

**CAMBRIDGE SAVINGS BANK**  
ANNUAL REPORT | 2023



# CSB CORE VALUES

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## CAMBRIDGE SAVINGS BANK IS

collaborative, creative, and empowered to deliver a superior customer-centric experience. Our success is driven by the unique contributions of each person. Each individual is important, but together, we are even better. We are committed to doing the right things for the right reasons, being a strong community partner through our support of organizations that make a difference, and treating people the way they want to be treated. We are CSB. We are committed to

**YOU.**

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## **COMMITTED TO DIVERSITY, EQUITY, AND INCLUSION**

Collectively and individually, we respect the rich diversity of our colleagues, customers, community, and partners; strive for more equitable access, resources, and opportunities for all; and welcome all people into our organization, honoring their differences— including ethnicity, background, perspective, and identity.

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## **GROUNDING IN INTEGRITY**

We are each personally accountable for the highest standards of behavior, including honesty and fairness in all aspects of our work. We do what is right, not what is easiest or most popular. Trust, respect, and integrity are at the foundation of all of our relationships.

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## **DEEP COMMITMENT TO EXCELLENCE**

We believe that excellence is more than what we provide, it's how we think and act. It's more than just fixing a problem, it is having a focus on providing a superior experience each and every time.

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## **PASSIONATE ABOUT CREATIVITY**

For us, creativity is a willingness to try new approaches with vigor, energy, and enthusiasm. It's having the courage to ask questions that push the boundaries. This value affirms our commitment to seek new approaches to service.

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## **COMPASSION AND CARING FOR OTHERS**

We have a predisposition to help others and the desire to identify with their experience through empathy and consideration for their needs and values.

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## **DEDICATED TO COLLABORATION**

We value the contributions of all and blend the skills and perspectives of individual colleagues to get a result that is greater than the sum of the individual parts. Our success is built on relationships and our ability to work together effectively.

# CAMBRIDGE FINANCIAL GROUP, INC. AND SUBSIDIARIES

Consolidated Balance Sheets | Years Ended December 31, 2023 and 2022 (In Thousands)

	2023	2022
<b>ASSETS</b>		
Cash and due from banks	\$56,529	\$53,615
Short-term investments	61,718	47,253
Total cash and cash equivalents	118,247	100,868
Marketable equity securities, at fair value	19,445	16,525
Investment securities available-for-sale, at fair value	596,115	581,715
Securities held-to-maturity, net of allowance for credit losses of \$127 in 2023 (fair value \$100,386 in 2023 and \$102,597 in 2022)	106,802	105,159
Loans held for sale, net	2,332	2,845
Loans, net of allowance of credit losses of \$52,383 in 2023 and \$48,623 in 2022	5,629,074	5,269,777
Premises and equipment, net	55,072	56,476
Accrued interest receivable	23,521	20,373
Deferred tax asset, net	34,341	28,888
Bank-owned life insurance	79,583	77,945
Goodwill	19,942	19,942
Right-of-use asset	26,123	27,984
Other assets	156,896	160,476
Total assets	<u>\$6,867,493</u>	<u>\$6,468,973</u>
<b>LIABILITIES AND EQUITY CAPITAL</b>		
Liabilities:		
Deposits	\$5,365,020	\$4,755,155
Advances from Federal Home Loan Bank of Boston	718,652	960,299
Subordinated debt, net	69,252	69,022
Repurchase agreements	16,749	25,650
Financing lease liability	6,457	6,792
Lease liabilities	32,591	34,806
Accrued expenses and other liabilities	108,782	94,078
Total liabilities	<u>6,317,503</u>	<u>5,945,802</u>
Commitments and contingencies (Notes 5, 12 and 13)		
Equity capital:		
Undistributed earnings	571,019	549,396
Accumulated other comprehensive loss	(21,029)	(26,225)
Total equity capital	<u>549,990</u>	<u>523,171</u>
Total liabilities and equity capital	<u>\$6,867,493</u>	<u>\$6,468,973</u>

# CAMBRIDGE FINANCIAL GROUP, INC. AND SUBSIDIARIES

Consolidated Statements of Net Income | Years Ended December 31, 2023 and 2022 (In Thousands)

	2023	2022
Interest and dividend income:		
Commercial real estate loans	\$157,067	\$105,323
Residential mortgage loans	57,163	42,456
Commercial and industrial loans	60,821	35,357
Other loans	7,592	3,958
Investment securities	24,812	20,333
Short-term and other investments	6,285	1,659
Total interest and dividend income	313,740	209,086
Interest expense:		
Deposits	114,251	21,502
Advances from Federal Home Loan Bank of Boston	32,500	10,239
Subordinated debt	2,768	2,183
Capital lease obligations and other borrowings	491	369
Total interest expense	150,010	34,293
Net interest and dividend income	163,730	174,793
Provision for credit losses	7,668	1,195
Net interest and dividend income after provision for credit losses	156,062	173,598
Noninterest income:		
Deposit account fees	6,324	5,973
Rental income	5,761	4,796
Loss on marketable equity securities, net	(375)	(3,137)
Loss on sales and calls of investment securities available-for-sale, net	(4,798)	(59)
Mortgage banking gains	1,397	662
Bank-owned life insurance income	1,585	1,569
Other	4,572	2,783
Total noninterest income	14,466	12,587
Noninterest expense:		
Salaries and employee benefits	86,277	72,517
Office occupancy and equipment	25,362	23,551
Other operating expenses	30,334	28,341
Total noninterest expense	141,973	124,409
Income before income taxes	28,555	61,776
Income tax expense	3,138	13,962
Net income	\$25,417	\$47,814

# DIRECTORS, TRUSTEES, CORPORATORS, & SENIOR OFFICERS

As of May 6, 2024

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## CFG TRUSTEES & CORPORATORS CSB DIRECTORS

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### Robert P. Reardon\*

Current, Real Estate Consultant,  
R.P. Reardon Company  
Retired, Former Director of Assessment,  
City of Cambridge

### Ryan A. Bailey

President and CEO  
Cambridge Financial Group and  
Cambridge Savings Bank

### Michael J. Costello

Retired | Former Partner  
PricewaterhouseCoopers LLP

### Jayne K. Donahue

Retired | Former Executive Vice  
President and General Auditor  
State Street Corporation

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Founder  
Hesler & Associates

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Vice Chairman of Investment Committee  
Cabot Properties, Inc.

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Vice President,  
Strategy and Business Development,  
Beyond Identity

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Artis Senior Living

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Retail Leasing  
Cushman & Wakefield

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Global Personal Care  
Procter & Gamble

### Robert Ramsey

Agency President, Mergers & Acquisitions  
AssuredPartners Northeast, LLC

### Harborne W. Stuart, Jr.

Adjunct Professor  
School of Engineering and Applied Sciences  
Columbia University

### Robert M. Wilson

Retired | Former President and CEO,  
Cambridge Financial Group  
and Cambridge Savings Bank

## CFG TRUSTEES & CORPORATORS

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### Stephen J. Coukos, Esq.

Executive Vice President  
and General Counsel  
Cambridge Financial Group  
and Cambridge Savings Bank

### Carolyn Volpe Cunningham

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### Robert Delhome

Founder and CEO  
Charter Companies

### John P. DiGiovanni

President  
Trinity Property Management

### Michael Monestime

Business Strategy & Development  
Morningside Group

## CFG CORPORATORS

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### Timothy Bowe

Managing Director  
Evergreen Technology Consulting

### Tony Clark

Professor and Instructor  
Bunker Hill Community College

### Gerald D. Cohen

President  
SF Properties, Inc.

### Anne Adams Cushman

Retired  
Principal, Advise and Consult

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President  
Samuel D'Agostino, Inc.

### Catherine Faddis

President and CIO  
Grace Capital

### Kevin J. Fitzgerald

Retired | Former Chairman and CEO  
Cambridge Financial Group and  
Cambridge Savings Bank  
Retired CFG Trustee and CSB Director

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Catholic Memorial School

### Gary J. Gianino

Treasurer Collector  
Town of Burlington

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Principal | Attorney  
Nicholson, Sreter & Gilgun, P.C.

### Allison Goodwin

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Torrington Properties, Inc.

### John T. Gosselin, Esq.

Managing Partner  
Gosselin & Kyriakidis, P.C.

### Tiffany Gueye

Senior Advisor  
Blue Meridian Partners

### David S. Hall

Development Partner  
The Hanover Company

### Michelle D. Holmes

Associate Professor of Medicine  
Brigham and Women's Hospital

### Charles D. Keefe, Jr.

Owner  
Keefe Funeral Home

\*Chairman of Cambridge Financial Group (CFG) Board of Trustees and Cambridge Savings Bank (CSB) Board of Directors

# DIRECTORS, TRUSTEES, CORPORATORS, & SENIOR OFFICERS

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## **Susan L. Kendall**

Retired | Senior Associate,  
Vice President of Finance  
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Chairman and CEO  
Symmes Maini & McKee Associates

## **Sarah Kurz**

Executive Vice President  
Partner Therapeutics, Inc.

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General Counsel  
Laverty Lohnes Properties

## **Kristin Marchese**

Chief Marketing Officer  
Armoire

## **Edward L. Marsteiner, II**

Partner and Director of Acquisitions  
National Development

## **Amey D. Moot**

Management Consultant  
Precision Thinking

## **Candice Morse**

President  
Thayer & Associates, Inc.

## **Meredith Moss**

Founder & Former CEO  
Finomial

## **William J. Mostyn III**

Adjunct Professor of Law  
Northeastern University School of Law

## **Julia McClennen Murphy**

Project Manager  
Vanasse Hangen Brustlin, Inc.

## **Jamil T. Myrie**

CEO  
Healing Greene Massachusetts

## **Wayne F. Patenaude**

Retired | Former President and CEO  
Cambridge Financial Group and  
Cambridge Savings Bank

## **Erika-Leigh Pereira**

Real Estate Agent  
Gibson Sotheby's

## **Katherine Rafferty**

Director of Community Affairs  
Mt. Auburn Hospital

## **Julie L. Reker**

Senior Associate  
Gensler

## **Frederick Ryan**

Retired | Former Chief of Police  
Arlington Police Department

## **Daina Selvig**

President  
Selvig Legal Consultants, LLC

## **Salma Sirage**

CEO and Founder  
Cinegroove

## **Joia Spooner-Fleming**

Independent Consultant

## **Travis J. Snell**

President  
Concord Property Management

## **Roberta G. Sydney**

President  
Sydney Associates, Inc.

## **Monique D. Thompson**

Business Analyst | Interface Manager  
MA Department of Public Health

## **Pamela J. Touloupoulos**

Co-Owner  
JVT Realty

## **Joanna Vanden**

Vice President, People  
Spindrift Beverage Co., Inc.

## **John T. Verderese**

Retired  
Managing Director  
PricewaterhouseCoopers LLP

## **Nicola Williams**

President  
The Williams Agency

## **Ada H. Wong**

President  
Lexington Enterprises, Inc.

## **Laura Vail Wooster**

Semi-retired | Vice President of Marketing  
John Hancock, Reframe Financial

## **EXECUTIVE TEAM**

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### **Ryan A. Bailey**

President and Chief Executive Officer

### **Ian Brandon**

Senior Vice President  
Head of Commercial Real Estate

### **Angela Conti**

Head of Consumer and  
Small Business Banking

### **Stephen J. Coukos, Esq.**

Executive Vice President  
and General Counsel

### **Michael O. Gilles**

Executive Vice President  
Chief Operating Officer

### **Linda Grace**

Executive Vice President  
Chief Human Resources Officer

### **Stephen A. Leonard**

Senior Vice President  
Head of Corporate Banking

### **Kevin McGuire**

Senior Vice President  
Chief Information Officer

### **Lisa Rodericks**

Senior Vice President  
Chief Marketing Officer

### **Carol Sexton**

Senior Vice President  
Head of Retail Banking

## BRANCH LOCATIONS

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### **Arlington Center**

626 Massachusetts Avenue  
Arlington, MA 02476  
617.441.4204

### **Arlington Heights**

1300 Massachusetts Avenue  
Arlington, MA 02476  
617.441.4205

### **East Arlington**

188 Massachusetts Avenue  
Arlington, MA 02474  
617.441.4203

### **Bedford**

181 Great Road  
Bedford, MA 01730  
617.441.4206

### **Belmont Center**

40 Leonard Street  
Belmont, MA 02478  
617.441.4327

### **Burlington—3rd Ave**

140 Middlesex Turnpike  
Burlington, MA 01803  
617.441.7045

### **Burlington—Cambridge Street**

154 Cambridge Street  
Burlington, MA 01803  
617.441.4207

### **Cambridge—Central Square**

630 Massachusetts Avenue  
Cambridge, MA 02139  
617.441.4298

### **Cambridge—Harvard Square**

1374 Massachusetts Avenue  
Cambridge, MA 02138  
617.441.4154

### **Cambridge—Inman Square**

1378 Cambridge Street  
Cambridge, MA 02139  
617.441.4287

### **Cambridge—Porter Square**

53 White Street  
Cambridge, MA 02140  
617.441.4270

### **Charlestown**

1 Thompson Square  
Charlestown, MA 02129  
617.398.5700

### **Concord**

202 Sudbury Road  
Concord, MA 01742  
617.441.7115

### **Lexington Center**

1781 Massachusetts Avenue  
Lexington, MA 02420  
781.861.1980

### **Melrose**

638 Main Street  
Melrose, MA 02176  
781.665.2501

### **Newton Centre**

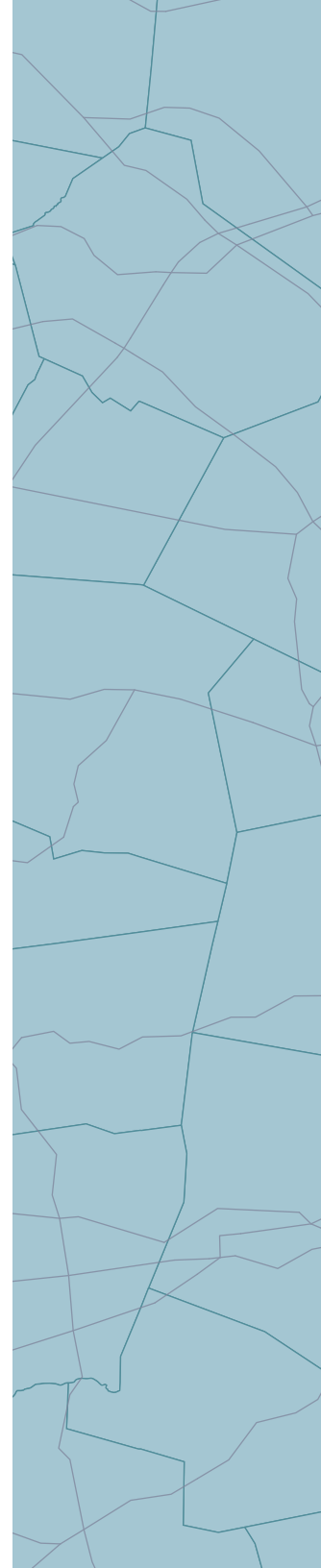
739 Beacon Street  
Newton, MA 02459  
617.441.7065

### **Somerville—Assembly Row**

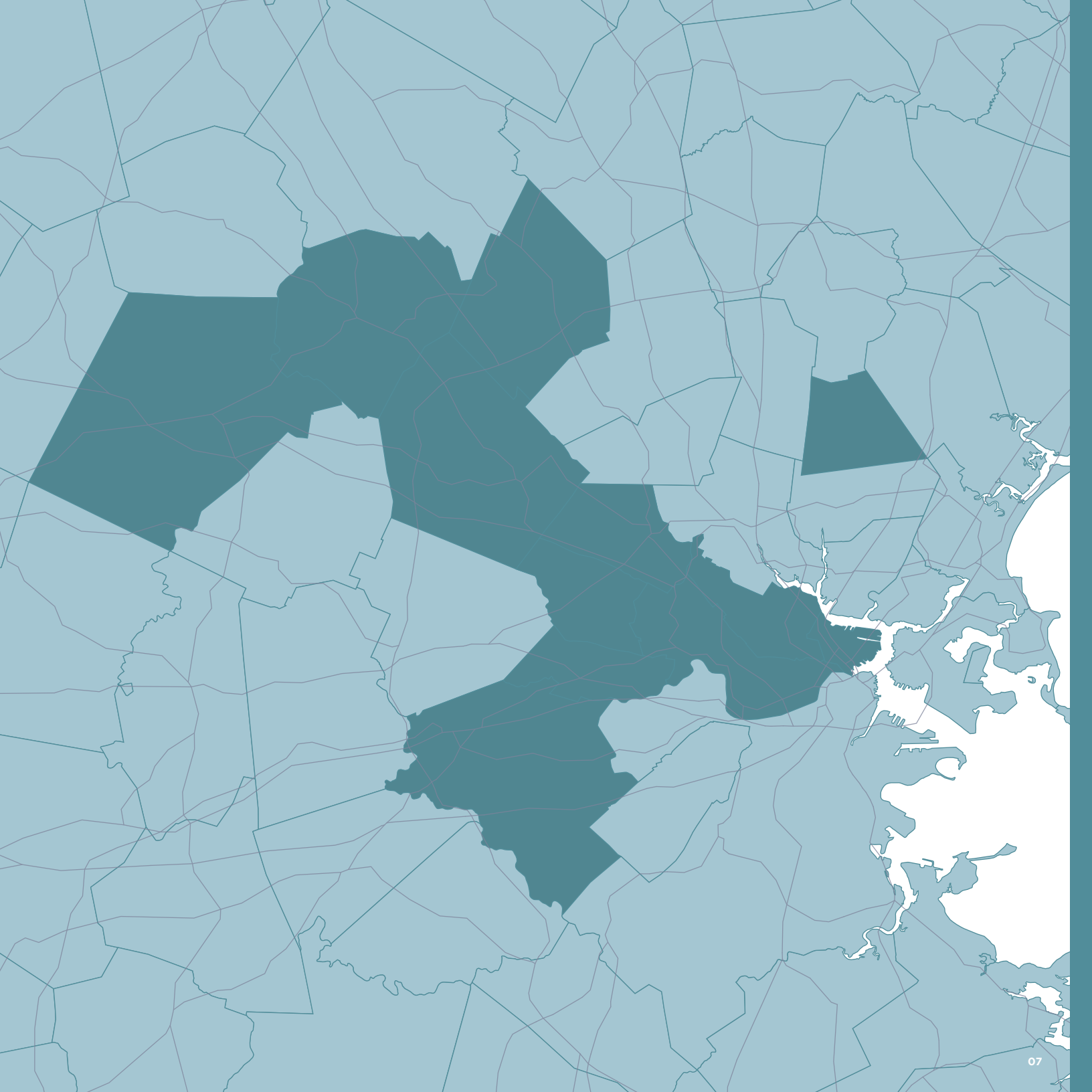
475 Foley Street  
Somerville, MA 02145  
617.684.6231

### **Watertown**

54 Arsenal Street  
Watertown, MA 02472  
617.441.7088







CAMBRIDGE FINANCIAL GROUP, INC. IS THE MUTUAL HOLDING COMPANY FOR:



MEMBER FDIC |  EQUAL HOUSING LENDER