

COMMUNITY REPORT 2021

Peoples Bank of Alabama



We care about people.



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FORWARD

By Tim Williams, President

Peoples Bank of Alabama has had one of its best years crossing the billion-dollar threshold in total assets and ending 2021 with record earnings. I would like to personally congratulate our associates for the excellent job they do on a daily basis to help make our bank profitable. It brings me great pleasure to report such good news to our customers and shareholders especially having just come through almost two years of global pandemic and uncertainty. We are grateful for the stability our bank has maintained and for the continued growth across every line of business as we move forward into an even brighter future.

Throughout the pages of this report you will read about specific ways our bank has helped individuals, small businesses, and non-profit organizations to make an impact in the cities and neighborhoods we serve. The contributions we

make are not always in the form of money or sharing our financial advice. Our associates are not afraid to pull together, roll up their sleeves, and get the job done when duty calls. For over 44 years, we have shown uncompromising commitment to the success and well being of the markets we serve through local outreach, civic leadership, financial education, and community lending.

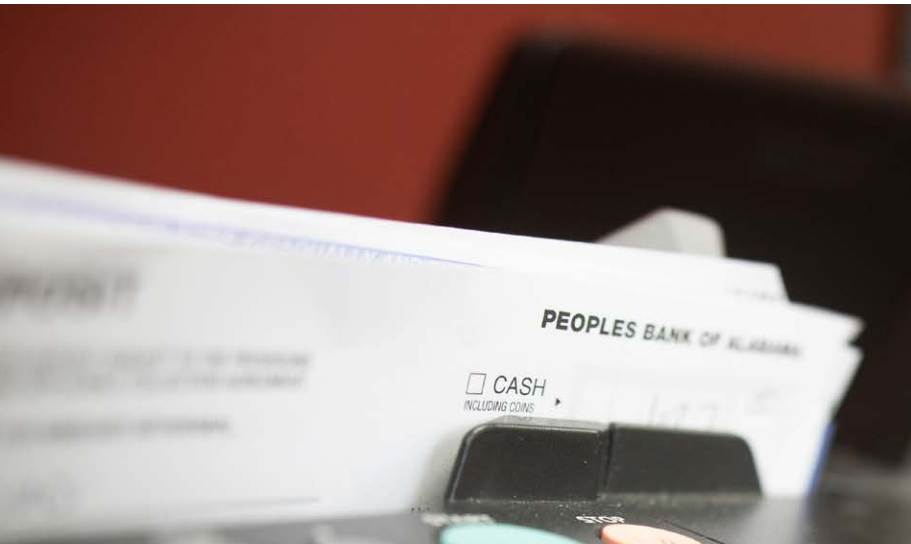
This year brought the second round of Payroll Protection Program (PPP) loans which you will learn more about on the pages that follow. The teamwork involved was massive. COVID-19 seemed to make a comeback with the Delta and Omicron variant sweeping



through the nation. The bank weathered the storm again with outstanding performance, and we are grateful the aftermath was much less significant.

I'd like to take this opportunity to once again thank you for being an integral part of the Peoples Bank of Alabama family. We value your continued support as we look forward to another year of growth and service to North and Central Alabama.

SUPPORTING LOCAL BUSINESS



"...PEOPLES REALLY
GIVES US THE
ASSURANCE THAT
THEY'RE GOING TO BE
THERE FOR US AND

THEY'RE GOING TO
HELP US AS OUR
NEEDS GROW."

— TRINA CLEVELAND,
TPC RETIREMENT HOME



COMMERCIAL SERVICES



COMMITTED TO SMALL BUSINESS OWNERS

Peoples Bank of Alabama is committed to small business owners offering state of the art cash management services to help you effectively and profitably manage your cash flow.

Would cash management services benefit your business? Think about two questions, how do you get paid and how do you pay people? That's the receivable cycle and the payable cycle.

We can control the entire paper receivables process for you with our lockbox service. That means literally going to the post office, opening your mail, scanning and depositing all of your items and providing electronic files to you for posting to your internal accounts receivable system.

With remote deposit capture, you can electronically deposit paper checks from the convenience of your office or home with same day ledger credit. No more trips to the bank!

For electronic transactions, ACH origination gives you the ability to submit pre-authorized electronic debits to collect receivables owed to you. We also offer direct deposit for all your payroll needs so you no longer have to print and sign checks every pay period.

Fraud prevention services and automatic sweep products help to maximize your cash flow while keeping your funds safe.

We will walk you through every step of the process giving you peace of mind that your business transactions are handled with integrity and precision.

Between our accounts receivable and our payables products and services every business can benefit from cash management services from a small family business to a large corporation. With Peoples Bank you get the best of both worlds, big bank capabilities with local roots.

HELPING SMALL BUSINESS OWNERS DURING COVID-19

PAYCHECK PROTECTION PROGRAM

Although everyone had high hopes that 2021 would bring brighter days, the challenges continued throughout much of the year. The COVID-19 pandemic wreaked havoc on many small businesses. In fact, many had to close their doors or at least shift gears and find creative ways to continue providing products and services to their customers in an unstable environment.

PeoplesBank of Alabama guided many businesses through the ever-changing Paycheck Protection Program (PPP) process. Practically overnight, our lending and credit teams pulled together to define a new product for businesses, write and communicate new guidelines and procedures from the Small Business Administration, create documents and processes, invest in new technology and train others on how the process works. Success in a venture like that doesn't happen without a solid team committed to excellence.

As a small business, it's important to have people on your side that you trust and who take the time to understand your business and your needs.

That's not easy to find, but at Peoples Bank we're committed to building relationships as well as business partnerships. Businesses needed help to learn how to apply, how to properly document where the funds were used, and how to request PPP loan forgiveness. According to one of our customers, "Peoples Bank walked me through the process to ensure that we could pay our employees and also keep our finances really healthy through this uncertain time" -Daxton Maze, Greenpro Lawn Services. Overall, the bank made 1,864 Paycheck Protection Program loans of more than \$130 million in loan volume helping our customers weather the effects of the pandemic.

When you bank at Peoples, you get all the possibilities offered at a larger bank with the personal touch and superior service of a local bank. We work closely with you to understand your business and build lasting relationships.



“ Peoples Bank walked me through the process to ensure that we could pay our employees and also keep our finances really healthy through this uncertain time. **”**

— Daxton Maze, Greenpro Lawn Services



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

GIVING BACK

INTRODUCTION

DEBRA GOBLE,
COMPLIANCE OFFICER

During 2021, the pandemic continued to interrupt our plans to make personal financial education presentations within our communities.

We are again hopeful that as we have turned the corner on a new year, we will be able to visit senior centers and schools within our footprint. We want to help educate our senior adults so they know how to protect themselves from falling victim to financial scams. And, we are passionate about helping our young adults learn to manage their money with confidence and learn to handle the inevitable ups and downs in their financial future.



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

BLOUNTSVILLE ELEMENTARY PROJECT

Peoples Bank volunteers visited Blountsville Elementary School to talk about money! Over 150 students ranging from K-5 to 3rd grade heard the story, “Lily Learns about Wants and Needs.” Every student received a mini coloring book to help them practice choosing between things we want and what we need. The bank also donated t-shirts, stuffed toys and Moola cups bringing lots of excitement to these students’ summer program.



LifeSouth COMMUNITY BLOOD CENTERS

Peoples Bank hosts the LifeSouth Community Blood Centers bloodmobile several times every year. Employees and customers are encouraged to give blood and every drop stays in our community to help save lives.



Jefferson County

TORNADO DISASTER RELIEF

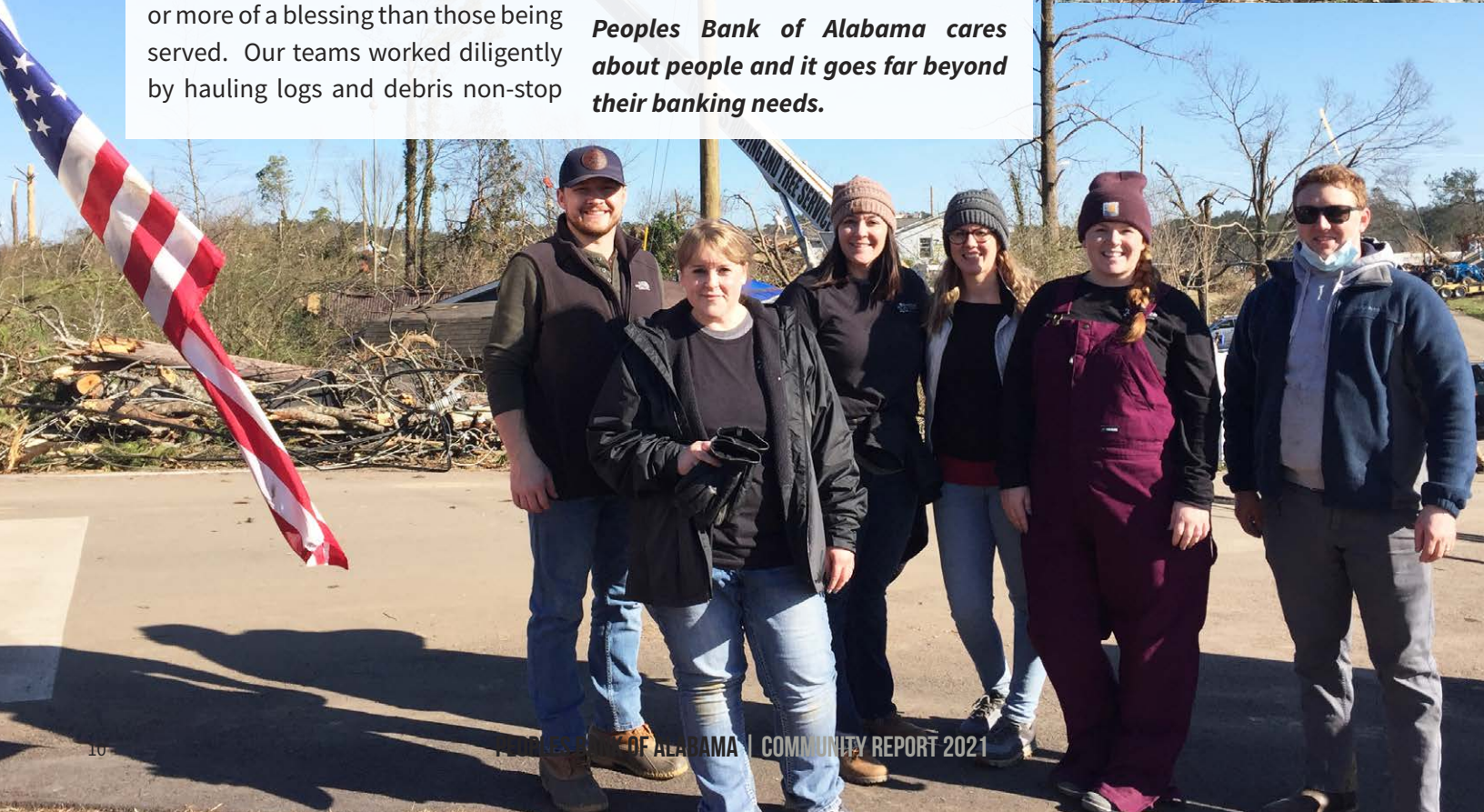
Peoples Bank staff volunteered during the February 2021 tornado relief in Fultondale. City leaders assigned our team to find a place to set our distribution tent within a restricted area where the damage was severe. Along with the water and food provided by the bank, the city provided additional supplies such as tarps, blankets, personal hygiene items and even pet food to be distributed from our tent. For two days Peoples Bank volunteers distributed items from our tent to residents in the neighborhood; we also passed out drinks and snacks on foot or riding in the back of a pick-up truck and assisted with the clean-up efforts.

As in so many cases, the volunteers who serve end up receiving as much or more of a blessing than those being served. Our teams worked diligently by hauling logs and debris non-stop

for about 3 hours from a family's back yard. Our staff never wavered or took a break as trees were cut by chain saw and hauled mostly by hand with the exception of one wheel barrow used to haul the largest logs. We later learned that this family's autistic son couldn't be brought home until the back yard where he played was clean of trees and debris. The mess along with all the other destruction in the neighborhood would make it difficult for him to cope.

An elderly lady also became emotional with gratitude as our team worked to clean up her yard of garbage and debris. She explained that it would take weeks for her to do the work by herself. She was speechless that bankers were in her yard picking up bags of trash and debris.

Peoples Bank of Alabama cares about people and it goes far beyond their banking needs.



Cullman County Child Development Center

SHOE GIVEAWAY

Every year for over 25 years, Peoples Bank of Alabama has sponsored the Cullman County Child Development Center by giving every student a new pair of shoes at Christmas. Once again this year, Santa paid a visit to help deliver the packages and watch every student light up with a big smile. Bank volunteers attended to help the students try on their shoes and serve an afternoon snack.



United Way HOLIDAY MAIL FOR HEROES

Our Cullman branches donated cards for every occasion to the “Holiday Mail for Heroes” drive as part of United Way’s Day of Caring. The cards are distributed to local VA hospitals, VA clinics, veterans homes and military installations throughout the year.



WE CARE PACKAGES FOR VETERANS

With help from each of our markets, the Risk Management team delivered 300 “We Care” packages to VA clinics and hospitals in our communities. Each package included a pair of gloves, a toboggan, hand sanitizer wipes, a rain poncho, dental and hygiene products, a bottle of water and crackers. Rainbow City VA Clinic, Gunterville VA Clinic, Veterans Outreach in Hartselle and the Birmingham VA Hospital were very thankful to receive these packages.



Dolly Parton IMAGINATION LIBRARY

We recently sponsored the new Imagination Library that launched in Cullman County. Thanks to the Friends of Public Libraries, local funding partners, and Dolly Parton, this program provides children under the age of 5 in lower-income neighborhoods with books to inspire a love of reading. Peoples Bank of Alabama promotes the love of reading as we understand that reading is a giant step to improve financial literacy. Bank volunteers attended the program launch and were invited to help hand out the very first Imagination Library books.



PURCHASE WITH A PURPOSE

We were excited to offer the Purchase with a Purpose campaign again this year. For every purchase made with a Peoples Bank of Alabama Discover® debit card between October 1st and October 31st, \$1 was donated to seven (7) local charities up to \$15,000.

We presented each of the following non-profit organizations a check for \$2,143.00:

Cherokee County Crisis Center, Sleep in Heavenly Peace, Neighborhood Bridges, The Hope House, Serving You Ministries, Families and Children Experiencing Separation, and Cullman Caring for Kids.



CULLMAN CARING FOR KIDS



CHEROKEE COUNTY CRISIS CENTER



THE HOPE HOUSE



NEIGHBORHOOD BRIDGES



FACES OF MORGAN COUNTY



SERVING YOU MINISTRIES



SLEEP IN HEAVENLY PEACE

EMPLOYEE INVESTMENT

"...there's a link between taking care of employees and taking care of customers. One does not exist without the other."

The Peoples Bank of Alabama Purpose Statement affirms that we are empowered associates delivering exceptional service, producing excellent results. In order to help maintain that purpose, the bank has an in-service annual training event called HUDDLE. This event is designed to bring all of the staff together in one place and remind and encourage them to remain vigilant, informed, and always reach for excellence in every area of their life. This year due to the pandemic they were unable to meet together in person, so an alternative event was developed to encourage the staff and let them know how much they are needed and appreciated. We Care About You Week was full of exciting news every day including service anniversary announcements, giveaways, food trucks and more! One Most Valuable Player (MVP)



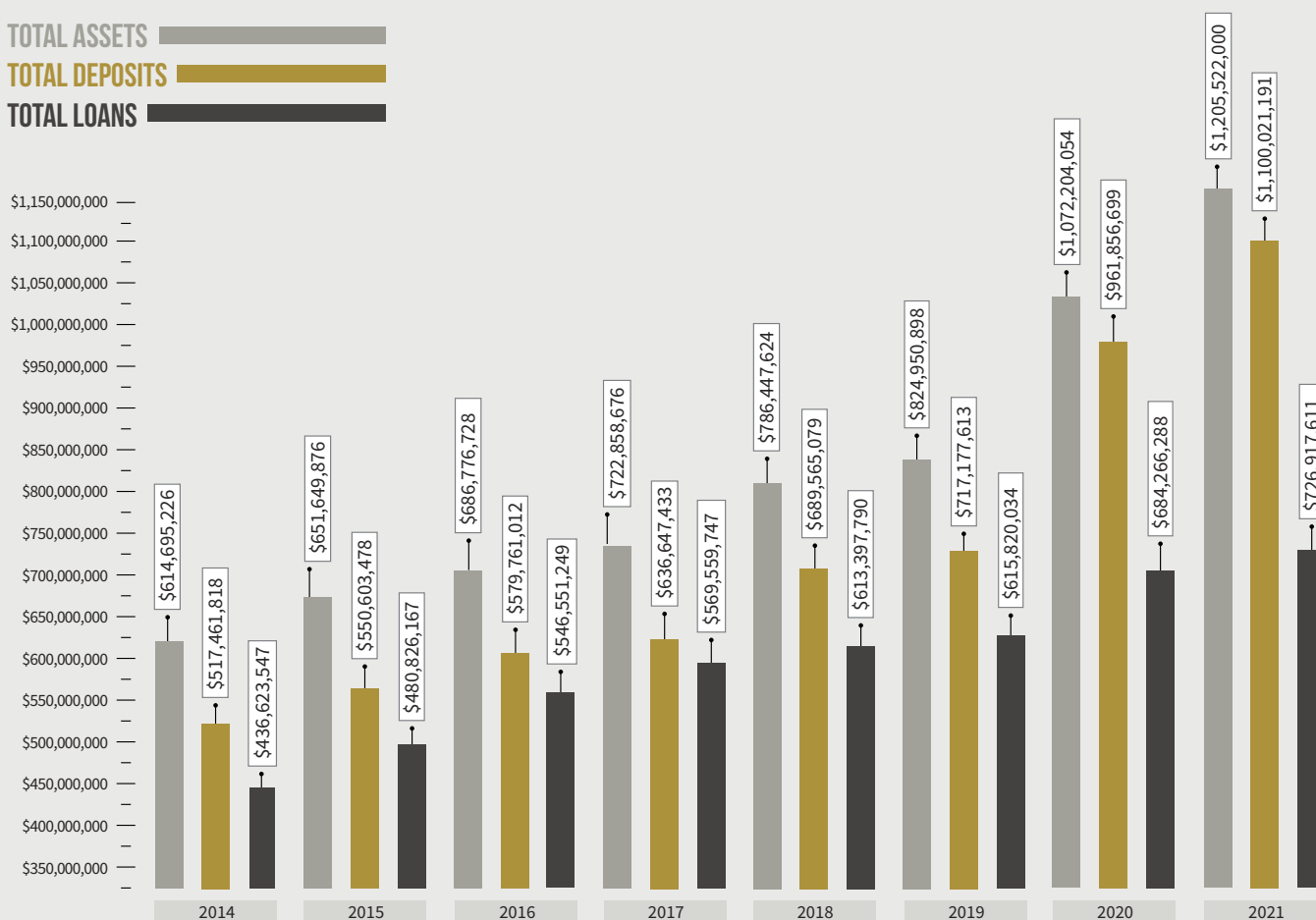
was selected from each market and one from each area of back office operations and they were all recognized throughout the week.

The bank's internal core values are to be Honest, Responsible, Positive, and to Exceed Expectations every day. It is

actually pretty amazing how far a little bit of ongoing positivity goes in the workplace. Peoples Bank of Alabama has always recognized that there's a link between taking care of employees and taking care of customers. One does not exist without the other.

FINANCIAL HIGHLIGHTS

TOTAL ASSETS 
TOTAL DEPOSITS 
TOTAL LOANS 



TIER 1
LEVERAGE RATIO

8.05%

RETURN ON
AVERAGE ASSETS

1.46%

(RoAA)

PRIVATELY HELD



25% owned
by ESOP



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[peoplesbankal.com](https://www.peoplesbankal.com) | 877.788.0288

