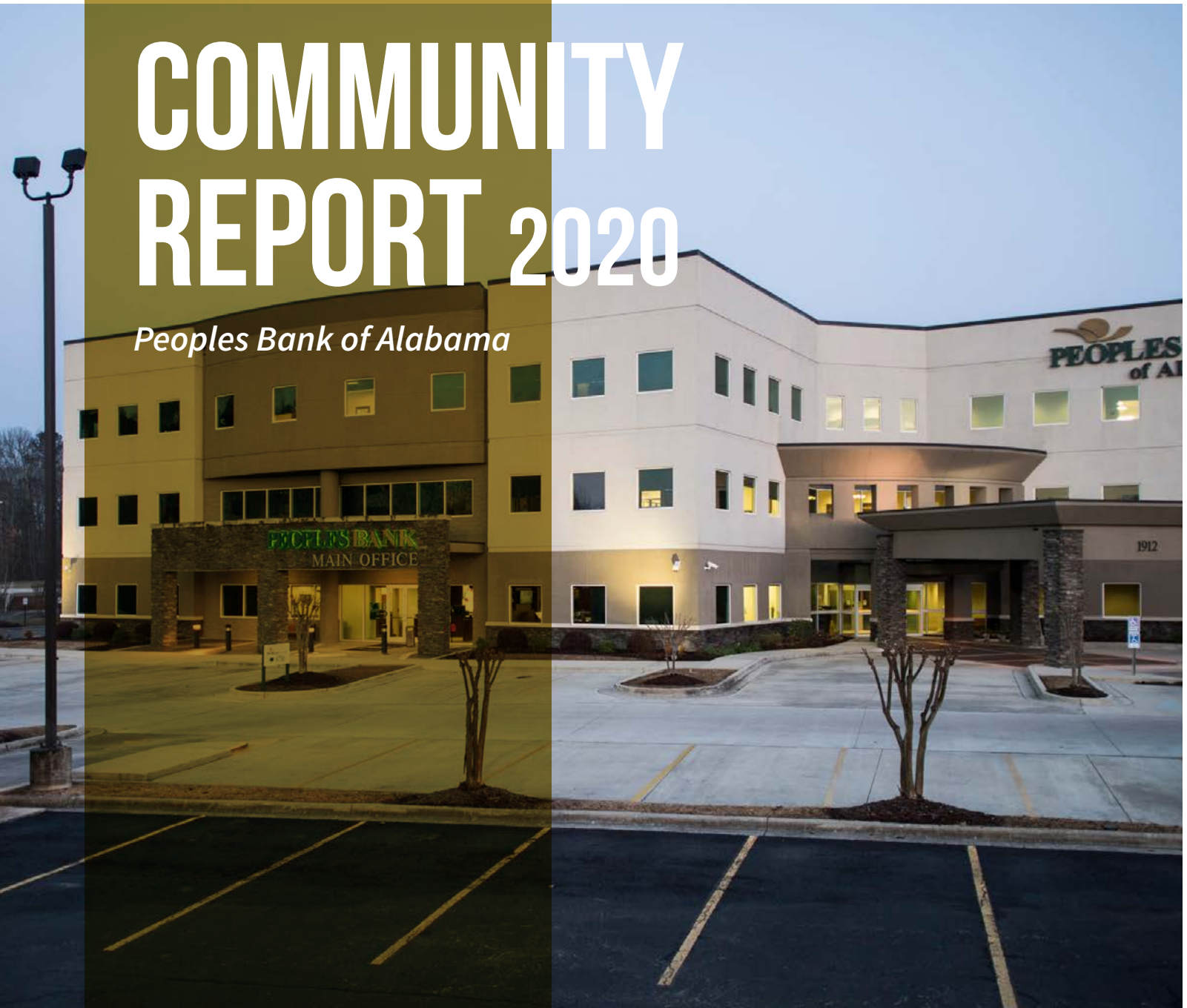


COMMUNITY REPORT 2020

Peoples Bank of Alabama



We care about people.



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FORWARD

By Tim Williams, President

Peoples Bank of Alabama celebrates 43 years of community banking and we are excited about the highlights contained in this year's community report. It's no surprise that every single one of us has experienced a year like no other personally, professionally, economically, and in every other way. But, I can also say that as President of Peoples Bank, I've never been more proud of our team and their commitment to our culture of caring about people, putting them first, and doing the right thing even in the midst of an extremely volatile year.

Embracing new opportunities and challenges presents the perfect opportunity to demonstrate what you're really made of. For us that means living out our core values of honesty, responsibility, positivity, and doing everything we can to exceed expectations at every opportunity. These values are important to me and they've been important to this organization for many, many years. One of our biggest priorities is to be a trusted community bank that serves the community with understanding, accessibility, and dedication. We



believe in building relationships not just bank accounts.

The stories you're about to read illustrate how our values define our commitment to our customers, associates and our communities. Our offices across central and north Alabama for the past several years have benefitted from steady growth and the privilege of helping individuals and small businesses reach their goals and potential like never before. We've never been more honored to help meet the financial needs of 900+ businesses who provided paychecks for more than 11,000 employees through the Paycheck Protection Program this year. Amid unprecedented challenges the program helped to

bridge the gap for many businesses who may not have weathered the storm otherwise. Countless hours were spent researching the options, communicating the process, and executing the documentation to help facilitate the process. But in the end, helping people is what makes community banking and we're proud to play our part.

We know the challenges we're facing are not over yet but neither is our commitment to meet them head on. We want to thank you for being a part of the Peoples Bank of Alabama family. We hope to earn your business for many more years to come.

SUPPORTING LOCAL BUSINESS

*"At Peoples Bank of Alabama, we see our customers as **real people** and not just a number."*



OUR GOAL IS YOUR SUCCESS



ALIGNMENT SIMPLE SOLUTIONS

Alignment Simple Solutions, LLC (“Quick Trick”) was founded in 2011 by Tess Winningham and her husband, Gary Gann. In 2011, Gary invented the first model of the Quick Trick Alignment Tool, which is a portable tool that easily allows an individual to check an automobile’s wheel alignment (caster, camber and toe measurements) at any location. The Quick Trick Alignment Tool affords individuals an easy and inexpensive method of checking their own wheel alignment without the expense of taking the vehicle to a mechanic. Gary, an automobile enthusiast, originally invented the tool for his own use.

Gary and Tess began selling the Quick Trick Alignment Tools to family, friends, and other automobile enthusiasts and quickly realized they

had a business opportunity. They set up their first office at the Innovation Depot in downtown Birmingham and graduated out of the Innovation Depot within 12-months. Quick Trick currently maintains its manufacturing and distribution headquarters in a leased facility located in Pelham, Alabama.

In 2008, Tess was a victim of identity theft, which left her with zero ability to access credit. As the business grew, their products were in high demand but the business was unable to produce enough supply because cash flow was limited. Peoples Bank of Alabama met with Tess and as Kevin Kilpatrick states, “we took the time to get to know Tess and Gary and their business. When we were able to see what she had lived through, where she

continued

"WHEN
YOU DEAL
WITH
PEOPLES,
THEIR
GOAL IS
YOUR
SUCCESS."

TESS WINNINGHAM



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had come from, and where she wanted to go we were certain we could help. She needed someone that would be her champion and that's what we wanted to do." Peoples Bank believes in building relationships and once we were able to understand the situation we felt sure we could help.

According to Tess, "they took a chance on us! We initially worked with a large, well known, global bank that had great customer service, but getting through to speak to a person about our situation was impossible. Even though we had police reports and evidence of what had happened in our past, meeting our credit needs really wasn't an option for them. What we really needed to grow the business was to have access to capital so that we could purchase materials in volume at a lower cost allowing us to hire more people, access more inventory, and begin to advertise our products like any other small business."

"When we met the Peoples Bank team," Tess continues, "we soon found out that when you deal with Peoples, their goal is your success. They took the time that main stream banks wouldn't to work with the SBA and get a loan that would consolidate our current debt, that saved us thousands of dollars in interest, and they worked with us in a way that you just don't find with big banks. Having a direct contact with the bank was something I never had to worry about with Peoples. I knew who I was dealing with, I knew who I could contact, and if there was an issue we were able to address it right away. That's something you just can't get anywhere else."

“...they worked with us in a way that
you just don't find with big banks. **”**



CLICK TO WATCH VIDEO

PARTNERS FOR OVER 40 YEARS

HAYNES FARM

Haynes Farm, Inc. is a family-owned trucking business that began in 1978 by Carrol Haynes who actually purchased his first truck in 1963. It's really a story of the American Dream becoming a reality and Peoples Bank was right there from the start. Haynes Farm and Peoples Bank have had a business relationship for more than 40 years.

Glenn Haynes, Carrol's son, grew up knowing that if you want to be successful you have to work hard. When he first went into business with his father they only had two trucks, but over their forty-year history they have grown to owning over twenty-six trucks and seventy-five trailers. Glenn learned quickly with that kind of growth comes growing pains, a lot of overhead, and a competitive market.

Zach Qualls, Chief Operations Officer for Haynes Farms, Inc., says "Running a small business takes working capital and access to your banker at a moment's notice. From past experience, we know a lot of banks are missing that personal connection and you can't just pick up the phone and speak to someone knowledgeable. Peoples Bank of Alabama give us the banking support we need every day." Central Region Market President, Trey Williams says, "The Haynes are


honest folks, they always do what they say they are going to do, the only problem is they pay us off too early! We know that the company is financially stable which helps us to make last minute quick decisions."

Peoples Bank of Alabama's mantra is "Know Your Customer."

A forty-year history brings many twists and turns to the bottom line. According to Zach, "During one of the most difficult times for us as a business when the economy sank several years ago, Peoples Bank absolutely made a one hundred percent good bet on us. They actually listened to us when we said we have a game plan, a company goal, a direction we're heading and they supported us 100%. The flexibility of doing business with Peoples Bank is easy and convenient. If we have questions or needs, someone is always there to help us. We see them as family."

Haynes Farm is one of those business clients that any financial institution would love to have. They are the kind of family business that make what we do more like an honor, and less like work.





“...If we have questions or needs, someone is always there to help us. We see them as family.”



Peoples Bank of Alabama associates are personally involved in giving back to our communities.

GIVING BACK

“

IN 2020, WE LAUNCHED A NEW FINANCIAL EDUCATION OUTREACH CALLED “WHAT A DIFFERENCE A DAY MAKES.” COVID-19 PREVENTED US FROM VISITING SCHOOLS AND SENIOR CENTERS, HOWEVER WE WERE ABLE TO MAKE TWO PRESENTATIONS IN MORGAN COUNTY SCHOOLS. WE HOPE TO REVIVE THIS PROGRAM IN 2021. ”

*Debra Goble,
Compliance Officer*



WE ARE
ACTIVE
IN THE
COMMUNITY
BECAUSE
WE ARE A
PART OF THE
COMMUNITY.

SERVING YOU MINISTRIES

Peoples Bank partners with Serving You Ministries, a Birmingham based non-profit organization whose mission is to provide hope to families in the metro Birmingham area and to provide sustainable solutions to challenges they face by assisting in education, job readiness, and a myriad of other programs. Several of our bank staff volunteer community service hours to help facilitate a 6-week Dave Ramsey financial education program several times throughout the year. When COVID-19 hit, we had



to pause our ongoing program for a few months, but we were able to restart it late in the year. We're thankful for every opportunity we have to help people succeed and reach their financial goals.

SMALL BUSINESS VIRTUAL WORKSHOP

Jeff Taffar, Business Banking Relationship Manager, was one of the presenters at the Small Business Virtual Workshop hosted by United Way of Central Alabama on October 29, 2020. He discussed topics with small business owners like formulating a business plan, funding a small business, credit strategies and much more.



FIRST TIME HOMEBUYER LUNCH & LEARN

On March 10, 2020, the Mortgage Department partnered with United Way of Central Alabama for a First Time Homebuyer lunch and learn at the Avondale Library in Birmingham. Shasta Quick, Mortgage Department Manager, spoke on how to become a first-time homebuyer and the pros and cons of renting versus owning your home. Jessica Phillips and Annie Harris also represented Peoples Bank at this workshop.

SMART CREDIT LUNCH & LEARN

On February 25, 2020, the bank held a Smart Credit financial education lunch and learn at the Birmingham Public Library. Kent Howze, Commercial Relationship Manager/Mortgage Specialist, spoke on credit reports and scores and how to protect your identity. Debra Goble, Shasta Quick, Jessica Phillips and Annie Harris also represented Peoples Bank at the event.





United Way DAY OF CARING

Peoples Bank participates in the United Way Day of Caring in Morgan County. The Decatur branches donated food to Walter Jackson Elementary School for their backpack program, a program for students who are in need of food over the weekend.



In Cullman County, volunteers from the bank spent the Day of Caring serving at the Commission on Aging. The senior adults were very appreciative of our time and encouragement! Investing in our community is not what we do it's who we are.



LifeSouth COMMUNITY BLOOD CENTERS

When the pandemic hit this year the need for blood donors escalated in record numbers. Peoples Bank associates are part of the community and have a desire to help meet the needs of the community. We hosted LifeSouth's bloodmobile in January and July of 2020. Close to 60 units of blood were collected giving almost 175 people a second chance to live!



Cullman County Child Development Center

SHOE GIVEAWAY



Our Annual Cullman County Child Development Center Shoe Giveaway is always a highlight of the year. We were welcomed with dozens of thank you notes and a big sign to show gratitude from the faculty and students. Volunteers from Peoples Bank visited the classrooms passing out wrapped shoe boxes for every child. Santa Claus made his

appearance as students faces lit up with Christmas joy!

Our hearts have gone out this year for all teachers and students. We appreciate each and every educator for all of your efforts to continue educating the next generation during this time of pandemic.

PURCHASE WITH A PURPOSE

The bank had a “Purchase with a Purpose” campaign in which a \$1 donation was made to local non-profit organizations for every Peoples Bank Discover® debit card purchase – up to \$15,000!

We were able to split over \$15,000 between these 7 non-profit organizations in our community:



CULLMAN CARING FOR KIDS



CHEROKEE COUNTY CRISIS CENTER



THE HOPE HOUSE



NEIGHBORHOOD BRIDGES



FACES OF MORGAN COUNTY

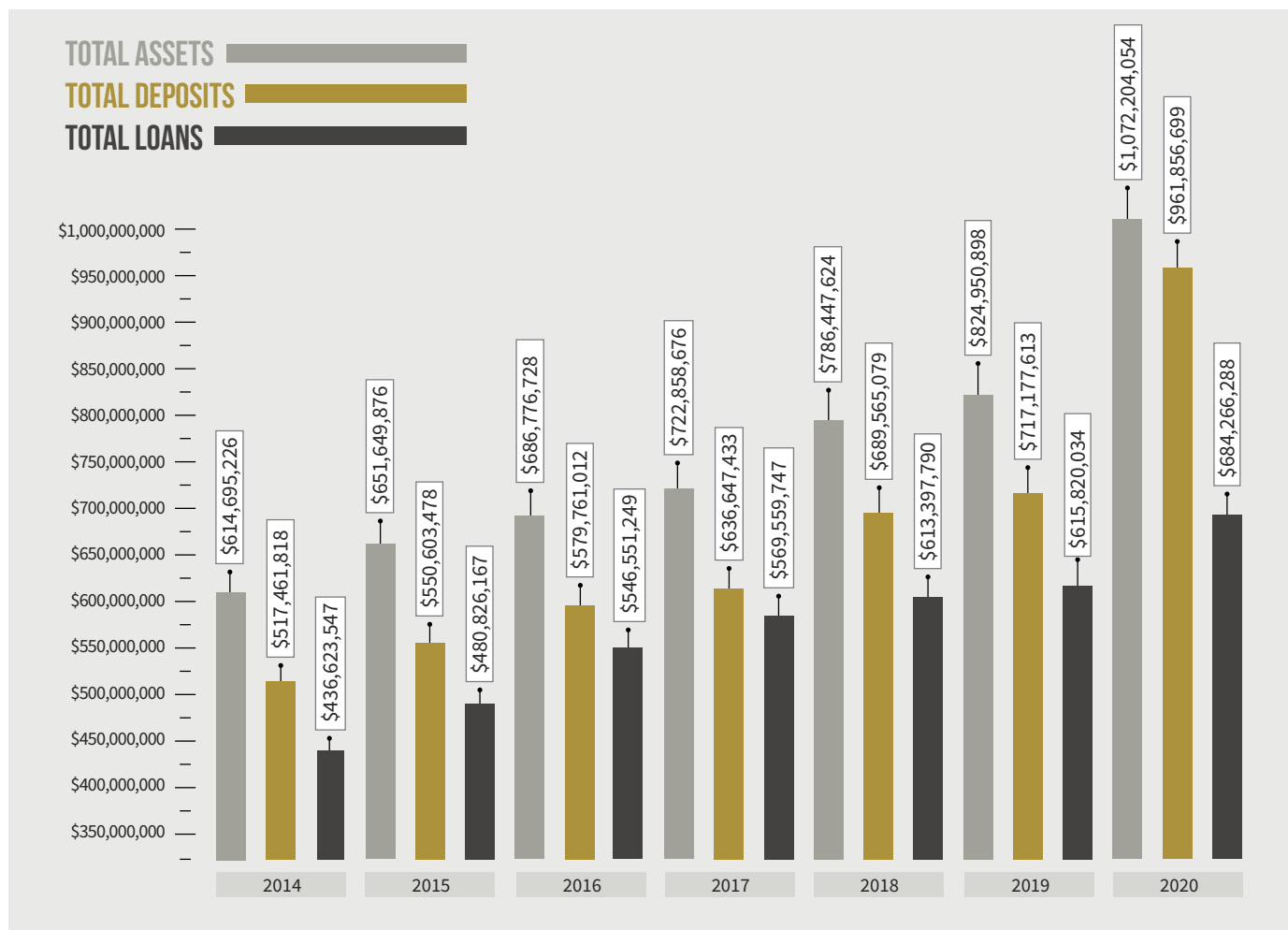


SERVING YOU MINISTRIES



SLEEP IN HEAVENLY PEACE

FINANCIAL HIGHLIGHTS



TIER 1
LEVERAGE RATIO

8.35%

RETURN ON
AVERAGE ASSETS

1.49%

(RoAA)

PRIVATELY HELD



25% owned
by ESOP

Employees support Downs Syndrome Awareness



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