

# The virtue of **resilience**

2023 ANNUAL REPORT



**WESTFIELD BANK**

# A year of **resilience**

In the banking industry, periods of challenge and uncertainty are often opportunities to provide customers steady guidance, trusted leadership, and a sense of resiliency. At Westfield Bank, this is exactly the opportunity our team leaned into throughout 2023.

Following the collapse of several high-profile banks last year, questions swirled about the trustworthiness of large banks and their ability to keep deposits secure. Westfield Bank, as a result, faced an important opportunity to reinforce our role with our customers and double down on our commitment to community.

**The message to our customers was clear - Westfield Bank is a strong and healthy community bank.**

As fears of a recession largely shifted focus to the stability of the banking system and persistently high interest rates, there was no doubt this led to broad uncertainty in the economy. Because of this, what I'll remember the most about 2023 was the resiliency and care that our team responded with amid an environment of economic unease.

I am proud of the response our team had in light of the headwinds we faced. Throughout the year, our team recognized that relationships matter and kept our clients and the communities we serve at the center of their focus.



## INVESTING IN COMMUNITY

We are privately held and supported by Westfield, who just celebrated 175 years of serving customers in both times of prosperity and adversity. As a community bank, Westfield Bank is protected from the stock price fluctuations that typically follow events like the bank failures. And most importantly, we have a proven track record of safe lending and balance sheet management, backed by significant sources of liquidity to ensure that we are ready to serve our clients today and in the future.

It's easy to talk about being committed to our community, but with intentionality, we put those beliefs into action. In 2023, we invested our time, talent, and technology in innovative solutions to deliver positive outcomes for the communities we serve. Understanding the challenges posed by historically high-interest rates, Westfield Bank made it a priority to expand our deposit base, therefore empowering us to make deeper investments benefitting businesses and aspiring individuals in the region.

## IT TAKES A VILLAGE

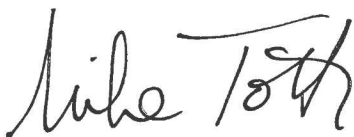
It takes dedicated talent to best serve our customers, which is why as the leader of one of the most trusted community banks in the region, I place careful consideration into the leadership team tasked with carrying out our mission.

Westfield Bank is comprised of many talented and dedicated individuals who share an interest with our customers in building a thriving Northeast Ohio. I'm incredibly grateful to all of our employees for their hard work and caring service to our customers through the highs and lows of 2023.

## READY FOR WHAT'S AHEAD

As 2024 begins, I know challenges and obstacles in our industry will be presented. Lingering inflation and high-interest rates, deepening geopolitical conflict, and a pivotal upcoming November election are just some sources of economic anxiety. But the last couple of years have left me incredibly confident in Westfield Bank's strength, resiliency, and ability to effectively navigate the challenges that face our customers.

**Thank you to each of our customers, employees, and board members for your continued trust and support.**



**MIKE TOTH**

Chairman & CEO | Westfield Bank



# Evolving in the **digital era**

## PRIORITIZING PERSONAL CONNECTION AND COLLABORATION

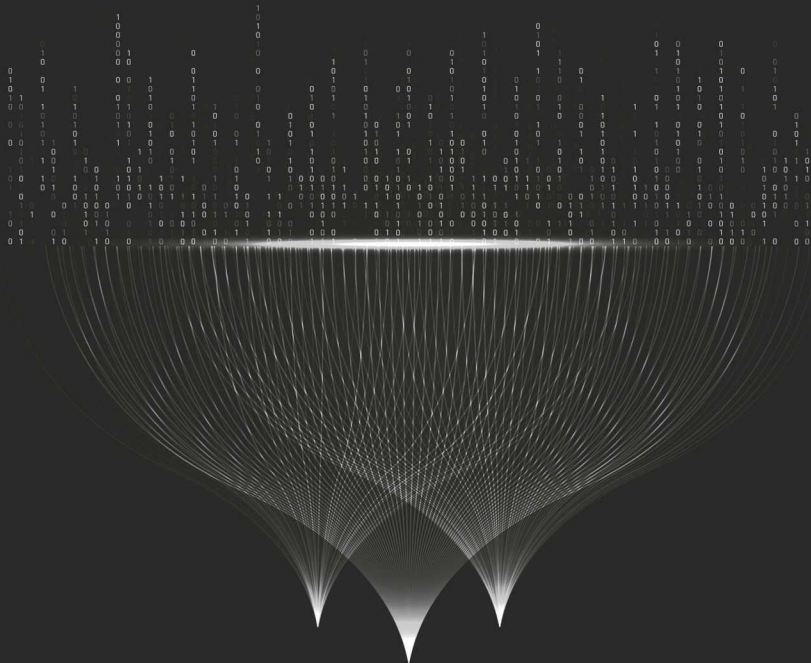
When the first ATM was introduced to customers in 1967, many expected that to bring the end of in-person banking. But more than half a century later, that has proven to not be the case. **The bank branch still is – and always will be – a place where important customer relationships are formed and transformative decisions are made.** That's why Westfield Bank is embracing the latest financial technology advancements while remaining committed to our in-person presence.

The world seems to move faster by the day. As banking customers' habits and expectations change within the digital era, Westfield Bank continues to adapt to best serve these needs. We introduced our customers to *Maverick*, an online banking platform that improves our digital and mobile banking user experience.

Unlike the trend seen at other banks, our digital investments are not coming at the expense of our branches. As a community bank, the connections and personalized services offered by our banking professionals at our branches will always be a proud differentiator for Westfield Bank.

Of course, the rise of digital banking and its conveniences has come with the threat of digital banking fraud for businesses and individuals. Westfield Bank has made it a priority to leverage the latest technology and artificial intelligence (AI) tools to monitor and flag financial transactions that are out of the ordinary, in the effort to safeguard our customers' valuable assets.

In a landscape that is ever evolving with technology that offers automation and convenience – Westfield Bank remains dedicated to the value of the customer experience and connection.



## Westfield Bank surpasses \$100 million gross revenue

Amid the challenges brought upon the industry in 2023, Westfield Bank's resiliency was demonstrated as we surpassed \$100 million gross revenue for the first time in the Bank's two-plus decade history.

While there are many factors that contributed to this, including our competitive rates and top-tier expertise, the increase in revenue speaks to the great trust Westfield Bank customers have in us. This trust isn't just something to feel proud about – it's something tangible that empowers us to give back and make deeper investments in the people and businesses that make our region great. From unlocking dream homes to making business dreams a reality, Westfield Bank knows these are what's at the heart of a thriving Northeast Ohio.



### IDENTIFYING OPPORTUNITY

Valuing the relationships that we build allows us to drive both our customers and our employees towards success. With intention, Westfield Bank offers a variety of programs and opportunities to our employees to advance within their careers, to be voices of influence, to share recognition of their peers, and to learn through a deeper understanding of each other. **These initiatives include:**

- A focus on diversity, equity, and inclusion (DEI), which included the introduction of lunch and learn opportunities offering perspectives on Juneteenth, National Coming Out Day, and Veteran's Day.
- Employee appreciation initiatives including our annual Westy Award program that recognizes outstanding work, our inaugural employee appreciation week, and universal banker appreciation day.
- The Emerging Leaders Council is designed to broaden knowledge and gain exposure to specific business units within Westfield Bank. Focusing attention on all areas of the Bank, the Council works with executive leadership to identify both growth and visibility opportunities for members of the Council.

## Locally Grown

### INVESTING IN SMALL BUSINESS FOR THRIVING COMMUNITIES



When it comes to banking, for Westfield Bank it is about a **commitment to community**. Westfield Bank's micro business lending platform is a testament to our ongoing dedication to what we view as a vital component to a thriving local economy – small businesses.

Through flexible loan terms, Westfield Bank's micro business lending supports a small business's longevity by providing security through times of growth or change. Term loans are structured for small businesses to finance one-time investments, such as purchasing new equipment or the expansion of operations. Alternatively, a line of credit option is perfect for small businesses to gain access to short-term funding for operational expenses or cash flow management.

These competitive loan and credit products provide working capital – improving cash flow to support businesses within their day to day operations, with Westfield Bank providing the consultative guidance to prepare a business for a successful future of growth.

# Excellence Personified

A STRATEGIC COMMITMENT TO SUCCESS



5-STAR RATING FROM BAUER FINANCIAL

# 14

– consecutive years –

2023 GROSS REVENUE SURPASSING

# \$100M

FOURTH  
CONSECUTIVE  
YEAR

NorthCoast 99  
**Top Workplace for Talent**  
Plain Dealer  
**Top Northeast Ohio Workplace**

NorthCoast 99  
**Industry Award of Excellence**  
*Finance & Insurance Industry*

# > \$200M

Westfield Bank's premium finance team originated **more than \$200 million in loans**, achieving this milestone for the first time.

## Putting Customers First

# 4 out of 5

**PERSONAL & BUSINESS BANKING CUSTOMERS**

reported they were satisfied with Westfield Bank's products and services – a testament to a culture that **prioritizes the needs of our customers.**

## The Value of Partners

At the center of success for both Westfield Bank, and for the customers that we serve, is partnership. Westfield Bank's signature networking events celebrate the collaborative spirit that we share as consultative financial partners to our valued customers and industry peers.



**Bourbon & Business**  
*February 2023*

**Customer Appreciation Golf Outing**  
*June 2023*

**Hill n' Dale Outing**  
*October 2023*

## Financial Overview | Westfield Bancorp

FOR THE YEAR	2023	2022	2021	2020	2019
Gross Revenue	\$ 101,278	\$ 78,918	\$ 76,049	\$ 74,284	\$ 71,549
Net Operating Income [after tax]*	16,531	22,262	21,878	16,360	14,349
Net Income [after tax]	16,531	17,990	21,878	16,360	14,349
Return on Average Equity*	7.72%	10.52%	10.34%	8.52%	8.24%
Return on Average Assets*	0.79%	1.11%	1.08%	0.90%	0.92%
Net Interest Margin	2.70%	3.21%	3.25%	3.33%	3.29%
Net Charge-offs to Average Loans	0.03%	0.01%	- 0.02%	0.03%	0.08%

dollars in thousands / unaudited

### AT YEAR END

Total Assets	\$ 2,170,541	\$ 2,097,982	1,969,704	\$ 1,896,862	\$ 1,541,463
Loans	1,641,297	1,605,584	1,482,823	1,525,598	1,247,636
Investment Securities	299,606	310,433	352,113	198,135	146,364
Deposits	1,724,857	1,612,250	1,612,542	1,556,428	1,216,217
Shareholder's Equity	226,854	207,206	218,752	200,441	181,934
Equity-to-Assets Ratio*	10.5%	9.9%	11.1%	10.6%	11.8%
Asset Growth Rate*	3.5%	6.5%	3.8%	23.1%	3.0%

Prepared in accordance with U.S. GAAP.

\* Results based on non-U.S. GAAP basis with the primary difference being net operating income excludes nonrecurring, one-time, non-operational changes.

## Balance & Growth

revenue > in thousands

**2023**

\$101,278

**2022**

\$78,918

**2021**

\$76,049

**2020**

\$74,284

**2019**

\$71,549

# Serving Our Community

Westfield Bank's culture of caring extends beyond the trusted guidance we provide to our customers.

We demonstrate our commitment to community through the dedication of time and donations to area sponsorships and events.

## SPONSORSHIPS IN 2023 INCLUDED:

American Heart Association | The Gathering Place | Medina Creative Housing  
Stewarts Caring Place | Transplant House of Cleveland

Honoring a month of giving in November 2023, multiple departments curated and donated themed gift baskets to be raffled. The money raised was donated to various non-profit organizations within our community.

A charitable food drive collected 732 pounds of food – equivalent to 614 meals – donated to the Akron Canton Regional Foodbank.



## Welcoming New Leadership

Westfield Bank was pleased to welcome **Amy French** as our new EVP, chief human resources officer in 2023. Amy brings a deep commitment to fostering the best workplace possible, making it no coincidence that Westfield Bank was recognized as a *NorthCoast 99 top employer* and a *Plain Dealer Top Workplace 2023* award.

Amy shares: "Westfield Bank is one of the fastest growing community banks in the region, but more importantly it has a strong track record for being a great workplace. I'm excited to be a part of this community-focused team."

## WESTFIELD BANK BOARD OF DIRECTORS

### Larry Benders

President & CEO, Cleveland Sight Center

**Bob Berry** President, Berry's Blooms Ltd

### Robin Cottingham

Retired, Chief Operational Risk Officer, KeyBank

### Marilyn Eisele

Retired, Chief Financial Officer,  
Miller Tanner Associates

### Nancy Heinen

Retired, Vice President Marketing BP, p.l.c.

### Tony Manna

Chairman, Signet, LLC

### Chuck Rotuno

Executive Chairman, OEConnection

### Jonathan Shulman

Retired, Treasurer, KeyBank

### Scott Sinder

Partner, Steptoe & Johnson, LLP

### Mike Toth

Chairman & CEO, Westfield Bank

### Jeff Walters

Managing Director, CBIZ MHM, LLC

## EXECUTIVE LEADERSHIP TEAM

### Mike Toth

Chairman & CEO

### Matt Berthold

EVP, Chief Operating Officer

### Lucy Blumer

SVP, Chief Credit Officer

### Krista Dobronos

SVP, Consumer Banking Leader

### Amy French

EVP, Chief Human Resources Officer

### Jim LaRocca

EVP, Chief Financial Officer

### Kevin Vonderau

EVP, Chief Lending Officer

### Mike Wagar

SVP, Agency Banking &  
Specialty Lines Leader

## SENIOR LEADERSHIP TEAM

### Aaron Barnhart

SVP, Retail Banking Leader

### Joe Bilinovich

SVP, Market Leader  
Medina & Brecksville

### Abbie Fawcett

SVP, Finance Leader

### Bob Giacomo

SVP, Market Leader Mortgage

### Jarrold Long

SVP, Treasury Management Leader

### Becky Lucas

SVP, Senior Credit Officer

### Joe McNeill

SVP, Market Leader  
Akron & Cuyahoga Falls

### Rob Miller

SVP, Operations Leader

### Jason Murdick

SVP, Controller

### Alfred Perry

SVP, General Counsel & Secretary

### Bill Schumacher

SVP, Market Leader  
Wooster & Mansfield

### Mark Shepard

SVP, Senior Technology Officer

### Jeff Snyder

SVP, Market Leader Canton

### Tammy Starkey

SVP, Risk Management Officer

### Christine Van Ausdale

SVP, Marketing Leader

