

# 2023

ANNUAL REPORT

Charting Our  
Course for  
the Future.



# A Message from the CEO

Throughout its 136-year history, North Shore Bank has held steadfastly to its values. Whether satisfying the depository needs of individuals, the home buying desires of families or the financing requirements of businesses, the bank has always been committed to providing the highest quality products and services. At the same time, North Shore Bank has consistently employed a holistic approach to community banking — coupling traditional business activities with a robust philanthropic mission. As an organization we have long recognized that we are only as strong as the communities within which we operate.

This approach has clearly served us well over the years, and this was indicative in our 2023 financial performance. North Shore Bank delivered another year of strong financial performance, despite the unusual interest rate environment.

I'm pleased to report that we ended the year at \$1.66 billion in total assets, or an increase of approximately 3%. This was accomplished despite elevated competition across the banking industry brought on by the difficult interest rate environment. While business lending was impacted by higher borrowing costs, we still ended the year at \$1.31 billion of net loans, or an increase of over 6% from 2022. It is also noteworthy that our asset quality remained strong, and net charge-offs for the year were less than .01% of average loans.

Rising deposit costs were a challenge throughout the industry, but nevertheless we were able to maintain historic levels of profitability in 2023. With the strength of our balance sheet and liquidity position — including a favorable deposit product mix — we were able to execute prudent balance sheet management strategies and grow our Net Interest

Margin to 3.73% from the prior year's 3.60%. As a result, earnings in 2023 of \$18 million were consistent with 2022. These strong earnings increased Equity Capital to \$205 million, and our Tier-One Leverage Capital and Risk-Based Capital ratios to 12.39% and 17.38% respectively. We anticipate that increased funding costs will continue in 2024, brought on largely by macroeconomic conditions and the resultant interest rate environment.

In 2023, North Shore Bank provided financial support to more than 200 different nonprofits across the region. These donations benefited a wide of range of groups, serving the



North Shore Bank pledged a multi-year financial commitment to the **North Shore Children's Museum**

housing, educational, and social welfare needs of the area. In addition to corporate giving, bank employees continued to be extraordinarily generous, and I'm proud to report that their Friday Jeans Day program crossed the \$110K threshold in total contributions. Since its inception, employee donations have been made to 90 different nonprofits and social service agencies throughout our market area.

Employees were also charitable with their time last year, as the bank's volunteer programs continued to build as the year progressed. During 2023, our "Community Crews" were involved in more than 50 different projects, including serving meals at area food shelters, building beds for homeless children, and even helping to harvest at a local farm that assists with the area's food instability challenges. As you page through this report, you'll see some examples of our team's efforts — we believe they are inspiring and consistent with our company values.

As we look to 2024, we know that there will be both uncertainty and opportunity. As such, we look forward to growing our market presence within existing cities and towns, as well as in our new communities. By adhering to our mission, and relentlessly focusing on the financial needs of the greater community, we are confident that we will succeed. After all, that's what we've done since 1888.

Kevin M. Tierney, Sr.  
Chief Executive Officer  
North Shore Bank

# Financial Highlights

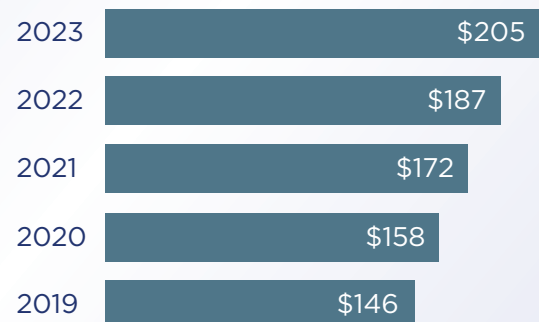
## Total Assets | *in millions*



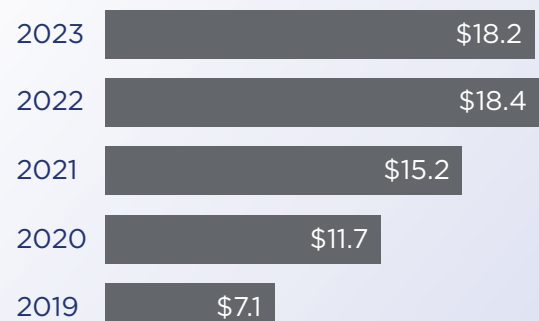
## Total Net Loans | *in millions*



## Equity Capital | *in millions*



## Net Income | *in millions*



# North Shore Bank Consolidated Statement of Condition | *in thousands*

	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Assets</b>		
Cash & Due from Banks	\$ 14,064	\$ 13,887
Securities	246,170	276,202
Overnight Investments	18,601	23,711
<i>Loans</i>		
Loans	1,329,442	1,250,309
Allowance for Loan Losses	(20,013)	(18,350)
Net Loans	1,309,429	1,231,959
Total Fixed Assets	20,605	21,875
Other Assets	53,608	48,593
<b>Total Assets</b>	<b>\$ 1,662,477</b>	<b>\$ 1,616,227</b>
<b>Liabilities</b>		
<i>Deposits</i>		
Demand Deposits	\$ 379,145	\$ 423,092
<i>Interest-Bearing Balances</i>		
MMDA Accounts	330,155	376,369
Savings Accounts	185,417	239,518
Time Deposits	349,048	212,186
NOW Accounts	127,469	148,824
Total Interest Bearing	992,089	976,897
Total Deposits	1,371,234	1,399,989
Borrowed Funds	62,836	6,221
Other Liabilities	23,771	23,094
Total Liabilities	1,457,841	1,429,304
<b>Equity Capital</b>		
Total Equity Capital	204,636	186,923
<b>Total Liabilities and Equity Capital</b>	<b>\$ 1,662,477</b>	<b>\$ 1,616,227</b>

# A Focus on Community

North Shore Bank continued its support for a wide range of nonprofit organizations throughout our service area. Whether through direct financial support or ongoing volunteer efforts, giving back to the community is part of our company makeup. Below is a listing of many of the organizations to which we provided financial assistance in 2023:



North Shore Bank provided financial support for area nonprofits like the **Greater Beverly YMCA**

AgeSpan  
 Alzheimer's Association  
 Andrew Silverman Memorial Trust  
 Anna Jaques Hospital  
 Anti-Defamation League  
 Beverly Baseball  
 Beverly Bootstraps  
 Beverly Citywide PTO  
 Beverly Council on Aging  
 Beverly High School DECA  
 Beverly High School Music Dept.  
 Beverly High School Scholarships  
 Beverly Holiday Parade  
 Beverly Homecoming Committee  
 Beverly Main Streets  
 Beverly Middle School PTO  
 Beverly Rotary Club  
 Beverly Rotary Foundation  
 Beverly High School Boosters  
 Boys & Girls Club of Greater Salem  
 Boys & Girls Club of Merrimack Valley  
 Bridgewell  
 Burbank YMCA  
 Care Dimensions  
 Center Elementary School PTO  
 Chabad of Peabody  
 Change is Simple  
 Chief Drew Memorial Fund  
 Chief Will's Day  
 CCCBSD  
 Citizens Inn  
 City of Beverly  
 City of Peabody  
 City of Salem  
 Collins Middle School  
 Create and Escape Art Foundation  
 Dana-Farber Cancer Institute  
 DanversCARES  
 Danvers Community YMCA  
 Danvers Diversity Committee  
 Danvers FalconFest Inc.  
 Danvers Falcons Softball Boosters  
 Danvers Youth Hockey  
 Enterprise Center at Salem State  
 Essex County Community Foundation  
 Essex County Habitat for Humanity  
 Essex Heritage  
 Family Promise  
 First Parish Newbury Food Pantry  
 Friends of Merrimack  
 Friends of NEC

Girls Inc. of Lynn  
 Grateful Friends  
 Greater Beverly Chamber  
 Greater Haverhill Chamber  
 Griffin's Gift  
 Hamilton Wenham Little League  
 Hamilton-Wenham Generals Boosters  
 Harborlight Homes  
 HAWC  
 Kiwanis Club of Beverly  
 Kiwanis Club of Danvers  
 LEAP for Education  
 Lifebridge Northshore  
 LifeScene  
 Lynn Community Health Center  
 Lynn Hispanic Scholarship Fund  
 Lynnfield Athletic Association  
 Lynnfield Youth Soccer Club  
 Mass Coalition for the Homeless  
 Massachusetts General Hospital  
 McCarthy School Playground  
 Melrose Little League  
 Merrimac Baseball, Inc.  
 Merrimac Santa Parade Committee  
 Merrimac Youth Sports Inc.  
 Merrimack Valley Quilters Guild  
 Middleton Board of Trade  
 Middleton Little League  
 Middleton Turkey Trot  
 Mission of Deeds  
 Montserrat College of Art  
 My Brother's Table  
 NAGLY  
 Newton Historical Society  
 Northeast Mass Youth Orchestra  
 North East Builders Association  
 North Shore Chamber  
 North Shore Children's Museum  
 North Shore Community Action  
 North Shore Community College  
 North Shore Community Health  
 North Shore Concert Band  
 North Shore Pride, Inc.  
 North Shore Realtors  
 Northeast Arc  
 Our Neighbors Table  
 Pathways for Children  
 Peabody Area Chamber of Commerce  
 Peabody Education Foundation  
 Peabody High School Boosters  
 Peabody Institute Library Foundation

Peabody Lions Charities  
 Pentucket Youth Football and Cheer  
 Reading Rotary  
 Reading-North Reading Chamber  
 Riley Rocks Memorial Foundation  
 Rotary Club of Peabody  
 Rotary Club of Salem  
 Sail Salem  
 Salem Academy Charter School  
 Samaritan Charitable Society  
 Salem High School Music Boosters  
 Salem Music Boosters  
 Salem State University Foundation  
 Salem Youth Football and Cheer  
 Santa Toy Trot  
 Santa's Magic  
 Saugus Founder's Day  
 Saugus High School Scholarships  
 Saugus Lions Club  
 Saugus Little League  
 Saugus Youth Lacrosse  
 Saugus Youth Soccer  
 Special Olympics Massachusetts  
 St. Peters Episcopal Church  
 The Beverly Education Foundation  
 The Cabot  
 The House of Seven Gables  
 The John Estrella Foundation  
 The Kernwood Country Club  
 The Open Door  
 The Peabody Memorial Fund  
 The Progeria Research Foundation  
 The Salem Pantry  
 The Saugus Lions Club  
 The Woman's Friend Society  
 Think of Michael, Inc.  
 Thomas Carroll Elementary School  
 Tim Goldberg Memorial Fund  
 Town of Marblehead  
 Town of Merrimack  
 Town of Newton  
 VNA Care  
 Voices of Hope  
 Wicked Running Club  
 Women's League of Reading  
 YMCA of Metro North  
 YMCA of the North Shore



North Shore Bankers worked the kitchen and prepared meals for the clients of **LifeBridge North Shore** in Salem



Crews assembled children's beds at **Lynn's A Bed For Every Child** — a program of the **MA Coalition for the Homeless**

## Directors

Timothy F. Clarke — Chairman of the Board  
 Thomas J. Alexander  
 Luis L. Azevedo  
 Jennifer Buras  
 Jonathan N. Bursaw  
 Bradley R. Gauthier  
 Andrew Goldberg

Charles E. Holden  
 Cynthia McGurren  
 Pamela Casey O'Brien  
 Monique Pelletier  
 Jayne Rice  
 Kevin M. Tierney, Sr. — Chief Executive Officer  
 Michael R. Wheeler — President & COO

## Corporators

Nicholas Ambeliotis  
 Stacy M. Ames  
 Curt Bellavance  
 Jennifer Borggaard  
 Amanda R. Brinkley  
 Michael D. Brown  
 Claudia F. Chuber  
 Ann Ciccarella  
 Barbara A. Cleary  
 John D. Colucci  
 Joseph C. Correnti  
 Chad Crandell  
 Andrew DeFranza  
 Patrick Delulis  
 Paul Delios  
 John A. Diskes  
 Thomas J. Durkin, III  
 Jamie Engel

Stephen J. Feron  
 Todd Fitzgerald  
 Anthony P. Fusco  
 Elizabeth Gibbons  
 Mark L. Goldstein  
 Audrey Gordon  
 David Gravel  
 Paul Herrick  
 Corey Jackson  
 Jan Jefgood  
 John R. Keilty  
 Christopher Keohane  
 David J. LaFlamme  
 Daniel J. Lemieux  
 Chris Lovasco  
 Andrew Lutts  
 Jill Elmstrom Mann  
 Daniel K. Mayer

Brent McKenelley  
 David P. McKenna  
 Carol McLeod  
 Mark Meche  
 John E. Meserve  
 Robert W. Mitchell, Jr.  
 John F. Morello  
 Mark Mscisz  
 John Mullen  
 James M. Muse  
 Robert B. Nelson  
 Anthony O'Donnell  
 Jonathan Ofilos  
 Darryl Parker  
 Jonathan Payson  
 Peter C. Pedro, Jr.  
 Chrystal Denmark Porter  
 Kevin F. Procopio

Dennis Quintal  
 Joseph S. Sabelli  
 Linda Saris  
 James W. Shea  
 William H. Sheehan, III  
 George J. Sophinos  
 Stephen E. Tarpey  
 Beth A. Tichy  
 John J. Vasapolli  
 Kathleen Walsh  
 Jared Yagjian  
 Richard Yagjian  
 Christine M. Zampell  
 Pamela Zerber

# Bank Officers

## Executive

Kevin M. Tierney, Sr. – Chief Executive Officer  
Michael R. Wheeler – President & COO

## Finance

Joseph A. Schueller – SVP, Chief Financial Officer  
Robert W. Mitchell, Jr. – Senior Vice President  
Susan M. Petradelis – Vice President  
Amanda P. Yim – Assistant Vice President

## Human Resources

Liseth Flores – SVP, Human Resources Director  
Carol Varone – Assistant Vice President

## Lending

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Peter D. Fenn – Senior Vice President  
Cathryn L. Kent – Senior Vice President  
Matthew D. LaFlamme – Senior Vice President  
Steven C. Pettengill – Senior Vice President  
Jerome J. Salerno – Senior Vice President  
Alexander R. Abraham – Vice President  
David M. Grishman – Vice President  
William S. Henning – Vice President  
Qi Jiang – Vice President  
Patrick Langmaid – Vice President  
Geoffrey T. Leahy – Vice President  
Andrew J. Rowe – Vice President  
Daniel J. Sousa – Vice President  
Joseph P. Cavanaugh – Assistant Vice President  
John P. Ciesinski – Assistant Vice President  
Kevin D. Dillon, Jr. – Assistant Vice President  
Sean P. Driscoll – Assistant Vice President  
Jessica K. Regan – Assistant Vice President  
Aaron M. Thomas – Assistant Vice President

## Information Technology

Sheryl L. Shinn – EVP, Chief Information Officer  
Gary A. Frost – Vice President  
Michael F. Parziale – Assistant Vice President

## Marketing

David A. Munroe – SVP, Marketing Director  
Christopher G. Pesce – Vice President

## Operations

Kathryn V. Carty – SVP, Senior Operations Officer  
Gina M. DiChiaro – Vice President  
Sheryl A. Pompei – Vice President  
Michael R. Zipper – Vice President  
Aimee L. D'Agata – Assistant Vice President  
Kaitlyn C. Durst – Assistant Vice President  
Kaitlyn Piscitello – Assistant Vice President  
Sherri Bakersmith-Surdo – Assistant Vice President

## Retail Banking

Gayle M. Fili – SVP, Retail Banking  
Michael A. Torrielli – Vice President  
Vanessa Bettencourt – AVP, Branch Manager  
Vicki L. Cormier – AVP, Branch Manager  
Jonathan T. Johnson – AVP, Branch Manager  
Kyle L. Marsh – AVP, Branch Manager  
Charles E. McGrath – AVP, Branch Manager  
Suzanne L. O'Brien – AVP, Branch Manager  
Erin M. Riley – AVP, Branch Manager  
Thomas A. Seyffert – AVP, Branch Manager  
Danielle Orlando – AVP, Branch Operations  
Jeff Shapiro – Customer Contact Center Manager  
Peter Chetkin – Branch Manager  
Julieann Garland – Branch Manager  
Chester Graham – Branch Manager  
Colin Scott – Branch Manager  
Jacquelyn Shambaugh – Branch Manager  
Megan Shea-Pereira – Branch Manager  
Thomas J. Sulick – Branch Manager

## Risk Management

William S. Beitler – EVP, Chief Risk Officer  
Kimberly A. Lovett – Senior Vice President  
Sherry M. Ambrose – Vice President  
Stephanie M. Tallo – Vice President  
Joseph Kermelewicz – Assistant Vice President  
Lisa F. Ryan – Assistant Vice President  
Christopher D. Holmes – BSA Officer



NSB volunteers helped out at **Peabody's Newhall Fields Community Farm** – a nonprofit serving area food pantries



# NORTH SHORE BANK

Well north of your expectations.<sup>SM</sup>

Beverly | Danvers | Merrimac | Middleton | Newton, NH  
Peabody | Reading | Salem | Saugus

northshore-bank.com —    

Customer Support — (978) 573-1300

NMLS # 466007



Member FDIC  
Member DIF



Employee Jeans Day Contributions benefited families served by the **Lazarus House Ministries** in **Lawrence**



North Shore Bank Community Crews volunteered at the **Citizens Inn at Haven from Hunger** in **Peabody**



NSB volunteers served lunch at the annual Senior Day in the Park, sponsored by the **Beverly Council on Aging**



North Shore Bankers supported **Reading's Mission of Deeds** through volunteering and charitable efforts