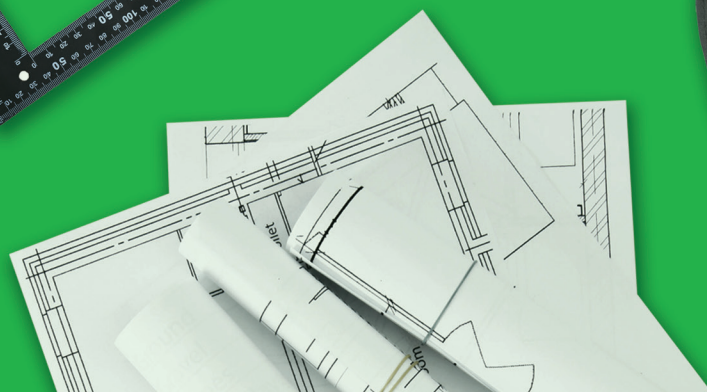
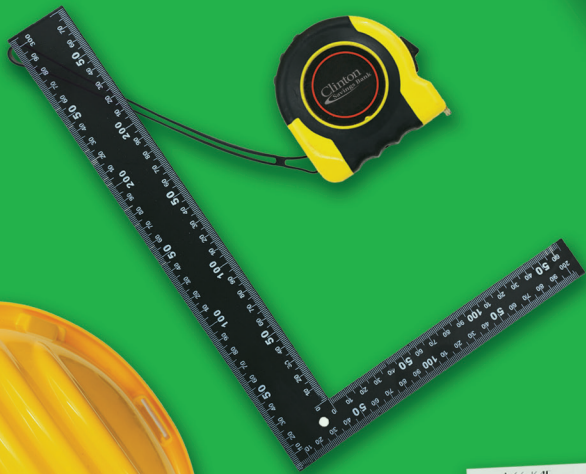


2021 ANNUAL REPORT

Clinton Savings Bank



Mission Statement

Clinton Savings Bank, a bank committed to the communities it serves, strives to consistently deliver quality financial services based on customer needs through highly motivated employees interested in making the bank a great place to work.





Clinton Savings Bank



Wedding to do list

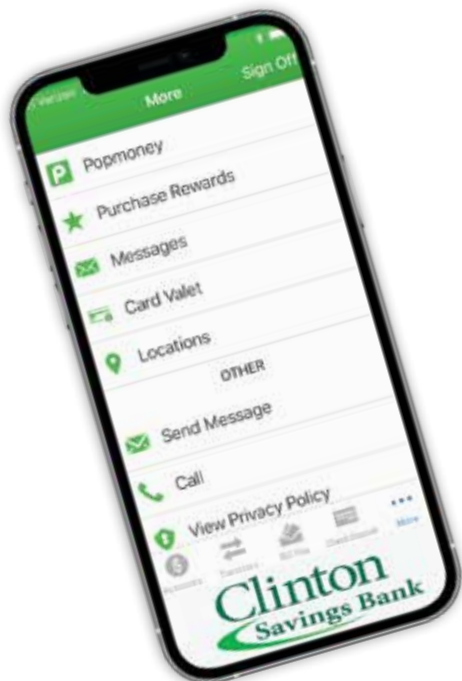
1. Apply for CSG HELOC (Today)
2. Wedding dress shopping next week
3. Schedule Food tasting

President's Message

For over a decade I have had the privilege of writing to you as Clinton Savings Bank's President & CEO and it is my pleasure to share our 2021 Annual Report with you. As someone who has made a career of nurturing workforce talent, I want to start by acknowledging our staff. They have adapted amazingly well to the ongoing challenges of the last two years. I believe years from now, when we look back at their accomplishments, we may need to be reminded that they continued to meet your financial needs while operating in a pandemic. It wasn't easy, but they sure made it look easy.

As we review the Bank's overall financial performance, Clinton Savings Bank (CSB), a wholly-owned subsidiary of Wachusett Financial Services and its parent company, Clinton Financial Services, MHC, successfully ended 2021 on an even stronger footing.

With our relationship-focused mortgage originators, we exceeded our residential loan origination goal of \$52 million by over \$6 million, despite the acute shortage of properties for sale in the local market. I am also pleased to report that adding staff to our commercial team created many new business contacts in our communities which resulted in over \$32 million in lines of credit and \$48.2 million in term loans closed in 2021.

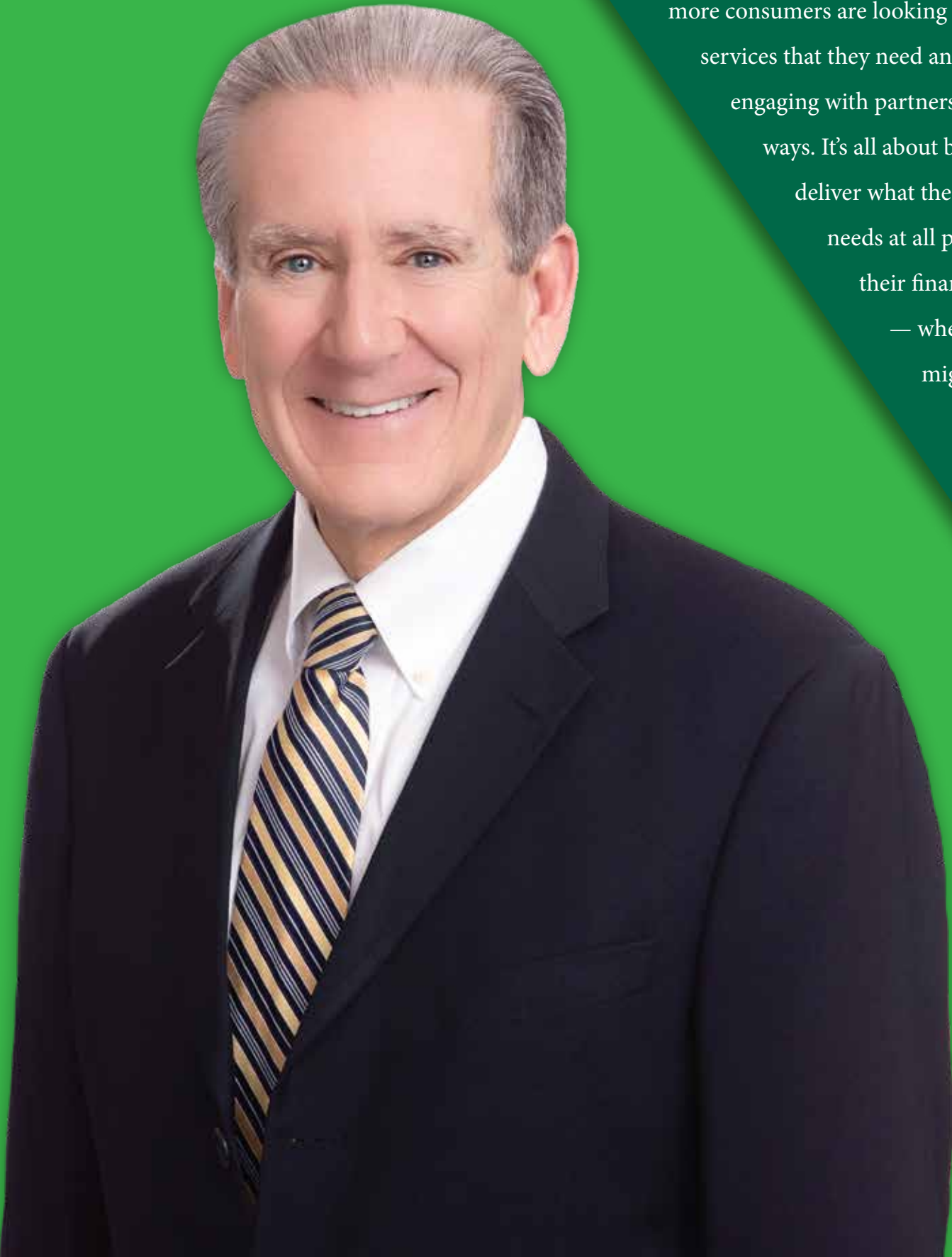


All of these efforts helped to position the Bank with an 11.44% Capital Ratio at December 31, 2021, the highest level in the Bank's 170 year history. Despite the unparalleled conditions that continued throughout the year, CSB generated a \$4.7 million profit at the Bank level, exceeding budget by over \$1.3 million, and resulting in a 0.73% ROA.

I am proud to say that under the insightful leadership of Senior Management and the Board, Clinton Savings Bank has navigated difficult times and ascended to new heights to ensure the Bank's strength and growth while supporting the needs and aspirations of its customers.

As we look ahead with eyes wide open, more consumers are looking for financial services that they need and are engaging with partners in different ways. It's all about being able to deliver what the consumer desires at all points of their financial journey — wherever that might be. We are committed to helping them in their journey and will be introducing new services in 2022 such as mobile online account opening for added convenience, an updated consumer online loan system for even faster decision-making, a redesigned web site that will include tools for added financial well-being and a credit builder loan that will assist those in need of re-establishing their credit or building new credit. To service our growing customer base, we are proud to announce that we will be complementing our branch network with a new branch location in Shrewsbury. With these additional services and a new location, Clinton Savings Bank will continue to Go Beyond Banking™ and play a more significant role in our customers' journey and the kind of impact we have on all aspects of their communities, including environmental, social and governance.

Robert J. Paulhus, Jr.
Clinton Savings Bank
President & CEO



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more consumers are looking for financial
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Clinton Financial Services, MHC and Subsidiary* Consolidated Balance Sheets

December 31, 2021 and 2020 (In Thousands - Audited)

	2021	2020	Variance
ASSETS			
Cash and due from banks	3,640	4,893	(1,253)
Interest-bearing demand deposits with other banks	22,594	49,395	(26,801)
Cash and cash equivalents	26,234	54,288	(28,054)
Interest-bearing time deposits with other banks	100	100	-
Investments in available-for-sale securities (at fair value)	158,260	113,527	44,733
Marketable equity securities, at fair value	11,222	7,939	3,283
Federal Home Loan Bank stock, at cost	1,662	2,577	(915)
Loans, net	422,377	423,609	(1,232)
Premises and equipment, net	6,343	6,524	(181)
Accrued interest receivable	1,942	2,243	(301)
Cash surrender value of life insurance policies	17,888	15,890	1,998
Deferred tax asset, net	1,710	1,604	106
Other assets	1,617	1,714	(97)
Total assets	649,355	630,015	19,340

LIABILITIES AND EQUITY			
Deposits:			
Non-interest-bearing	88,552	69,112	19,440
Interest-bearing	451,693	438,355	13,338
Total deposits	540,245	507,467	32,778
Federal Home Loan Bank advances	25,000	43,000	(18,000)
Securities sold under agreements to repurchase	4,864	2,003	2,861
Subordinated debt	7,732	7,732	-
Capital lease obligation	381	415	(34)
Other liabilities	4,925	5,903	(978)
Total liabilities	583,147	566,520	16,627
Equity:			
Retained earnings	66,952	62,430	4,522
Accumulated other comprehensive (loss) income	(744)	1,065	(1,809)
Total equity	66,208	63,495	2,713
Total liabilities and equity	649,355	630,015	19,340

*Clinton Financial Services, MHC, a Massachusetts Mutual Holding Company (MHC), its wholly-owned subsidiary, Wachusett Financial Services, Inc., its wholly-owned subsidiary Clinton Savings Bank, a state-chartered savings bank, and the Bank's wholly-owned subsidiaries, Clinton Securities Corp. and Wachusett Realty, LLC.



Clinton Financial Services, MHC and Subsidiary* Consolidated Statements of Income

Years Ended December 31, 2021 and 2020 (In Thousands - Audited)

	2021	2020	Variance
INTEREST AND DIVIDEND INCOME			
Interest and fees on loans	17,849	19,308	(1,459)
Interest on debt securities:			
Taxable	1,997	1,796	201
Tax-exempt	494	736	(242)
Dividends	273	329	(56)
Other interest on short-term investments	52	92	(40)
Total interest and dividend income	20,665	22,261	(1,596)
INTEREST EXPENSE			
Interest on deposits	1,805	3,260	(1,455)
Interest on Federal Home Loan Bank advances	855	1,221	(366)
Interest on subordinated debt	236	283	(47)
Interest on capital lease obligation	28	30	(2)
Total interest expense	2,924	4,794	(1,870)
Net interest and dividend income	17,741	17,467	274
Provision for loan losses	360	860	(500)
Net interest and dividend income after provision for loan losses	17,381	16,607	774
NON-INTEREST INCOME			
Customer service fees	1,146	1,093	53
(Loss) gain on sales of available-for-sale securities, net	(2)	213	(215)
Net gain, marketable equity securities	1,858	558	1,300
Gain on sales of mortgages, net	50	753	(703)
Loan servicing fees, net	30	45	(15)
Bank owned life insurance income	476	459	17
Other income	652	416	236
Total non-interest income	4,210	3,537	673
NON-INTEREST EXPENSE			
Salaries and employee benefits	10,171	10,123	48
Occupancy expense	939	953	(14)
Equipment expense	1,054	986	68
Data processing expense	755	827	(72)
Professional fees	405	424	(19)
Advertising and marketing	559	463	96
FDIC assessment	163	98	65
Other expense	1,952	1,933	19
Total non-interest expense	15,998	15,807	191
Income before income tax expense	5,593	4,337	1,256
Income Tax Expense	1,071	703	368
Net income	4,522	3,634	888

*Clinton Financial Services, MHC, a Massachusetts Mutual Holding Company (MHC), its wholly-owned subsidiary, Wachusett Financial Services, Inc., its wholly-owned subsidiary Clinton Savings Bank, a state-chartered savings bank, and the Bank's wholly-owned subsidiaries, Clinton Securities Corp. and Wachusett Realty, LLC.

Coming in 2022

As we look forward, we will continue to enhance our customers' journey by maintaining Clinton Savings Bank's consistently prudent business practices, the commitment to putting people first, and a focus on driving an improved banking experience that will help meet the financial needs of our customers while making their lives easier. This means delivering exceptional service and a stellar experience whether customers are in a branch, on the phone, online or on their mobile app. To achieve this, our focus for next year includes:



- Begin construction of a new branch located at 235 Turnpike Road in Shrewsbury
- Update our online consumer loan applications with e-sign
- Introduce deposit account opening for our mobile app
- Launch a new web site with resources for improving the financial health of customers by providing more access to financial wellness education
- Provide more timely answers for frequently asked questions on clintonsavings.com
- Introduce a quick and easy small business online lending application
- Support financial literacy through blogs and online Banazi tools
- Deliver Bank specific promotions and offers

Visit us online at clintonsavings.com and follow us on social media for updates on new products, services and programs.



Board of Directors



William E. O'Neil, Jr.¹
Chairman of the Board
Current Term Ends 2024



Robert M. Farragher¹
Vice Chairman of the Board
Current Term Ends 2023



Timothy H. Wheeler¹
Clerk of the Corporation
Current Term Ends 2022



Robert J. Paulhus, Jr.^{1,5}
President & CEO
Current Term Ends 2024



Jonathan L. Gulliver^{2,3}
Current Terms Ends 2023



John F. Hogan^{2,3}
Current Term Ends 2022



John F. Kilcoyne^{1,3}
Current Term Ends 2022



Barbara E. King^{1,3}
Current Term Ends 2024



John P. Kittredge, Jr.^{2,4}
Current Term Ends 2024



Maureen K. Quill^{2,3}
Current Term Ends 2023



Christopher J. Williams²
Current Term Ends 2022

1 Executive Committee | 2 Audit Committee | 3 Compensation Committee | 4 ALCO Committee | 5 Member of Senior Management Team

Clinton Financial Services, MHC Officers

William E. O'Neil, Jr.
Chairman of the Board

Timothy H. Wheeler
Clerk of the Corporation

Richard R. Hayward, Jr.
Treasurer

Robert M. Farragher
Vice Chairman of the Board

Robert J. Paulhus, Jr.
President & CEO

Clinton Saving Bank Officers

Robert J. Paulhus, Jr.
President & CEO

Leonard T. Anctil
SVP/Senior Commercial Lending Officer

Mary T. Dean
SVP/Chief Information Officer

Richard R. Hayward, Jr.
EVP/Chief Financial Officer/Treasurer

Nicole L. Martin
SVP/Branch Administration

Ellen J. McGovern
SVP/Chief Marketing Officer

Linda M. Midura
SVP/Director of Human Resources

Christopher T. Brunell
SVP/Commercial Lending Officer

Debra A. Colonna
SVP/Retail Lending Officer

Bernard P. Gagnon
SVP/Commercial Lending Officer

Paula E. Paldino
SVP/Compliance & Security Officer

Lawrence R. Palmer
SVP/Information Technology Officer

Robert G. Rivard
SVP/Commercial Lending Officer

Pamela J. Cutler
VP/Operations Manager

Kathleen A. Flaherty
VP/Compliance & CRA Officer

Majlinda Haxhiaj
VP/Commercial Relationship Manager

Lynne G. McCormack
VP/Commercial Portfolio Manager

Linnea C. Miley
VP/Credit Manager

Lisa A. Poirier
VP/Controller

Andrea C. Santiago
VP/Branch Manager, Clinton

Elisa A. Cuddy
AVP/Mortgage Originator

Robert P. Fontaine
AVP/Senior Mortgage Underwriter

Geoffrey S. Green
AVP/Branch Manager, Berlin

Michele Hazelhurst
AVP/Branch Manager, Boylston

Jennifer Kelly-Geary
AVP/Collections & Loan Servicing Manager

Kelly J. Manz
AVP/Consumer Loan Officer

Danielle M. McCarter
AVP/Human Resources Manager

Kristen M. Paige
AVP/Senior Compliance Specialist

John G. Ryan
AVP/Mortgage Originator

Patricia M. Smith
AVP/Branch Manager, Bolton

Gladys Colon-Grampetro
Mortgage Underwriter

Timothy P. Dooley
Senior Credit Analyst

Christopher R. Gillin
Branch Manager, Sterling

Julia I. Gomez
Branch Manager, West Boylston

Samantha L. Ingui
Operations Officer

Jill E. Parcell
Project Manager

Belinda L. Pero
Collections Officer

Debra A. Reilly
Retail Lending Specialist

Neyah M. Smith
Senior Credit Analyst

Clinton Saving Bank Senior Management Team

Robert J. Paulhus, Jr.
President & CEO

Leonard T. Anctil
SVP/Senior Commercial Lending Officer

Mary T. Dean
SVP/CIO/Operations

Richard R. Hayward, Jr.
EVP/CFO/Treasurer

Nicole L. Martin
SVP/Branch Administration

Ellen J. McGovern
SVP/Chief Marketing Officer

Linda M. Midura
SVP/Director of Human Resources

Corporators

NAME	TERM ENDS
Ms. Joanne Bergen	2028
Mr. Victor S. Bhakta	2027
Dr. Lindsay A. Bruneau, DMD	2026
Mr. David S. Butler	2024
Ms. Cynthia E. Cannon*	2025
Mr. David Chandler, Jr.	2030
Mr. John Chandler	2030
Mr. John C. Cherubini	2023
Mr. Paul A. Cherubini	2028
Mr. John W. Child, Jr.	2028
Mr. Dennis P. Ciccone	2029
Mr. Matthew P. Colangelo	2029
Mr. Kenneth A. Cole, Jr.	2028
Mr. Thomas R. Comeau	2022
Mr. Laurence T. Crossman	2029
Ms. Cynthia J. Curley	2023
Ms. Mary T. Dean	2026
Ms. Kali H. Delorey	2024
Mr. Dale A. DiMeco	2031
Ms. Pamela D. Dobeck	2029
Ms. Patricia L. Drinkwater	2029
Mr. Robert D. Ebstein*	2023
Mr. Robert M. Farragher	2023
Ms. Kerry A. Flathers	2025
Mr. David I. Frem	2031
Ms. Janice L. Fuller	2027
Ms. Kim M. German	2030
Mr. David R. Glispin*	2030
Ms. Caryn L. Gorczynski	2026
Mr. Jonathan L. Gulliver	2029
Mr. Richard R. Hayward, Jr.	2022
Dr. Myles F. Heffernan, Jr., DDS	2026
Mr. David M. Hinckley	2030
Mr. John F. Hogan	2028
Mr. Matthew T. Hollister	2022
Atty. Jane K. Innamorati	2025
Mr. Barry L. Kallander	2030
Dr. Theresa E. Kane	2031
Mr. John F. Kilcoyne	2025
Ms. Barbara E. King	2022
Mr. John P. Kittredge, Jr.	2025
Mr. Philip R. Latini	2031
Mr. Mark R. Laverdure	2031
Ms. Catherine M. Livingstone	2029

NAME	TERM ENDS
Mr. Donald A. Lowe	2022
Mr. Robert H. MacKay	2027
Ms. Nicole L. Martin	2027
Ms. Maegen N. McCaffrey	2030
Ms. Ellen J. McGovern	2026
Mr. Patrick A. McGrail	2026
Ms. Lucinda J. McLaughlin	2029
Mr. Brian J. McNally	2029
Mr. Robert J. McNally	2026
Mr. Anthony R. Melone	2031
Mr. Steven Mendoza	2022
Mr. Daniel P. Mercurio	2031
Mr. David P. Mercurio	2026
Dr. Steven C. Meyer Ed.D	2029
Ms. Linda M. Midura	2022
Mr. Dennis F. Murphy, III	2028
Mr. Jason T. Murray	2031
Ms. Lauren R. Nanof	2030
Atty. Harold P. Naughton, Jr.	2029
Mr. Stephen A. O'Neil	2028
Atty. William E. O'Neil, Jr.	2028
Mr. Robert C. Ordnung	2028
Mr. Genaro R. Paen	2023
Mr. Robert J. Paulhus, Jr.	2030
Ms. Lynn Philbin	2030
Atty. Stephen J. Philbin	2023
Ms. Catherine M. Phillips	2028
Mr. Paul Q. Polewarczyk	2029
Ms. Maureen K. Quill	2025
Mr. Martin D. Reisner	2030
Mr. Christopher J. Rogers	2026
Mr. Raymond J. Salmon, Jr.	2028
Atty. Gary P. Sanginario	2025
Mr. Todd S. Solar	2031
Dr. William R. Southworth	2029
Ms. Carolyn C. Stimpson	2029
Mr. Kenneth G. Sydow	2026
Mr. James A. Tomolo, Jr.	2029
Mr. Richard C. Traina*	2026
Mr. Giuseppe Villani	2029
Dr. Richard R. Waller, Jr.	2031
Mr. Timothy H. Wheeler*	2026
Ms. Bobbi-Jo A. Williams	2029
Mr. Christopher J. Williams	2023

*Retiring Corporator



Clinton Savings Bank

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MEMBER DIF
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