

Good For You & Your Community

Savings Bank is the only bank chartered in Mendocino County and the only financial institution with its headquarters in Mendocino County:

This is more than a technicality. This means that our headquarters, our decision making, our physical facilities, our Board, management and employees are all here.

Local ownership: Almost 75% of our shares are owned by shareholders that live in Mendocino and Lake Counties, the counties that are our primary market area. We have 395 shareholders, even though our stock is not publicly traded. Those outside the area have family or business ties to the area. We have no institutional shareholders. This means that the profits we earn and the dividends we pay benefit local residents, not some hedge fund or investment bank in New York City.

Local Board of Directors: 100% of our Directors live in Mendocino or Lake County. We have 11 Directors. Eight are current active small business owners in Mendocino or Lake County. One is a retired banker and two work for Savings Bank. We are all invested in the community. We live and work here. Our friends, families and business associates are here. We know the businesses, non-profits, and individuals that we serve. They are our neighbors.

Local management: Our management team lives and works in Mendocino and Lake Counties. Decisions are made by people that know the community, know and frequent the businesses, and know many of the individuals that we serve. We know the local economy, the local issues, and what is important to our friends and neighbors.

Local employment: We provide over 200 professional jobs in Mendocino and Lake Counties. Almost all of our positions have opportunities for advancement and for a career path. We have a comprehensive management succession plan that focuses on developing the next generation of leadership from our current, local employee base. We develop our employees and equip them with the skills they need to succeed and make a career with the Bank. We work toward a goal of not needing to import talent from outside our markets if we can possibly meet our needs from within. With salaries and benefits of over \$14MM per year, we provide significant economic stability and stimulation to the economy.

Local investment: The vast majority of our more than \$500 Million in loans is made to customers in Mendocino and Lake Counties. If it is not in those counties it is probably because one of our local customers has business interests outside the county. When our shareholders invest in Savings Bank, or our depositors entrust their funds to us, they can be assured that they are supporting the local economy and benefiting the communities that they live in and care about. This is \$500 Million that is creating local jobs, producing local goods and services, building local buildings and residences. Your dollars aren't loaned out in Charlotte or New York or Portland.

Local suppliers: If it is available locally, we buy it locally. We spend more than \$2 Million per year buying goods and services from local suppliers.

Community involvement and support: The Bank supports over 150 local non-profits annually. Employees donated 2,803 hours of time to non-profit and community events last year alone. One of our programs, Casual for a Cause – Denim Days, allows employees to donate to local non-profits in order to wear jeans on Fridays. The Bank matches the employee contributions. In the five years since the program started, employees and the Bank have donated \$75,729 to local non-profits.

Financial commitment: Savings Bank's capital ratios are among the top 5% of all banks of our size nationwide. That means that over the past 113 plus years we have retained more earnings relative to our asset size than 95% of community banks our size. This capital is the Bank's own money that we are reinvesting in the community at a much higher level than most of our peers. With our own money at risk, we are that much more committed to the success of the community.

None of this is possible without the support of our customers and the community. It is only because you trust us with your deposits and come to us for loans to help reach your financial goals that we can operate, thrive and help provide financial stability to the communities we serve. And without a good community bank, our businesses, non-profits and individuals would be at a financial disadvantage. So really, is there a better, more impactful return on your investment? It is hard to understand why anyone would not choose their local community bank to meet all of their financial needs.