

PUBLIC DISCLOSURE

March 31, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

South Shore Bank
RSSD # 772008

1530 Main Street
Weymouth, MA 02190

Federal Reserve Bank of Boston
600 Atlantic Avenue
Boston, Massachusetts 02210

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

TABLE OF CONTENTS

I.	Institution Rating	
a.	Overall Community Reinvestment Act (CRA) Rating	2
b.	Performance Test Ratings Table	2
c.	Summary of Major Factors Supporting Rating.....	2
II.	Institution	
a.	Description of Institution	4
b.	Scope of Examination	9
c.	Conclusions with Respect to Performance Tests	12
III.	Appendices	
a.	Appendix A – Glossary of Terms	A

INSTITUTION'S CRA RATING: This institution is rated SATISFACTORY.

The following table indicates the performance level of South Shore Bank (SSB or the bank) with respect to the Lending, Investment, and Service Tests.

	<u>South Shore Bank</u>		
	PERFORMANCE TESTS		
PERFORMANCE LEVELS	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

**The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.*

The major components supporting the ratings in the above reference table include:

Lending Test

- Good responsiveness to the credit needs in its assessment area, taking into account the number and amount of home mortgage, small business, small farm, and consumer loans, if applicable, in the bank's assessment area.
- A high percentage of its loans are made in the bank's assessment area.
- An adequate distribution, particularly in the bank's assessment area, of loans among individuals of different income levels and businesses (including farms) of different sizes, given the product lines offered by the bank.
- An adequate geographic distribution of loans in the bank's assessment area.
- An adequate record of serving the credit needs of highly economically disadvantaged areas in the bank's assessment area, low-income individuals, or businesses (including farms), with gross annual revenues of \$1 million or less, consistent with safe and sound operations.
- The bank is a leader in making community development loans.
- Use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- or moderate-income individuals or geographies.

Investment Test

- A significant level of qualified investments, particularly those that are not routinely provided by private investors, occasionally in a leadership position.
- Occasional use of innovative or complex qualified investments.

- Adequate responsiveness to credit and community development needs.

Service Test

- The bank's service delivery systems are reasonably accessible to geographies and individuals of different income levels in its assessment area.
- To the extent changes have been made, the bank's record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals.
- The bank's services (including, where appropriate, business hours) do not vary in a way that inconveniences its assessment area, particularly low- and moderate-income geographies and low- and moderate-income individuals.
- The bank provides a relatively high level of community development services.

DESCRIPTION OF INSTITUTION

SSB is a full-service mutual savings bank originally chartered in 1833. SSB is a wholly-owned subsidiary of Charlesbridge Mutual Holding Company, Dedham, MA, a noncomplex, shell holding company that also owns Dedham Institute for Savings (DIS), Dedham, MA. SSB wholly owns six subsidiaries: Bay Colony Enterprises, Inc., Braintree Cooperative Realty, Inc., 1868 Corporation, First Weymouth Corporation, 1833 Security Corporation, and Fourth Weymouth Corporation.

SSB operates a full-service branch at its headquarters in Weymouth, MA. In addition to its main office, the bank operates 12 full-service locations in 9 Massachusetts communities: three in Weymouth, two in Quincy, and one each in Braintree, East Bridgewater, Hanover, Hingham, Norwell, Stoughton, and Brockton. During the review period SSB opened one new branch in the city of Brockton. The bank maintains regular weekday hours and retail banking services; branches typically provide Saturday hours, drive-up tellers, 24-hour ATMs, and extended weeknight hours at least once each week.

As of December 31, 2024, SSB's assets totaled \$2.3 billion, with total deposits of \$2.0 billion, and net loans and leases of \$1.5 billion. This is an increase from total assets of \$2.1 billion at the same time period in 2022, where total loans and leases were \$1.3 billion, and total deposits were \$1.8 billion. Over the course of the evaluation period, total assets, as well as total loans and total deposits, increased by approximately 0.9 percent since December 31, 2022. The bank is primarily a commercial lender with the largest portion of the loan portfolio at 73.0 percent. Commercial loans consist of commercial mortgage loans secured by non-farm non-residential properties, and commercial and industrial loans. Residential loans, accounting for 24.6 percent, consist of first and junior lien closed-end mortgages secured by 1-4 family properties. Consumer loans account for the remaining balance of the loan portfolio. Table 1 displays the bank's loan distribution, as of December 31, 2024.

Table 1 Loan Distribution as of December 31, 2024		
Loan Type	Dollar Amount \$(000s)	Percent of Total Loans (%)
Residential RE	382,651	24.6
Commercial*	1,133,966	73.0
Consumer	36,670	2.4
Total Loans	1,553,287	100.0

Call Report as of December 31, 2024.

**May include construction, land development, and other land loans reported on the HMDA LAR
Total percentages shown may vary by 0.1 percent due to automated rounding differences.*

SSB offers several types of commercial/business loans including term loans, lines of credit, commercial mortgages, and Small Business Administration (SBA) guaranteed loans. The bank also offers a condominium lending program to assist condominium communities facing capital improvement projects. Since the last evaluation, the bank discontinued residential lending offerings and refers customers to DIS for residential loans.

The bank maintains a website at <https://www.southshorebank.com>. The website provides information about personal, business, commercial, and investment products and services. The website also provides access to online banking, branch and ATM location information, financial

calculators, and news about the bank's involvement in the community.

SSB operates in a competitive geographic area where several community banks, as well as larger regional and national banks, maintain a branch presence. According to the FDIC Deposit Market Share Report, as of June 30, 2024, there were 42 financial institutions offering deposit services within the bank's assessment area. SSB ranked ninth for deposit market share, at 3.6 percent. Bank of America, N.A. ranked first, at 16.4 percent; Rockland Trust Company ranked second, at 13.0 percent; and Citizens Bank, N.A. ranked third, at 11.9 percent. Rockland Trust Company and Bank of America, N.A. maintain 46 and 27 locations, respectively, within the assessment area, while Citizens Bank, N.A. maintains 38 locations. As discussed above, SSB has 13 locations.

Additionally, the bank operates in a competitive environment for home mortgage loans. According to 2023 Home Mortgage Disclosure Act (HMDA) aggregate data, of the 455 financial institutions that originated a HMDA-reportable loan within the assessment area, SSB ranked 46th with 121 originations; in 2022, of the 514 financial institutions that originated a HMDA-reportable loan within the assessment area, the bank ranked 49th with 187 originations. In 2023, JPMorgan Chase Bank, N.A., one of the country's largest retail banks, ranked first with 2,837 originations. Citizens Bank, N.A., one of the largest regional banks in New England, ranked second with 2,254 originations. The bank also faces strong competition for loans from Rockland Trust Company and Bank of America, N.A.

Considering the bank's financial capacity, local economic conditions, assessment area demographics, and the competitive market in which it operates, the bank has demonstrated an ability to meet the credit needs in its assessment area. There are no legal or financial impediments that would impact the bank's ability to meet the credit needs of its assessment area.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires a financial institution to define an assessment area within which its CRA performance will be evaluated based upon where it focuses its lending efforts. SSB maintains one assessment area in the Commonwealth of Massachusetts (Massachusetts). The bank has made a change to its assessment area since the previous examination in 2023. The assessment area includes a portion (265 out of 435 census tracts) of the Boston, MA Metropolitan Division (Boston MD). The Boston MD is comprised of Norfolk County, Plymouth County, and Suffolk County. Of these counties, the bank includes the entirety of Plymouth County (111 census tracts) and Norfolk County (154 census tracts) in its assessment area. Both counties are in southeastern Massachusetts.

Table 2 below provides a summary of demographic information for the bank's assessment area in 2023.

Table 2 - 2023 SSB AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	9	3.4	7,716	2.5	1,389	18.0	57,191	18.3
Moderate	37	14.0	41,215	13.2	3,749	9.1	48,549	15.5
Middle	115	43.4	141,141	45.2	5,111	3.6	65,163	20.9
Upper	98	37.0	121,134	38.8	2,649	2.2	141,366	45.3
Unknown	6	2.3	1,063	0.3	21	2.0	0	0.0
Total AA	265	100.0	312,269	100.0	12,919	4.1	312,269	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	13,266	3,653	1.1	27.5	8,555	64.5	1,058	8.0
Moderate	75,239	39,679	12.0	52.7	29,155	38.7	6,405	8.5
Middle	221,748	152,550	46.0	68.8	55,563	25.1	13,635	6.1
Upper	175,608	134,316	40.5	76.5	32,596	18.6	8,696	5.0
Unknown	2,375	1,205	0.4	50.7	1,050	44.2	120	5.1
Total AA	488,236	331,403	100.0	67.9	126,919	26.0	29,914	6.1
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	1,337	2.2	1,236	2.2	92	1.9	9	2.3
Moderate	7,429	12.2	6,729	12.1	653	13.4	47	12.2
Middle	26,054	42.7	23,689	42.5	2,202	45.1	163	42.3
Upper	26,056	42.7	23,962	43.0	1,930	39.5	164	42.6
Unknown	110	0.2	102	0.2	6	0.1	2	0.5
Total AA	60,986	100.0	55,718	100.0	4,883	100.0	385	100.0
Percentage of Total Businesses:				91.4		8.0		0.6
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	4	0.9	4	0.9	0	0.0	0	0.0
Moderate	55	12.6	55	12.8	0	0.0	0	0.0
Middle	203	46.6	199	46.4	4	57.1	0	0.0
Upper	174	39.9	171	39.9	3	42.9	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	436	100.0	429	100.0	7	100.0	0	0.0
Percentage of Total Farms:				98.4		1.6		0.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau; American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

Housing

The assessment area contains 488,236 housing units of which 2.7 percent are in low-income census tracts and 15.4 percent are in moderate-income census tracts. A majority of the housing units are in the middle- and upper-income census tracts, with 45.4 percent located in middle-income census tracts and 36.0 percent located in upper-income census tracts. Of the housing units in the assessment area, 67.9 percent are owner-occupied, 26.0 percent are rental, and 6.1 percent are vacant units.

Of the 331,403 owner-occupied housing units, 1.1 percent are in low-income census tracts and 12.0 percent are in moderate-income census tracts, while the majority are in middle- and upper-income census tracts, at 46.0 percent and 40.5 percent, respectively. Of the 126,919 rental units in the assessment area, 6.7 percent are in low-income census tracts, 23.0 percent are in moderate-income census tracts, 43.8 percent are in middle-income census tracts, and 25.7 percent are in upper-income census tracts. The relatively low percentage of owner-occupied units and high percentage of rental units in low- and moderate-income census tracts within the assessment area suggest limited opportunity to originate home mortgage loans in these census tracts.

Of the housing units in the assessment area, 396,565, or 81.2 percent, are 1-4 family units and 91,671, or 18.8 percent, are multifamily units. Of the 1-4 family units, 2.0 percent are in low-income census tracts, 14.6 percent are in moderate-income census tracts, 46.2 percent are in middle-income census tracts, and 36.8 percent are in upper-income census tracts. Of the multifamily units, 5.7 percent are in low-income census tracts, and 19.0 percent are in moderate-income census tracts, while units located in middle- and upper-income census tracts represent 42.1 percent and 32.4 percent, respectively. Mobile homes represent 1.2 percent.

A review of 2024 housing statistics indicates that the median sale prices of homes in Norfolk and Plymouth counties were \$715,000 and \$597,900, respectively. The median sales price in Norfolk County was notably higher than the state-wide median housing sale price for Massachusetts, which was \$597,900, while the median sales price for Plymouth County was in line with that of the state. The higher median sale prices in Norfolk County pose significant challenges to housing affordability.

Business Characteristics

According to the 2023 Dun & Bradstreet, Short Hills, NJ (D&B) data, there are 60,986 businesses in the assessment area, of which 2.2 percent are located in low-income census tracts, 12.2 percent are located in moderate-income census tracts, 42.7 percent are located in middle-income census tracts, 42.7 percent are in upper-income census tracts, and 0.2 percent are located in unknown-income census tracts. Of the total businesses located within the assessment area, 55,718, or 91.4 percent, are small businesses with recorded gross annual revenues of less than or equal to \$1 million.

Based on the labor market data on the Massachusetts Labor and Workforce Development website, major employers within Norfolk and Plymouth counties¹ include Partners Healthcare

¹ Massachusetts Executive Office of Labor and Workforce Development – Largest Employers by Area: NECTAs are delineated by the Office of Management and Budget. They are similar to the county-based metropolitan and micropolitan statistical areas; however, NECTAs are based on county subdivisions, usually cities and towns.

System, Inc., Brockton VA Hospital Medical Center, Good Samaritan Medical Center, and Destination XL Group, Inc.

Additionally, according to the January 2025 edition of the Beige Book, published by the Federal Reserve System, economic activity in the region increased slightly overall, with continued strength in tourism and a modest increase in residential real estate sales. Prices generally remained flat, and many contacts reported that they did not foresee major changes in pricing pressure for their businesses moving forward. Employment was roughly steady, and wages increased modestly on average. Labor supply to retail and tourism jobs improved modestly, with greater ease of hiring and reduced attrition. Home sales rose modestly on a year-over-year basis in November 2024, the most recent month for which data was available. Commercial real estate activity was mostly flat, and contacts reported uniformly that elevated long-term interest rates continue to limit transactions. Outside of manufacturing where sales were mixed, the outlook was modestly optimistic, although some contacts had concerns for 2025 related to how national economic policies might change and where long-term interest rates would land.

Population

The bank's assessment area has a population of 1,256,800 individuals. A majority of the population resides in middle- and upper-income census tracts, at 551,864 or 43.9 percent, and 478,965 or 38.1 percent, respectively. The population located in the moderate-income census tracts represents 14.0 percent, or 176,909, while 3.0 percent, or 38,323, are in the low-income census tracts.

The assessment area includes 458,322 households. Households in the assessment area are distributed as follows: 22.1 percent are low-income households, 14.3 percent are moderate-income households, 17.0 percent are middle-income households, and 46.6 percent are upper-income households. Households below the poverty line represent 7.2 percent of all households. Of the total households, 312,269 are families. The highest percentage of families are upper income, at 45.3 percent. Middle-income families represent 20.9 percent of the assessment area, while moderate- and low-income families represent 15.5 percent and 18.3 percent, respectively. Approximately 12,919 families within the assessment area, or 4.1 percent, are below the poverty level.

Income

The Federal Financial Institutions Examination Council (FFIEC) adjusts the median family income (MFI) of metropolitan areas annually, based on estimates. The MFI for low-income is defined as family income less than 50 percent of the area median income; moderate-income is defined as income of at least 50 percent and less than 80 percent of median income; middle-income is defined as income of at least 80 percent but less than 120 percent of median income; and upper-income is defined as 120 percent of median income and above. Table 3 displays the MFI incomes for the assessment area.

Table 3 Median Family Income			
MSA/MD	2023	2022	% Change
Boston MD	\$136,900	\$129,500	5.7
Massachusetts*	\$130,000	\$119,400	8.9
<i>FFIEC median family income estimates</i>			
<i>*Represents non-MSA portions of the state</i>			

The MFIs for the Boston MD and Massachusetts are based on the annual FFIEC MFI estimates. As displayed in Table 3, the Boston MD MFI is comparable to the Massachusetts MFI. As discussed in the housing section, the median housing sales prices in Norfolk County, Plymouth County, and Massachusetts are \$715,000, \$597,900, and \$597,900 respectively. The median sales prices compared to the MFI for the Boston MD indicate that housing challenges likely exist, particularly for low- and moderate-income individuals.

Employment Statistics

According to data released by the U.S. Bureau of Labor Statistics, unemployment rates during the review period were significantly lower than the rates in the previous examination's review period, which was more immediately impacted by COVID-19. The unemployment rate for Norfolk and Plymouth counties decreased sharply, reaching its lowest in December 2022, with Norfolk County, at 2.9 percent, and Plymouth County, at 3.4 percent. In 2023, the average annual unemployment rate for Plymouth County, at 3.7 percent, was above Massachusetts, at 3.5 percent, and Norfolk County, at 3.2 percent. Since the unemployment rate peak in 2020 the unemployment rate has steadily decreased, indicating that economic conditions have improved.

SCOPE OF EXAMINATION

SSB's performance review was based on CRA activities conducted using the FFIEC Examination Procedures for Large Institutions². These procedures evaluate banks under three tests: the Lending Test, the Investment Test, and the Service Test.

The Lending Test evaluates the bank's lending performance pursuant to the following criteria: lending activity, assessment area concentration of loans, geographic distribution of loans, borrower's profile, responsiveness of credit needs, community development lending activity, and product innovation. The Investment Test evaluates the bank's performance pursuant to the following criteria: investment and grant activity, responsiveness to credit and community development needs, and community development initiatives. The Service Test evaluates the bank's performance pursuant to the following criteria: accessibility of delivery systems, changes in branch locations, reasonableness of business hours and services, and community development services.

The evaluation of the bank's lending performance was based on residential and small business lending between January 1, 2022, and December 31, 2023, and community development lending from January 31, 2023, through March 30, 2025. Residential loans include all home purchase

² "Large institutions" are banks or savings associations with assets of at least \$1.609 billion as of December 31 of both of the prior two calendar.

loans, home improvement loans, and refinance loans for one-to-four family and multifamily (five or more unit) properties, which the bank is required to report under HMDA.³

Small business loans, for the purpose of this evaluation, include non-farm, non-residential real estate and commercial and industrial loans with original loan amounts of \$1 million or less. Small business loan data was obtained from the small business loan registers produced and maintained by SSB as required for large banks under the CRA.

To evaluate performance, the bank's residential and small business loan data were compared to applicable aggregate and market data. The aggregate data for residential lending was obtained from the Consumer Financial Protection Bureau (CFPB). Aggregate data for small business lending was obtained from the FFIEC. Residential and small business market and demographic data were derived from the 2020 American Community Survey (ACS) and D&B data, respectively.

For both residential and small business lending, the bank's lending performance for 2022 and 2023 is included in the data tables unless otherwise noted. While both the number and dollar volume of the bank's residential and small business lending were reviewed, the number of originations was weighted more heavily than the dollar volume to reduce the potential distorting effects of larger-dollar loans. The bank's current strategic focus is on commercial and small business lending; however, residential loans accounted for the majority of lending activity that occurred during the evaluation period. Therefore, equal emphasis was placed on small business and residential mortgage loans for each performance criterion.

Community development activities are not evaluated using a separate test; rather, they are included as a component of the Lending Test, Investment Test, or Service Test, depending on the nature of the activity. The bank's community development lending, qualified investments, and services were reviewed for the period of January 31, 2023, through March 30, 2025, and were evaluated in the context of community development needs of the assessment area and the bank's capacity to meet those needs. In addition, third-party community organizations were contacted to provide additional insight into the credit needs of the assessment area.

Community Contacts

As part of the evaluation process, third parties that are active in community affairs are contacted to assist in assessing the housing and credit needs in the bank's assessment area. Relevant information from this practice assists in determining whether local financial institutions are responsive to the credit needs of the community, and whether additional opportunities are available.

A community contact was conducted with the director of a government department that analyzes demographic data and implements revitalization plans for a city within the assessment area. The current focus of the department is to redevelop blighted or unusable land into a combination of transit-oriented residential housing units and non-retail commercial space with the intention of attracting technology companies into the city. The contact stated that infrastructure loans for landlords to physically transform commercial restaurant space would enable sustained

³ Due to a change with HMDA reporting requirements in 2018, other purpose/closed exempt loans are included in the residential lending review as a unique field for that year. The other purpose/closed exempt loan category are loans where the applicant provides no statement to the proposed use of the proceeds, and the covered loan is not a home purchase loan, cash-out refinancing, or refinancing.

investment in the downtown area. The contact further stated that bank lending programs supporting low- and moderate-income borrowers with accessory dwelling units would be beneficial as it could enable additional income streams to help pay down debt, keep residents in their homes, and start building generational wealth. The contact expressed a continued need for affordable housing for very low-income individuals and seniors.

A second community contact was conducted with the director of economic development for a town within the assessment area. The department is responsible for allocating resources to help support the economic development and revitalization of the downtown area. On the whole, the contact felt that banks have been responsive to small business needs, but there is a continuous need for financial support such as microenterprise grants that were beneficial during the COVID-19 pandemic. The contact added that consumer and small business education is always needed, such as downpayment assistance opportunities for potential homeowners, fraud prevention for seniors, and emerging topics in the business industry such as artificial intelligence. In terms of housing, although the town has been historically an affordable option, borrowers are being priced out due to rising home values. Lastly, the contact cited a need for more apartments, including affordable apartments and those targeted to seniors.

A third community contact was utilized from a recent CRA examination that operates within the bank's assessment area. The contact was conducted with a non-profit community action agency that provides a range of services for low-income families. The contact highlighted that the greatest areas of need for low-income families are affordable housing, availability of nutritious food, utilities assistance, transportation, and childcare. Consumer education, including financial literacy and money management, and services, particularly debt restructuring, would be vitally important as credit card usage was high among clients. The contact stated that due to a decrease in state funding, additional support from financial institutions with individual development accounts and tax services would be beneficial.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

SSB's performance under the Lending Test is rated High Satisfactory.

The following information further details the data compiled and reviewed, as well as conclusions on the bank's performance.

Lending Activity

The bank demonstrates good responsiveness to the credit needs in its assessment area, taking into account the number and amount of home mortgage and small business loans in its assessment area. During the evaluation period the bank originated a total of 578 residential and small business loans, of which 449 were located in the assessment area. Of the loans in the assessment area, 276 were residential loans and 173 were small business loans.

Small Business Lending

The bank's origination of small business loans during the evaluation period remained stable as it originated 110 loans in 2022 and 117 in 2023. In 2022, the bank ranked 31st out of 154 small business lenders inside the assessment area and was in the 80th percentile by number of loans originated and purchased. In 2023, the bank ranked 33rd out of 134 small business lenders in the assessment area and was in the 75th percentile by number of loans originated and purchased.

Residential Lending

The bank's origination of residential loans during the evaluation period decreased as it originated 232 HMDA loans in 2022 and 119 in 2023. In 2022, SSB ranked 52nd of 514 lenders inside the assessment area and was in the 90th percentile by number of loans originated and purchased in the assessment area. In 2023, the bank ranked 50th out of 455 lenders and was in the 89th percentile by number of loans originated and purchased.

Distribution of Lending within the Assessment Area

This criterion evaluates the concentration of loans originated by the bank within its assessment area. Table 4 presents the bank's levels of lending inside and outside the assessment area for the entire evaluation period and shows a high percentage of the bank's loans are made in the assessment area.

Table 4 Lending Inside and Outside the Assessment Area								
Loan Types	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Purchase - Conventional	90	70.9	48,162	62.8	37	29.1	28,571	37.2
Home Improvement	57	93.4	4,508	65.1	4	6.6	2,421	34.9
Multi-Family Housing	8	47.1	22,008	38.1	9	52.9	35,697	61.9
Refinancing	121	82.9	35,558	76.9	25	17.1	10,700	23.1
Total HMDA related	276	78.6	110,236	58.8	75	21.4	77,389	41.2
SB - Small Business	173	76.2	46,731	67.9	54	23.8	22,097	32.1
Total Small Bus. related	173	76.2	46,731	67.9	54	23.8	22,097	32.1
TOTAL LOANS	449	77.7	156,967	61.2	129	22.3	99,486	38.8

HMDA and small business data for 2022 & 2023

Total percentages shown may vary by 0.1 percent due to automated rounding differences.

Small Business Lending

A high percentage of small business loans were originated inside the assessment area. The bank originated 76.2 percent, by number, and 67.9 percent, by dollar volume, within the assessment area from 2022 to 2023. The bank's small business lending performance by number slightly increased from the prior evaluation, where 75.2 percent of small business loans were originated within the bank's assessment area.

Residential Lending

A high percentage of originated home mortgage loans were made in the assessment area. As displayed in Table 4, SSB originated 78.6 percent of home mortgage loans by number, and 58.8 percent by dollar volume, within the assessment area in 2022 and 2023. This is an increase from the 73.2 percent by number, and a decrease from 62.3 percent by dollar volume, of home mortgage loans originated within the bank's assessment area during the prior evaluation period.

Table 4 also provides data on HMDA lending by loan purpose. Home improvement loans represent the loan type with the largest percentage of loans originated in the assessment area, at 93.4 percent. Refinancings represent the loan type with the second largest percentage of loans originated by the bank inside the assessment area, at 82.9 percent, followed by home purchase-conventional loans, at 70.9 percent.

Borrowers' Profile

This criterion analyzes the distribution of loans to borrowers of different income levels as well as businesses with different revenues. The bank demonstrates an adequate distribution, particularly in its assessment area, of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

Small Business Lending

The bank's small business loans originated within the assessment area were analyzed to determine the distribution among businesses of various sizes. Table 5 details the bank's lending to small businesses according to revenue size. The bank's performance in lending to businesses with gross annual revenues (GARs) of \$1 million or less is adequate.

Table 5														
Distribution of 2022 and 2023 Small Business Lending By Revenue Size of Businesses														
	Bank And Aggregate Loans By Year												Total Businesses %	
	2022						2023							
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg		
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%		
By Revenue														
\$1 Million or Less	39	43.3	48.7	7,324	28.6	30.5	38	45.8	52.6	6,499	30.8	31.4	91.4	
Over \$1 Million	51	56.7		18,315	71.4		45	54.2		14,593	69.2		8.0	
Revenue Unknown	0	0.0		0	0.0		0	0.0		0				
Total	90	100.0		25,639	100.0		83	100.0		21,092	100.0		100.0	
By Loan Size														
\$100,000 or Less	31	34.4	95.2	1,755	6.8	46.4	36	43.4	95.7	1,833	8.7	50.8		
\$100,001 - \$250,000	21	23.3	2.7	3,909	15.2	14.8	15	18.1	2.5	2,765	13.1	15.1		
\$250,001 - \$1 Million	38	42.2	2.1	19,975	77.9	38.7	32	38.6	1.8	16,494	78.2	34.1		
Total	90	100.0	100.0	25,639	100.0	100.0	83	100.0	100.0	21,092	100.0	100.0		
By Loan Size and Revenues \$1 Million or Less														
\$100,000 or Less	19	48.7		883	12.1		22	57.9		997	15.3			
\$100,001 - \$250,000	8	20.5		1,479	20.2		7	18.4		1,315	20.2			
\$250,001 - \$1 Million	12	30.8		4,962	67.7		9	23.7		4,187	64.4			
Total	39	100.0		7,324	100.0		38	100.0		6,499	100.0			
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.														

In 2022, the bank originated 39 loans, or 43.3 percent, to businesses with GAR under \$1 million and lagged the aggregate, at 48.7 percent. In 2023, the bank originated 38 loans, or 45.8 percent, to the same type of businesses, which was lower than the 52.6 percent extended by the aggregate. SSB also lagged the aggregate in both years in terms of extending smaller dollar volume loans, with 31 loans, or 34.4 percent, made in amounts under \$100,000 in 2022, and 36 loans, or 43.4 percent in 2023, while the aggregate extended over 95.0 percent of loans under \$100,000 in those years. It is recognized that the bank's lending is concentrated in commercial real estate, which relates to purchasing or refinancing commercial properties, while C&I loans is a broader category that can be used for various purposes such as working capital and equipment purchases, which may result in smaller dollar loans.

Residential Lending

Table 6 provides a comparison of the bank's lending by income level of the borrower to the income distribution of families in the assessment area and demographic data. The table further outlines the bank's performance by loan type in comparison to the aggregate group. The bank's performance in lending to individuals of different income levels, including low- and moderate-income borrowers, for residential loans is good.

Table 6													
Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	2	3.6	5.0	650	2.2	2.2	0	0.0	4.1	0	0.0	1.4	18.3
Moderate	6	10.9	18.4	1,949	6.6	11.8	6	17.1	15.8	1,369	7.3	9.0	15.5
Middle	13	23.6	22.1	5,570	18.9	18.1	3	8.6	22.2	1,187	6.4	17.1	20.9
Upper	18	32.7	38.8	12,575	42.6	51.7	21	60.0	36.7	11,869	63.6	45.7	45.3
Unknown	16	29.1	15.7	8,749	29.7	16.3	5	14.3	21.3	4,244	22.7	26.7	0.0
Total	55	100.0	100.0	29,493	100.0	100.0	35	100.0	100.0	18,669	100.0	100.0	100.0
Refinance Loans													
Low	12	13.0	10.4	1,651	5.7	5.7	4	13.8	8.7	679	10.2	3.9	18.3
Moderate	16	17.4	22.8	4,085	14.1	16.0	8	27.6	16.7	867	13.1	8.9	15.5
Middle	24	26.1	22.1	7,179	24.8	18.6	3	10.3	20.0	1,476	22.2	12.9	20.9
Upper	22	23.9	34.6	9,332	32.3	47.6	6	20.7	32.7	1,322	19.9	31.4	45.3
Unknown	18	19.6	10.2	6,675	23.1	12.1	8	27.6	21.8	2,292	34.5	42.8	0.0
Total	92	100.0	100.0	28,922	100.0	100.0	29	100.0	100.0	6,636	100.0	100.0	100.0
Home Improvement Loans													
Low	2	8.7	6.0	120	6.8	3.8	0	0.0	6.5	0	0.0	3.0	18.3
Moderate	7	30.4	17.7	510	28.8	11.3	11	32.4	18.2	567	20.7	10.9	15.5
Middle	7	30.4	26.0	405	22.8	19.6	9	26.5	26.0	790	28.9	18.8	20.9
Upper	6	26.1	48.1	463	26.1	59.5	9	26.5	43.5	1,005	36.7	51.7	45.3
Unknown	1	4.3	2.2	275	15.5	5.9	5	14.7	5.9	373	13.6	15.6	0.0
Total	23	100.0	100.0	1,773	100.0	100.0	34	100.0	100.0	2,735	100.0	100.0	100.0
Total Home Mortgage Loans													
Low	16	9.4	7.0	2,421	4.0	3.4	4	4.1	5.8	679	2.4	2.0	18.3
Moderate	29	17.1	19.6	6,544	10.9	12.9	25	25.5	16.3	2,803	10.0	8.9	15.5
Middle	44	25.9	22.8	13,154	21.9	18.2	15	15.3	22.0	3,453	12.3	15.8	20.9
Upper	46	27.1	39.4	22,370	37.2	51.3	36	36.7	36.7	14,196	50.6	42.4	45.3
Unknown	35	20.6	11.2	15,699	26.1	14.2	18	18.4	19.3	6,909	24.6	30.9	0.0
Total	170	100.0	100.0	60,188	100.0	100.0	98	100.0	100.0	28,040	100.0	100.0	100.0
Source: 2023 FFIEC Census Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

In 2022, as noted in Table 6, the bank's lending performance to low-income borrowers exceeded the aggregate. The bank originated 16 loans, or 9.4 percent, of its loans to low-income borrowers, compared to 7.0 percent for the aggregate. Of the 16 loans to low-income borrowers, 12 were refinances. The bank outperformed the aggregate in refinance loans 13.0 percent to 10.4 percent. While the bank and aggregate were below the demographics of low-income families, at 18.3 percent, it is not expected that the bank would match the percentage of low-income families due to the relatively high housing prices as compared to median family income. In that same year, the bank extended 29 loans, or 17.1 percent of loans, to moderate-income borrowers, which lagged the aggregate, at 19.6 percent. The bank's performance, however, was above the percentage of moderate-income families, at 15.5 percent.

The percentage of home mortgage loans the bank extended to low-income borrowers in 2023 was below the aggregate, with 4 loans originated, or 4.1 percent, as compared to 5.8 percent for

the aggregate. With 25 loans, or 25.5 percent, originated to moderate-income borrowers, the bank exceeded the aggregate, at 16.3 percent, and the 15.5 percent of moderate-income families.

There were no significant variations in performance across the product categories offered by the bank. Overall, the bank's performance in extending home mortgage loans to borrowers of different income levels, particularly low- and moderate-income, is considered good.

Geographic Distribution of Loans

This performance criterion evaluates the bank's distribution of loans to census tracts of all income levels. The bank demonstrates an adequate geographic distribution of loans in its assessment area.

Small Business Lending

Table 7 represents the distribution of small business loans by census tract income level. The bank's geographic distribution of small business loans is adequate.

Table 7 Distribution of 2022 and 2023 Small Business Lending By Income Level of Geography													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##%	##%	\$(000)	\$%	\$%	#	##%	##%	\$(000)	\$%	\$%	
Low	1	1.1	2.2	100	0.4	2.0	2	2.4	2.2	20	0.1	1.6	2.2
Moderate	21	23.3	13.1	6,421	25.0	12.2	6	7.2	13.3	1,487	7.1	12.9	12.2
Middle	35	38.9	43.0	10,874	42.4	42.3	42	50.6	43.3	13,676	64.8	42.4	42.7
Upper	33	36.7	40.9	8,244	32.2	43.2	33	39.8	40.5	5,909	28.0	42.8	42.7
Unknown	0	0.0	0.3	0	0.0	0.1	0	0.0	0.3	0	0.0	0.2	0.2
Tract-Unk	0	0.0	0.5	0	0.0	0.2	0	0.0	0.4	0	0.0	0.1	
Total	90	100.0	100.0	25,639	100.0	100.0	83	100.0	100.0	21,092	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

The bank originated one small business loan, or 1.1 percent, in a low-income census tract in 2022 which was slightly below the aggregate at 2.2 percent. In 2023, the bank originated two small business loans, or 2.4 percent, in a low-income census tract which was in line with the aggregate at 2.2 percent. Analysis of the assessment area suggests that opportunity for originating small business loans in low-income census tracts is limited, as approximately 2.2 percent of businesses are in low-income census tracts. In 2022, the bank originated 21, or 23.3 percent, of its small business loans in moderate-income census tracts which exceeded the aggregate at 13.1 percent. In 2023, the bank originated six, or 7.2 percent, of its small business loans in moderate-income census tracts and lagged the aggregate, at 13.3 percent.

SSB originated the largest percentage of its small business loans in middle income census tracts, with 38.9 percent in 2022, and 50.6 percent in 2023.

Residential Lending

Table 8 provides a comparison of the bank's lending by census tract income level to the

aggregate lending data and demographics of the assessment area. The bank's geographic distribution of loans is adequate.

Table 8 Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	1.6	0	0.0	1.2	0	0.0	1.7	0	0.0	1.3	1.1
Moderate	7	12.7	14.1	3,825	13.0	10.1	3	8.6	13.7	924	4.9	9.5	12.0
Middle	27	49.1	45.4	12,059	40.9	36.4	16	45.7	43.2	8,500	45.5	33.6	46.0
Upper	21	38.2	38.4	13,609	46.1	51.7	16	45.7	41.0	9,245	49.5	55.2	40.5
Unknown	0	0.0	0.5	0	0.0	0.5	0	0.0	0.3	0	0.0	0.3	0.4
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	55	100.0	100.0	29,493	100.0	100.0	35	100.0	100.0	18,669	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	1.4	0	0.0	1.1	0	0.0	0.9	0	0.0	0.7	1.1
Moderate	8	8.7	11.8	2,094	7.2	8.5	4	13.8	11.0	576	8.7	6.8	12.0
Middle	47	51.1	45.5	11,870	41.0	35.9	13	44.8	40.2	2,420	36.5	26.5	46.0
Upper	37	40.2	41.0	14,958	51.7	54.3	12	41.4	47.6	3,640	54.9	66.0	40.5
Unknown	0	0.0	0.2	0	0.0	0.2	0	0.0	0.3	0	0.0	0.1	0.4
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	92	100.0	100.0	28,922	100.0	100.0	29	100.0	100.0	6,636	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.7	0	0.0	0.4	0	0.0	0.9	0	0.0	0.6	1.1
Moderate	2	8.7	9.2	450	25.4	6.5	2	5.9	10.0	70	2.6	6.4	12.0
Middle	13	56.5	44.6	933	52.6	33.7	20	58.8	45.6	1,395	51.0	33.1	46.0
Upper	8	34.8	45.4	390	22.0	59.3	12	35.3	43.5	1,270	46.4	59.9	40.5
Unknown	0	0.0	0.2	0	0.0	0.2	0	0.0	0.1	0	0.0	0.0	0.4
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	23	100.0	100.0	1,773	100.0	100.0	34	100.0	100.0	2,735	100.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	0	0.0	10.2	0	0.0	1.8	0	0.0	8.2	0	0.0	1.4	5.7
Moderate	0	0.0	27.8	0	0.0	15.1	0	0.0	28.2	0	0.0	11.1	19.0
Middle	4	100.0	43.3	7,080	100.0	49.1	4	100.0	40.0	14,928	100.0	48.9	42.1
Upper	0	0.0	18.2	0	0.0	34.0	0	0.0	22.4	0	0.0	30.7	32.4
Unknown	0	0.0	0.5	0	0.0	0.1	0	0.0	1.2	0	0.0	7.9	0.8
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	4	100.0	100.0	7,080	100.0	100.0	4	100.0	100.0	14,928	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	0	0.0	1.4	0	0.0	1.2	0	0.0	1.4	0	0.0	1.1	1.1
Moderate	17	9.8	12.3	6,369	9.5	9.6	9	8.8	12.0	1,570	3.7	8.5	12.0
Middle	91	52.3	45.3	31,942	47.5	36.8	53	52.0	42.5	27,243	63.4	32.2	46.0
Upper	66	37.9	40.6	28,957	43.0	52.1	40	39.2	43.9	14,155	32.9	57.6	40.5
Unknown	0	0.0	0.4	0	0.0	0.4	0	0.0	0.3	0	0.0	0.6	0.4
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	174	100.0	100.0	67,268	100.0	100.0	102	100.0	100.0	42,968	100.0	100.0	100.0
Source: 2023 FFIEC Census Data													
2016-2020 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding													

The bank did not make any loans in low-income census tracts in either 2022 or 2023. The bank's performance slightly lags the aggregate, at 1.4 percent in both years, and the owner-occupied units, at 1.1 percent. Although the bank lags the aggregate, the 1.1 percent distribution of owner-occupied units in low-income census tracts indicates that there are limited lending opportunities in the assessment area. While the aggregate is slightly above the demographics, the percentage of loans made by the aggregate in low-income census tracts, at 1.4 percent, further indicates there are limited lending opportunities.

Data suggests that there are more lending opportunities in moderate-income census tracts, as 12.0 percent of owner-occupied housing in the assessment area is in these tracts. The bank made 17 loans, or 9.8 percent, in moderate-income census tracts in 2022. The bank lagged both the aggregate, at 12.3 percent, and the owner-occupied units, at 12.0 percent. In 2023, the bank originated 9 loans, or 8.8 percent, in moderate-income census tracts. The bank lagged both the aggregate and owner-occupied units at 12.0 percent.

The bank's lending was generally consistent across product categories with the exception of multifamily loans where the volume was low. While it is not required that the bank lend in every census tract throughout its assessment area, an analysis of the bank's lending activity was conducted to determine if there were any conspicuous lending gaps among the low- and moderate-income census tracts, and no lending gaps in the assessment area's low- and moderate-income census tracts were noted. The bank's loan distribution to the low- and moderate-income census tracts is adequate considering the bank's lending volume and branch network.

The bank demonstrates an adequate record of serving the credit needs of highly economically disadvantaged areas in the bank's assessment area, low-income individuals, or businesses with gross annual revenues of \$1 million or less, consistent with safe and sound operations.

Community Development Lending Activities

The bank's community development lending activities are evaluated pursuant to the following criteria: 1) The number and amount of community development loans in the institution's assessment area(s); 2) the extent to which community development lending opportunities have been made available to the institution; 3) the responsiveness to the opportunities for community development lending; 4) the extent of leadership the institution has demonstrated in community development lending; and 5) the innovativeness or complexity involved.

The bank demonstrates it is a leader in making community development loans. SSB originated 21 qualified community development loans, totaling \$45 million, within its assessment area. In addition, the bank originated three community development loans in Massachusetts, totaling \$12 million. The 24 qualified community development loans primarily served the need for community services, affordable housing, and economic development. Affordable housing was a critical need identified by community contacts in the bank's assessment area. It should be noted that during the previous CRA evaluation, the bank made a large number of paycheck protection loans that were qualified as community development loans. This program was no longer available during the current review period. A sample of the bank's community development lending activity during the review period is provided below.

- In March 2023, SSB originated a \$1.3 million commercial real estate loan to a non-profit organization in the Brockton area to finance the acquisition and renovation of a facility to

provide community services to children and adults with disabilities and senior citizens in need. The organization serves Brockton and eleven surrounding towns.

- In March 2023, the bank originated a \$2.7 million commercial real estate loan to a for-profit organization to finance the purchase of an existing wedding/restaurant venue in the Halifax area to promote economic growth and retain job opportunity in the community.
- In June 2023, the bank originated a commercial real estate loan, totaling \$4.6 million, to a non-profit organization located in Weymouth, MA that provides early education and youth development programs in the area.
- In January 2024, the bank originated a \$1.3 million commercial real estate loan to a developer to construct an eight-unit housing complex in the assessment area to increase the stock of affordable housing. The units will be rented at a rate below market value. As previously discussed, affordable housing was a critical need identified by community contacts in the bank's assessment area.
- In April 2024, the bank originated a real estate loan, totaling \$6.6 million, to a developer to finance the construction of a mixed-use multifamily and retail building that includes 25 housing units and three commercial retail spaces for revitalization and economic development. The subject property will include four units designated as an inclusionary development project that will be rented below market value.
- In December 2024, the bank originated a real estate commercial loan, totaling \$1.3 million, to an organization that provides subsidized housing for individuals 62 and older in Braintree, MA. The loan purpose was to renovate the residential facility. Affordable housing for seniors was a need identified by community contacts in the bank's assessment area.

Responsiveness to Credit Needs Through Innovative or Flexible Loan Programs

The bank makes use of innovative and flexible lending practices in a safe and sound manner in serving assessment area credit needs. A summary of the innovative or flexible products offered and the number and dollar amount of loans made under each program during the period reviewed are provided below.

First Time Homebuyer Program - The bank's First Time Homebuyer Program includes low-down payments, competitive interest rates, and down payment assistance. During the evaluation period, the bank originated 22 loans, totaling \$9.4 million.

SBA Programs - The bank makes use of the flexible small business lending through the SBA's 7(a) and Certified Development Company (CDC)/504 programs. The 7(a) program serves as the SBA's primary business loan program to help qualified small businesses obtain financing when they might not be eligible for business loans through normal lending channels. The funds provide start-up costs to small businesses. Through the 7(a) program, a bank funds the entire loan with the SBA guaranteeing between 75 and 90 percent of the loan. The CDC/504 program provides financing for major fixed assets such as equipment or real estate. During the review period the bank originated four SBA loans for \$1.3 million. Of those loans, two were SBA 7(a) loans totaling \$222,700, and two were CDC/504 loans, totaling \$1.1 million.

BDC Capital Corporation (BDC Capital) - BDC Capital has been recognized locally and nationally as a leader and innovator in business lending and investment. BDC Capital provides supplemental financing that bridges conventional lending and the greater needs of business and industry. For nearly 70 years, their programs have assisted thousands of New England-based companies with over \$1 billion of financial assistance. During the review period the bank originated six loans for \$1,106,832.

Jobs for New England – The Federal Home Loan Bank of Boston’s Jobs for New England program is designed to support small businesses as defined by the Small Business Act. A key objective of this loan product is the creation or preservation of jobs in New England. During the review period the bank originated four loans for \$618,200.

Massachusetts Capital Access Program (CAP) - CAP is designed to help small businesses (with 200 or fewer in employees) throughout Massachusetts obtain loans from participating banks. Using cash collateral guarantees from a loan loss reserve fund, this program enables banks to make loans they might otherwise be unable to grant. During the review period the bank originated one loan for \$450,000.

Massachusetts Treasurer’s Programs - The bank makes use of the Massachusetts Treasurer’s programs Investing for the Long-Term Initiative (Invest MA) and the Small Business Banking Partnership. Both programs are designed to promote small business growth by providing creditworthy enterprises with greater access to loans through participating banks. During the review period, SSB originated 11 loans for \$897,800 under the Invest MA program, and three loans for \$297,400 under the Small Business Banking Partnership program.

INVESTMENT TEST

SSB's performance under the Investment Test is rated High Satisfactory. The Investment Test evaluates the institution's record of meeting the credit needs of its assessment area through its use of qualified investments⁴ that benefit the assessment area or a broader statewide or regional area that includes the institution's assessment area. The institution's investment performance is evaluated pursuant to the following criteria: 1) the number and dollar amount of qualified investments; 2) the innovativeness or complexity of qualified investments; 3) the responsiveness of qualified investments to credit and community development needs; and 4) the degree to which the qualified investments are not routinely provided by private investors.

The bank demonstrated a significant level of qualified investments, particularly those that are not routinely provided by private investors, occasionally in a leadership position. Overall, the bank made \$15,491,981 in qualified investments during the evaluation period. Of the total, \$15,224,786 were qualified investments in mortgage-backed securities (MBS), \$256,266 were donations, and \$10,929 was interest paid on lawyer's trust accounts (IOLTA), which helped provide legal services to low- and moderate-income individuals in Massachusetts. The bank demonstrated occasional use of innovative or complex qualified investments and adequate responsiveness to credit and community development needs through the continued use of donations and investments in MBS.

Equity Investments

Since the last examination, the bank purchased portions of three MBS loan pools. The bank's portion of the pools are secured by residential real estate loans to low- or moderate-income borrowers within the assessment area. The dollar value of the three new loan pools totaled \$6,981,150. The total value of the bank's investments, including prior period investments in the MBS loan pools, was \$15,224,786.

Grants and Donations

Table 9 displays the bank and charitable foundation's qualified grants and donations by year and community development purpose.

Table 9 Qualified Donations by Purpose								
Community Development Category	1/31/2023 - 12/31/2023		2024		2025 YTD		Total	
	#	\$	#	\$	#	\$	#	\$
Affordable Housing	1	5,000	1	2,500	0	0	2	7,500
Community Services	9	55,100	26	103,058	8	71,275	43	229,433
Economic Development	0	0	1	10,833	2	8,500	3	19,333
Total	10	60,100	28	116,391	10	79,775	48	256,266

Bank provided qualified investment data

During the evaluation period, the bank provided 48 donations to 33 organizations, totaling \$256,266. By number and by dollar, current qualified donations declined significantly compared

⁴ A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

to the last evaluation, when the bank provided 159 donations totaling \$1,057,490. It should be noted that the prior evaluation period was a year longer than the current evaluation period and the bank's donations were elevated during the prior evaluation period in response to the COVID-19 pandemic.

The following is a sample of the organizations that benefited from bank contributions.

- ***Father Bill's & MainSpring*** – This organization is committed to ending and preventing homelessness in southern Massachusetts with programs that provide emergency and permanent housing, workforce development, and self-sufficiency. The bank provided this organization with a \$50,000 donation.
- ***Friendship Home*** – This organization's mission is to enrich the lives of individuals with developmental disabilities and their families. The organization offers a work employment program that empowers people with developmental disabilities to explore their career plans, set goals, and build the necessary skills to obtain and retain a job. The bank provided three donations, totaling \$23,000.
- ***NeighborWorks Housing Solutions (NeighborWorks)*** – This organization helps people have a safe and affordable place to live by developing and managing affordable housing, educating and assisting homeowners and homebuyers, and helping homeowners repair and maintain their homes. The bank provided two donations, totaling \$20,000.
- ***Quincy Asian Resources, Inc. (QARI)*** – QARI's mission includes supporting immigrants through workforce development, adult education programs, and youth development. Workforce development includes job training and workforce English for Speakers of Other Languages (ESOL) to help students learn English related to workplace scenarios. The bank provided three donations, totaling \$15,400.

SERVICE TEST

SSB's performance under the Service Test is rated High Satisfactory. The Service Test evaluates an institution's record of helping to meet the credit needs of its assessment area(s) by analyzing both the availability and effectiveness of an institution's systems for delivering retail banking services and the extent and innovativeness of its community development services.

Retail Banking Services

Retail banking services evaluates the availability and effectiveness of an institution's systems for delivering retail banking services, pursuant to the following criteria: 1) the current distribution of the institution's branches among low-, moderate-, middle-, and upper-income geographies; 2) in the context of its current distribution of branches, the record of opening and closing branches, particularly branches located in low- or moderate-income geographies or primarily serving low- or moderate-income individuals; 3) the availability and effectiveness of alternative systems for delivering retail banking services in low- and moderate-income geographies and to low- and moderate-income individuals; and 4) the range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

Table 10 displays the distribution of the bank's current branch network compared to the percentage of census tracts within the assessment area as well as the percentage of the population that resides in those tracts.

Table 10				
Distribution of Branch Offices by Income Category				
Census Tract Income Category	Assessment Area Demographics		Bank Offices by Tract Location	
	Total Census Tracts	Total Population		
	% of #	% of #	#	%
Low	3.4	3.1	0	0.0
Moderate	14.0	14.1	1	7.7
Middle	43.4	43.9	8	61.5
Upper	37.0	38.1	4	30.8
Unknown	2.3	0.8	0	0.0
Total	100.0	100.0	13	100.0

2023 FFIEC Census Data and bank branch data

The bank demonstrates its service delivery systems are reasonably accessible to geographies and individuals of different income levels in its assessment area. Although the bank does not maintain a branch in a low-income census tract in the assessment area, these tracts account for only 3.4 percent of all tracts in the assessment area. At 7.7 percent of its branches, the bank's percentage of branches in moderate-income tracts is below the percentage of moderate-income tracts in the assessment area at 14.0 percent. During the prior examination, based on the 2015 ACS, the bank maintained two branches in moderate-income tracts, which aligned with both the share of moderate-income tracts in the assessment area and the percentage of population residing within those tracts. Although the 12 branches from the prior examination did not change, due to the use of the 2020 U.S. Census for this examination, only one branch is in a moderate-income tract. Notably, a majority of the low- and moderate-income tracts, primarily in Norfolk County, are within a 2-mile radius of bank branches.

To the extent changes have been made, the bank's record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low- and moderate-income individuals. Since the last examination, the bank opened one branch at 1280 Belmont Street in Brockton, which is in a middle-income tract. Although the opening of a branch in a low- or moderate-income tract would have improved accessibility, the opening of a branch in Brockton will likely provide an increased level of accessibility as 16 of Brockton's 23 tracts are low- and moderate-income tracts.

The bank demonstrates its services (including, where appropriate, business hours) do not vary in a way that inconveniences its assessment area, particularly low- and moderate-income geographies and low- and moderate-income individuals. Branches are open Monday through Friday from 8:30am to 4:00pm. Seven of the branches, including the branch in the moderate-income tract, are open on Saturday from 9:00am to 12:00pm. Every branch with a drive-thru offers the same hours as the lobby as well as hours on Saturday from 9:00am to 12:00pm. Loan products are uniform across all branches.

The bank maintains a face-to-face (F2F) ATM at each branch. F2F is an option on each ATM that connects a customer with a virtual teller who can provide the same services as an in-person teller, such as cashing a check, making a deposit, answering questions, transferring funds, or making a loan payment. The F2F option is available Monday through Friday from 7:00am to 7:00pm and on Saturday from 7:00am to 2:00pm. The bank also maintains standalone F2F ATMs at 1515 Commercial Street in Weymouth and 372 Washington Street in Braintree.

SSB is a participating bank for Basic Banking for Massachusetts. This program is aimed at expanding access to bank products and services and to encourage those with modest incomes to establish banking relationships. As a participant bank, SSB provides low-cost checking and savings accounts that have low deposit opening requirements and no monthly fees.

Community Development Services

Community development services are evaluated pursuant to the following criteria: 1) the extent to which the institution provides community development services; and 2) the innovativeness and responsiveness of community development services.

The bank demonstrates it provides a relatively high level of community development services through employee involvement with community organizations and through financial literacy programming in the assessment area.

Employee Services

During the evaluation period, 18 employees were either on the board or involved in a leadership capacity for 26 organizations which had the primary purpose of community development or engaged in activities that supported community development services. The following are a sample of the bank's community development service activity by bank employees.

- ***Massachusetts Bankers Credit Apprenticeship Program*** – The bank's chief credit officer helps administer the program and is also one of the program trainers. The program was developed in partnership between SSB, the Massachusetts Bankers Association, and the Massachusetts Executive Office of Labor and Workforce Development. The program is designed to provide basic requirements necessary for credit analysts, and, upon successful completion, the individual receives a pay raise from their employing bank.
- ***MassHire State Workforce Board*** – The bank's president and CEO was the board's director during the evaluation period. The board is comprised of business leaders, community partners, union representatives, and state and local agency partners who provide regional workforce planning to demonstrate how workforce, economic development, education, and health services work together to meet the needs of job seekers and businesses in the state.
- ***South Shore Habitat for Humanity*** – The bank's director of loan servicing was on the board during the evaluation period. This organization's sole purpose is to help individuals build and improve affordable homes for low- and moderate-income individuals. Affordable housing was a critical need identified by community contacts.

- ***South Shore Stars (SSS)*** – The bank’s commercial banking manager is on the board of directors during the evaluation period. SSS started as a nonprofit with the goal of providing affordable childcare to working families. Currently, the organization focuses on low-income families and provides comprehensive early education and youth development programs that enhance the optimal growth of children.

Educational Programs and Seminars

During the evaluation period, there were approximately 24 employees engaged in 16 instances of financial literacy sessions primarily targeted to low- and moderate-income individuals, students, and first time homebuyers. As previously noted, financial literacy also was a need highlighted by community contacts.

- In conjunction with NeighborWorks, four bank employees provided four virtual first time homebuyer seminars. Topics included budgeting as a homeowner, the importance of credit, savings and debt, the mortgage application process, underwriting considerations, appraisals, and mortgage programs.
- In partnership with the Massachusetts Office of Economic Empowerment, three employees conducted four financial literacy workshops in low-income housing in Brockton. Topics included budgeting and debt management.
- Two bank employees participated in a Credit for Life Fair at New Heights Charter School in Brockton. These events offer students real-life experience in budgeting and money management decisions.

Other Community Development Services

- SSB partnered with the Metro South Chamber of Commerce and expanded the Leadership Metro South program into Brockton. This program selects participants from a pool of applicants and leads them through a year-long immersive learning curriculum that explores regional challenges such as homelessness, food shortages, education, and economic development. The end result is to have a group of individuals committed to transformative leadership in the community.
- In three instances during the evaluation period, the bank provided free meeting space for NeighborWorks.
- The bank leases space at a below market rate to South Shore Recovery Center (SSR) at its branch in North Weymouth. SSR provides services for those in substance abuse recovery programs and their families.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX

GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Assessment area: One or more of the geographic areas delineated by the bank and used by the regulatory agency to assess an institution's record of CRA performance.

Census tract: A small subdivision of metropolitan and nonmetropolitan counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending on population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community contact: Interviews conducted as part of the CRA examination to gather information that might assist examiners in understanding the bank's community, available opportunities for helping to meet local credit and community development needs, and perceptions on the performance of financial institutions in helping meet local credit needs. Communications and information gathered can help to provide a context to assist in the evaluation of an institution's CRA performance.

Community development: All Agencies have adopted the following language. Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency (OCC), and the FDIC have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize:

- (i) Low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, the FDIC, and the OCC, based on:
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

Consumer loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Demographics: The statistical characteristics of human populations (such as age, race, sex, income, etc.) used especially to identify markets.

Distressed nonmetropolitan middle-income geography: A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20 percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include nonrelatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

Full-scope review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders who do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancing of home improvement and home purchase loans.

Household: One or more persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Housing affordability ratio: Is calculated by dividing the median household income by the median housing value. It represents the amount of single family, owner-occupied housing that a

dollar of income can purchase for the median household in the census tract. Values closer to 100 percent indicate greater affordability.

Limited-scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median family income: The dollar amount that divides the family income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The median family income is based on all families within the area being analyzed.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. An MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. An MD is a division of an MSA based on specific criteria including commuting patterns. Only an MSA that has a population of at least 2.5 million may be divided into MDs.

Middle-income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent in the case of a geography.

Moderate-income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Nonmetropolitan statistical area (nonMSA): Not part of a metropolitan area. (See metropolitan area.)

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Performance context: The performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the

context in which an institution's record of performance should be evaluated. The performance context is not a formal or written assessment of community credit needs.

Performance criteria: These are the different criteria against which a bank's performance in helping to meet the credit needs of its assessment area(s) is measured. The criteria relate to lending, investment, retail service, and community development activities performed by a bank. The performance criteria have both quantitative and qualitative aspects. There are different sets of criteria for large banks, intermediate small banks, small banks, wholesale/limited purpose banks, and strategic plan banks.

Performance evaluation (PE): A written evaluation of a financial institution's record of meeting the credit needs of its community, as prepared by the federal financial supervision agency responsible for supervising the institution.

Qualified investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Small businesses/small farms: A small business/farm is considered to be one in which gross annual revenues for the preceding calendar year were \$1 million or less.

Small loan(s) to business(es): That is, "small business loans" are included in "loans to small businesses" as defined in the Consolidated Reports of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are secured by either nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small loan(s) to farm(s): That is, "small farm loans" are included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Reports of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

Underserved middle-income geography: A middle-income, nonmetropolitan geography will be designated as underserved if it meets criteria for population size, density, and dispersion that indicate the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

Upper-income: Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more, in the case of a geography.

For additional information, please see the Definitions section of Regulation BB at 12 C.F.R. 228.12