

# 2023 ANNUAL REPORT

INDEPENDENT  
BANK CORP.

Parent of Rockland Trust

**steadfast**

*/ sted fast / adjective*

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*resolutely or dutifully firm and unwavering*

**ROCKLAND TRUST**, the sole subsidiary of Independent Bank Corp. (INDB), is a full-service commercial bank headquartered in Massachusetts. The Bank employs over 1,700 colleagues and operates from more than 120 branches, 21 commercial lending centers, 11 investment management offices, and 8 mortgage offices.

Rockland Trust provides personal and business banking, commercial lending, investment management, insurance, credit cards, mortgage and home equity lending, as well as mobile and online banking.

## FINANCIAL CONDITION DATA

*As of and for the year ended December 31*

<i>(Dollars in thousands, except per share data)</i>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Loans	\$14,278,070	\$13,928,675	\$13,587,286	\$ 9,392,866	\$ 8,873,639
Total assets	19,347,373	19,294,174	20,423,405	13,204,301	11,395,165
Total deposits	14,865,547	15,879,007	16,917,044	10,993,170	9,147,367
Stockholders' equity	2,895,251	2,886,701	3,018,449	1,702,685	1,708,143
<b>CAPITAL RATIOS</b>					
Tier 1 leverage capital ratio	10.96%	10.99%	12.03%	9.56%	11.28%
<b>FINANCIAL DATA</b>					
Net interest income	\$606,521	\$613,249	\$401,559	\$ 367,728	\$ 393,135
Noninterest income	124,609	114,667	105,850	111,440	115,294
Noninterest expenses	392,746	373,662	332,529	273,832	284,321
Net income	239,502	263,813	120,992	121,167	165,175
<b>PER SHARE DATA</b>					
Net income—diluted	\$5.42	\$5.69	\$3.47	\$ 3.64	\$ 5.03
Cash dividends declared	2.20	2.08	1.92	1.84	1.76
<b>OPERATING RATIOS</b>					
Return on average assets	1.24%	1.33%	0.81%	0.96%	1.52%
Return on average common equity	8.31%	9.05%	6.34%	7.13%	10.85%
Net interest margin (on a fully tax-equivalent basis)	3.54%	3.46%	3.02%	3.29%	4.04%
<b>ASSET QUALITY RATIOS</b>					
Nonperforming loans as a percent of gross loans	0.38%	0.39%	0.20%	0.71%	0.54%
Nonperforming assets as a percent of total assets	0.28%	0.28%	0.14%	0.51%	0.42%

The selected consolidated financial and other data of the Company set forth above does not purport to be complete and should be read in conjunction with, and is qualified in its entirety by the more detailed information, including the Consolidated Financial Statements and related notes, appearing in the Company's Form 10-K.

# 2023

## TO MY FELLOW COLLEAGUES, CUSTOMERS, AND SHAREHOLDERS,

Challenges are opportunities in disguise. They unlock potential by reminding us what's important and helping us grow.

A net deposit decline across the banking sector, an uncooperative interest rate environment, and limited lending opportunities could have defined my first year at Rockland Trust. Yet, it was my colleagues' response to these obstacles that I'll remember.

To get to know a person, you must experience them in a multitude of environments. The same rings true for a team or an organization. Sure, it would have been easier to take the helm of a ship navigating calm waters. However, I may not have learned how extraordinary the Rockland Trust culture is.

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***Challenges are opportunities in disguise. They unlock potential by reminding us what's important and helping us grow.***

We experienced the banking industry's "March Madness" just weeks after I joined the organization. We deployed a cross-functional team that met regularly, often outside of business hours, to mitigate risk associated with the fallout from Silicon Valley Bank and Signature Bank. At the forefront of these conversations was the importance of the stability we provide to our customers, communities, and one another.



**JEFFREY TENGEL**  
CHIEF EXECUTIVE OFFICER  
INDEPENDENT BANK CORP. & ROCKLAND TRUST

## Where Each Relationship Matters®

*People don't do business with companies, they do business with people.*

That unwavering promise has been a constant in nearly every conversation I've had at the Bank since.

When interviewing for the CEO role, I heard quite a bit about Rockland Trust's purpose to be the Bank Where Each Relationship Matters®. I embraced the mission right away. People don't do business with companies; they do business with people. Building deep customer connections is essential for any company, but exceptional customer service doesn't just happen. Employees only go the extra mile when they feel cared for, respected, valued, and supported. Engaged employees trust that their colleagues and leaders have their best interests in mind.

# 2023 ACCOLADES

One of the most significant milestones of 2023 was being named a Top Place to Work in Massachusetts by *The Boston Globe* for the 15th consecutive year! This recognition is a testament to how people show up to work at Rockland Trust. All of us, at every level of the organization, feel responsible for bringing our best selves to work, steadfast in our pursuit to be the organization Where Each Relationship Matters®.

Being a top place to work makes us a great place to bank. In 2023, we also received several accolades for customer service, including Rockland Trust's first Greenwich Excellence Award for overall customer satisfaction within our region, a recognition determined by our commercial clients. Additionally, we were named the #1 Bank in Massachusetts according to Forbes' World's Best Banks list.

In addition to workplace and customer satisfaction awards, we experienced solid performance last year despite the challenging environment. We continue to be strongly capitalized and carry on our history of dividend increases. In 2023, Book Value per Share and Tangible Book Value per Share grew by 6.8% and 7.3% respectively. As we reflect on the past year, we are particularly proud of our:

- **Focus on relationships as evidenced by strong growth in new households**
- **Stable balance sheet that reduced volatility over operating results**
- **Strong interest rate and liquidity risk metrics**
- **Peer leading capital levels**
- **Robust credit monitoring practices**

My colleagues answered the challenges of 2023 with resilience, relying on the strong fundamentals that have guided Rockland Trust for over 116 years.

I recently had the honor of visiting with my colleague, Mary Boulter, a business analyst in our Deposit Operations group, who just celebrated her 85th birthday! Mary has been working at Rockland Trust for almost 60 years. During our conversation, she confirmed what I suspected. The welcoming and friendly culture I've experienced since joining the organization has been in the making for many years.



*Named by **The Boston Globe** as one of the "Top Places to Work" in Massachusetts for the 15th consecutive year*



*Ranked as the #1 bank in Massachusetts on Forbes' World's Best Banks List*



*Honored by the **Boston Business Journal** as one of the region's "Top Corporate Charitable Contributors" for the 10th consecutive year*



Designated by the **Human Rights Campaign Foundation** as a "**Best Place to Work for LGBTQ+ Equality**" for the 8th consecutive year



Awarded **Gold** by **Banker & Tradesman** for their "Best of" awards in Alternative/Hard Money Lending and **Silver** for Commercial Lending



Received the **2023 Greenwich Excellence Award** for Overall Satisfaction in Middle Market Banking in the Northeast





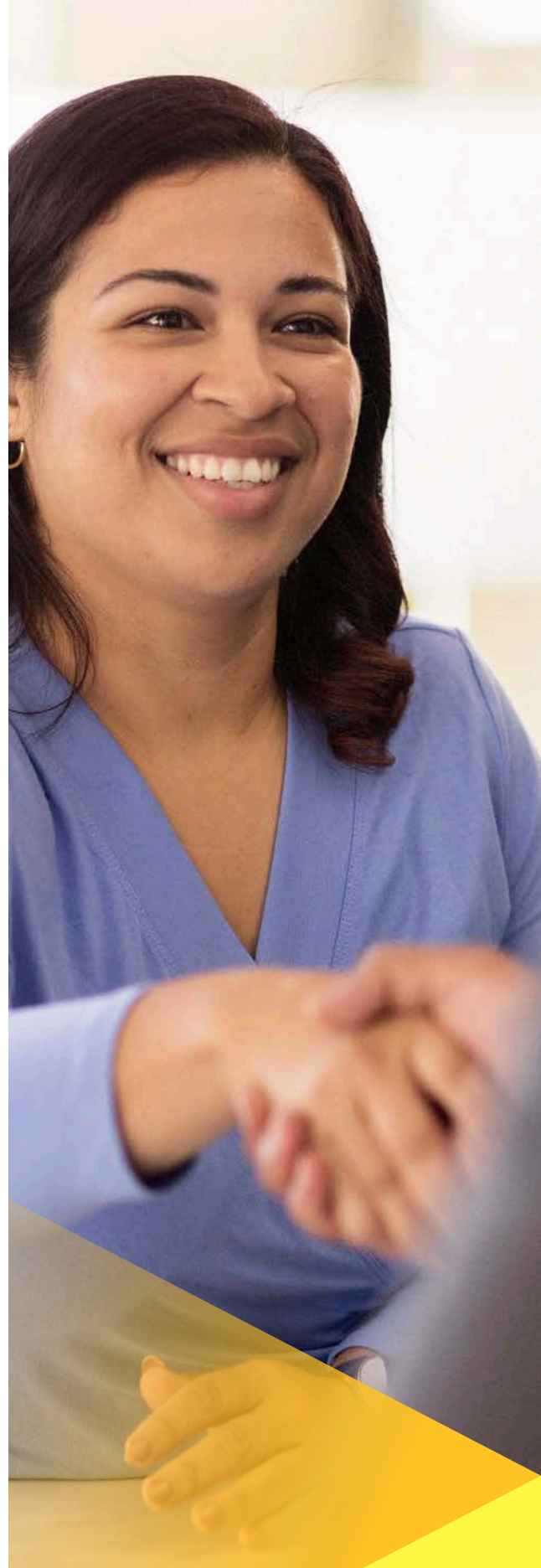
After six decades with the Bank, Mary had this to say about the Rockland Trust culture: "Everyone is so friendly. People want to help. When I first started, sixty years ago, I picked up on that right away. When someone was through with their work, they'd step in to help someone else. I think that's how it should be. That's the best type of workplace."

This visit with Mary was a highlight of my first year at the Bank. I will hold the memories, history and lessons she shared close as I continue to lead this exceptional organization.

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***Everyone is so friendly. People want to help. When I first started, sixty years ago, I picked up on that right away. When someone was through with their work, they'd step in to help someone else. I think that's how it should be. That's the best type of workplace.***

As we think about the next twelve months, our shared purpose to be the Bank Where Each Relationship Matters® remains our North Star. We will continue to foster an environment of care and respect that creates the best





workplace, ensures our customers receive the highest level of service, and strengthens our community. At the same time, we will manage our business prudently to perform at the high level our shareholders have come to expect.

I have a tremendous amount of confidence in our business model. We have the product capability to compete with larger competitors and the nimbleness to make decisions locally. It's a winning formula.

Sticking to our knitting has served us well and created a strong foundation upon which we will build. Helping our clients with a local look and feel, and a renowned high touch, high service level is a mark of distinction for Rockland Trust. While we may be in the early innings of managing through our exposure to Commercial Real Estate office loans, we will draw upon our decades of demonstrated credit and portfolio management skills to mitigate any inherent risks. 2024 will be a year focused on generating organic growth, expanding relationships, and driving operational excellence.

We will look to leverage the Rockland Trust business model in our newer markets, like the North Shore and Worcester, with strategic hires, including a seasoned market executive who joined our North Shore team in January. And finally, we will continue our investment in technology and data analytics to deliver actionable insights for our bankers.

We have everything in place to deliver the results the market has been accustomed to over the years, including a talented and experienced management team, ample capital and liquidity, desirable markets, good expense management, disciplined credit underwriting, strong brand recognition, operating scale, and an energized and engaged workforce.

I'm excited by the opportunities ahead and the strong team of talented colleagues ready to explore them. Regardless of what 2024 brings, we will confidently navigate the year side by side, one relationship at a time.

Thank you for your trust.

With gratitude,

**Jeffrey Tengel**

Chief Executive Officer Independent Bank Corp.  
and Chief Executive Officer Rockland Trust Company

# ROCKLAND TRUST®



## 2023 COMMUNITY REPORT

ROCKLAND TRUST COLLEAGUES  
VOLUNTEERING AT SCHOOL ON WHEELS  
IN EAST BRIDGEWATER



# ANNUAL GIVING

In 2023, Rockland Trust and its charitable foundation provided \$4.2 million in funding to over 900 local organizations to support a wide range of initiatives including:



AFFORDABLE HOUSING



SMALL BUSINESS SUPPORT



YOUTH PROGRAMS



FINANCIAL INCLUSION & WORKFORCE DEVELOPMENT

As part of its community investment, the Foundation also reprised its Racial Equity Grant Program which provided \$300,000 to over 20 area non-profits to support internal and external diversity, equity and inclusion (DEI) work.

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*We will strengthen the communities in which we work and live, and build enduring relationships.*

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# 2023 GIVING HIGHLIGHTS

## WORCESTER COMMUNITY ACTION COUNCIL (WCAC), WORCESTER – \$15,000

WCAC's mission is to help people move to economic self-sufficiency through programs, partnership and advocacy. WCAC utilized their Racial Equity grant to partner with the No Evil Project to facilitate a staff training and community conversation that focused on activities designed to understand and reduce stereotypes. The initiative broke down barriers and strengthened the organization's empathetic and supportive culture.



## ROCKLAND TRUST

Charitable Foundation

## MORE THAN WORDS, WALTHAM – \$75,000

More than Words provides vulnerable young adults with the opportunity to receive job skills and comprehensive support services while working at one of their two book store locations in Waltham and Boston. The grant received from Rockland Trust will enable More Than Words to serve system-involved youth, ranging from age 16-24, through job training and education coaching, that will help them earn a living wage and plan for the future.



## COACHING4CHANGE (C4C), TAUNTON – \$10,000

C4C works with racially diverse college students to support local school improvement initiatives by increasing student engagement and social-emotional learning. Rockland Trust's grant provided funding to invest in C4C's College Mentorship program which empowers Black, Indigenous, and People of Color college students to support, encourage, and assist local schoolchildren to succeed academically, and as individuals.

### ROOT, SALEM – \$20,000

Root is committed to helping address food insecurity while offering training opportunities for individuals interested in gaining real-world kitchen experience. The grant from Rockland Trust supports Root's Culinary Training Program which provides opportunities for individuals to work alongside a professional chef and learn how to prepare food and cater events for community members in need.

### CROSSROADS FOR KIDS, DUXBURY – \$10,000

Crossroads for Kids creates opportunities for youth to enjoy extraordinary growth experiences in nature while developing social-emotional skills, improving mental and physical wellness, and working towards a better future. This grant enabled children from low-to-moderate income areas to access transformative experiences through overnight summer camp programs led by mentors who were raised in the same communities as the program participants.

### FALMOUTH SERVICE CENTER, FALMOUTH – \$10,000

Falmouth Service Center works hand in hand with the community to support Upper Cape residents in need. Using the donation from Rockland Trust, the Falmouth Service Center was able to relaunch its Fresh Market mobile program to bring fresh fruits, vegetables, and non-perishables to families in the Falmouth school system with food insecurity.

## COLLEAGUE COMMITMENT

Whether it's providing exceptional customer service, developing innovative financial solutions, or participating in community outreach initiatives, Rockland Trust colleagues are committed to strengthening the communities they serve.

### IN 2023, COLLEAGUES:

- Logged over **17,000 hours** of volunteer time
- Served in a leadership capacity at **224 unique nonprofits**
- Donated **\$25,000** through the Bank's employee matching gift program
- Assisted customers by speaking more than **35 different languages**
- Raised **\$215,000** for life-saving cancer research by participating in the Pan-Mass Challenge



# AFFORDABLE HOUSING

## SECURE AND AFFORDABLE HOUSING IS CRITICAL TO THE HEALTH AND WELL-BEING OF OUR COMMUNITIES.

In 2023, Rockland Trust issued over 127 residential mortgage loans utilizing innovative or flexible lending programs. The loans totaled nearly \$42 million, and included Mass Housing, Mass Housing ONE, ONE Plus, and VA loans. Additionally, the Bank provided approximately \$200 million in commercial funding to finance 49 community development projects.

## NEIGHBORWORKS HOUSING SOLUTIONS (NHS)

The Rockland Trust Charitable Foundation awarded a \$60,000 grant to NHS for their emergency housing stabilization for seniors as well as their ongoing housing educational programming and support services for individuals and families throughout the South Shore.



*"The Rockland Trust Charitable Foundation has been a significant and important partner in helping us continue to advance our mission. Without support from the private sector, especially through charitable giving, organizations like ours can't deliver comprehensive services to our most vulnerable neighbors and communities. The Foundation really understands how they can best support the housing nonprofit community."*

**– Robert Corley**  
CEO of NeighborWorks Housing Solutions

## CAPE VIEW WAY

Rockland Trust provided a \$12.5 million loan to the Preservation of Affordable Housing in support of a 100% affordable housing project in Bourne. This 42 unit rental complex is designed to Passive House energy efficiency standards which require little energy to keep a comfortable temperature without the use of heating or air conditioning. The project is expected to be completed in 2025.



# SMALL BUSINESS SUPPORT

## AS AN INSTITUTION BUILT BY LOCAL BUSINESS OWNERS, ROCKLAND TRUST IS DEEPLY COMMITTED TO PROVIDING RESOURCES TO HELP SMALL BUSINESSES GROW.

Last year, Rockland Trust was recognized by the U.S. Small Business Administration's (SBA) Massachusetts District Office as the #1 Third Party Lender of SBA 504 loans in 2023. The SBA 504 program provides small businesses with fixed-rate financing to assist with the purchase of large assets including land, buildings, or long-term machinery and equipment. Throughout the year, the Bank provided over \$34 million in SBA 504 and 7(a) loans to nearly 50 businesses.



### PRECISION PILATES, DANVERS – SBA 504 LOAN RECIPIENT

*"When our landlord decided to turn our rental space into a commercial condominium, we were apprehensive about purchasing the space. We wanted it, but weren't sure how we would be able to manage a mortgage. A colleague suggested calling Rockland Trust and thank goodness we did! They managed to help us navigate a mortgage with a 504 loan from the SBA. The whole process would have seemed overwhelming, except that our loan officer, Tony Carson, was there every step of the way. We are not exaggerating when we say that Tony and Rockland Trust were 100% supportive and really cared about our outcome."*

**– Nancy Higgins**  
Founder & Co-Owner

### AMERICAN VINEGAR WORKS, WORCESTER – SMALL BUSINESS, BIG DREAMS CONTEST WINNER

*"Rockland Trust's "Small Business, Big Dreams" contest was a great experience. Winning the contest allowed us to invest in a product extension– Olive Oil– which from launch through the end of year, accounted for nearly 10% of our sales. The contest process also felt real and relevant. Throughout, we worked with bankers that understood small businesses. It felt like a contest designed and run by folks that really knew growing businesses and what it takes to succeed."*

**– Rodrigo Vargas**  
Founder & Owner



### ELEVEN CIRCUIT, EDGARTOWN – COMMERCIAL LOAN RECIPIENT

*"It takes so much care, dedication and tireless hours to buy a business. Working alongside Tilma [Johnson] and the rest of the team throughout the whole process made creating and developing Eleven Circuit a very seamless process. I am so grateful to Rockland Trust for believing in my dream and being so dedicated to make it a reality."*

**– Ralston Francis**  
Owner



# YOUTH PROGRAMS

INVESTING IN THE NEXT GENERATION IS KEY TO CREATING A BETTER TOMORROW.

## MS. MONEY'S CLASSROOM

The Bank launched a free online platform tailored to fostering financial literacy and educational enrichment for students K-5. Ms. Money's curriculum is available in both English and Spanish and includes a teacher-driven lesson plan that aligns with academic standards set by the State of Massachusetts' Department of Education. Throughout the year, over 200 educators utilized the program in their classrooms.



## READING MAKES CENTS

Over \$36,000 was credited into students' savings accounts as part of the Bank's summer literacy program.

## TOMMY'S PLACE LEMONADE STANDS

From May through September, Rockland Trust colleagues joined community members in hosting lemonade stands to raise over \$46,000 for Tommy's Place, a local non-profit providing magical vacation experiences for families of children battling cancer.



# FINANCIAL INCLUSION & WORKFORCE DEVELOPMENT

ROCKLAND TRUST AIMS TO PROVIDE ADVICE AND RESOURCES TO HELP ALL COMMUNITY MEMBERS WORK TOWARD A BRIGHTER FINANCIAL FUTURE.



## CREDIT FOR LIFE FAIRS

In partnership with the Financial Empowerment Network, the Bank reached 11,000 high school students through participating in Credit for Life Fairs across Massachusetts.

## SCHOLARSHIP PROGRAM

In 2023, a total of \$93,000 was paid in higher education scholarships reaching 31 students.

## WORKFORCE DEVELOPMENT GRANTS

The Rockland Trust Charitable Foundation provided over \$200,000 in workforce development grants in 2023.



## CARDINAL CUSHING

Cardinal Cushing Centers was awarded a \$30,000 grant to support the MarketPlace, home to Cardinal Cushing's community-facing businesses. Here, 300 student and adult participants with intellectual disabilities engage in vocational training and paid employment opportunities.

# INDEPENDENT BANK CORP.

Parent of Rockland Trust

288 Union Street | Rockland, MA 02370 | 508.732.7072

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## Directors of Independent Bank Corp. and Rockland Trust Company

**Donna L. Abelli**  
*Board Chair*

**Michael P. Hogan**

**Mary L. Lentz**

**Eileen C. Miskell**

**John J. Morrissey**

**James O'Shanna Morton**

**Gerard F. Nadeau**

**Daniel F. O'Brien**

**Susan Perry O'Day**

**Scott K. Smith**

**Jeffrey Tengel**

**Thomas R. Venables**

## Officers of Independent Bank Corp. and/or Rockland Trust Company

**Jeffrey Tengel**  
*Chief Executive Officer*

**Gerard F. Nadeau**  
*President*

**Maureen Gaffney**  
*Chief Accounting Officer &  
Controller*

**Maria S. Harris**  
*Chief Human Resources Officer*

**Alastair Ironside**  
*Chief Marketing Officer*

**Lee Powlus**  
*Chief Technology and  
Operations Officer*

**Timothy C. Lane**  
*Chief Internal Auditor*

**Margaret McCarthy**  
*Chief Retail Banking Officer*

**Dawn Mugford**  
*Chief Risk Officer*

**Patricia M. Natale**  
*General Counsel*

**Jonathan Nelson**  
*Treasurer*

**Kathryn O'Malley**  
*Chief Credit Officer*

**James Rizzo**  
*Chief Commercial Banking Officer*

**Mark J. Ruggiero**  
*Chief Financial Officer and  
Executive Vice President of Consumer Lending*

**David B. Smith, CFA**  
*Chief Investment Officer and Managing Director of  
Rockland Trust's Investment Management Group*

**Debra Smith**  
*Director of Banking and Digital Operations*

