

2021

Impact
Report



**LIBERTY**
BANK
Be Community Kind.™

A Message from David Glidden

On May 4, 1825, Liberty Bank opened its doors on Main Street in Middletown, Connecticut as a local mutual savings bank dedicated to uplifting the community, providing access to a safe place to bank, and operating for the benefit of and delivering services to all depositors, borrowers, and members of the surrounding community.

Since then, we have become a highly successful and innovative bank - among the largest and oldest mutually held banks in the country - while continuing to embrace the fundamental principle on which the Bank was founded.

197 Year Old Mutual Bank

One hundred ninety-seven years later, Liberty Bank, with more than \$7.4 billion in assets and nearly 700 teammates, has maintained its mutuality, meaning we are owned by our depositors, not shareholders.

As a mutually-held bank, we can take a long view in making strategic investments in our products and services. Mutuality is central to our mission and contributes to our ability to act as a catalyst for positive change. Unlike our publicly-traded peers, we can make investments that are solely in the interests of our customers and communities, not in the interests of shareholders seeking short term returns.

While we play a significant role in our communities through philanthropic efforts, our greatest impact results from our everyday work in providing banking services to individuals, families and businesses in our communities. We take our role as an economic engine seriously while living up to our mission of improving the lives of our customers, teammates and communities for generations to come.

Inaugural Impact Report

We are proud to introduce our inaugural Impact Report. My teammates take great pride in this comprehensive narrative because it highlights the critical role we have in promoting a socially responsible and sustainable future. This report showcases our latest initiatives and investments that have unquestionably made a meaningful impact on the environmental, social and governance (ESG) factors that we can positively influence as a mutual bank.

Responding to ESG - A Responsible Bank, A Good Neighbor

Corporate social responsibility has been a fundamental tenet of Liberty since its founding and continues on today, perhaps best captured in our genuine brand promise "Be Community Kind". This inaugural Impact Report marks the beginning of a story we will continue to share with our customers, teammates and communities on an annual basis.

While earning accolades for being a great place to work, an outstanding provider of banking services and a steadfast corporate citizen is an endorsement of our work, we are deeply committed to responsible banking, advancing environmental sustainability, and leveraging our strength and sense of purpose to do good in our communities beyond the traditional scope of banking.

As our industry evolves and our communities grow, rest assured knowing Liberty will continue to play a leading role in this journey to deliver better outcomes and making our communities an even better place to live, work and raise a family.

Sincerely,



David W. Glidden President & CEO



David W. Glidden
President & CEO



197 Years Strong



\$1.5 million
invested in 2021

through community giving,
grants and sponsorships



Named a Hartford Courant
Top Workplace
since 2012



**Committed to
meeting the
needs of our
communities.**

**Kindness
starts
with us.**

LIBERTY
BANK | Be Community Kind.™

Facebook Twitter LinkedIn



We support local small businesses and nonprofits, help our teammates and customers thrive, and are a catalyst for change.

We set the bar high when it comes to helping our communities and neighbors thrive, contributing to more diverse, and inclusive communities, working to improve financial health and wellbeing, and giving back through thousands of volunteer hours logged each year.

As a growing community bank, we have the strength to invest in our communities, providing more than \$1.5 million in foundation grants and sponsorships in 2021. We help families on the road to financial security with products like our new BankSmart checking account, which provides better access to banking services for underbanked and unbanked households. Evaluated within the Bank's Community Reinvestment Act (CRA) Assessment Area, about 1.2 million households in our region are underbanked and unbanked.

Our teammates are our best assets and we turn to them for candid feedback; we have employee resource groups to support military and veterans along with the LGBTQ+ community; and we host an annual United Way Campaign and Dress Down Days for charity. In addition, because our teammates do so much good for our customers, we do the same for them, offering opportunities such as a pension plan and robust health and welfare benefit plans.



5,891

**Paycheck Protection
Program (PPP) Loans**

totaling over \$456 million in 2020 and 2021



Approved

533

Small Business Loans

totaling over \$70 million



Elevating and Celebrating the Small Business Community

Small businesses are the lifeblood of our communities and having a relied upon financial partner in Liberty Bank is essential. Our dedicated Business Banking Officers and Small Business Loan Center work together to deliver banking solutions that help them achieve their goals through a 'not one-size fits all philosophy.'

We offer business banking accounts; lending for renovations, expansions, and other growth opportunities; our 10-week Academy for Small Business; Cash Management services, credit cards and payroll solutions; Health

Savings Accounts and our Perks at Work Program, which provides banking benefits to help employees save money, earn money and plan for their future.

We reaffirmed this commitment during the pandemic, helping customers and non-customers survive and thrive with forgivable Paycheck Protection Program (PPP) loans. In 2021 alone, 2,275 individual businesses secured the relief they needed through Liberty in the second round of PPP; we delivered a record-breaking year in Small Business lending; and we held six Academies

for Small Business to help new entrepreneurs.

As a Small Business Administration (SBA) preferred lender, Liberty ranked #3 out of 27 banks in 2021 on the top SBA lenders in Connecticut listing. We heavily concentrate on being an advocate and supporter of minority, veteran and women owned businesses, receiving special recognition with the SBA's 2020 Top Minority and Veterans Small Business Lender Award.



We provided over
\$80 million
 to finance 176 multi-family
 affordable housing units

639

CRA loans
totaling over \$327 million
 in 2021



Building Thriving Communities

We are intentional and strategic about meeting the banking and credit needs of all the communities where we do business and all Liberty Bankers share in this responsibility. It's Liberty Bank's policy to comply with the letter and spirit of all fair lending laws including the Fair Housing Act; Fair Credit Reporting Act; Equal Credit Opportunity Act; Unfair, Deceptive, or Abusive Acts or Practices guidelines; Community Reinvestment Act; and Home Mortgage Disclosure Act. In 2021, the Federal Deposit Insurance Company (FDIC) and the State of Connecticut Department of Banking affirmed Liberty's commitment to the communities it serves by assigning it an overall rating of "Outstanding" for its Community Reinvestment Act (CRA) Performance Evaluation.

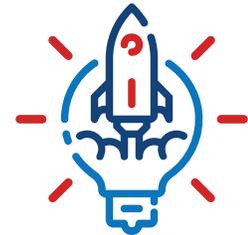
We offer a broad range of lending programs to meet the diverse credit needs in the communities we serve and our Community Development Lending supports the development and retention of affordable housing, economic development, the revitalization and stabilization of low - and moderate income (LMI) and majority-minority

(MM) areas and organizations that provide community services for LMI individuals and families. We also make CRA-qualified investments that have community development as their primary purpose. These investments include Foundation grants, Bank sponsorships, Community Development sponsorships and investments.

In 2021, we conducted or participated in 120 virtual and in-person outreach events in the community reaching over 2,000 individuals. Our Academy for Small Business served as a launching point for 37 early-stage entrepreneurs who earned a \$5,000 line of credit and learned the ins and outs of running a successful small business. Liberty also provided comprehensive financial counseling through programming offered directly by Liberty or through partnerships, such as Everfi. Last year, our partnership with Everfi helped us teach financial literacy to 646 students at nine schools throughout our footprint, providing over 740 hours of instruction.

\$2.5 Million
Approved

to Hartford Economic
 Development Corporation
 (HEDCO) to establish a small
 business revolving loan fund



early-stage
entrepreneurs
 participated in the Academy for
 Small Business and received
\$185,000
 in start-up funding.



In 2021, Liberty Bank invested approximately \$6 million in new CRA eligible investments. Our investments supported a diverse network of community organizations that are designed to improve community well-being and the vitality of the communities where we do business. These investments were provided to support Identity Theft and Crime Prevention initiatives for Senior Citizens residing in senior housing facilities to create a revolving loan fund for small nonprofit organizations; to establish a minority small business revolving loan fund; to provide donations to eligible economic development and social service organizations; to provide an investment in a Minority Depository Institution; and to invest in a Small Business Investment Corporation (SBIC) Fund for capitalizing small to medium sized businesses.

“When our neighbors thrive, our communities thrive and we all reap the short and long-term benefits. Our Community Development initiatives such as CRA lending, credit building workshops, financial literacy, first-time home buyer workshops, Individual Development Accounts, our Academy for Small Business, Credit for Life Fairs and more, allow us to holistically help our customers succeed and be better prepared for their financial futures.”



Glenn Davis, FVP, Community Development and CRA Officer

Our Good Neighbor Mortgage products were created to help individuals and families realize affordable homeownership because we know that homeownership has multi-generational impact, providing opportunities for families to move up the socio-economic ladder, access better jobs, quality education and better health.

The Good Neighbor Program is designed to help make homeownership more affordable. Homebuyers put as little as 3% down and receive a \$300 closing cost credit.

The Good Neighbor Plus Program supports homebuyers in Hartford by offering homebuyer education; a 0.50% reduction in their mortgage rate; flexible credit options including 97% Loan-to-Value (LTV) with Liberty paying the mortgage insurance; a 640 minimum credit score; no income limit; and a \$2,500 rebate at closing to the customer to offset closing costs. These products make owning a home possible and more affordable for individuals and families in our communities.

In 2021, we originated over 473 Good Neighbor and Good Neighbor Plus Mortgages totaling over \$80 million in Liberty’s LMI and MM census tracks.

\$1,000,000
Equity Equivalent Investment

to Capital for Change to create a revolving loan fund to support local nonprofits

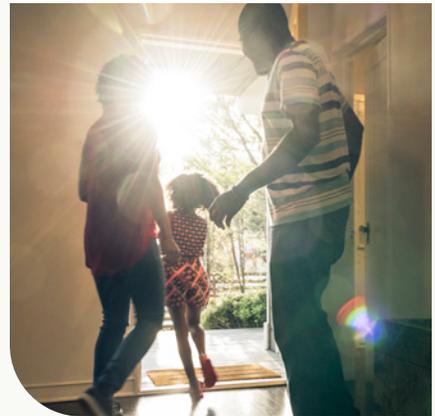


Outstanding CRA rating



473

Good Neighbor and Good Neighbor Plus Mortgages closed **totaling over \$80 million** in Liberty’s LMI and MM census tracts



Approximately
\$6 Million
in new CRA investments in 2021





Investing in Our Communities and Supporting Our Neighbors

Liberty Bank Foundation makes investments that build stronger communities and improve the quality of life for all of our neighbors. In 2021, our Foundation continued to be a trusted source of support to over 100 nonprofits addressing community needs and unprecedented demand. We provided \$1,054,587 in grants to support organizations providing vital resources, including \$522,275 to address food insecurity and housing and homelessness and over \$333,812 to support education programs for youth and adults.

Funding helped children do better in school and explore their post-secondary options. It helped parents obtain or maintain employment and have a safe place to send their children before and after school. We invested over \$42,000 in organizations that provided technical support to women and minority owned small businesses. We supported programs that helped families prepare to purchase their first homes.

The past year continued to bring significant challenges to our communities, including the lingering effects of a global pandemic and a national reckoning on social justice issues. Despite the challenges before them, our grantees were committed and ready to address our communities' most pressing challenges - and so were we. In 2020 and 2021, our Foundation provided \$429,500 in grant funding to 55 nonprofits addressing emergency needs and social justice issues.

For the 18th consecutive year, we teamed up with 45 local Rotary Clubs to host our best-ever Liberty Bank-Rotary Club Thanksgiving Drive. In six weeks, our Liberty Bank branches and Rotary partners raised over \$1,145,101. Our Foundation provided \$286,275 in matching funds for a record-breaking total of \$1,431,376. The collective effort ensured a bountiful Thanksgiving meal for our neighbors in need and helped stock local pantries in preparation for the winter months. Since 2004, the Drive has raised over \$4 million dollars to address food insecurity throughout our footprint.

"We know that our funding is only one piece of the financial puzzle that nonprofits must continually assemble to keep their important programs running. But we also know that every piece counts. Many of our teammates serve on nonprofit boards and spend time volunteering through our Community Involvement Program, which provides all employees four fully paid days off each year to support causes that they care about. We're not just writing checks. We're showing up."



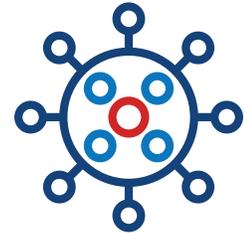
Toral Maher, VP, Foundation Manager & Executive Director

**Over
\$1 million**
in grants awarded
to over 100 nonprofits
in 2021



**25 grants
in 2021**

to address emergency
needs related to Covid-19
and social justice



**Over
\$15 million**
in charitable
contributions
since inception in 1997



Over
\$50,000
to support workforce
readiness programs
for youth and young adults
in 2021



\$1.4 million
to address
food insecurity
in Connecticut through record-
breaking 2021 Liberty Bank-
Rotary Club Thanksgiving Drive

A Top Workplace for a Reason

Offered
20,550
paid volunteer hours for
teammates



We ask our 700 teammates to fulfill the needs of our customers and communities every day - and in return we do the same for them. We are committed to listening to and responding to our teammates because their feedback is a gift.

We are proud to provide our teammates with meaningful and competitive benefits. Over the past five years, we have committed over \$39 million to our active pension and employee 401k plans to support their financial futures. Over 550 teammates and families are enrolled in our medical healthcare offering, 334 participate in our Health Savings Account (HSA) program and all employees have the opportunity take part in a variety of wellness initiatives.

In 2021, we provided internal training through our Learning Management System to nearly 600 teammates for a total of 8,251 hours, or on average 14 hours per teammate. We also dedicated 432 hours in 2021 to onboarding and compliance courses, averaging nearly three hours per new teammate.

Over 70% of our teammates completed our annual employee engagement survey in 2021 and we are taking action on more than 20 priority items we gathered from the survey, including adopting a Flexible Work Arrangements Program with robust training and resources to ensure its long-term success. We also offered 20,550 paid volunteer hours so teammates could dedicate their time to causes important to them.

Implemented
**Flexible
Workplace**
Arrangements Policy

334
teammates participate in our
Health Savings Account
(HSA) program



Hartford Courant
Top Workplace
every year since 2012



\$201,000
invested in learning and training
for employees

High honors, as voted
on by our customers

Forbes **2021 2022**
**BEST-IN-STATE
BANKS**

POWERED BY STATISTA

550
employees enrolled in
healthcare benefits

**\$39
Million**
to our active pension and
employee 401k Plans





Thriving Together, Celebrating Our Differences

We view diversity as a source of strength and we thrive on building diverse, equitable, and inclusive (DE&I) communities where there is no 'us versus them,' or 'I' in team. This starts with impactful and measurable strategic goals to ensure our teammates, customers, and vendors reflect the communities we serve, maintaining a collaborative workplace culture, and recruiting and retaining a diverse group of teammates. As of 2022, 21% of employees are non-white and 69% are women.

In 2019, we launched our internal DE&I Council to take our efforts to the next level and in 2021, we developed a revamped DE&I Strategic Plan comprised of four main pillars: Customers, Teammates, Communities and Suppliers. The Plan outlines strategies and goals for continuing to build a workforce that delivers on our dedication to improve lives for generations to come.

Teammates:

- Liberty equitably hires and promotes people from diverse backgrounds and strives to create an unparalleled employee experience where everyone feels included, valued, and has opportunity to contribute in their own unique way.
- 37% of women employed at Liberty hold leadership positions

Work with a diverse set of partners
focused on creating equity and more opportunities for
women, minorities, and veterans to succeed.



Offer opportunities
throughout the year for lower-to-
moderate income families such
as Financial Literacy Programs,
our Good Neighbor Mortgage
Lending Program, our BankSmart
Checking Account and more.



Customers:

- Liberty will continually evaluate its products, services, and programs to ensure they are supporting and meeting the diverse needs of all current and prospective customers and helping them achieve their financial goals.
- Nearly 15% of our home mortgage customers are minorities and 21% are women only homeowners

Community:

- Liberty is committed to serving as a strong community partner by supporting the diverse needs of our communities through our inclusive banking services, programs, corporate giving, sponsorships, and employee volunteerism.
- Nearly half, or 48%, of community giving goes to DE&I related organizations

Suppliers:

- Liberty will source equitably from diverse suppliers by creating a network of diverse suppliers to compete for contracting opportunities.
- 10% of our suppliers are diverse

With input from teammates across Liberty, embracing this strategy enables us to better understand the products and services our community needs and where we may need to focus in achieving our DE&I Vision. In 2022, we populated our DE&I scorecard with metrics to determine our current performance and establish discipline in goal setting and continuous improvement of results.

To date, several programs have been developed to help diverse and underbanked communities, including our BankSmart Checking Account, Good Neighbor Programs, our First Time Homebuyer and Lunch and Learn seminars, and our Academy for Small Business.



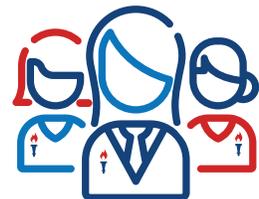
Presented our annual Willard M. McRae Community Diversity Award since 2001 to promote and celebrate diversity, equity, and inclusion in the communities served by the Bank.



Show our support

internally and externally through awareness events and communications for a diverse set of holidays and celebrations including Juneteenth and other recognition and awareness months.

69%
of employees are women.



Marisol Rodriguez,
AVP, Diversity Equity
and Inclusion Officer

“At Liberty Bank, we make it a top priority to ensure our employees, customers, and partners reflect the communities we serve. To amplify our efforts in 2021, a very passionate group of teammates from all areas of the Bank came together to formulate our next Diversity, Equity and Inclusion (DE&I) Strategic Plan. While DE&I has always been engrained in our culture, this plan has provided us with a roadmap to leverage best practices and develop measurement tools for expanding upon our efforts.”



**Contributing to
the success of
our communities
since 1825.**

We take ownership, hold ourselves accountable and go to all measures to protect our customers, teammates & communities.



We have a longstanding commitment to superior customer service, which includes keeping our customers' best interests top of mind, and creating an exceptional place to work and bank.

This commitment begins with setting the highest ethical standards of corporate governance and the fundamentals of responsible banking, maintaining the confidence of all of our stakeholders, including regulators, corporators, customers, teammates, and the broader community. We instill a culture of transparency and ethical behavior, cultivate a robust risk and control environment, and deepen the integration of diversity and equity into our everyday work. We meet the ongoing needs of our communities and leverage awareness campaigns, tools and programs – such as Elder Abuse Prevention and those that educate about safeguarding privacy and cybersecurity – to be a valued resource to our customers.



“At Liberty, we’re committed to investing in our customers and teammates. We lead with a deep sense of purpose as stewards of a 197 year old bank, all the while never forgetting the importance of building and deepening relationships with our many stakeholders. We value teamwork and feedback. We create a workplace where everyone feels valued and appreciated and constantly expand on our diverse, talented workforce as we innovate and evolve. That’s what a Top Workplace and leading financial institution does.”



Rob Parry, SEVP, Chief Administrative Officer

Creating a Safer Online Presence and More Resilient Communities

We have robust risk management and privacy practices in place to protect our customers, teammates and communities. To achieve this, we have increased our technology budget by 4.2% in the past year and 9.7% over the past two years; increased employee training; and employee/customer awareness campaigns aimed at providing the highest security and building trust; we have strong cybersecurity and data governance controls; and we seek opportunities to provide extraordinary customer experiences without compromising quality, safety and soundness.

As the sophistication and frequency of online fraud, phishing scams and data breaches aimed at stealing sensitive information and valuables continues to increase, we are prepared to help. Liberty has dedicated teams focused on Cybersecurity, Operational Risk, Corporate Security, Bank Secrecy, Incidence and Business Continuity, and Fraud Intelligence. Our Fraud Intelligence Unit alone prevented 478 customers from losing just over \$2.5 million in funds due to various scams last year. These teams work diligently year round to raise awareness and provide continuous training, empowering our teammates with the knowledge and tools to effectively identify and proactively respond to threats. When it comes to cybersecurity standards we do a lot to protect our customers.

We conduct speaking engagements and provide workshops to educate our customers and communities about fraud awareness and elder exploitation, while also participating in national initiatives such as Cybersecurity Awareness Month and Data Privacy Week each year. Through our website and social media we offer expertise and make information readily available with resources and tips to help our customers stay abreast of emerging cyber threats and proactively take steps to protect themselves. Liberty's Online Banking platform empowers customers to set up debit card controls and fraud alerts, and take action to turn off their debit cards on demand to prevent fraud. These actions have enabled the Bank to decline more than \$1,398,856 of transactions as being confirmed fraudulent. In addition, there is active management of anomalous behavior on customer cards resulting in 4,953 instances of blocked transactions confirmed as fraud from September 2021 to August 2022.



Fraud Intelligence Unit prevented 478 customers from losing just over **\$2.5 million** in funds due to various scams

6,290

test phishing emails to practice detecting bad actors trying to gain access to Bank systems.



15

communications on cyber-security awareness issues



Teammates participated in **2,674 hours** of cyber-security and privacy related training

4,953 instances of blocked transactions confirmed as fraud on customer cards from September 2021 to August 2022.

Listening & Responding to What We Hear

To be a bank of choice and a top workplace, it takes a genuine and ongoing commitment to actively solicit feedback from our customers, teammates and communities and take action on what they tell us. We have multiple teams and capabilities in place to make this happen.

Last year, we conducted nearly 15,000 'Voice of the Customer' surveys to solicit feedback from our customers about their recent banking experience. Survey results are used to continuously improve our service performance. Complaints are viewed by management and researched and resolved. Of the nearly 15,000 surveys, 520 responses included expressions of concern. All 520 were treated as complaints and all 520 were resolved. Although every

Liberty teammate is trained to identify, report, and resolve complaints and concerns, we have dedicated resources assigned to field unsolicited customer complaints and work to resolve them. Aside from walking into any branch, customers can reach us through our Customer Care Center. In 2021, our Care Center team stood ready to meet our customers' needs, responding to 313,772 customer inquiries.

Listening to our teammates is also a responsibility we take very seriously. In 2021 and 2022, we held six 'CEO Listening Sessions' with 59 teammates from all levels of the organization so they could speak candidly, in-person with our CEO. Our 'Stop the Madness' program was implemented for teammates to submit ideas that

will improve processes, policies and procedures. From October 2019 through June 2022, we received 447 unique (meaning not duplicate) submissions from teammates. Every idea gets a response and is tracked by a cross functional team dedicated to managing the program. To date, 161 ideas have been implemented for positive change, with many more in process.

Liberty also maintains an internal Whistleblower Program that provides an important mechanism for teammates to report, safely and without fear of retaliation, any concerns of fraud or wrong doing directly to the Audit Committee of Liberty Bank's Board of Directors.



161 Stop the Madness Submissions

Implemented to improve processes, policies and procedures



15,000
Voice of the Customer Surveys
distributed in 2021

313,772

calls answered
in 2021 through our
Customer Service Center



Dedicated Liberty Bank Call Center

teammates available for
customer convenience

Going Beyond Banking to Respond to COVID-19

The challenges presented by the pandemic were unprecedented for all of us but Liberty never wavered from our commitment to protecting the well-being of our customers, teammates and communities.

We frequently communicated with internal and external stakeholders. We developed a COVID-19 Pandemic Playbook and activated our Incident Response Team who met daily throughout the height of the pandemic. We seamlessly transitioned over 300 back-office employees to a work-from-home arrangement.

Our hard working branch teammates dedicated to providing face-to-face service from our branch locations were rewarded with a 15% increase in pay. We also implemented temporary travel restrictions and held a vaccination clinic where about 100 COVID-19 vaccines

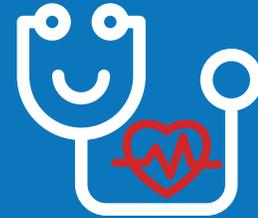
were administered to teammates and their families.

We safeguarded our offices for our teammates and customers. This included extensive daily cleaning; 'fogging' our branches and corporate offices; making 96 air purifiers available at our locations; providing hand sanitizing, cleaning products and masks; and following CDC guidance.

Recognizing the toll it was taking on the community, the Liberty Bank Foundation provided over \$200,000 in emergency grants to support frontline healthcare workers and nonprofits serving the needs of the community during this critical time.

\$200,000

in emergency support for local healthcare workers and nonprofits addressing community needs.



15%

pay differential
for branch teammates
during pandemic

0

Number of days our branch network was closed during the pandemic.

Hosted vaccination clinic

where about 100 COVID-19 vaccines were administered to teammates and their families



Committed to our Mutuality Since 1825

Since our founding in 1825, Liberty Bank has been dedicated to fulfilling our mission: to improve the lives of our customers, teammates and communities for generations to come. We know we are only as strong as the communities we serve, and we work hard each day to strengthen them.

We adhere to sound corporate governance practices and as a mutually held bank we are uniquely positioned in how we serve our customers, support our teammates and strengthen our community partnerships. We are owned by our depositors - not by shareholders - enabling us to make long-term investments to improve our products and services and reinvest in our communities. We can make strategic decisions free from the pressure of shareholders to deliver on short-term returns.

Today, Liberty is 197 years strong. At \$7.4 billion in assets, we are one of the oldest and largest mutual banks in the country. We employ nearly 700 teammates and maintain 56 banking offices across our footprint.

We are fully committed to diversity with 42% minority and women representation on our Board of Directors and 27% of our Executive Leadership Team are women. Our 69 Liberty Bank Corporators are responsible for electing our Directors and advising Bank leadership on customer and community needs. Each of our Corporators and Directors live and work in the communities we serve.

Our success is measured not just in financial terms but on our long-term positive impact on customers, teammates and communities.

**\$7.4
billion**
in assets

42%
minority and women
representation
on Bank's Board of Directors



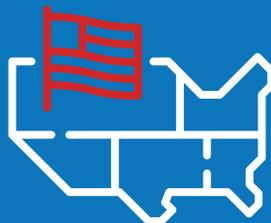
56
banking offices



27%
of the Bank's Executive
Leadership Team is made
up of women.

69
Corporators
who serve as Liberty
community ambassadors

**4th largest
mutual bank**
in the country




Established in 1825,
**197 Years
Strong**

700+
teammates

Record earnings in
2021



**Creating more
sustainable
communities for
generations to come**

We are committed to being part of the solution to protect our environment, doing what's right for people and our planet.

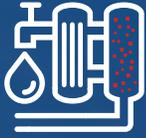


We believe it's our responsibility to implement and execute on meaningful strategies that minimize the environmental impact of our day-to-day operations. We also recognize the positive impact that our products and services can contribute to environmental sustainability. We are excited about the prospects for lending to and investing in organizations and funds that demonstrate commitment to sustainability. Our mission to improve the lives of our customers, teammates, and communities for generations to come includes being a part of the solution to protect our environment.



"We are driven by making a collective impact as we recycle, reuse and reduce waste across the Bank. We are also constantly striving to do things better when it comes to helping the environment, being purposeful with our actions and taking responsibility to advance the sustainable development of our communities with our internal and external partners."

Thaddeus Rogala, SVP, Director of Real Estate & Facilities



We're conserving thousands of plastic bottles by offering water purification systems at all our locations.

Over **70 tons of paper recycled** saving over

1,000 trees



85% of our branch locations are equipped with **high efficiency HVAC systems**

LED Lighting in 90% of our branches

75% of our carpeting uses recycled backing

Taking Care of Our Environment



We understand that building thriving communities also means taking care of our environment. The first step in meeting sustainability objectives is to reduce our own carbon footprint. That means optimizing the use of our space and resources.

To support our energy efficiency and reduction initiatives, we recently consolidated several locations, including our corporate offices. Through the sale of our High Street Corporate Office Building in Middletown we reduced our occupied square footage by over 44,000 square feet. Teammates moved into newer, more energy-efficient workspaces and were also offered the flexibility to work from home, thereby eliminating energy, water, and waste at this location.

Our corporate headquarters features state-of-art Light Harvesting

technology. Light Harvesting is one the most advanced techniques used in sustainable lighting designs for contemporary buildings. Light Harvesting reduces our energy consumption by using daylight to offset the amount of electric lighting needed to properly light our workspaces. We're also committed to reducing our operational energy use. That's why we've invested in LED lighting at nearly 90% of our locations on our way to 100% by 2023. That's approximately 3,850 LED lighting fixtures, with a savings of 42 watts per fixture and a 679,140 kilowatt hour (KWH) savings at year end or \$0.22 per KWH. Reducing our CO2 emissions by 85 lbs. per KWH cuts our carbon footprint by 577,269 metric tons.

In 2021, we recycled over 140,288 pounds of paper, saving 1,192 trees and conserving 2,665 gallons of oil, 491,008 gallons of water, 287,590 KWH of energy and 351 cubic yards of landfill space.

A Greener Way of Looking at Things



We're dedicated to finding new ways to provide environmentally friendly banking solutions and supporting businesses that are, too, environmentally conscious. One example is a relationship we maintain with a mobile and plant-based shredding company called InfoShred.

InfoShred is a 25-year old, woman-owned AAA-certified business that we partner

with for shredding services in all of our branches and Corporate Offices.

As a verified data destruction company focused on e-recycling, records storage and safe environmentally friendly shredding, we've partnered with InfoShred on free community Shred It events throughout our footprint. In 2021, we hosted three free community Shred It events.

A Powerful Energy Saving Partnership

In 2020, we initiated a partnership with Chesapeake Hospitality and renowned architect Bruce Becker to transform the former iconic Pirelli Building in New Haven into Hotel Marcel.

This \$25 million financing package and 165-room boutique hotel has impressive sustainability elements and is designated as the first Passive House certified hotel in the United

States. Hotel Marcel features leading thermal insulation, an energy recovery system, high-efficiency VRF air-source heat pumps and Power over Ethernet high efficiency LED lighting. It generates as much power as it uses from solar energy, is 60% more energy efficient than required, is designed to achieve LEED Platinum certification, and utilizes solar power from rooftop and parking canopy arrays to provide

100% of electricity for lighting, heating and cooling.



Investing in a More Sustainable, Clean Energy Future

Disciplined investment in renewable energy, such as solar power, is vital to long term sustainability which can result not only in environmental benefits, but also consistent energy cost savings, job creation and a boost to local economies.



The solar industry holds significant potential as a viable source of renewable energy and a catalyst in reducing adverse climate impact. Our evolving solar investment strategy underscores our commitment to a more sustainable, clean energy future.

- We have approximately \$51 million in investments related to solar, mostly from our Corporate Bond Portfolio. This includes investments in companies that are financing solar energy projects; solar facilities for power generation; solar farms; solar cell technology; and efficient energy consumption strategies.

- We approved a \$2.5 million tax equity investment with a Public Benefit Corporation investment firm that brings together developers and communities, with an economic inclusion lens, in providing solar energy benefits to overlooked markets. This firm works with local solar developers and earmarks money in small-scale solar projects, including on the rooftops of churches, schools, office buildings and homes. The investment brings green jobs and clean energy to communities including many that are designated as low to moderate income (LMI).

Green Made Easy

Liberty's online and mobile banking interfaces provide our customers with a greener way to bank, allowing their most common banking transactions to be conducted without ever having to travel to a branch.

Over 142,000 individuals and small businesses are enjoying the advantages of paperless statements, mobile check deposit, and the ease of electronic bill pay.

In 2021, 54,846 customers utilized our online bill pay service and we captured over 570,000 mobile check deposits,

reducing paper waste and travel to our branches. Liberty Line, the Bank's 24-hour customer service telephone line, allows customers to verify balances, make transfers and loan payments, and inquire about checks or deposits.

Recognizing that not all customers in our service area speak English, the Bank's Customer Service Center has 35 teammates who can communicate in multiple languages, including English and Spanish.



Over
142,000
enrolled in
digital banking

53%
of customers
receive e-statements

570,746
checks captured
through mobile check deposit
in 2021

54,846
customers enrolled in
electronic bill pay



2021 Impact Report



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Member FDIC  Equal Housing Lender