of Small Business Loans						
Tract Income Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	6.3	6.0	19	16.8	4,893	13.2
2024	6.3	6.0	9	9.9	2,155	7.4
Moderate						
2023	15.0	16.2	29	25.7	5,933	16.0
2024	15.0	16.2	29	31.9	9,493	32.4
Middle						
2023	35.5	37.9	47	41.6	19,494	52.6
2024	35.8	37.3	42	46.2	13,419	45.8
Upper						
2023	41.8	38.8	17	15.0	6,518	17.6
2024	41.5	39.3	11	12.1	4,248	14.5
Not Available						
2023	1.4	1.2	1	0.9	250	0.7
2024	1.4	1.2	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**113**	**100.0**	**37,088**	**100.0**
2024	**100.0**	**100.0**	**91**	**100.0**	**29,315**	**100.0**
Source: 2023 & 2024 D&B Data; Bank Data, 2023 & 2024 CRA Aggregate Data, "--" data not available.						

Borrower Profile

The distribution of borrowers reflects excellent penetration among individuals of different income levels and businesses of different sizes in the assessment area. The bank's performance in home mortgage and small business lending supports this conclusion. Examiners focused on loans made to low- and moderate-income borrowers and small business loans made to businesses with GARs of $1.0 million or less.

Home Mortgage

The distribution of home mortgage loans reflects excellent penetration among borrowers of different income levels, particularly low- and moderate-income borrowers. In 2023, the bank made 3.9 percent of its loans to low-income borrowers trailing the aggregate at 5.6 percent and the percentage of families at 22.4 percent. In lending to moderate-income borrowers, the bank made 18.1 percent of its loans, exceeding the aggregate at 15.3 percent and the percentage of families at 16.4 percent. In 2024, the bank increased its lending to low-income borrowers to 6.0 percent, exceeding the aggregate at 5.1 percent. The bank's lending to moderate-income borrowers in 2024 decreased to 16.9 percent but was still above the aggregate performance at 15.6 percent and the percentage of families. In 2025, the bank's performance in lending to low-income borrowers increased to 9.9 percent and 22.3 percent in lending to moderate-income borrowers.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	**% of Families**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2023	22.4	5.6	20	3.9	4,103	1.4
2024	22.4	5.1	35	6.0	4,208	1.3
Moderate						
2023	16.4	15.3	93	18.1	31,000	10.3
2024	16.4	15.6	99	16.9	23,534	7.4
Middle						
2023	20.1	21.2	146	28.5	60,453	20.1
2024	20.1	23.0	147	25.0	46,847	14.7
Upper						
2023	41.0	35.8	223	43.5	136,579	45.4
2024	41.0	40.8	268	45.7	135,539	42.5
Not Available						
2023	0.0	22.1	31	6.0	68,557	22.8
2024	0.0	15.6	38	6.5	108,458	34.0
Total						
2023	**100.0**	**100.0**	**513**	**100.0**	**300,692**	**100.0**
2024	**100.0**	**100.0**	**587**	**100.0**	**318,586**	**100.0**
Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available.						

Small Business

The distribution of small business loans reflects excellent penetration of loans to businesses with GARs of $1.0 million or less. In 2023, the bank originated 46.0 percent of its small business loans to businesses with GARs of $1.0 million or less which was below the aggregate at 52.0 percent. In 2024, the bank increased its performance to 52.7 percent, which was above the aggregate at 51.7 percent. In 2025, the bank's performance decreased slightly to 48.6 percent of its lending to businesses with GARs of $1.0 million or less.

Distribution of Small Business Loans by Gross Annual Revenue Category						
Business Revenue Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000						
2023	89.5	52.0	52	46.0	17,202	46.4
2024	89.2	51.7	48	52.7	14,748	50.3
>$1,000,000						
2023	3.8	--	53	46.9	17,419	47.0
2024	3.9	--	43	47.3	14,567	49.7
Revenue Not Available						
2023	6.6	--	8	7.1	2,467	6.7
2024	6.9	--	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**113**	**100.0**	**37,088**	**100.0**
2024	**100.0**	**100.0**	**91**	**100.0**	**29,315**	**100.0**
Source: 2023 & 2024 D&B Data; Bank Data, 2023 & 2024 CRA Aggregate Data, "--" data not available.						

Innovative or Flexible Lending Practices

The bank makes use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies. During the evaluation period, the bank originated 55 loans totaling approximately $26.7 million. The bank also provided $129,000 in loan credits to low- and moderate-income borrowers. The following table illustrates the innovative and flexible loans originated during the evaluation period.

Innovative or Flexible Lending Programs										
Type of Program	**2022**		**2023**		**2024**		**2025**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
FTHB	1	475	19	8,606	1	500	0	0	21	9,581
Mass Housing FTHB	2	303	0	0	1	248	0	0	3	551
FNMA Home Ready	0	0	1	299	0	0	0	0	1	299
Total Residential Loans	**3**	**778**	**20**	**8,995**	**2**	**748**	**0**	**0**	**25**	**10,521**
FHLB HOW Grant	0	0	3	104	1	25	0	0	4	129
Total Grants	**0**	**0**	**3**	**104**	**1**	**25**	**0**	**0**	**4**	**129**
SBA 504 Loans	3	774	6	9,229	5	1,652	0	0	14	11,655
SBA 7a/Express Loans	3	1,090	10	2,776	2	280	1	500	16	4,646
Total Small Business Loans	**6**	**1,864**	**16**	**12,005**	**7**	**1,932**	**1**	**500**	**30**	**16,301**
Totals	**9**	**2,642**	**39**	**21,104**	**10**	**2,705**	**1**	**500**	**59**	**26,951**
Source: Bank Records										

Home Mortgage Loan Programs

- **Mass Housing First Time Home Buyer Program** - This first-time homebuyer program offers flexible underwriting including down payment assistance, competitive fixed rates and no hidden fees. Loans are also insured through Mass Housing's MI Plus which helps with mortgage payments in case of job loss.

- **Fannie Mae HomeReady** - This program offers flexible mortgage products for low-income borrowers. The program allows for three percent down-payment with no minimum personal contribution required. The program also considers on-time rent payments in loan eligibility.

- **Federal Home Loan Bank Housing Our Workforce Grant** -This program offers grants to help homebuyers who are earning 80 percent to 120 percent of the area median income with down-payment and closing cost assistance.

Small Business Loan Programs

- **SBA 7a Loan Program** - This loan program helps small businesses with start-up expenses or expansion. SBA 7a loans offer long-term financing options, a fixed maturity, and no prepayment penalties. The maximum loan amount is $5.0 million, and the SBA guarantees 75.0 percent of the value of most loans; 85.0 percent guaranty for loans up to $150,000.

- **SBA 504 Certified Development Company (CDC) Program** - This loan program provides small businesses with long-term financing through a Certified Development Company (CDC) and promotes business growth and job creation. Generally, the loan structure includes a 10.0 percent equity investment by the small business, 40.0 percent participation from the CDC, and 50.0 percent participation by the bank.

Community Development Loans

The bank is a leader in making community development loans. During the evaluation period, the bank originated 91 community development loans totaling $115.8 million. The bank's community development loans include eight loans for approximately $5.8 million that were originated outside of the bank's assessment area but were part of a greater statewide or regional area. Examiners considered these loans as the bank demonstrated responsiveness to the community development credit needs of the assessment area. The bank's $115.8 million in community development lending represents 5.5 percent of average total assets and 7.1 percent of average total loans for the evaluation period.

A majority of the bank's community development loans supported affordable housing, which is an identified need within the assessment area. Additional loans assisted in economic development initiatives and community services to low- and moderate-income individuals, families and small businesses in the assessment area. When compared to similarly situated institutions, TNB outperformed those institutions. The following table illustrates the bank's community development lending activity by year and purpose.

Community Development Lending										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
7/25/22–12/31/22	5	8,795	1	1,340	5	847	0	0	**11**	**10,982**
2023	15	19,556	4	2,385	10	9,742	1	3,064	**30**	**34,747**
2024	17	28,274	1	350	3	1,427	0	0	**21**	**30,052**
2025	16	21,738	3	7,093	7	7,931	0	0	**26**	**36,762**
YTD 2026	3	3,255	0	0	0	0	0	0	**3**	**3,255**
Total	**56**	**81,618**	**9**	**11,168**	**25**	**19,947**	**1**	**3,064**	**91**	**115,798**
Source: Bank Records										

The following are notable examples of the bank's community development loans inside the assessment area.

- In 2022, the bank originated a $5.2 million loan for the purchase and construction of affordable housing units in Gloucester MA. The property which is located in a moderate-income census tract will be converted into 44 income restricted affordable housing units reserved for seniors earning less than 60 percent of the area median income.

- In 2023, the bank originated a $4.3 million loan for the construction of 19 affordable housing units in Lynn, MA. The property will be leased to a local housing authority that is dedicated to ending homelessness in Massachusetts.

- In 2024, the bank originated a $29.5 million loan for the purchase and construction of a 77-unit residential building located in Boston, MA. Of the 77 units, 15 units will be reserved as affordable housing for low- and moderate-income individuals. The bank received pro-rata consideration for this loan in the amount of $5.7 million.

- During the evaluation period, the bank made several loans to the Massachusetts Business Development Corporation for the purpose of economic development. This organization provides small businesses in Massachusetts loans through financial institutions that participate in the program which are used for start-up costs, expansion, or working capital.

Loss of Affordable Housing

The Division of Banks' regulation 209 CMR 46.22(2)(g) requires that the evaluation of the lending performance of a large institution includes a review of its efforts to forestall the loss of affordable housing. The Division reviews the institution's loans to ensure that there is no undue concentration or a systematic pattern of lending resulting in the loss of affordable housing units.

The bank's development of and participation in flexible lending programs and community development lending reflect good performance for this criterion. In addition, the bank's record of foreclosures and investment initiatives support this conclusion.

Fair Lending Policies and Procedures

The Division of Banks provides comments regarding the institution's fair lending policies and procedures pursuant to Regulatory Bulletin 1.3-106. A review of the bank's public comment file indicated the bank received no complaints pertaining to the institution's CRA performance since the previous examination. The fair lending review was conducted in accordance with the Federal Financial Institutions Examination Council (FFIEC) Interagency Fair Lending Examination Procedures. Based on these procedures, no evidence of disparate treatment was noted.

Minority Application Flow

The bank's HMDA LARs for 2023 and 2024 were reviewed to determine if the application flow from the different racial groups within the bank's assessment area was reflective of the assessment area's demographics. Considering the bank's resources, capabilities, demographic composition of the assessment area, comparisons to aggregate data in 2023 and 2024, and the bank's lending focus, the bank's minority application flow is reasonable.

According to the 2020 ACS US Census Data, the bank's assessment area contained a total population of 4,810,743 individuals of which 33.9 percent are minorities. The minority population represented is 10.0 percent Asian, 8.0 percent Black/African American, 0.3 percent Native Hawaiian or Pacific Islander, 0.1 percent American Indian, 12.0 percent Hispanic or Latino, and 6 .9 percent other.

In 2023, the bank and its affiliate received 648 HMDA reportable loan applications within the assessment area. Of these applications, 155 or 24.0 percent were received from minority applicants. The aggregate received 15.9 percent of its applications from minority applicants. For the same period, the bank received 25 or 3.8 percent of all applications from ethnic groups of Hispanic origin within its assessment area. This was compared to an aggregate ethnic minority application rate of 8.1 percent.

In 2024, the bank and its affiliate received 779 HMDA reportable loan applications within the assessment area. Of these applications, 110 or 14.1 percent were received from minority applicants. The aggregate received 17.4 percent of its applications from minority applicants. For the same period, the bank received 35 or 4.5 percent of all applications from ethnic groups of Hispanic origin within its assessment area. This was compared to an aggregate ethnic minority application rate of 9.2 percent.

MINORITY APPLICATION FLOW						
RACE	2023 Bank Data		2023 Aggregate Data	2024 Bank Data		2024 Aggregate Data
	#	%	%	#	%	%
American Indian/ Alaska Native	0	0.0	0.3	1	0.1	0.3
Asian	88	13.4	8.0	53	6.8	8.8
Black/ African American	53	8.1	5.5	39	5.0	5.9
Hawaiian/Pacific Islander	0	0.0	0.1	2	0.3	0.2
2 or more Minority	1	0.2	0.2	4	0.5	0.2
Joint Race (White/Minority)	15	2.3	1.8	11	1.4	2.0
Total Racial Minority	**155**	**24.0**	**15.9**	**110**	**14.1**	**17.4**
White	408	62.0	54.7	541	69.5	58.6
Race Not Available	93	14.0	29.4	128	16.4	24.0
Total	**658**	**100.0**	**100.0**	**779**	**100.0**	**100.0**
ETHNICITY						
Hispanic or Latino	18	2.7	6.6	29	3.7	7.6
Joint (Hisp/Lat /Not Hisp/Lat)	7	1.1	1.5	6	0.8	1.6
Total Ethnic Minority	**25**	**3.8**	**8.1**	**35**	**4.5**	**9.2**
Not Hispanic or Latino	546	83.0	63.1	607	77.9	67.4
Ethnicity Not Available	87	13.2	28.8	137	17.6	23.4
Total	**658**	**100.0**	**100.0**	**779**	**100.0**	**100.0**
Source: 2020 US Census Data, HMDA Aggregate Data 2023 and 2024, Bank Data 2023 and 2024						

INVESTMENT TEST

The bank's Investment Test is rated "High Satisfactory". The following sections discuss the bank's performance under each criterion.

Investment and Grant Activity

TNB has a significant level of qualified investments and grants, particularly those that are not routinely provided by private investors, often in a leadership position. During the evaluation period, the bank had 393 investments and donations for approximately $12.9 million. The bank's 97.9 percent increase in donations is higher than the bank's 94.2 percent increase in total assets. During the evaluation the bank's investments also increased 79.5 percent. The increase in investments and donations considers those investments and donations acquired through mergers. The bank's qualified investments represent 0.6 percent of total average assets and 4.0 percent of total average investments.

The majority of donations, by number, supported community service organizations that serve low- and moderate-income individuals and families in the assessment area. Examiners compared the bank's investment activity to that of similarly situated institutions. Examiners selected institutions based on asset size, geographic location and lending focus. TNB's investment activity was below the performance of those similarly situated institutions. The following table illustrates the bank's community development investments by year and purpose.

Qualified Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)
Prior Period	4	4,993	1	1,419	2	3,058	0	0	**7**	**9,470**
7/25/22–12/31/22	0	0	0	0	0	0	0	0	**0**	**0**
2023	0	0	0	0	0	0	0	0	**0**	**0**
2024	0	0	0	0	0	0	0	0	**0**	**0**
2025	1	1,997	0	0	0	0	0	0	**1**	**1,997**
YTD 2026	0	0	0	0	0	0	0	0	**0**	**0**
Subtotal	**5**	**6,990**	**1**	**1,419**	**2**	**3,058**	**0**	**0**	**8**	**11,467**
Qualified Grants & Donations	27	321	355	1,117	0	0	3	35	**385**	**1,473**
Total	**32**	**7,311**	**356**	**2,536**	**2**	**3,058**	**3**	**35**	**393**	**12,940**
Source: Bank Records										

Equity Investments

The bank has 8 investments totaling approximately $11.5 million. Of this total, one investment for approximately $2.0 million is new and seven investments for approximately $9.5 million remain from the prior period. The total dollar amount of equity investments equates to 0.4 percent of total assets and 2.9 percent of total investments. The following are examples of the bank's prior period and new equity investments.

Prior Period Investments

- **Freddie Mac Mortgage-Backed Securities** – The bank purchased mortgage-backed securities (MBS) in 2019, 2021, and 2022. These investments are secured by mortgages to low- and moderate-income borrowers throughout the assessment area. The current book value of these investments is approximately $5.0 million.

- **YMCA Municipal Bond-** The bank purchased a YMCA Municipal Bond in 2017. This investment was used to renovate and build an educational center at the Beverly YMCA. The current book value is $1.4 million.

- **Small Business Investment Companies (SBIC) –** The bank made two investments in SBICs in 2020 and 2021. These investments provide capital to small businesses through government backed loans. The current book value of these investments is approximately $3.1 million.

New Investments

- **Brookline Tax Credit Fund II, LLC -–** In 2025, the bank purchased a $2.0 million Low-Income Housing Tax Credit for the construction of 50 affordable housing units as part of a larger 250-unit property.

Donations

- **Harborlight Homes** – Harborlight Homes (HH) is a non-profit, Massachusetts-certified nonprofit Community Development Corporation focused on the creation and preservation of affordable housing across the North Shore region. HH develops and manages its own affordable housing communities, including family, senior, and supportive housing, and further provides on-site resident services such as case management and financial coaching. In 2025, the bank donated supporting affordable housing initiatives inside the assessment area.

- **Self Help Inc**. – In 2024, the bank donated to Self Help Inc., a nonprofit Community Action Agency (CAA) providing community services to low- and moderate-income individuals throughout Southeastern Massachusetts. Services provided by Self Help Inc. include energy assistance, parent workshops, Head Start early education and connects individuals and families to emergency services.

- **North Shore Community Development Coalition (NSCDC)** – North Shore CDC invests in low-income or distressed North Shore neighborhoods in order to improve quality of life for its residents. The organization creates and maintains affordable housing developments, offers technical support for small businesses, provides a community center for residents and program partners, and offers supportive services and case management to unhoused youth and young adults in the communities of Lynn and Salem. In 2024, the bank donated to NSCDC to support community services provided within the assessment area.

- **Wellspring Multi-service Centers** – Wellspring Multi-Service Centers is a 501(c)3 non-profit serving the communities on the South Shore of Massachusetts. Wellspring Multi-service Centers offers case management services, both general and domestic abuse counseling, housing insecurity assistance, transportation services to and from the Wellspring Food Pantry, legal advocacy, and emergency services for individuals and families in crisis. In 2025, TNB supported this organization in providing community services to low- and moderate-income individuals.

In-Kind Contribution

- TNB provides office space at its Danvers Branch location to Habitat for Humanity at no cost to the organization. Habitat for Humanity is a non-profit organization that creates, rehabilitates, and preserves affordable housing for low- and moderate-income individuals and families.

Responsiveness to Credit and Community Development Needs

The bank exhibits good responsiveness to credit and community development needs. The bank provided approximately $7.3 million in investments and donations for affordable housing initiatives, which examiners identified as a significant need given the assessment area's high housing costs and lack of affordable housing. The bank's new investments created approximately 50 new affordable housing units in the bank's assessment area. The bank also maintains four prior period investments and made 27 donations totaling $5.3 million to further support affordable housing initiatives. The bank also made 356 investments and donations that supported low- and moderate-income individuals and families through a wide range of other community development services in the assessment area.

<u>Community Development Initiatives</u>

The bank occasionally uses innovative and/or complex investments to support community development initiatives. During the exam period, the bank made an innovative investment in affordable housing which requires expertise in Low-Income Housing Tax Credits. The bank also provided retail office space for a local affordable housing organization at no cost. These types of investments are not routinely provided by other investors due to their complexity.

SERVICE TEST

The bank's overall Service Test performance is rated "High Satisfactory". The following sections discuss the bank's performance under each criterion.

<u>Accessibility of Delivery Systems</u>

Delivery systems are reasonably accessible to essentially all portions of the institution's assessment area. TNB operates 29 locations, including its main office. Automated Teller Machines (ATMs) are found at all branch locations, with the exception of one free-standing, cash-only ATM located in Plaistow, New Hampshire.

The following table illustrates branch and ATM distribution by tract income level.

Branch and ATM Distribution by Geography Income Level

Tract Income Level	Census Tracts		Population		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	110	10.0	447,399	9.3	2	6.9	3	7.3
Moderate	198	17.9	894,798	18.6	7	24.1	8	19.5
Middle	396	35.9	1,818,460	37.7	16	55.2	26	63.4
Upper	353	32.0	1,597,166	33.2	4	13.8	4	9.8
NA	47	4.3	57,728	1.2	0	0.0	0	0.0
Total	**1,104**	**100.0**	**4,815,551**	**100.0**	**29**	**100.0**	**41**	**100.0**

Source: 2020 ACS Data; Bank Data

TNB maintains two branches (6.9 percent) and three (7.3 percent) ATMs in low-income census tracts. The percentage of branches and ATMs are below the percentage of the low-income population, at 9.3 percent, and low-income census tracts, at 10.0 percent. In moderate-income census tracts, the bank operates seven branches (24.1 percent) and eight ATMs (19.5 percent), which exceeds both the percentage of moderate-income populations (18.6 percent) and percentage of moderate-income census tracts (17.9 percent). Examiners also identified six branches located in middle-income census tracts, that are immediately adjacent to low- and moderate-income census tracts, increasing the bank's accessibility to those tracts. Although there are only two branches in low-income census tracts, local bus routes increase branch accessibility for low- and moderate-income individuals.

The bank's 41 ATM network provides access to customer accounts in either English or Spanish. The bank increases its accessibility of delivery systems through its participation in the Allpoint, and SUM ATM networks, allowing customers the capability to conduct surcharge-free ATM transactions at thousands of freestanding ATMs.

Delivery systems are further enhanced via telephone, online, and mobile banking platforms. Available services include balance inquiries, online statements, internal and external fund transfers, person-to-person payments (Zelle), mobile check deposit, bill pay, and mobile payments (Apple, Google, or Samsung Pay). Customers can also manage account alerts, set travel notifications, and update contact information.

Additionally, TNB participates in the Basic Banking for Massachusetts program, as established by the Partnership for Financial Equity. The participating banks are expected to maintain simple, low-cost depository accounts to encourage unbanked individuals to save money more effectively. TNB's basic checking and savings accounts require $10 to open, allows for unlimited transactions, and does not charge monthly maintenance fees.

Changes in Branch Locations

To the extent changes have been made, the institution's record of opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. Since the prior evaluation, TNB merged with Abington Bank in 2024 and with Colonial Federal Savings Bank in 2025, adding an additional 14 branch locations to its existing branch network. Of these acquired branch locations, four (28.6 percent) are located in a moderate-income census tract, seven (50.0 percent) are located in a middle-income census tract, and three (21.4 percent) are located in an upper-income census tract.

The following table illustrates the number of branch openings and closings by tract income-designation.

Distribution of Branch Openings/Closings						
Year	# of Branch Openings	# of Branch Closings	Income Level of Census Tract (+/-)			
			Low	Moderate	Middle	Upper
2024	10	0	0	2	5	3
2025	4	0	0	2	2	0
Total	**14**	**0**	**0**	**4**	**7**	**3**
Source: Bank Data						

Reasonableness of Business Hours and Services

The bank's retail services (including, where appropriate, business hours) do not vary in a way that inconveniences portions of the assessment area, particularly in low- and moderate-income geographies and/or individuals. All retail branches offer the same loan and deposit products and services. While business hours may vary between branch locations, drive-through hours generally reflect the business hours of the branch.

In low-income census tracts, both the Cabot Street (Beverly) and Lafayette Street (Salem) locations are open Monday to Friday, from 9:00AM to 5:00PM. Drive-through services are available at the Lafayette Street branch and reflect the business hours of the branch. Of these two branches, weekend hours are available at only the Lafayette Street branch, on Saturdays from 9:00AM to 1:00PM. Branches located in moderate-income census tracts exhibit a wider variety of business hours. Of the seven branches located in moderate-income census tracts branch hours vary slightly with branches opening between 8:00 AM and 9:00 AM and closing between 4:00 PM and 5:00 PM. Five of these branches offer extended hours of operation on Thursday and/or Friday. All branches, except for one, maintain Saturday business hours. The South Artery Quincy branch is unique in that it is only open from 9:00AM to 12:00PM, Monday through Friday with access to residents of the 1000 Southern Artery Senior Center.

Community Development Services

The institution provides a relatively high level of community development services. The bank provided 1,806 hours of community development service to 49 separate organizations during the evaluation period. The majority of service hours came from employees volunteering to serve in either committee or board member roles, primarily to organizations providing community services to low- and moderate-income individuals and families located in the assessment area. Compared to similarly situated institutions, TNB's level of community development service hours ranked above one institution and below the other institution. The following table details community development services by year and purpose.

Community Development Services					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2022	6	123	4	0	133
2023	37	118	26	0	181
2024	27	250	30	0	307
2025	7	1,001	152	0	1,160
YTD 2026	1	19	5	0	25
Total	**78**	**1,511**	**217**	**0**	**1,806**
Source: Bank Data					

The following are examples of notable community development services.

- **NeighborWorks Housing Solutions (NWHS)** – NWHS is a non-profit organization working to increase access to affordable housing. NWHS services include first-time homebuyer education, financial coaching, rental assistance, emergency financial help, and foreclosure prevention. NWHS additionally works to develop, construct, and maintain affordable rental housing across Southern Massachusetts. A loan officer at the bank conducted a first-time home buyer seminar in a low-income geography in the assessment area.

- **Credit for Life -** The Credit for Life Fair is a financial education program in which students face a series of life scenarios in which they pursue future wants and needs while managing a financial budget. Multiple bank employees participated at Credit for Life fairs, hosted at schools that have a majority of low- and moderate-income students.

- **Boys and Girls Club of Merrimack Valley** – The Boys & Girls Club is a non-profit organization providing a variety of after-school and summer programming to children and teenagers. Activities focus on academic success, community service, health education, and social enrichment. A majority of the children served come from low- or moderate-income families. A bank employee serves on the Board, supporting community services to low- and moderate-income youth in the assessment area.

- **Beverly Council of Aging** – The Beverly Council of Aging provides social services, transportation, recreational activities, health services, and education to support the well-being and independence of Beverly seniors. A member of the bank's staff serves on the Board, supporting access to community services for low- and moderate-income seniors.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners reviewed the bank's compliance with the laws relating to discrimination and other illegal credit practices, including the Fair Housing Act and Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

APPENDICES

LARGE BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) through its lending activities by considering a bank's home mortgage, small business, small farm, and community development lending. If consumer lending constitutes a substantial majority of a bank's business, the Division will evaluate the bank's consumer lending in one or more of the following categories: motor vehicle, credit card, other secured, and other unsecured. The bank's lending performance is evaluated pursuant to the following criteria:

1) The number and amount of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, in the bank's assessment area;
2) The geographic distribution of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on the loan location, including:
   i. The proportion of the bank's lending in the bank's assessment area(s);
   ii. The dispersion of lending in the bank's assessment areas(s); and
   iii. The number and amount of loans in low-, moderate-, middle- and upper-income geographies in the bank's assessment area(s);
3) The distribution, particularly in the bank's assessment area(s), of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on borrower characteristics, including the number and amount of:
   i. Home mortgage loans low-, moderate-, middle- and upper-income individuals
   ii. Small business and small farm loans to businesses and farms with gross annual revenues of $1 million or less;
   iii. Small business and small farm loans by loan amount at origination; and
   iv. Consumer loans, if applicable, to low-, moderate-, middle- and upper-income individuals;
4) The bank's community development lending, including the number and amount of community development loans, and their complexity and innovativeness; and
5) The bank's use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies.

Investment Test

The Investment Test evaluates the institution's record of helping to meet the credit needs of its assessment area(s) through qualified investments that benefit its assessment area(s) or a broader statewide or regional area that includes the bank's assessment area(s). Activities considered under the Lending or Service Test may not be considered under the investment test. The bank's investment performance is evaluated pursuant to the following criteria:

1) The dollar amount of qualified investments;
2) The innovativeness or complexity of qualified investments;
3) The responsiveness of qualified investments to available opportunities; and
4) The degree to which qualified investments are not routinely provided by private investors.

Service Test

The Service Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by analyzing both the availability and effectiveness of the bank's systems for delivering retail banking services and the extent and innovativeness of its community development services.

The bank's retail banking services are evaluated pursuant to the following criteria:

1) The current distribution of the bank's branches among low-, moderate-, middle-, and upper-income geographies;
2) In the context of its current distribution of the bank's branches, the bank's record of opening and closing branches, particularly branches located in low- or moderate-income geographies or primarily serving low- or moderate-income individuals;
3) The availability and effectiveness of alternative systems for delivering retail banking services (*e.g.,* RSFs, RSFs not owned or operated by or exclusively for the bank, banking by telephone or computer, loan production offices, and bank-at-work or bank-by-mail programs) in low- and moderate-income geographies and to low- and moderate-income individuals; and
4) The range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

The bank's community development services are evaluated pursuant to the following criteria:

1) The extent to which the bank provides community development services; and
2) The innovativeness and responsiveness of community development services.

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

(1) Support affordable housing for low- and moderate-income individuals;
(2) Target community services toward low- and moderate-income individuals;
(3) Promote economic development by financing small businesses or farms; or
(4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

(1) Has as its primary purpose community development; and
(2) Except in the case of a wholesale or limited purpose bank:
    (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and
    (ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the bank's assessment area(s).

Community Development Service: A service that:

(1) Has as its primary purpose community development;
(2) Is related to the provision of <u>financial</u> services; and
(3) Has not been considered in the evaluation of the bank's retail banking services under § 345.24(d).

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

(1) An unemployment rate of at least 1.5 times the national average;
(2) A poverty rate of 20 percent or more; or
(3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into "male householder" (a family with a male householder and no wife present) or "female householder" (a family with a female householder and no husband present).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.

Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Micropolitan Statistical Area: CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA):** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: A loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

Upper-Income: Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, require all financial institution to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

1) Make its most current CRA performance evaluation available to the public;

2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;

3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

   "You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (248 Andover Street Peabody, Massachusetts 01960)."

   [Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that community shall also include the address of the designated office for that assessment area.]

4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.