GOOD COMFORTS. GOOD CALMS. GOOD STAYS SAFE. AND HELPS FLATEN THE CURVE. GOOD UNITES. GOOD PROVIDES FINANCIAL RELIEF. GOOD ADVISES. GOOD LENDS. GOOD ADJUSTS. GOOD ADAPTS. GOOD TAKES CHARGE. GOOD HELPS. GOOD PROTECTS THE MOST VULNERABLE. GOOD SUPPORTS EACH OTHER. GOOD SAYS ‘THANK YOU’ TO ESSENTIAL WORKERS. GOOD RECOGNIZES THESE ARE NOT ORDINARY TIMES. SO GOOD STEPS UP IN EXTRAORDINARY WAYS.
VISION
We embrace our mutuality, culture, and creative spirit to build lasting relationships with our customers, colleagues, and communities in pursuit of a better, fairer, more sustainable world.

PURPOSE
We do good things to help people prosper.

VALUES
Integrity     Diversity, Equity, & Inclusion
Innovation     Commitment     Teamwork

2019 RECOGNITIONS AND AFFILIATIONS

#1 SBA LENDER IN NEW ENGLAND
10 YEARS RUNNING

CORPORATE CITIZENSHIP
awards

BUSINESS OF PRIDE

2019 LGBT CORPORATE ALLY AWARD WINNER

VETERANS LEGAL SERVICES

MassINC

BEST PLACES TO WORK 2019
FOR LGBTQ EQUALITY
NON-CORPORATE STRAIGHT-FRIENDLY

MASSACHUSETTS STATE BARGAINING

MASSACHUSETTS LGBT CHAMBER OF COMMERCE

Ceres

THE PARTNERSHIP, INC.

Conexión

MASSACHUSETTS LGBT CHAMBER OF COMMERCE
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*Pictured to the left: Eastern’s Military Veterans and Families Employee Network joined hundreds of volunteers to plant 37,000 American flags on Boston Common on Memorial Day.*
We were just about to print our 2019 Annual Review when everything about our world changed. Although the COVID-19 crisis in some ways is similar to those we have lived through in the past, what makes this one different is that it affects all of us, no matter who we are, where we live, or what we do. More than anything else, it is the pervasiveness of the impacts of this crisis that makes it very different and difficult for so many.

Despite this, what hasn’t changed is our mission to serve our customers, our employees, and our community, and they need us now more than ever. As we have in the past, both in good times and in bad, we are stepping up and in many ways.

Recognizing that many of our customers who have a business loan, commercial or residential mortgage, or home equity with Eastern need immediate payment relief, we are deferring payments and making other modifications to those who need it.

And for those that need additional funding to get through this time when cash flow is stretched like never before, we have developed programs for those who need credit, launching special low interest loan programs with flexible terms for both small businesses and consumers.

As the number one United States Small Business Administration (SBA) Lender in New England, Eastern has been a leading participant in the SBA’s new Paycheck Protection Program, processing thousands of applications to provide relief to small businesses and their employees in the face of lost hours, layoffs, and business closings.

For those customers who need access to their deposits or other banking or insurance services, our offices continue to be open and staffed, while taking care to protect the health of our employees and our customers and encouraging the use of our ATMs and online and mobile banking services, which are available 24/7.

For those that simply need advice or a person to talk with about what to do with their business, investments, insurance, or general financial situation, we continue to make ourselves available.

For our community partners, the more than 1,500 nonprofit organizations we support through the Eastern Bank Charitable Foundation every year, we are increasing our giving, especially to organizations that are on the front lines helping our neighbors in this midst of this pandemic, with over $8 million in additional grants to nonprofits throughout the communities we serve in eastern Massachusetts and southern and coastal New Hampshire and Rhode Island. In addition, Eastern Bank is serving as both the administrator for and a Founding Contributor to the Massachusetts COVID-19 Relief Fund recently launched by Massachusetts Governor Baker and First Lady Lauren Baker. We recognize the disproportionate impact this crisis is having on certain populations and are doing what we can to support health care professionals, front-line workers, communities of color and others where we can.
Because of our past success and reputation for community engagement, we are blessed with substantial resources and the opportunity to help in many ways throughout the communities we serve and we feel a deep responsibility to do so, consistent with the reason we were founded over 200 years ago.

Our greatest resource in doing this, and all things, are our 1,896 employees who are working around the clock to make all of this happen. In every part of our company, our colleagues are handling an extraordinary number of urgent customer and community requests, with most of them doing this from home while also managing increased family responsibilities in the face of closed schools and care facilities. Most notably are our employees working on-site on our “front lines” in our branches and insurance offices, and several other departments providing critical support, dealing with all of these same pressures while putting their own health at risk to help meet our mandate as a financial institution in providing essential access for our customers. The degree of commitment demonstrated by our employees during this critical and challenging time is one for which we are forever grateful and what we will most remember.

These efforts are augmented by those of our Corporators, Advisors, Trustees, and Directors, a collective board that includes 135 business and community leaders. We express our deepest appreciation for their wisdom and guidance during this challenging time. They in turn make us stronger in all that we do and we are very grateful.

We thank retiring Advisors William H. Darling, who served on Eastern’s board for 41 years, the Honorable Therese Murray, former President of the Massachusetts Senate, and Richard F. Moore, who served as a board member and helped build our Trust and Wealth Management business for over 50 years.

We also remember the service and dedication of several board members who recently passed away.

Honorary Advisor Dr. Norman M. Starosta was a Corporator and Trustee of the Plymouth Savings Bank, which merged with Eastern, and he retired from our board in 2007.

Honorary Director James C. Callahan, Jr. for many years served on our board and worked as the communications and community relations manager for the General Electric Company in Lynn.

Honorary Director John H. Flynn was elected a board member of Naumkeag Trust in 1965, and after it merged with Eastern in 1983 he continued to serve on our board until 2001.

Since financial institutions were designated as COVID-19 Essential Businesses, we implemented safety measures across all branch locations to protect our customers and colleagues. These measures include customers scheduling in-lobby transactions by Appointment Service with staff wearing face coverings and working behind plexiglass to process their transactions as shown by Boston Branch Manager Steven Melo and Operations Associate Elaine Lam.

Honorary Director Clark A. Griffith, a third generation cranberry grower in South Carver, MA, retired from our board in 2007. He served for more than 40 years on the Board of Plymouth Savings Bank, and was on the Executive Committee and the Clerk when our Banks merged in 2005.

Honorary Advisor Barbara P. Healey, a long-time resident and community volunteer in the North Shore, who was elected a board member of Salem Savings Bank and continued to serve on Eastern’s board.

In remembering them, we recall the decades of leadership they provided to us and our shared deep ties to the community.

Our society and our economy will undoubtedly be significantly changed by the long-lasting effects of this pandemic, and because of the past support from our customers, our incredibly dedicated employees, and so many in our community, we have the financial strength to not only get through this crisis, but help many others get through it, too. And many of these structural changes will be positive, making Eastern a more competitive employer and better able to contribute to a greater quality of life for all in our community.

Once again, we thank our customers, our community partners and friends, our board, and, most of all, our employees for their collective contribution to what Eastern is today.

And now, more than ever, thank you for joining us for GOOD.
Business Line Review
COMMERCIAL BANKING

We’re proud to be our customers’ local banker. Our experienced and knowledgeable lending professionals understand business, and are trusted advisors who live and work locally. We’re the partner who takes the time to understand a business and the communities being served. It is how we turn business plans into realities and has contributed to another year of record commercial loan originations.

From middle-market and family businesses to community developers and nonprofits, our commercial banking solutions serve a variety of needs. Our industry-leading loan system and commitment to the highest quality service give Eastern customers the advantage of fast turnarounds on their commercial loans and other finance solutions.

Reinforcing our emphasis on client service, our Commercial Banking teams participated in consultative sales and coaching training that continues to distinguish our approach. This underscored the importance of helping to drive value and strong business results through the services we provide and the relationships we build.

In 2019, loans for our Commercial Banking division grew by $260 million, or 5 percent, and deposits grew by $255 million, or 13 percent.

COMMERCIAL & INDUSTRIAL LENDING

Operating in a highly competitive marketplace from southeastern Massachusetts to central New Hampshire, we believe our attention to building strong customer relationships has helped us earn, keep, and grow our business.

It is more than banking that has made us the go-to partner for many across the communities we serve. We take an interest in our customers’ interests and dreams, ultimately helping us better serve them as their trusted community bank.

COMMERCIAL REAL ESTATE

We service the financing and cash management needs of real estate owners and developers for the purchase and development of properties ranging from multi-family, mixed-use, commercial, and retail developments to market-rate housing in Gateway Cities. Our bankers provide financing to acquire new real estate, refinance properties, or start new construction, and are relied upon for their understanding of real estate requirements and knowledge of local markets. Customers also value our market terms and efficient processes, all helping to create diversified real estate development in our community.

CUSTOMER HIGHLIGHT

A Commitment to Client Service Excellence and Community

Sixty-five years ago, Jim Clarke Sr. went from appliance store owner to Sub-Zero’s top independent sales representative. Following in his father’s footsteps, Tom Clarke opened Sub-Zero’s first distribution company in New England. Now in its third generation, Clarke has grown into an award-winning business with three nationally-acclaimed showrooms, a first-in-class service company, and a network of independent retail dealers, all dedicated to client service excellence.

Eastern is Clarke’s full-service banking partner, providing working capital lines of credit, equipment financing, treasury solutions, and, more recently, active financing to support each step of Clarke’s expansion across New England. When Clarke conceptualized its first urban showroom, they had their eye on the Boston Seaport. Eastern’s financing of approximately $14 million enabled Clarke to purchase and build out an unprecedented complex to help designers and homeowners envision how Sub-Zero, Wolf, and Cove appliances would look and perform in extraordinary kitchens. With a new flagship location in Boston, Clarke now plans to expand its state-of-the-art Connecticut showroom, also with Eastern’s financing.

Clarke’s philanthropy supports causes that include education, health care, and sustainability. As CEO Tom Clarke says, “We chose Eastern because they share our commitment to the community and, for us, it’s a differentiator. I think my dad would be very proud of what we’ve done, because we do business the way he did business, taking care of our customers and our community.”

Pictured to the left: Clarke CEO Tom Clarke and generations of his family have made the company a cornerstone of the New England appliance industry since 1955.
CUSTOMER HIGHLIGHT

Addressing Gentrification

The Asian Community Development Corporation (ACDC) serves Greater Boston by building and preserving hundreds of affordable homes, empowering families, and strengthening communities. And its work is front and center to the challenges of gentrification.

To help keep low-income residents in their homes in the face of large developments, Eastern’s $17.7 million in Community Development financing has allowed ACDC to create and preserve a healthy affordable housing stock in the community. In addition, our Community Investment Tax Credits help maintain affordable housing and mobilize the next generation of community advocates committed to preserving affordable housing. And for first-time homebuyers, our residential mortgage team has provided educational support as well as financing.

Paul W. Lee, ACDC’s Board President, grew up in Chinatown and became motivated to get involved when his family was forced to move due to urban renewal. Back then, construction of the Southeast Expressway and Turnpike Extension demolished hundreds of homes. “That’s when the community learned how to stand up for itself,” he said. “We became advocates. The threat now is driven by commercial pressure as it’s an incredibly desirable place to live. We have the power to ensure the neighborhood continues to thrive and Eastern’s support is helping us to achieve this.”

COMMUNITY DEVELOPMENT LENDING

We are recognized as a long-standing partner of, and advocate for, the nonprofit community. Through financing and cash management services, we help nonprofit organizations make smart decisions about their assets and the advancement of their missions. The team is known for its decades of leadership advising Community Development Corporations on solutions to complex transactions. Our creative methods of financing to support affordable housing, charter schools, community health centers, and social service organizations were honored in 2019 with awards from Metro Housing Boston and others.

$7.5 BILLION TOTAL COMMERCIAL LOAN ORIGINATIONS SINCE 2014

TREASURY SERVICES

Cash flow and fraud protection are two of the main products Treasury Services offers to our business customers. Our product suite includes Remote Check Deposit, Lockbox, Online Banking, Automated Clearing House, Wires, and Sweep accounts. Our cash management experts are available to assist any prospect and help them design an optimum cash management system. They offer client-focused service to customers who rely on us for their deposit and cash management services.

We have migrated customers to our new online banking platform, assigning either a dedicated specialist or a cross-functional team for complex setups. We also provided trainings on the new system and ensured customers could use even our most advanced technical solutions with ease.

2019 was another record year for Treasury Sales performance, and our Treasury Advisory Services for small businesses furthered our growth. These solutions are relevant to small- and medium-sized businesses in addition to our larger commercial customers.
Core to its mission, Cruz Companies believes that real estate development should provide economic opportunities for people in the community. Cruz is the largest minority-owned, multi-discipline construction, real estate development, and property management firm in the region, and a third-generation family-owned business. Since 1948, Cruz has given back to the community, helping thousands of families across Greater Boston. This includes increasing affordable housing, providing good jobs to area residents, hiring employees and businesses of color through subcontracts, and building sustainable communities through economic development. Eastern has been a trusted partner to Cruz, providing $40 million in total loan commitments and financing approximately 300 affordable apartments. Wayne at Columbia, the most recently financed project, is a seven-building development in Dorchester, Massachusetts. In addition, Cruz has been a valued client of Eastern Insurance for the past eight years through our Property and Casualty insurance program.

John B. Cruz, III, the President and CEO of Cruz Companies, says, “Our commitment to the community is shaped by our passion for helping others rise and a desire to create a promising future.” Thanks to Cruz C.A.R.E.S., a nonprofit organization and the social responsibility arm of Cruz Companies, hundreds of youth in Boston’s urban community are being helped through after-school programs, summer camps, college scholarships, youth outings, and more. “It’s just another way Cruz Companies, since its inception, makes ‘giving back’ its mission,” said Cruz.

Revitalizing Downtown Brockton

When three childhood friends from Quincy began a real estate development and property management company, a commitment to helping revitalize South Shore communities led them to Brockton. When these three friends, now partners of Stoneridge Mutual Properties, toured a 21,000 square foot vacant office building, they saw an opportunity to repurpose a functionally-obsolete building into a vibrant residential property in this Gateway City.

They met Eastern at a monthly meeting we organize for local business, civic, and nonprofit leaders invested in Brockton’s revitalization. The meeting resulted in Eastern providing Stoneridge with a $2.6 million construction loan to support the conversion of the former office building into a residential property at 75 Commercial Street, and an adjacent property at 127 Centre Street for retail use. The main property, called Commercial Station, houses 24 market-rate apartments featuring 22 one-bedroom apartments and two studio dwellings. The abutting property is known as Centre Station. It’s the largest residential building project Stoneridge has undertaken to date.

“We are excited to offer convenient, affordable living in downtown Brockton. Our vision is to build an urban neighborhood with market-rate housing, and we are proud to work with Eastern Bank and the City of Brockton in this revitalization,” said Darrin DeCoste, Partner of Stoneridge Mutual Properties.

The initial project is the first part of a multiphase, transit-oriented development being planned by Stoneridge to support the revitalization of downtown Brockton with additional residents, businesses, and amenities. The first occupants were welcomed at the end of 2019.
INTERNATIONAL BANKING
Complementing our commercial banking services, International Banking provides products that help our customers, both retail and corporate, better manage their international needs. Our extensive foreign exchange capabilities enable us to assist customers with essentially any need related to the exchange and management of foreign currency. This includes wire transfers, checks, hedging, physical currency, and trading advisory services. We also offer a series of products, such as letters of credit and documentary collections, that ease the process of importing or exporting goods.

GOVERNMENT BANKING
With an extensive range of municipal banking products and services, Eastern offers Depository Services (Coin and Currency), Disbursement Services (Vendor / Payroll), Collection / Concentration Services (Lockbox), Account Reconciliation Services (Positive Pay and Remote Check Deposit), and Investment Services (Money Market / Escrow Accounts). Our clients include Massachusetts cities, towns, school districts, and housing authorities, among other government entities.

FINANCIAL INSTITUTIONS GROUP
A highly experienced team of professionals leads our Financial Institutions Group. They are committed to serving the needs of community banks, insurance companies, and financial service companies across New England. Representative services include Image Cash Letter, Coin and Currency, Investment Sweep Products, International Banking, Lockbox, Reconciliation, Disbursement and Collection Services.

CUSTOMER HIGHLIGHT
Growing the Family Legacy
Eastern’s commercial and insurance customers include multigenerational, family-owned companies seeking to carry on a legacy of service. One of these customers is Koopman Lumber. Founded in 1939, Koopman is a third-generation, family-owned-and-operated business serving contractors, remodelers, and homeowners across New England. Koopman operates nine locations in Massachusetts, including full-line lumber, hardware, kitchens, paint, and lawn and garden stores; a full-service paint store; and two distribution centers serving the building trade. A business that began more than 80 years ago knows the most important building it can do is of relationships with its customers and employees.

In 2019, we began a new commercial banking relationship with Koopman that provided a $20 million line of credit, along with a comprehensive cash management solution and working capital to help with inventory supply and daily financial needs. In addition, as Koopman has grown and expanded through the years to become one of the largest independent lumber dealers in New England, it has relied upon Eastern Insurance Group for Property and Casualty insurance.

“Eastern’s banking solutions and service approach are an excellent match for our business, and a wonderful complement to our Property and Casualty insurance with Eastern Insurance,” said Denise Brookhouse, Koopman’s CFO and granddaughter of founder Peter T. Koopman. “Our organizations are well aligned, sharing a commitment to hard work, local jobs, and community engagement.”

Denise Brookhouse, her husband, Tony (right), and brother, Dirk Koopman (left), have been involved with running their family business for more than 25 years. They are shown on the retail floor of their Whitinsville, Massachusetts location, with memorabilia from when their grandfather opened Koopman’s first store.
We are there every step of the way to assist small businesses with identifying the cash management solutions that are right for them and to provide the lending and cash flow products to help them grow. In a competitive market with many choices for a banking partner, our commitment to serve businesses of any industry, size, and stage differentiates our approach.

Our continued focus on relationship management in 2019 empowered our teams to deliver an exceptional customer experience. We grew our actively-managed accounts five-fold, providing more opportunities to proactively offer advice and expand our banking services.

Enhancing our offerings, we upgraded our treasury platform, with new customers enrolling and existing customers migrating to the new product. The platform’s integrated suite of modules provides cash management, payments, reporting, and check management functions, all while ensuring the safe access of information digitally.

Advancements in technology facilitated these efforts to deliver more convenience. Enhancements to our Express Loan Platform and nCino Loan Platform improved our delivery model for customers needing access to capital. Strategic partnerships with the Federal Home Loan Bank of Boston and MassChallenge FinTech, where Eastern Labs facilitates our participation as a “Challenge Partner,” provided additional options for considering an enhanced business banking experience.

ANOTHER BIG YEAR FOR BUSINESS BANKING

It’s been another big year for small business banking at Eastern. In 2019, Eastern ranked as the number one SBA lender in Massachusetts for the 11th consecutive year. Eastern was also the number one SBA lender in New England for the 10th consecutive year. As a preferred lender, we can accelerate the loan approval process significantly.

Across New England, Eastern made 466 7(a) loans, totaling more than $51.5 million, which created and retained more than 2,300 jobs in the region. Eastern also ranked number one in the origination of 504 SBA first mortgage loans in New England for the sixth consecutive year, with 42 loans totaling $35.1 million.

We continued to serve as a one-stop service provider for customers, handling all SBA matters from origination through the life of a loan, with a focus on faster and more efficient decision-making. By partnering with our Commercial Lending teams, we accommodated larger and more complex transactions, growing our average loan size by more than 60 percent. Investment in talent and continued focus on our team implementation model play an important role in the successful delivery of services to customers. They enable faster loan approval times and more efficient loan processing. Client feedback has been very positive, with appreciation for more direct and personal service.
A BANK FOR ALL
Our commitment to the communities we serve extends to being their banking partner. As consumers turn to Eastern for help with personal and professional milestones, we’re honored to serve them. This led to unprecedented performance in 2019, aided by record growth in consumer checking accounts.

As part of our commitment to underserved communities, in 2018 we opened the first bank branch in more than 20 years in Roxbury, with 2019 being the first full year of its operations. Welcomed by all, Roxbury has been one of Eastern’s fastest-growing branches, reaching over $20 million in deposits in less than two years. We attribute much of the success to our staff and their close ties to the community.

We’re proud to bring attention to the demand for providing access to financial services in this community, and even prouder to see other banking institutions and businesses set up new operations as well. Further building upon our approach in 2019, we expanded the team to work with and service the needs of this and other underserved communities.

IMPROVING THE CUSTOMER EXPERIENCE
In a constantly-evolving, faster-paced world, we continued to introduce ways for our customers to reach us anytime, anywhere, and on-demand. We piloted a new virtual sales and servicing platform, allowing consumers to interact with customer service representatives on our website with chatbots and one- and two-way videos. The introduction of E-Sign capabilities allowed customers to apply and close on loans remotely.

Our 600 colleagues serving consumer and business customers from branch locations also played an important role in our growth, closing a record number of small business loans through our retail branches. Being customer-focused demands consistency, and to help, all Consumer Banking teams participated in consultative sales training and leadership coaching as well as a new training about using consistent language with our internal and external customers.

Finally, we further increased our outreach to Latinx customers via a translated tagline, targeted events including nonprofit partner Project Citizenship, and more retail materials.

CONSUMER BANKING
2019 HIGHLIGHTS

28,700
New retail consumer checking accounts
↑ 11% GROWTH

$445 MILLION
Total residential mortgage loan volume
↑ 7% GROWTH

$1.06 BILLION
Consumer lending portfolio
↑ 2% GROWTH

$30.7 MILLION
Personal loan portfolio
↑ 38% GROWTH

Our investments in technology enabled us to connect in new and improved ways. They enhanced our understanding of products and services most valued by consumers, where and when they need them. The mobile banking platform was also recognized as best-in-class with our app receiving a top rating (4.8 out of 5.0) with iPhone users.
In 2019, Eastern Insurance Group LLC (EIG) grew to become the 24th largest Property and Casualty (P&C) agency in the United States, and, locally, the third largest P&C broker and fourth largest benefits broker in Massachusetts. Licensed to do business in every state, we offer personal and commercial insurance and employee benefit plans, and represent more than 50 national and regional insurance carriers.

Building on our track record of growth is EIG President and CEO John Koegel, who was appointed in 2019 to lead EIG following the retirement of Hope Aldrich. Integral to the company’s growth for the past 30 years, John helped Eastern Insurance expand from 32 employees in 1989 to 430 employees with 25 offices. In addition, Tim Lodge was promoted to Executive Vice President, Commercial Lines, and Meg Hartley to Executive Vice President, Personal Lines. Matt Shadrick continued in his role as Executive Vice President of Eastern Benefits Group.

With decades of experience at EIG, our leadership team has always endorsed a winning approach of putting customers first. For example, to complement the banking solutions provided by Eastern’s Community Development Lending team, EIG launched a nonprofit division to bring comprehensive insurance programs to the sector.

EIG also made a commitment to respond to our customers’ changing needs. When laws involving employee benefits and leaves were enacted, such as the new Massachusetts Paid Family and Medical Leave Act (PFML), we held numerous educational events to help customers understand the impact.

In addition to educating and advocating for our clients, we remain focused on efficient product delivery and excellent service. As with other parts of Eastern, we continue to invest in consultative sales and leadership coaching training that promotes listening to, and building strong relationships with, our clients.
CUSTOMIZED ADVICE AND STRONG MARKETS FUEL ANOTHER RECORD YEAR

In 2019, Eastern Bank Wealth Management crossed over $2.5 billion in client assets under management for the first time. Revenues hit a record of $19.8 million. The strong performance was the result of referrals from new and existing customers, outstanding client retention, favorable market trends, and an investment strategy that outperformed its benchmark indexes.

Underlying that success is our team of 50 experts, comprised of Relationship Managers, Trust Officers, Financial Planners, Investment Strategists and Traders, and Operations Officers. The highest quality service and solutions provided by our Wealth Management Team earn and retain our clients’ trust.

Our Relationship Managers and Trust Officers know our clients exceptionally well; we help them navigate the financial outcomes of buying and selling businesses, building retirement savings, developing legacy (estate) plans, and adapting when unexpected changes occur.

We combine that expertise and customized service with a suite of investment strategies that can be tailored to each client’s needs. Our approach combines a practice of disciplined patience and long-term diversification that has produced consistently excellent investment results.

Among other benefits, clients are invited to our periodic investment seminars, where they can meet our entire team and hear our insights into current economic and market conditions. Our team also publishes a series of newsletters and white paper commentaries, offering opinions on relevant and timely wealth management topics. Our Chief Investment Officer, Michael Tyler, extends his thought leadership to a national audience via appearances on CNBC’s “Squawk Box” and “Worldwide Exchange.”
GOOD PROSPERS: 2019 BY THE NUMBERS

- THIRD CONSECUTIVE YEAR OF RECORD EARNINGS
- $7.5 BILLION IN COMMERCIAL LOAN ORIGINATIONS SINCE 2014
- 50 PERCENT REVENUE GROWTH IN WEALTH MANAGEMENT SINCE 2011
- #1 SBA LENDER IN NEW ENGLAND 10 YEARS RUNNING
- #1 SBA LENDER IN MASSACHUSETTS 11 YEARS RUNNING
- 24TH LARGEST P&C AGENCY IN THE U.S.
- $13.5 MILLION+ IN CHARITABLE CONTRIBUTIONS
- 1,858 GRANTS MADE BY EASTERN BANK CHARITABLE FOUNDATION
- 1,896 EMPLOYEES
- 50,000+ VOLUNTEER HOURS
Corporate Social Responsibility
25 YEARS OF EASTERN BANK CHARITABLE FOUNDATION

CELEBRATING A HISTORY OF GIVING

Much like in 2018 when Eastern celebrated its 200th anniversary, in 2019, we celebrated another landmark with the 25th anniversary of the Eastern Bank Charitable Foundation. With a simple act a quarter-century ago, Eastern’s leadership at the time established a mechanism to ensure our philanthropy far into the future. Their foresight has given way to Eastern being named a top charitable contributor in Massachusetts by the Boston Business Journal every year for the past 10 years.

Our charitable giving has exceeded more than $140 million since 1999, and the Foundation has more than $130 million in assets, providing the capital necessary to build upon the thousands of community donations we provide each year to organizations addressing an array of needs. Our community grants, which total approximately $5 million annually, are a key part of our giving in the community, and we remain committed to providing this support into the future.

In 2019, the Foundation granted over $7 million in more than 1,800 grants to local organizations to ensure equal access to employment, health care, housing, homelessness, child development, immigration, and other basic human services. These significant philanthropic resources fuel our similarly outsized commitment to community service and engagement.

Our philanthropy and volunteerism also support our growing advocacy and are in turn influenced by it. We are increasingly mindful that we have an opportunity to make an even greater positive impact and in 2019, we announced that we will enhance our giving by committing millions more, allowing us to do good at another level entirely. Our goal is to create meaningful impact to help our communities prosper through financial support of community organizations across our footprint, as well as volunteerism, advocacy, and collaborations with other businesses and community partners.

We do this because it is both the right and the smart thing to do, knowing that we are only as strong as the communities we serve.

Recognizing the accomplishments of the Eastern Bank Charitable Foundation in 2019 wouldn’t be complete without thanking Executive Director Laura Kurzrok, who retired in May after 19 years. Whether working with the private sector, a service provider, or a policy leader, Laura’s passion to better the communities we serve has been transformative.

Since 2001, she saw firsthand the growth of thousands of nonprofit organizations in Massachusetts, New Hampshire, and Rhode Island, as well as the Foundation team she led. The Foundation grew from $18 million in assets to over $130 million, and from awarding 300 grants per year to over 1,800. Our grant program addresses issues such as violence prevention, health care, immigration, workforce development, advancing women, and enriching early childhood development. Laura was instrumental to building relationships with our community partners, reaching out to community leaders to better understand the issues involved, the intricacies of the needs, and how our financial and social capital could be best put to use. Although Laura is quick to point out that our nonprofit partners transform lives every day, she does as well. She helped to shape our commitment to our communities, impacting thousands of lives across the communities we serve. For that, we are very grateful.

A special thank you to Laura Kurzrok.

19 Years of Good, Impacting Thousands of Lives

Recognizing the accomplishments of the Eastern Bank Charitable Foundation in 2019 wouldn’t be complete without thanking Executive Director Laura Kurzrok, who retired in May after 19 years. Whether working with the private sector, a service provider, or a policy leader, Laura’s passion to better the communities we serve has been transformative.

Since 2001, she saw firsthand the growth of thousands of nonprofit organizations in Massachusetts, New Hampshire, and Rhode Island, as well as the Foundation team she led. The Foundation grew from $18 million in assets to over $130 million, and from awarding 300 grants per year to over 1,800. Our grant program addresses issues such as violence prevention, health care, immigration, workforce development, advancing women, and enriching early childhood development. Laura was instrumental to building relationships with our community partners, reaching out to community leaders to better understand the issues involved, the intricacies of the needs, and how our financial and social capital could be best put to use. Although Laura is quick to point out that our nonprofit partners transform lives every day, she does as well. She helped to shape our commitment to our communities, impacting thousands of lives across the communities we serve. For that, we are very grateful.

Pictured to the left: Eastern celebrates North Shore Pride.
COLLABORATING OVER A PLACE CALLED HOME

Founded in 1969, Pine Street Inn is one of Boston’s most well-regarded social service nonprofit organizations. Serving more than 1,600 homeless individuals daily, it provides the full spectrum of services to help men and women reach independence and get back to a place they can call home. As Pine Street Inn celebrated its 50th anniversary in 2019, our two organizations celebrated a 30-year working relationship.

When our Community Development Lending team, originally with Wainwright Bank, began working with Pine Street Inn, it was primarily focused on emergency shelters. Then, Executive Director Lyndia Downie introduced the concept of permanent housing as a means to end homelessness. Our financing focus shifted to help Pine Street Inn pave its new path. More than $22 million in financing has been provided to help create permanent housing for thousands of individuals. The most recent loans include working capital for improvements to the men’s and women’s shelters and other properties.

Just as Pine Street surrounds its customers with services, we do the same in surrounding the Inn with ours. In addition to our financing, philanthropy through the Eastern Bank Charitable Foundation provides grants, most recently awarding a $100,000 grant to support Boston’s Way Home Fund created by Mayor Walsh, and our employees provide many volunteer hours each year.

DOING GOOD AT A WHOLE NEW LEVEL

In 2019, one of Eastern’s leading voices in the community advocating for social justice and our employees, Nancy Huntington Stager, was promoted to President and CEO of the Eastern Bank Charitable Foundation. With Nancy’s leadership, the Foundation and Eastern will continue to be a leading voice for social justice.

A champion of civil rights, economic justice, and inclusion, Nancy recognizes that structural barriers based on racial, gender, and other differences keep us apart and perpetuate income and wealth gaps. Our local communities face these challenges at alarming rates today. The wealth gap is widening, economic mobility is slowing, and philanthropy is lagging behind. The need has never been greater for businesses to step up and work with community partners to address it.

Going forward, Eastern seeks to address this daunting reality by focusing efforts to improve economic mobility and inclusion by committing millions more through larger grants, in addition to our volunteerism and advocacy. Consistent with the principle of “right and smart” that led to the founding of Eastern over 200 years ago, focusing on these issues embodies the virtuous circle of doing well by doing good for all our communities.

As we announced in 2019, investing in organizations providing a full range of high quality early childhood development programs is one of the most economically efficient ways to create greater upward mobility, a more capable and diverse workforce, and ultimately a stronger economy.

As we drive good at a whole new level in our communities around issues that impact mobility, our workforce, and the economy, Nancy’s deep commitment to people inside and outside Eastern will serve us well. With Eastern for the past 24 years, Nancy also serves as Chief Human Resources Officer and has been recognized by peers and in the community for her excellence in HR leadership, diversity, equity, and inclusion, and corporate social responsibility. She has led Eastern’s Corporate Philanthropy and Charitable Foundation initiatives for 18 years, serves as Eastern’s Chief Diversity, Equity, and Inclusion Officer, and has been instrumental with Eastern’s founding and continuing support of the Foundation for Business Equity.
ANNUAL REVIEW

COMMUNITY ADVOCACY AWARDS

Recognizing work to enrich early childhood development, Eastern honored nine regional community leaders with Community Advocacy Awards. These awards celebrate leaders who have given their time and talent to address vital needs within their communities. Recipients included:

SHERI ADLIN Executive Director of South Shore Stars, for her decades of leadership serving the South Shore’s most vulnerable families and children.

JON FIRGER Executive Director of Family ACCESS of Newton, for his dedication to advancing early childhood services that help thousands of children to succeed.

PETER GILMORE Executive Director of Seacoast Community School, for his commitment to providing nurturing care and exceptional education to help all young children of New Hampshire’s Seacoast region develop into confident, caring, school-ready people.

REV. DR. RAY HAMMOND AND REV. DR. GLORIA WHITE-HAMMOND Pastors and Co-Founders of Bethel African Methodist Episcopal (AME) Church, for their more than 30 years of social justice advocacy focused on issues affecting high risk youth and violence prevention, and victims of sexual trauma.

CINDY HORGAN Executive Director of Cape Cod Children’s Place, for her community engagement and boldness creating sustainable, healthy solutions for families across Cape Cod.

ZELMA KHADAR AND LUCAS SKORCZESKI Co-Executive Directors of Acre Family Child Care, for their work in helping women achieve economic independence by operating high quality, licensed child care businesses in their homes.

MAROLÍ LICARDIÉ Executive Director of Family & Children’s Service, for her leadership and collaboration helping thousands of vulnerable children and families build stable, productive, and healthy lives.

Rev. Dr. Gloria White-Hammond and Rev. Dr. Ray Hammond accept their Community Advocacy Awards from Chair and CEO Bob Rivers (left), and Vice Chair and President Quincy Miller (right).

Eastern leaders congratulate Marolí Licardié on her Community Advocacy Award. Nancy Huntington Stager (right) served as the Board Chair of Family & Children’s Service for 12 years and Ive Gonzalaz (far right) has been a Board Member for eight years.

Our History

On March 24, 1994, the Eastern Bank Charitable Foundation was created through a contribution from Eastern Bank of approximately $1 million in appreciated bank stocks to be used for charitable causes. At the time, Eastern was led by CEO Stan Lukowski, who along with the Foundation’s other original Trustees, knew they were establishing a mechanism to ensure doing good far into the future. It would have been difficult at the time to anticipate the magnitude of growth, scope, and impact this original amount of philanthropy created, just 25 years later, with the customers, colleagues, and communities we serve.

The concept was both practical and audacious, and Eastern’s financial success feeds our philanthropic achievements. Our leadership, Foundation staff, and employee stewardship have also contributed significantly to the creation and success of this unique and extraordinary institution. We have given over $140 million to charity since 1999, with charitable giving central to Eastern’s purpose to help people and the communities we serve prosper.

ANNUAL REVIEW
DEVELOPING SUSTAINABLE SOLUTIONS TO OUR SOCIETY’S MOST VEXING CHALLENGES

SUPPORTING A BETTER START IN THE LIFE OF EVERY CHILD

Enriching Early Childhood Development was a major focus of our philanthropy in 2019 and remains so in 2020. The business case for making significant investments in a full range of high quality early childhood development programs is clear. Persistent gaps in the quality of and access to early childhood development programs, as well as in parent engagement, are known to cause disparities in opportunities to succeed throughout life. And it’s not just about the future workforce. It’s about the parents, grandparents, and caregivers who are in the current workforce and struggling with an underfunded and fragmented early childhood system.

Investing in a full range of high quality early childhood development programs is one of the most economically efficient ways to create greater upward mobility, a more capable and diverse workforce, and a stronger economy. The longer society waits to better support the life of a disadvantaged child, the more costly it is to repair. Consequently, each dollar invested in early childhood can yield up to a $12 return.

Yet, the early childhood sector receives a staggeringly small proportion of all philanthropy. Eastern committed $3 million to support this area of need because research shows the development in the first five years of a child’s life makes all the difference for them as adults.

We granted $500,000 to 50 leading nonprofit organizations across Massachusetts, New Hampshire, and Rhode Island working to improve the access, affordability, and quality of education during a child’s prenatal through prekindergarten years. The grants focused on achieving early learning quality standards, strengthening parent engagement, supporting professional development for educators, and upgrading early learning facilities.

We committed another $500,000 to The Basics in Greater Boston to provide parenting tools that are free, easy to use, and highly effective.

THE BASICS MOVEMENT TO CLOSE CHILDHOOD ACHIEVEMENT GAPS

Infant and toddler brain development is the foundation for a successful future. Science tells us that 80 percent of a child’s brain develops by the age of three. The quantity and quality of early brain
Honoring a Social Justice Leader

At our 31st annual Celebration of Social Justice, we recognized Ron Ferguson, PhD, Director of the Achievement Gap Initiative at Harvard Kennedy School and Founder of The Basics, with the 2019 Social Justice Award. Ferguson was honored for his decades of work addressing achievement gaps that form in children by the age of two. This issue coincides with Eastern’s commitment to early childhood development in our philanthropy and advocacy as part of a broader strategy for addressing income inequality and workforce issues.

An MIT-trained economist with more than 30 years on the faculty at the Harvard Kennedy School, Ferguson’s teaching, research, and writing address economic, social, and educational challenges with an emphasis on helping disadvantaged communities. His research inspired the creation of The Basics.

Ron has dedicated his life’s work to raising awareness about the criticality of children’s life experiences and the disparities that begin to show up in the earliest years. We recognize his important work and honor his contributions in helping children and families across our community achieve their best outcomes.

LOOKING AHEAD

Early childhood development is central to economic inclusion and mobility, and we will be allocating millions more to this important area. We believe businesses need to be part of the conversation. The tried and true is not having sufficient success in changing the system. We are developing ways businesses can convene to spur innovation and change. Our aim is to enhance and transform the early childhood ecosystem in Massachusetts and our region.

Our focus on the critically important and underinvested area of enriching early childhood development was inspired by our Immediate Past Lead Director Wendell Knox, who helped found The Basics to ensure every child gets a great start in life. He is pictured on the far right at Eastern’s Celebration of Social Justice with staff and supporters from The Basics and 2019 Social Justice Honoree and The Basics Founder Ron Ferguson.

Looking back at what we achieved in 2018, we have much to be proud of. But our success to date is modest compared to the task that remains.

Development depends on stimulation from human interactions. Language processing among two-year-olds from highly advantaged households can also be six months ahead, on average, of same-aged peers from disadvantaged households.

These disparities are not set in stone. Collectively, we can improve life prospects for children from all backgrounds if we help parents make the most of what science teaches us. The Basics campaign is building a movement to help every family with an infant or toddler learn five simple parenting principles and receive wraparound support for using them, building a community-wide culture of engagement in early childhood development.

The Basics is bringing communities together to transform early childhood for Boston area children and beyond, aiming to shift the trajectory of school readiness, close achievement gaps, and set children on track for becoming their best possible selves with the social, emotional, and cognitive abilities to thrive throughout life. We are delighted to partner with them.

At the Celebration of Social Justice, Ron explained, “None of us can do alone what all of us can do together to transform early childhood for Boston area children.”
FOUNDERING GREATER ECONOMIC
MOBILITY THROUGH THE GROWTH
OF BLACK AND LATINX OWNED
BUSINESSES

Eastern’s record financial performance has provided millions more to the Eastern Bank Charitable Foundation, which in turn enables our Foundation to drive more good in our communities. The depth and combination of our philanthropy, volunteerism, and advocacy are unique in our region. The millions we donate to local community organizations address challenges showing up every day in neighborhoods across our footprint. Our tens of thousands of volunteer hours provide on-the-ground perspective, which has further focused our efforts on economic inclusion and mobility.

Two years ago, we established the Foundation for Business Equity (FBE) with an initial $10 million commitment to address the real and widening income and wealth gaps affecting Black and Latinx communities. FBE is a nonprofit working to close the wealth gap by confronting the persistent structural barriers that prevent Black and Latinx businesses — where the wealth gap is greatest — from reaching their full growth potential. FBE helps enterprises of color scale through a multifaceted approach providing greater access to capacity-building resources, contracts with larger area companies, and patient investment capital to support the acceleration of business growth.

Central to FBE’s approach is its Business Equity Initiative (BEI) program, which introduces Strategic Advisors, executives with decades of relevant business management experience, to business owners to help create strategic growth plans and provide sound advice to growing their businesses. FBE also focuses on the broader ecosystem that inhibits businesses from growing by offering additional resources with access to growth capital and new contracts.

In partnership with The Boston Foundation, FBE launched the Business Equity Fund to make growth capital available to qualified businesses. To date, $4 million in growth capital has been invested. New funds have since been established through other partners, including Mill Cities Community Investments (MCCI), providing millions more to enterprises of color ready

Providing An Ecosystem Of Support
To Accelerate Business Growth

When business owner and CEO Herby Duverné first became an Eastern customer, his company, the Windwalker Group, was growing into an award-winning provider of physical security and cybersecurity services, and online learning and training solutions. Eastern’s line of credit, business loan, and attention to the needs of small businesses made all the difference.

Later in 2017, he leveraged more business growth resources as a Participating Enterprise in the inaugural cohort of the Business Equity Initiative (BEI) through the Foundation for Business Equity. Says Duverné, “Before BEI, I needed a strong strategic framework on how to grow my company. Now I do [have it], thanks to BEI’s embedded Strategic Advisor, who took the time to understand and support me in creating a business plan to grow my firm.”

An inaugural Pacesetter member, Eastern also increased its supplier diversity contribution by selecting Windwalker to provide security services at its Lynn operations center. This relationship expanded to include security access control and monitoring enterprise-wide. Eastern has since also engaged Windwalker for its diversity, equity, and inclusion training.

All of this support has helped the Windwalker Group grow from 30 employees to 175. Duverné says, “For Eastern to commit to support a small company and leader like me in the way it has, it’s impressive. In my many years working in both government and business, including with a Fortune 500 firm, I’ve never experienced anything like it.”
to grow. FBE also works with the Greater Boston Chamber of Commerce Pacesetters Initiative to encourage large employers and anchor institutions to spend a higher percentage of their procurement dollars with enterprises of color. Fifty new supplier diversity contracts have already been initiated and our efforts have broadened to work with other organizations on increasing their supplier diversity spend. An inaugural Pacesetter member, Eastern increased its company-wide supplier diversity spend by 14 percent in 2019.

The experience for the Participating Enterprises has been game-changing. More than 40 businesses have participated so far and the early results are highly encouraging. One hundred percent of participants said BEI impacted their confidence about their growth trajectory and 84 percent credit BEI for improving their core business management skills. The first three cohorts of businesses benefiting from FBE’s approach have experienced an average of 40 percent revenue growth.

While there is still much work to be done, these are promising results. We are especially proud to see more funders, including banks and other companies, stepping up with significant donations to further these efforts.

“Our experience suggests that the type of support provided through BEI, and the early outcomes of its work, sets it apart in the field...We found the benefits of its deep touch intervention with highly skilled coaches have helped to fill a gap in this region.”

– Mt. Auburn Associates, Economic Development Consultants and Independent Evaluator

**CUSTOMER HIGHLIGHT**

**Women Business Owners Run In The Family**

After arriving to the United States as immigrants from Cuba, Betty and Alberto Calvo formed Stop and Compare. Their daughter, Vivian Iannotti, grew up around her parents’ supermarket. Yet it wasn’t until years later when she was involved with running the family business, that she became ready to take her mother’s work to another level.

Eastern provided the funding that enabled the family to assume full ownership of the company. Today, Stop and Compare operates supermarkets in Chelsea and Lynn, carving out a niche in both communities as a provider of specialty products from Central and South America.

The $20 million company relies upon Eastern’s business banking services for its daily financing needs. Ever mindful of its roots, Stop and Compare employs mostly immigrants and Latinos. Vivian’s father, Alberto Calvo, gives back even more through English for New Bostonians, which teaches English to immigrants and helps them integrate into American society.

As Vivian and her husband, Marc, helped to lead Stop and Compare, they applied to the Business Equity Initiative (BEI) through the Foundation for Business Equity and participated in the second cohort. With help from BEI’s embedded Strategic Advisor and other business growth resources, the family business transitioned from first generation to now Vivian and her husband.
At Eastern, giving of our time is as natural as doing a good job at work. It’s about giving our heart, time, skills, and voice to address and support issues that lift up our communities and ultimately contribute to a better world. Our colleagues make volunteering across our communities a priority. Their passion is inspiring. Once again in 2019, employees collectively volunteered more than 50,000 hours annually, the most of any company in New England.

We support our employees’ commitment to give back where they live and work, and strive to make giving back possible even when life gets busy. Our volunteer time-off policy gave employees even more flexibility, with management support, to volunteer wherever they could contribute. We offered more than 170 corporate volunteer events in 2019 with 78 unique organizations to help employees and nonprofit organizations form new connections, as well as to offer employees opportunities to easily volunteer at work. Our efforts supported organizations that included Charles River Watershed Association, Crisis Center of Central New Hampshire, Entrepreneurship for All, Essex County Community Foundation, Lowell General Hospital, Rosie’s Place, and United Way of Greater Plymouth County.

Our employees’ devotion to volunteering and community service regularly earns Eastern recognition as a top employer across our region. Whether volunteering in Board roles, through our company-organized events, or at any organization of their choice, our employees give back in many ways to communities across our footprint.

In New Hampshire, through our partnership with the Nashua Soup Kitchen & Shelter, our volunteers stocked and organized shelves to help provide meals for more than 1,000 families. It’s an organization we have continued to support since our acquisition of Centrix Bank & Trust five years ago, through volunteer events, board service and grant-giving.

On Cape Cod, our relationship with the Falmouth Service Center goes back over 10 years. This year, we packaged and distributed meals to feed 600 families.

In addition to our community volunteer efforts, we also take care of one another as colleagues. In 2019, we had employees and families impacted by fire, flood, sudden deaths, cancer, suicide, earthquakes, and other stresses life throws our way. Our strong culture of teamwork means we’re here for each other, rallying around colleagues in need: lending an ear, making dinners, stopping by for companionship, raising funds, organizing pro bono work, driving for doctor visits, mailing cards of support, and sending care packages, best wishes, baby baskets, and prayers in often stunning outpourings of support. It’s another way we demonstrate who we are at Eastern.
STANDING WITH AND FOR OUR COMMUNITIES

Every day, we’re lending our support, voice, and actions toward a more just and equitable world. Using our voice in the communities and advocating for civil rights, economic justice, equity, and inclusion for everyone, is based on the simple idea that all people deserve an opportunity to prosper. This extended to our support of the Safe Communities Act and an Act Relative to Work and Family Mobility, two examples of common sense public policies that benefit everyone, as well as affordable housing in Salem, and the creation of a commission for veterans with post-traumatic stress disorder.

Diversity within our communities brings energy and a depth of knowledge that cannot be achieved otherwise, and diversity at every level of our organization is both good business and an economic imperative. Developing a more robust, collective mindset with different experiences and perspectives leads to better decision-making, benefitting both our customers and employees. We see this in action every day.

We elevate and advocate for others and try to make a positive difference wherever we can. We push for greater diversity in board and senior level management roles in the private sector and for racial and gender equity more broadly. We invest in underrepresented neighborhoods and empower and stand up for groups that need support to protect their basic human rights, like the LGBTQ+ community. And we embrace partnerships to advance progress for all.

A CALL FOR GENDER AND RACIAL EQUITY

Underscoring our commitment for greater representation of women, people of color, and diverse communities in the workplace, in 2019, women comprised 67 percent of our workforce. We’ve matured from a Board comprised of 92 percent white males 16 years ago to a Board now consisting of over 51 percent women, people of color, and members of the LGBTQ+ community, with Deborah Jackson serving as our Lead Director. We continued to diversify our Board in 2019, with all seven new Board members being either women or people of color. In addition, 42 percent of our management committee are diverse.

In support of the advancement of women and gender pay equity, Eastern Chair and CEO Bob Rivers submitted written testimony for two gender diversity bills: Senate No. 1879, an Act to ensure more women serve on corporate boards of directors, and H.1660, an Act promoting pay transparency and pipeline advancement.

ADDRESSING ISSUES OF ECONOMIC INCLUSION AND MOBILITY

In 2019, we were humbled to be honored by two units of the National Association for the Advancement of Colored People (NAACP). Eastern became the first company in the New England Area Conference of the NAACP’s 82-year history to receive its Corporate Pinnacle Award, for demonstrated commitment to diverse communities and social responsibility. We were also honored at the Boston Branch of the NAACP’s Annual Freedom Fund Dinner for actively challenging society to end discrimination, embrace diversity, and ensure greater opportunity for all people.

Eastern employees joined together for the 2019 Women’s March.
SUPPORTING THE LGBTQ+ COMMUNITY

Advocating for and defending LGBTQ+ rights has long been important to Eastern. For the seventh consecutive year, Eastern earned a perfect score of 100 percent on the Human Rights Campaign’s Corporate Equality Index, a nod to our corporate policies and practices related to LGBTQ+ workplace equality. We also helped the Massachusetts LGBT Chamber of Commerce create the first job fair as part of the Trans Club of New England’s (TCNE) long running First Event conference.

Our “Equality Under the Blue” Employee Network was highly visible at events across the communities we serve, including an observance of the Stonewall Uprising and during Pride Month, organizing the participation of more than 70 employees at six Pride events in Boston, Cape Cod, Nashua, the North Shore, Peabody, and Quincy. We also provided our support through public comment of the proposed regulation, Nondiscrimination in Health and Health Education Programs or Activities. For our long-standing commitment to Greater Boston’s LGBTQ+ community, we received the Boston Business Journal’s Corporate Ally Award, and Eastern Chair and CEO Bob Rivers received Greater Boston PFLAG’s Inspired Ally Award. Eastern was also honored with a Shorty Award for its Join Us For Good marketing campaign about “Yes on 3,” which helped to successfully uphold civil rights for transgender people during the 2018 Massachusetts election.

SUSTAINABILITY IS SOCIAL JUSTICE

Climate change and other environmental damage affect our most vulnerable citizens disproportionately. As part of our commitment to social justice, our sustainability efforts continue to expand through formal initiatives, volunteer programs, and advocacy. In addition to our Mass Transit commuting incentives, in 2019 we hosted several events for employees, including an office supply swap, electronics recycling, and an offshore wind power presentation. We introduced food waste composting in our Lynn office cafeteria and rolled out a recycling program to additional facilities, which included providing 65- and 95-gallon recycling barrels to 20 retail branch locations. We also advocated for legislation to strengthen the Global Warming Solutions Act, by requiring Massachusetts to reduce its carbon emissions to net-zero by 2050.

Eastern is a member of Ceres, the Corporate Council of the Environmental League of Massachusetts, the Climate Action Business Association, and the Sustainable Business Network of Massachusetts. They inform our work on environmental issues and provide a platform to advocate for a more sustainable local and global environment.
Looking ahead, we are committed to continuing to source 100 percent of our energy from renewable sources (including the solar panels at our Lynn operations center), increasing the number of customers receiving electronic statements, growing the amount of environmentally-friendly products our employees use, reducing the waste we produce and recycling a larger percentage of it, and increasing our lending and investment commitment to environmentally important industries.

SALUTING MILITARY SERVICE AND SUPPORTING RETURNING VETERANS

At Eastern, we provide philanthropy, volunteerism, and advocacy on key issues to support active military, veterans, their families, and the organizations assisting them. We value and respect the sacrifices and diverse perspectives of veterans and their families and are committed to hiring and training them. Our Military Veterans and Families Employee Network, which leads our contribution to the veteran community, is comprised of nearly 55 Eastern employees.

Eastern partners with veteran organizations to provide support and mentorship, such as Massachusetts Fallen Heroes, Veterans Legal Services, and the New England Center and Home for Veterans. Our long-standing affiliation with UMass Lowell Veterans Services provides emergency funding grants to veterans for tuition, housing, and other short-term needs from application to graduation. This includes a sustainable financial model to satisfy the unmet demand for emergency funds that make it possible for veterans to stay in school when federal benefits are delayed or insufficient. Our support helped to provide 41 loans, with 94 percent of the recipients successfully graduated or still continuing their education. To further our support of this program, we provided an additional $50,000 grant in 2019.

We also supported the Massachusetts Joint Committee on Veterans and Federal Affairs for Senate Bill S.2164: An Act establishing a Commission on Post-Traumatic Stress Disorder. We thank our friends at Veterans Legal Services for their partnership and leadership on this and other issues.

In a tribute to the Massachusetts men and women who made the ultimate sacrifice, Eastern employees joined hundreds of volunteers to plant 37,000 American flags on Boston Common on Memorial Day. With Massachusetts Fallen Heroes, we participated in a moving ceremony that added the name of Co-Founder Sergeant First Class Eric Emond, who was killed in action, to a memorial in Boston. Eastern also participated on the organization’s Host Committee for Patriot Week, a time dedicated to educating people about Gold Star Families and honoring the families of those who made the ultimate sacrifice for our freedoms. Our employee volunteers also worked with organizations dedicated to brain injury treatment and suicide prevention with those most at risk, including Home Base.

FROM INCEPTION TO 2019, WE HAVE ALREADY FUNDED MORE THAN $154 MILLION IN ZERO-INTEREST MASS SAVE HEAT LOANS TO OVER 13,500 HOUSEHOLDS IN MASSACHUSETTS
OUR NEXT 200 YEARS

Last year, we celebrated Eastern’s 200th anniversary. Now, we are working to advance our next 200 years agenda to benefit more people, businesses, and communities for many more generations.

Our record financial performance and earned community trust have enabled us to adapt to changing times through strategic investments. Concentrating on Innovation, Analytics, Delivery, Advocacy, and Talent, we believe our investments in these areas will continue to keep earning our customers’ business and advancing positive change across our communities.

INNOVATION
Technology will continue to play an increasingly important and transformative role in the delivery of our products and services. Being innovative has become a spirited mindset, reaching beyond Eastern Labs and our Technology division. We’re investing in new technologies and the people to implement them, anticipating customer expectations, and preparing to meet them.

This included the launch of Hatch, a software tool that engages employees to share ideas with each other and leadership to produce faster solutions and increase efficiencies. Over 225 employees participated, creating 110 new ideas. They involved enhancing new-hire orientation and some operations processes. Eighty-two percent of survey respondents recommended participating in Hatch to a colleague.

We also continued to enhance our digital capabilities. Our consumer mobile and online banking solution allows customers to easily open new accounts and apply for loans. This, in combination with our digital onboarding options for new customers, resulted in over 50 percent of consumer loan applications from digital.

INNOVATION IN ACTION

We also migrated 50 percent of our business customers to our new, online banking solution, offering valuable new services.

Through our partnership with MassChallenge FinTech, we worked with startup Pinkaloop to pilot its charitable giving tool. Named “Give for Good,” the feature in the Eastern Bank app makes donating to a charity quick and easy. Customers select a nonprofit to support, track donations, and generate a tax receipt.

As we learn and experiment with design-thinking approaches and emerging technologies, we’re supporting programs in the community that bring small businesses, entrepreneurs, and FinTech leaders together to share information and build relationships. We provided a grant to Venture Cafe and the Roxbury Innovation Center to host educational sessions for entrepreneurs starting businesses. We are a proud sponsor of Boston FinTech Week and in 2019, also hosted a Meetup at our offices with FinTech leaders.

ANALYTICS
Immersing ourselves with a customer-first mindset, combined with our financial experience and market knowledge, deepens our understanding of the customer experience and enhances our decision-making around products, services, risks, and opportunities. In 2019, we invested further in staff and systems to understand how our products can best meet our customer needs.
With the launch of a new Client Analytics & Product Delivery team in 2019, we have raised our analytics focus by conducting deep-dive analyses on the profitability of our extensive suite of product offerings and monitoring the performance of our various product marketing campaigns. This new team has introduced advanced modeling techniques in order to improve our customer focus, constantly optimizing our strategy to find efficiencies to maximize our growth and strengthen the customer experience.

**DELIVERY**

We place great emphasis on delivering exceptional customer service and an experience our customers value. Our Customer Experience (CX) Council, comprised of a cross-functional team, works throughout the year on ideas and solutions to meet and exceed expectations. The team’s collective experience and knowledge enable more rapid action on issues uncovered. In 2019, the team resolved approximately 25 suggestions from colleagues around improvements to the customer experience, such as better communicating about account activity and improving our response time to requests. We also had a number of strong accomplishments in 2019 that included launching our “Good Works” workplace banking program, creating an Automated Clearing House (ACH) prefunding product, and making important ADA compliance improvements to our websites and mobile and online applications.

In addition, we are driving new ways of thinking and collaborating internally around building compelling customer and employee experiences in a digital world. Our head of human-centered design, a new role we created in 2019, is helping product managers and others across the bank improve how the banking experience is designed for customers.

**ADVOCACY**

Customers bank at Eastern for more than our financial excellence. Over and over again, our customers tell us they are proud we are a community bank with a conscience, willing to stand up for people and speak out on social issues impacting our communities. We use our voice to advocate for fairness, whether testifying in support of social justice legislation, or working with community leaders to ensure equal treatment and opportunity for all of our neighbors.

We’re the bank that advocates for legal protection for transgender people, pay equity for women in the workplace, bridging racial divides, making zero-percent loans available to student-veterans facing crises, economic mobility and inclusion, and more.

**TALENT**

Our employees are reflective of the communities we serve — diverse, inclusive, creative, and innovative.

Eastern’s Board is over 51 percent women, people of color, and members of the LGBTQ+ community, and 42 percent of our management committee are diverse. Today, 67 percent of our total workforce are women, 22 percent of the employee population are minorities, and approximately 50 languages and dialects can be heard across our company. Women comprise 52 percent of our officer corps, and of our new hires in 2019, 39 percent were people of color.

Our 11 Employee Networks further enhance our diversity, equity, and inclusion initiatives. They meet regularly with senior leadership on issues of importance to them and are visible at events across our footprint, sharing work and cultural experiences for business and personal growth. Our newest group launched in 2019, the disAbility Advocacy Alliance will help to empower, serve, and support the physically, intellectually, or developmentally disabled community, along with their caregivers and allies, providing an opportunity to encourage inclusion, foster awareness, and connect resources to those in need.

The other Employee Networks are: Asian American Professional Collective, Black Professional Alliance, Equality Under the Blue (LGBTQ+), Heart of Eastern—Volunteer Network, Latinos in Action, Military Veterans and Families Network, Parents Networking Group, Sustainability Team, Women’s Interest Network, and Young Professionals Coalition.

In addition, in 2019, our consultative sales and leadership professional development program united colleagues across business lines, levels, and roles, in sales and non-sales positions, with coaching to deliver the best experience possible to our customers. This training focused on strategies for creating even greater satisfaction and stronger relationships with our clients. It’s part of our focus on being a force for good in workforce development.

As our workforce population and demographics become more diverse and we eliminate barriers for people who are able to work and for companies who need their contributions, partnering with organizations providing workforce programs becomes all the more important. Eastern was named the Massachusetts Workforce Solutions Group’s Employer of the Decade, in part to recognize our leadership.

In 2019, leadership awards were received by several colleagues, including the Champions of Housing and Lowell L. Richards, III Award for leadership in affordable housing (Pamela Feingold), Women of FIRE (Kathleen Henry), Boston Business Journal’s 40 Under 40 (Katerina Papp) and Power 50 (Bob Rivers), among others.
2019 was another outstanding year for Eastern as we generated our third consecutive year of record results. Our net income of $135.1 million was an all-time high and exceeded our 2018 results by over 10 percent. Total assets grew to a record $11.6 billion; and loans, deposits, and capital levels were also new highs. Loans ended 2019 at $8.9 billion, an increase of $124 million from 2018; deposits were $9.6 billion, up $152 million from 2018; and capital exceeded $1.6 billion, or an increase of $167 million from 2018 levels. Our loan credit quality remained stellar with very low loan losses of 0.05 percent of average loans and non-performing loans of 0.49 percent of total loans.

Although interest rate levels were lower in 2019 than they had been in 2018, a vibrant local economy and our strong competitive position helped us generate this performance. The company’s net interest income (the difference between interest earned on loans and investments less interest paid on deposits and other funding sources) was $411 million, or 5.4 percent above 2018, as higher interest rates on loans and investments exceeded higher costs of deposits and other funding. Our net interest margin improved to 3.96 percent from 3.84 percent in 2018 as our balance sheet, which we have been positioning to perform well for any direction in interest rates, paid dividends.

All of our business units performed well in 2019. Our Commercial Banking Group had another exceptional year as commercial loans increased from $5.9 billion to $6.2 billion, or 5 percent. Our commitment to Small Business remained as strong as ever as we were ranked the number one SBA lender in New England for the 10th consecutive year. Our retail businesses, both consumer lending and our branch-based deposit groups, had outstanding years as checking and lending product sales to our customers were well above prior levels. Eastern Insurance Group had another outstanding year with more than $91 million in revenues and Eastern Wealth Management saw revenues increase 3 percent to just under $20 million. We leveraged our existing platforms to generate these terrific results with noninterest expenses of $413 million, a less than 4 percent increase from 2018. We continue to be very pleased with our many investments in technology and people and believe our online and mobile platform upgrades over the last few years have provided a better customer experience and new opportunities for growth. We will finish the rollout of our commercial and business customers’ online banking upgrades in the first half of 2020 and plan continuous upgrades in our commercial lending origination platform we implemented several years ago. The process to create better digital experiences for our customers that make it easy to transact with Eastern, and to improve our analytical capabilities to better understand our customers, made great strides in 2019 and we look forward to more in 2020. Our capital base is critical to our health and future success. We ended 2019 with over $1.6 billion in capital after adding $167 million through the year, primarily due to our earnings. Our capital ratios far exceed the bank regulatory minimums and we also exceed the “well-capitalized” standards set by our regulators. In addition, our balance sheet is extremely strong with excellent loan quality, ample liquidity, and robust capital levels.

We were very pleased with these record results in 2019 and would like to thank our 1,896 Eastern colleagues for making them happen.

JAMES B. FITZGERALD
Vice Chair
Chief Financial Officer &
Chief Administrative Officer
## EASTERN BANK CORPORATION

### CONSOLIDATED BALANCE SHEETS

#### FOR THE YEARS ENDED DECEMBER 31

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS:</strong></td>
<td>(IN THOUSANDS)</td>
<td></td>
</tr>
<tr>
<td>Cash and due from banks</td>
<td>$135,503</td>
<td>$149,703</td>
</tr>
<tr>
<td>Other short-term investments</td>
<td>227,099</td>
<td>110,005</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>362,602</td>
<td>259,708</td>
</tr>
<tr>
<td>Trading securities</td>
<td>961</td>
<td>52,899</td>
</tr>
<tr>
<td>Securities available for sale</td>
<td>1,508,236</td>
<td>1,455,898</td>
</tr>
<tr>
<td>Loans held for sale</td>
<td>26</td>
<td>22</td>
</tr>
<tr>
<td>Loans and leases, net of allowance for credit losses of $82,297 in 2019 and $80,655 in 2018</td>
<td>8,899,184</td>
<td>8,774,913</td>
</tr>
<tr>
<td>Federal Home Loan Bank stock, at cost</td>
<td>9,027</td>
<td>17,959</td>
</tr>
<tr>
<td>Premises and equipment</td>
<td>57,453</td>
<td>66,475</td>
</tr>
<tr>
<td>Bank-owned life insurance</td>
<td>77,546</td>
<td>75,434</td>
</tr>
<tr>
<td>Goodwill and other intangibles, net</td>
<td>377,734</td>
<td>381,276</td>
</tr>
<tr>
<td>Deferred income taxes, net</td>
<td>28,207</td>
<td>37,676</td>
</tr>
<tr>
<td>Rabbi trust assets</td>
<td>78,012</td>
<td>64,819</td>
</tr>
<tr>
<td>Other assets</td>
<td>229,787</td>
<td>191,208</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$11,628,775</td>
<td>$11,378,287</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LIABILITIES AND RETAINED EARNINGS:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demand</td>
<td>$386,446</td>
<td>$337,169</td>
</tr>
<tr>
<td>Savings</td>
<td>971,119</td>
<td>999,649</td>
</tr>
<tr>
<td>Interest checking</td>
<td>214,462</td>
<td>464,352</td>
</tr>
<tr>
<td>Money market investment</td>
<td>7,650,226</td>
<td>7,123,375</td>
</tr>
<tr>
<td>Time</td>
<td>243,941</td>
<td>277,740</td>
</tr>
<tr>
<td>Time - $250,000 and over</td>
<td>85,198</td>
<td>197,208</td>
</tr>
<tr>
<td>Total deposits</td>
<td>9,551,392</td>
<td>9,399,493</td>
</tr>
<tr>
<td>Borrowed funds</td>
<td>235,395</td>
<td>334,287</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>241,835</td>
<td>211,366</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>10,028,622</td>
<td>9,945,146</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>1,644,000</td>
<td>1,508,902</td>
</tr>
<tr>
<td>Accumulated other comprehensive income, net of tax:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized appreciation (depreciation) on securities available for sale</td>
<td>21,798</td>
<td>(19,360)</td>
</tr>
<tr>
<td>Funded status of defined benefit post-retirement plans</td>
<td>(81,269)</td>
<td>(59,389)</td>
</tr>
<tr>
<td>Unrealized appreciation on cash flow hedges</td>
<td>15,624</td>
<td>2,988</td>
</tr>
<tr>
<td><strong>Total retained earnings</strong></td>
<td>1,600,153</td>
<td>1,433,141</td>
</tr>
<tr>
<td><strong>Total liabilities and retained earnings</strong></td>
<td>$11,628,775</td>
<td>$11,378,287</td>
</tr>
</tbody>
</table>

Eastern Bank Corporation’s audited financial statements are available at easternbank.com.
# EASTERN BANK CORPORATION
## CONSOLIDATED STATEMENTS OF INCOME

### INTEREST AND DIVIDEND INCOME:

- Loans, including fees
- Trading securities
- Taxable securities available for sale
- Tax-exempt securities available for sale
- Federal funds sold and other short-term investments

<table>
<thead>
<tr>
<th>Description</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans, including fees</td>
<td>402,092</td>
<td>369,148</td>
</tr>
<tr>
<td>Trading securities</td>
<td>242</td>
<td>1,033</td>
</tr>
<tr>
<td>Taxable securities available for sale</td>
<td>31,400</td>
<td>31,988</td>
</tr>
<tr>
<td>Tax-exempt securities available for sale</td>
<td>8,306</td>
<td>9,585</td>
</tr>
<tr>
<td>Federal funds sold and other short-term investments</td>
<td>2,977</td>
<td>3,412</td>
</tr>
<tr>
<td><strong>Total interest and dividend income</strong></td>
<td>445,017</td>
<td>415,166</td>
</tr>
</tbody>
</table>

### INTEREST EXPENSE:

- Deposits
- Borrowed funds

<table>
<thead>
<tr>
<th>Description</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits</td>
<td>27,301</td>
<td>17,384</td>
</tr>
<tr>
<td>Borrowed funds</td>
<td>6,452</td>
<td>7,738</td>
</tr>
<tr>
<td><strong>Total interest expense</strong></td>
<td>33,753</td>
<td>25,122</td>
</tr>
</tbody>
</table>

Net interest income

<table>
<thead>
<tr>
<th>Description</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest income</td>
<td>411,264</td>
<td>390,044</td>
</tr>
<tr>
<td>Provision for allowance for credit losses</td>
<td>6,300</td>
<td>15,100</td>
</tr>
<tr>
<td><strong>Net interest income after provision for credit losses</strong></td>
<td>404,964</td>
<td>374,944</td>
</tr>
</tbody>
</table>

### NONINTEREST INCOME:

- Insurance commissions
- Service charges on deposit accounts
- Trust and investment advisory fees
- Debit card processing fees
- Interest rate swap income
- Income (losses) from investments held in rabbi trusts
- Trading securities gains, net
- Net gain on sales of mortgage loans held for sale
- Gains on sales of securities available for sale, net
- (Losses) gains on sales of other assets
- Other

<table>
<thead>
<tr>
<th>Description</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurance commissions</td>
<td>90,587</td>
<td>91,885</td>
</tr>
<tr>
<td>Service charges on deposit accounts</td>
<td>27,043</td>
<td>26,897</td>
</tr>
<tr>
<td>Trust and investment advisory fees</td>
<td>19,653</td>
<td>19,128</td>
</tr>
<tr>
<td>Debit card processing fees</td>
<td>10,452</td>
<td>16,162</td>
</tr>
<tr>
<td>Interest rate swap income</td>
<td>4,362</td>
<td>5,012</td>
</tr>
<tr>
<td>Income (losses) from investments held in rabbi trusts</td>
<td>9,866</td>
<td>(1,542)</td>
</tr>
<tr>
<td>Trading securities gains, net</td>
<td>1,297</td>
<td>2,156</td>
</tr>
<tr>
<td>Net gain on sales of mortgage loans held for sale</td>
<td>795</td>
<td>397</td>
</tr>
<tr>
<td>Gains on sales of securities available for sale, net</td>
<td>2,016</td>
<td>50</td>
</tr>
<tr>
<td>(Losses) gains on sales of other assets</td>
<td>(15)</td>
<td>1,989</td>
</tr>
<tr>
<td>Other</td>
<td>16,243</td>
<td>18,461</td>
</tr>
<tr>
<td><strong>Total noninterest income</strong></td>
<td>182,299</td>
<td>180,595</td>
</tr>
</tbody>
</table>

### NONINTEREST EXPENSE:

- Salaries and employee benefits
- Office occupancy and equipment
- Data processing
- Professional services
- Charitable contributions
- Marketing
- FDIC insurance
- Amortization of intangible assets
- Net periodic benefit cost, excluding service cost
- Other

<table>
<thead>
<tr>
<th>Description</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and employee benefits</td>
<td>252,238</td>
<td>239,349</td>
</tr>
<tr>
<td>Office occupancy and equipment</td>
<td>36,458</td>
<td>35,480</td>
</tr>
<tr>
<td>Data processing</td>
<td>45,939</td>
<td>45,260</td>
</tr>
<tr>
<td>Professional services</td>
<td>15,958</td>
<td>14,812</td>
</tr>
<tr>
<td>Charitable contributions</td>
<td>12,905</td>
<td>13,251</td>
</tr>
<tr>
<td>Marketing</td>
<td>9,619</td>
<td>11,100</td>
</tr>
<tr>
<td>FDIC insurance</td>
<td>1,878</td>
<td>4,180</td>
</tr>
<tr>
<td>Amortization of intangible assets</td>
<td>3,542</td>
<td>3,891</td>
</tr>
<tr>
<td>Net periodic benefit cost, excluding service cost</td>
<td>(5,335)</td>
<td>(6,498)</td>
</tr>
<tr>
<td>Other</td>
<td>39,482</td>
<td>37,103</td>
</tr>
<tr>
<td><strong>Total noninterest expense</strong></td>
<td>412,684</td>
<td>397,928</td>
</tr>
</tbody>
</table>

Income before income tax expense

<table>
<thead>
<tr>
<th>Description</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income before income tax expense</td>
<td>174,579</td>
<td>157,611</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>39,481</td>
<td>34,884</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td><strong>$ 135,098</strong></td>
<td><strong>$ 122,727</strong></td>
</tr>
</tbody>
</table>
FINANCIAL HIGHLIGHTS
FISCAL YEAR ENDED DECEMBER 2019

DEPOSIT LEVELS ($BILLIONS)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits ended 2019 at a record level of $9.6 billion. We continue to experience strong deposit flows from our consumer, business, and municipal customers.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

LOAN OUTSTANDINGS ($BILLIONS)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019 was another very strong year with over $100 million of loan growth. Commercial loan growth was particularly strong.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CAPITAL LEVELS ($BILLIONS)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our capital ended the year over $1.6 billion and is significantly above bank regulatory minimums. We added over $100 million of capital in 2019.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NET CREDIT LOSSES (% OF AVERAGE LOANS)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan quality has long been a strength at Eastern and 2019 was another outstanding year. Our very low level of credit loss continues to be a key strength for the company.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
EASTERN BANK CORPORATION

Chair and Chief Executive Officer
Robert F. Rivers
President
Jan A. Miller
Secretary
Kathleen C. Henry

Vice Chair
Quincy L. Miller
Chief Financial Officer and Treasurer
James B. Fitzgerald
Assistant Secretaries and Assistant Clerks
Mary E. Conway
Norah A. Sullivan
Susan L. Martin

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BOARD OF DIRECTORS – EASTERN BANK

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Bane Care Management, LLC

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Senior Vice President
Chief Financial Officer
athenahealth

Joseph T. Chung
Managing Director and Co-Founder
Redstar Ventures

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Retired First Vice President and Chief Operating Officer
Federal Reserve Bank of Boston

Bari A. Harlam
EVP, Chief Marketing Officer
Hudson’s Bay Company

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CEO
Salient Ventures

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Eastern Bank

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President
Cambridge College

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Executive Vice President of Administration and Finance, Chief Financial Officer and Treasurer
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Former Chair of the Board
Centrix Bank and Trust

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Leverett L. Wing
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Mark Jaffe  
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Juan Carlos Morales  
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Joseph F. Ryan  
David P. Sampson

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Edwin G. Smith  
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Ralph L. Yohe
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Vice Chair
Chief Commercial Banking Officer
Jan A. Miller

President
Quincy L. Miller
Vice Chair
Chief Administrative Officer and Chief Financial Officer
James B. Fitzgerald

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Rana H. Murphy
Elizabeth J. O’Hara
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*Sujata Yadav

Private Banking
Senior Vice President
*Carolyn E. Crowley

Consumer Product Management
Senior Vice President
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*Matthew A. Osborne

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Senior Vice Presidents
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Michael T. McCarthy
Catherine M. Scherer
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John E. Marston
Christopher W. Scoville

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Youssuf Abdouh
Catherine S. Adams

Commercial Banking–Boston
Senior Vice Presidents
*Daniel C. Field
James P. Healey
James L. Murphy
David J. Nussbaum

New Hampshire
Senior Vice Presidents
*David H. Cassidy
Deborah T. Blondin
Brian A. Lavoie
Matthew J. Sylvia
Michael J. Tomney
Stephen H. Witt

Asset Based Lending
Senior Vice Presidents
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Daniel J. Bolger

International Banking
Senior Vice Presidents
*Jonathan G. Marcus

Business Banking & Treasury Services
Senior Vice Presidents
*Kristopher Puskar
Anna L. Clune
Scott A. Frazer
Ryan M. Fullam
Ashley A. Irez
Aileen H. Sheehan
Charles M. Smith
Sarra Stewart

Commercial Product
Senior Vice President
*Melissa S. Skomurski

Commercial & Business Banking Risk Management
Senior Vice President
John M. Prendergast

INSTITUTIONAL BANKING

Institutional Sales & Government Banking
Senior Vice President
*Heather L. Tittmann

Financial Institutions
Senior Vice President
*Mary Ann Jordan

EASTERN WEALTH MANAGEMENT

Senior Vice Presidents
*William J. Walsh
Lori B. Evans
James E. Rich
David R. Sawyer
Susan K. Syversen
Maureen M. Trefry

Senior Vice President & Chief Investment Officer
Michael A. Tyler
Managing Director
Rose M. Brooks

*Denotes Business Line Leader
EASTERN INSURANCE GROUP, LLC

President and CEO
*John F. Koegel

EIG–Commercial Lines
Executive Vice Presidents
*Timothy J. Lodge
Frank J. Smith

Senior Vice Presidents
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Mark D. Bailey
John M. Berksza
Mark J. Bossé
Peter K. Brockway
David H. Chase, Jr.
Ann L. DeBiasio
Mikaela De Young-Asebrook
Thomas E. Donovan

Timothy P. Doran
Richard E. Eagan, Jr.
John P. Fallon
Lora L. FitzGerald
Dennis P. Gilligan
Roy T. Grafton
Sharon L. Gritzuk
Mark L. Kingston
Jon E. Lien
Michelle A. Lord
Deane Morreale
Paul-Michael Quintin
Donald J. Rielity, Jr.
George R. Samoluk
Susan Seifert
Christopher S. Sheppard
James S. Smith
Donald P. Uvanitte

EIG–Personal Lines
Executive Vice President
*Marguerite L. Hartley

Senior Vice Presidents
Julie E. DiMeo
Gregory L. Grintchenko
Bruce M. Shapiro

Eastern Benefits Group
Executive Vice President
*Matthew F. Shadrick

Senior Vice Presidents
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Brian F. Charon
Paul Coleman, Jr.
Charles R. Diamond
Colleen Doherty

Timothy J. Harrington, Jr.
Michael S. Kapnis
Joan A. Marasco
Anthony J. Murphy
Michael B. Uretsky

Accounting
Senior Vice President & Chief Financial Officer
John F. Ray

CORPORATE SERVICES

Corporate Credit
Executive Vice President & Chief Credit Officer
*Daniel J. Sullivan

Senior Vice Presidents
Michael Avin
John P. Farmer
Edward Jennings
Peté J. Kaznoki
Thomas G. Kinchla
Diana L. Lamkin
Katerina Papp
Amy M. Tsokantis
Katherine C. Wheeler

Human Resources
Executive Vice President & Chief Human Resources Officer
*Nancy H. Stager

Senior Vice Presidents
Tyrone F. Graham
Jennifer G. Porter

Legal
Executive Vice President & General Counsel
*Kathleen C. Henry

Senior Vice President & Deputy General Counsel
Tracy C. Plants

Technology & Operations
Executive Vice President & Chief Information Officer
*Donald M. Westermann

Senior Vice Presidents
Julie A. Colarusso
Ashley A. N. Eknaian
Carlo A. Guerrero
Mark T. Leonard

Operations
Senior Vice Presidents
*Martha A. Dean
Karen M. Carbone
Virginia Daniels
Annamarie Hewitt

Client Analytics & Product Delivery
Senior Vice President
*Sujata Yadav

Finance
Senior Vice President & Treasurer
Jillian A. Belliveau

Senior Vice President & Controller
David A. Ahlquist

Senior Vice President
Mark P. Coryea

Audit
Senior Vice President & Chief Internal Auditor
Cheryle J. Leonard

General Services
Senior Vice President
Thomas E. Dunn

Enterprise Risk Management
Executive Vice President
*Steven L. Antonakes

Senior Vice Presidents
Wendy L. de Villiers
Stacey A. Jackson
Caroline F. Malone
Dawn A. Mugford
Joshua D. Neffinger
Karl C. Renney

Marketing & Communications
Executive Vice President & Chief Marketing & Communications Officer
*Paul G. Alexander

Senior Vice President
Tracy J. Stokes

EASTERN BANK CHARITABLE FOUNDATION

Eastern Bank Charitable Foundation
President & Chief Executive Officer
*Nancy H. Stager

Foundation Fellows
Turahn C. Dorsey
Thomas L. Weber

*Denotes Business Line or Corporate Services Leader
EASTERN BANK
BRANCH LOCATIONS

Andover
60 Main Street
Bedford, NH
1 Atwood Lane
Beverly
33 Enon Street
81 Bridge Street
Boston
246 Border Street
155 Dartmouth Street
63 Franklin Street
276 Franklin Street
470 West Broadway
1413 Tremont Street
Braintree
51 Commercial Street
Bridgewater
110 Main Street
Brookline
301 Harvard Street
Burlington
43 Middlesex Turnpike
Cambridge
One Brattle Square
287 Third Street
647 Massachusetts Avenue
Chelmsford
291 Chelmsford Street
Chelsea
90 Everett Avenue
Concord, NH
11 South Main Street
Cotuit
1560 Old Post Road
Danvers
4 Federal Street
Dedham
240 Providence Highway
Dorchester
1906 Dorchester Avenue
Dover, NH
536 Central Avenue
Dracut
43 Broadway Road
Duxbury
19 Depot Street
East Wareham
3005 Cranberry Highway
Everett
738 Broadway
Falmouth
816 Main Street
Hingham
274 Main Street
Hyannis
375 Iyannough Road
Jamaica Plain
687 Centre Street
Kingston
108 Main Street
Lakeville
45 Main Street
Lawrence
486 Essex Street
Lexington
1853 Massachusetts Avenue
Lowell
50 Central Street
Lynn
112 Market Street
156 Boston Street
Lynnfield
45 Salem Street
Malden
130 Pleasant Street
Manchester, NH
41 Hooksett Road
Marblehead
118 Washington Street
Marion
340 Front Street
Marshfield
1932 Ocean Street
Mashpee
6 Shellback Way
Mattapoisett
29 County Road
Medford
53 Locust Street
Melrose
441 Main Street
Nashua, NH
11 Trafalgar Square, Suite 105
Natick
2 South Avenue
Newburyport
17 Storey Avenue
Newton
1255 Centre Street
188 Needham Street
2060 Commonwealth Avenue
Norwell
80 Washington Street
Peabody
Essex Center Drive (Shaw’s)
100 Brooksby Village Drive
300 Brooksby Village Drive
37 Foster Street
Plymouth
56 Main Street
Portsmouth, NH
163 Deer Street
Quincy
63 Franklin Street
34 Chapman Street
Randolph
35 Memorial Parkway
Reading
123 Haven Street
Revere
339 Square Road
Salem
159 Washington Street
19 Congress Street
6 Traders Way
Sandwich
65C Route 6A
Saugus
605 Broadway
466 Lincoln Avenue
Sharon
7 South Main Street
Somerville
250 Elm Street
Stoneham
163 Main Street
Stoughton
397 Washington Street
Swampscott
405 Paradise Road
Taunton
74 County Street
Wakefield
415 Main Street
Wareham
226 Main Street
Watertown
One Church Street
West Plymouth
71 Carver Road
Westford
203 Littleton Road
Weymouth
1150 Washington Street
Wilmington
370 Main Street
Corporate Offices

Corporate Headquarters
285 Franklin Street
Boston
(617) 897-1009
Operations Center
195 Market Street
Lynn, MA
(800)-EASTERN (327-8376)

EASTERN INSURANCE GROUP LLC LOCATIONS

Acton
133 Great Road
Amesbury
34 Marlet Street
Andover
60 Main Street
Brockton
1265 Belmont Street
Danvers
21 Maple Street
Duxbury
33 Enterprise Street
Gloucester
4 Railroad Avenue
Hyannis
375 Iyannough Road
Keene, NH
372 West Street
Lakeville
43 Main Street
Leominster
285 Central Street
Marshfield
933 Webster Street
Natick
233 West Central Street
Newburyport
65 Parker Street
Newton
1149 Washington Street
Northborough
153 Otis Street
North Darmouth
439 State Road
Norwell
77 Accord Park Drive
Providence, RI
42 Weybosset Street
Quincy
382 Quincy Avenue
Sturbridge
139 Main Street
Wakefield
100 Quinsapowitt Parkway
West Plymouth
71 Carver Road
Westwood
190 Washington Street
Wrentham
78 South Street
Corporate Headquarters
285 Franklin Street
Natick
(800) 333-7234

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GOOD INVESTS. GOOD ADVISES. GOOD LENDS. GOOD HELPS FEED HUNGRY KIDS. GOOD FUELS THE HUNGRY STARTUP. GOOD HELPS KIDS LEARN TO PAINT AND DANCE AND REALIZE HOW SPECIAL THEY ARE. GOOD BUILDS BUSINESS. GOOD BUILDS PLAYGROUNDS AND REBUILDS LIVES. GOOD INSURES. GOOD ENDURES. GOOD FIGHTS DISCRIMINATION. GOOD STANDS UP FOR EQUAL OPPORTUNITY. GOOD INNOVATES. GOOD EDUCATES. GOOD ADVOCATES. GOOD HELPS PEOPLE BEAT ADDICTIONS. GOOD PAYS CLOSE ATTENTION. GOOD PAYS IT FORWARD.

GOOD

JOINS TOGETHER, EVEN WHEN WE'RE APART.

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