



Community
Bancorp.

Welcome

Annual Meeting of the Shareholders
of Community Bancorp.

May 16, 2023



Musicians Don Houghton, Jr. and his sidekick, Ned, entertain Dandelion Run participants. Community National Bank is the presenting sponsor.



One of many dandelion-filled fields in Holland, Morgan and Derby, Vermont on the course of the Dandelion Run.

Board of Directors

- Thomas Adams
- Kathryn Austin
- Bruce Baker
- David Bouffard
- Aminta Conant
- Jacques Couture
- David Laforce
- Rosemary Lalime
- Stephen Marsh, Chair
- Carol Martin
- Emma Marvin
- Jeffrey Moore
- Frederic Oeschger
- James Wheeler

Executive Officers

- Kathryn Austin, President & Chief Executive Officer
- Louise Bonvechio, Executive Vice President & Chief Financial Officer
- Christopher Caldwell, Executive Vice President & Chief Lending Officer
- Leslie Delhaie, Executive Vice President, Chief Operating and Innovation Officer

- **Election of Directors to a three-year term expiring in 2026**
 - Thomas E. Adams
 - Jacques R. Couture
 - Emma L. Marvin
 - James G. Wheeler, Jr.
- **Ratification of BerryDunn as the Company's external auditors for 2023**



Congratulations, Dodie Mitchell on your retirement!

Dorothy (Dodie) Mitchell has served as a Director of Community Bancorp. and Community National Bank since 2006.

Questions?

We are happy to answer any questions you may have.

To submit questions, please use the Message icon in the top right-hand corner of your screen.

Thank you and adjournment of the business meeting.



*Vice President and Commercial Loan Officer
Dave Rubel greets a customer at our Barre office.*



Community Bancorp.
(OTCQX: CMTV)
Annual Meeting Presentation
May 2023

Forward-looking Statements

This presentation contains forward-looking statements that are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including, without limitation, statements about the Company's financial condition, capital status, dividend payment practices, business outlook and affairs. Although these statements are based on management's current expectations and estimates, actual conditions, results, and events may differ materially from those contemplated by such forward-looking statements, as they could be influenced by numerous factors which are unpredictable and outside the Company's control.

Factors that may cause actual results to differ materially from such statements include, among others, the following: (1) general economic or monetary conditions, either nationally or regionally, continue to decline, resulting in a deterioration in credit quality or diminished demand for the Company's products and services; (2) changes in laws or government rules, or the way in which courts interpret those laws or rules, adversely affect the financial industry generally or the Company's business in particular, or may impose additional costs and regulatory requirements; (3) interest rates change in such a way as to reduce the Company's interest margins and its funding sources; and (4) competitive pressures increase among financial services providers in the Company's northern New England market area or in the financial services industry generally, including pressures from nonbank financial service providers, from increasing consolidation and integration of financial service providers and from changes in technology and delivery systems.

These statements speak only as of the date of this presentation and the Bank does not undertake any obligation to update or revise any of these forward-looking statements to reflect events or circumstances occurring after the date of this communication or to reflect the occurrence of unanticipated events.

- Community National Bank, primary operating subsidiary
 - 12 full service branches, 2 loan offices, ~ 130 employees
 - Full line of business and personal banking services
- \$1.03 billion consolidated assets as of March 31, 2023
 - Up 2% year-over-year
- Traded on the OTC Market
 - ~5.4 million shares outstanding as of March 31, 2023
 - Market cap: ~\$108 million
 - Dividend yield: 4.66%

Senior Management Team



Kathryn M. Austin
President & CEO
Community National Bank
Community Bancorp.



Louise Bonvechio
Executive Vice President & CFO
Community National Bank
Treasurer & Corporate Secretary
Community Bancorp.



Christopher Caldwell
*Executive Vice President &
Chief Lending Officer*
Community National Bank
Vice President
Community Bancorp.



Leslie Delhaie
*Executive Vice President, COO &
Chief Innovation Officer*
Community National Bank
Vice President
Community Bancorp.

- Grow loan portfolios
- Grow deposits, Treasury and cash management, municipal relationships
- Focus on convenience for digital and in-person banking offerings
- Emphasize on-going risk management and prudent practices
- Invest in people, infrastructure and technology

- Generated net income of \$13.7 million, \$2.53 per share
 - 4.6% increase year-over-year in earnings; and 3.3% increase in EPS
- Total assets grew to \$1.056 billion, up 3.6% year-over-year
 - Higher loan volume primary driver
- Total deposits of \$923 million, up 5% year-over-year
 - Core deposit growth across all categories

Community Banking Landscape in Vermont Today

- Continuing commercial loan demand and core deposit growth, despite higher interest rates
- Competition for deposits
- War for talent
- Addressing concern about stability:
 - Strong capital position, underscored by dividend
 - Diversified customer base
 - Low percent of uninsured deposit accounts
 - Prudent risk management practices
- Central role in communities where we live, work, serve

Commercial Lending Highlights – Chris Caldwell

- Solid growth across commercial loan segments
- Diversification of business customers
 - Across all lines of business there is a great deal of demand
 - Credit quality remains high
- Competitive in territory with both ‘big’ banks and community banks
- New business from PPP loan effort in 2020-2022 continues



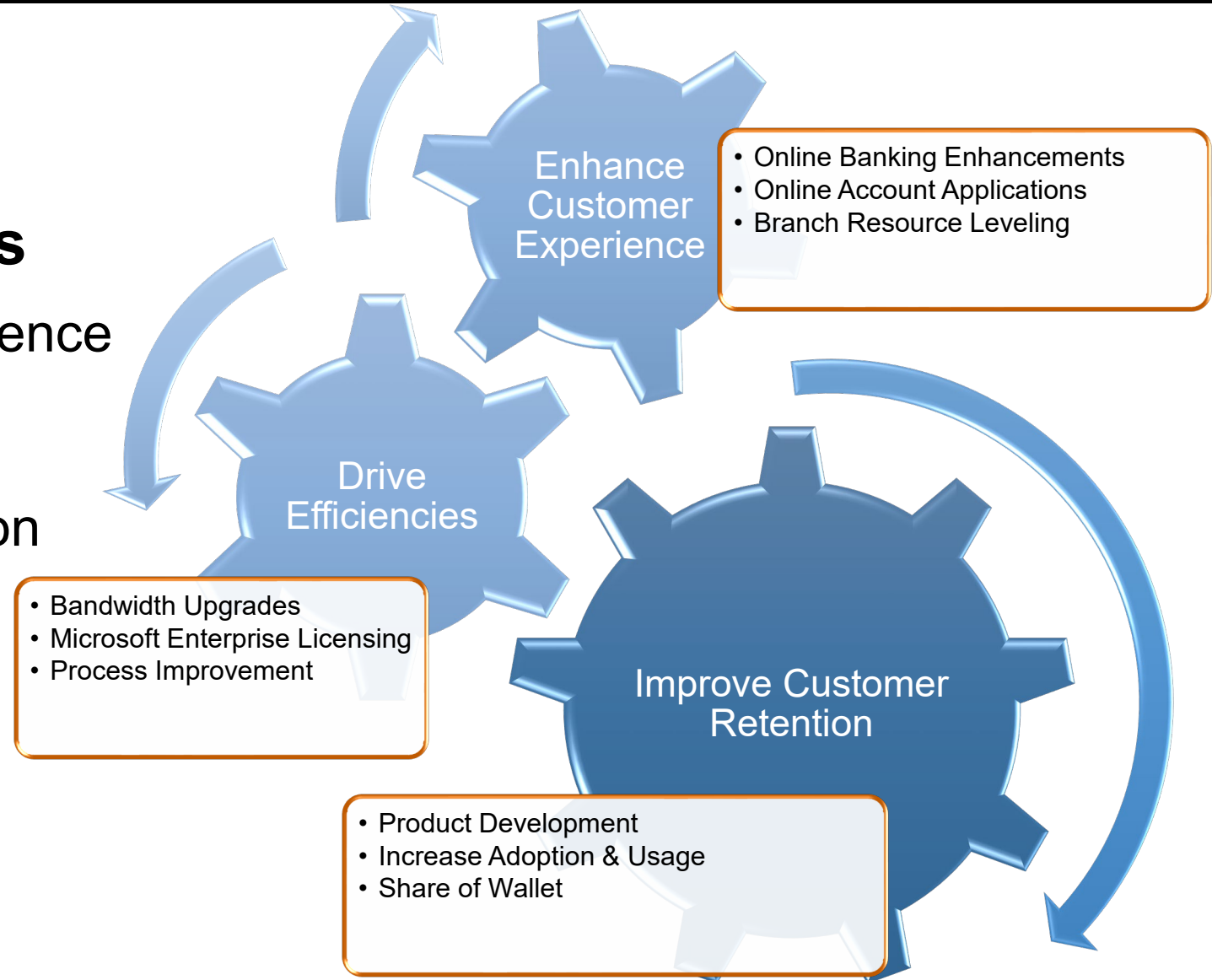
L to R: Nick Ballard and B & B Towing and Recovery owner Robert (Bob) Montminy oversee a recovery.

Lending Environment and Approach

- Seasoned team, geographically-based, with sector focus in market
- Strong business banking franchise including CRE and C&I
- Recent successes reflect:
 - Relationship banking
 - Knowledge of market
 - Flexibility and creativity
- Continued opportunities in our market
 - Industry consolidation

Three Key Areas of Focus

- Enhance customer experience
- Drive efficiencies
- Improve customer retention



- Finished year in strong capital position
- Healthy core deposit, loan and asset growth
- High credit quality across loan portfolio, outside of one non-performing loan from 2021
- Deposit growth only partially offset by higher interest rates
- Mortgage business slowdown due to higher mortgage rates
- Pleased with diversification of customer base; little significant commercial real estate and minimal concentration reflecting northern Vermont landscape
- Raised dividend in early 2022; comfortable with current level

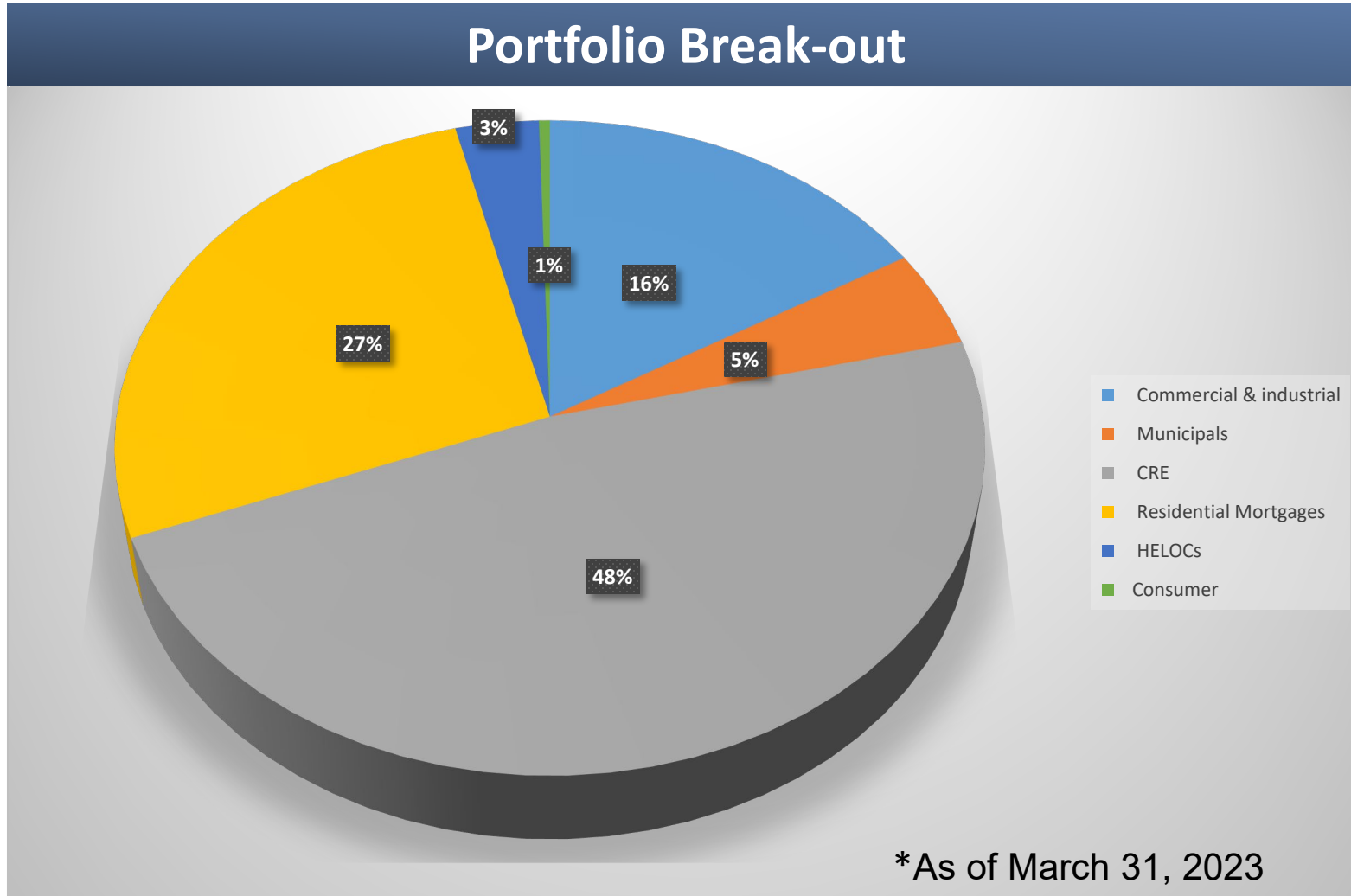
First Quarter 2023 Financial Highlights

- Generated net income of \$3.3 million, \$0.61 per share
 - 38% increase year-over-year in earnings, 39% increase in EPS
- Total assets \$1.03 billion, up 2% year-over-year
 - 9% loan portfolio growth, offset by decrease in cash and overnight deposits
 - 3.8% increase in securities portfolio
- Total deposits of \$888.6 million, up \$11.2 million or 1.3% YoY
 - Core deposit growth across all categories

Financial Performance

	Three Months Ended March 31,		Year Ended December 31,	
	2023	2022	2022	2021
Operating Data				
Total interest income	\$10,770,225	\$8,251,546	\$37,114,657	\$34,790,539
Total interest expense	2,246,860	693,317	4,030,100	3,121,499
Net interest income	8,523,365	7,558,229	33,084,557	31,669,040
Provision for loan losses	207,540	862,500	978,000	624,165
Net interest income after provision for loan losses	8,315,825	6,695,729	32,106,557	31,044,875
Non-interest income	1,758,778	1,686,429	6,643,048	6,734,137
Non-interest expense	5,958,688	5,453,588	21,874,339	21,657,586
Income before income taxes	4,115,915	2,928,570	16,875,266	16,121,426
Applicable income tax expense	777,153	523,029	3,135,326	2,983,088
Net Income	\$3,338,762	\$2,405,541	\$13,739,940	\$13,138,338
Per Common Share Data				
Earnings per common share	\$0.61	\$0.44	\$2.53	\$2.45
Dividends declared per common share	\$0.23	\$0.23	\$0.92	\$0.88

Loan Portfolio*



- Continued track record of success
- Strong team, operations and systems
 - Added senior management talent
 - Enhancing operations with innovation lens
- Commitment to profitable growth
- Integral role in community ensures relevance and visibility
- Meeting customers where they are with convenient products and services

Community is Where you Build It



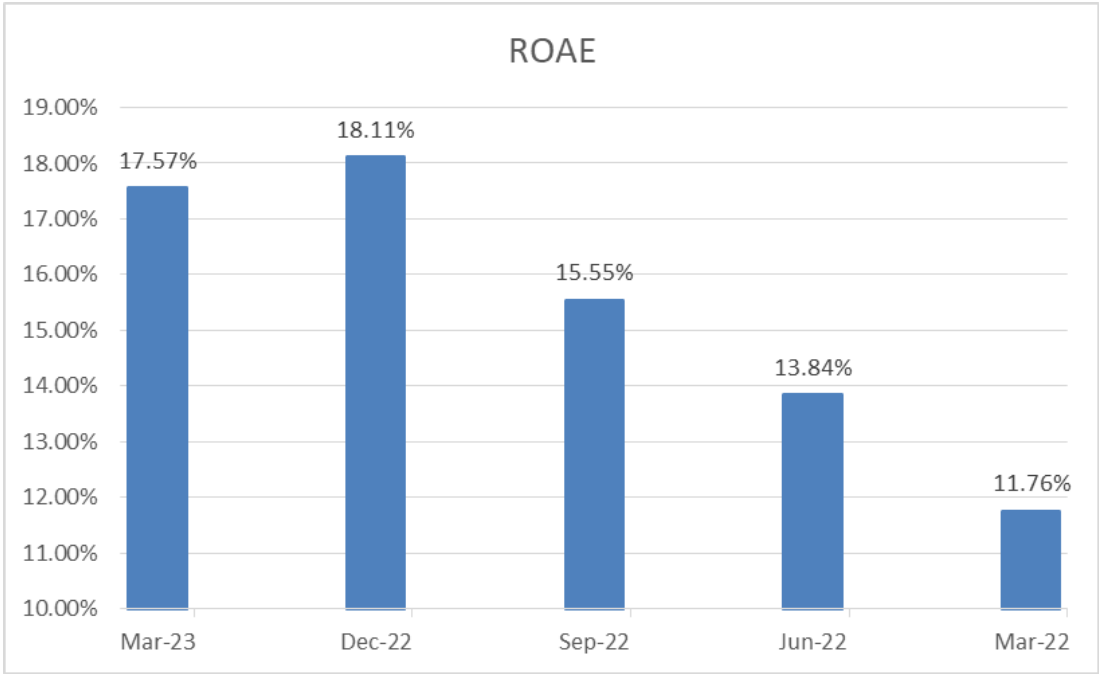
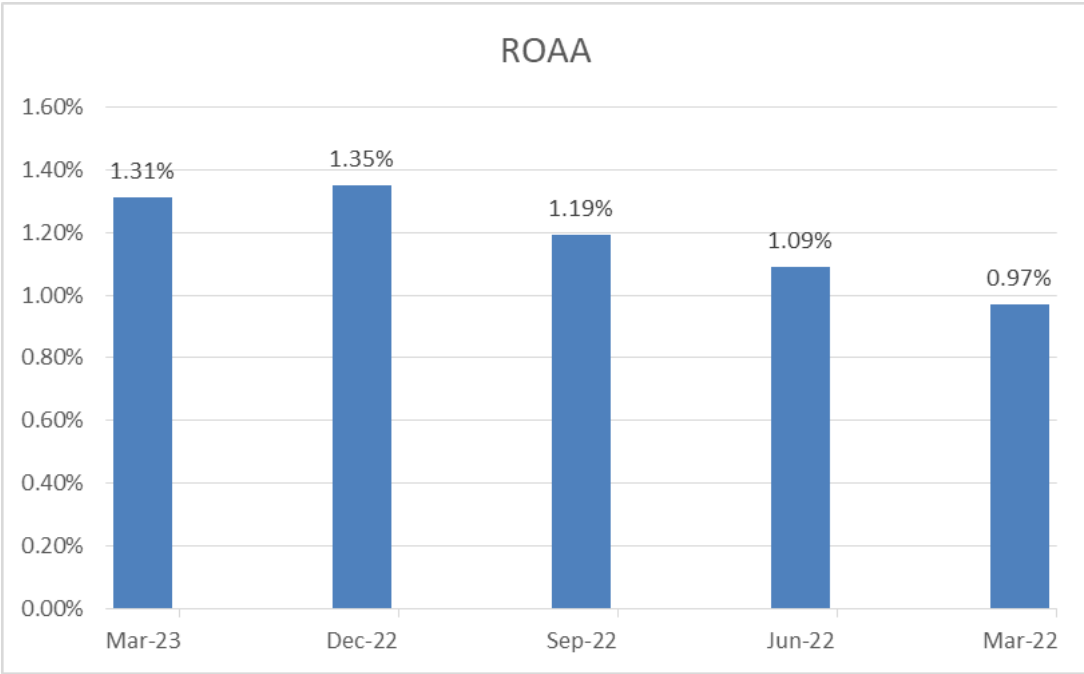
Proudly supporting the growth and development of The Homestead childcare facility located on Shelburne Road in South Burlington.

Select Financial Data

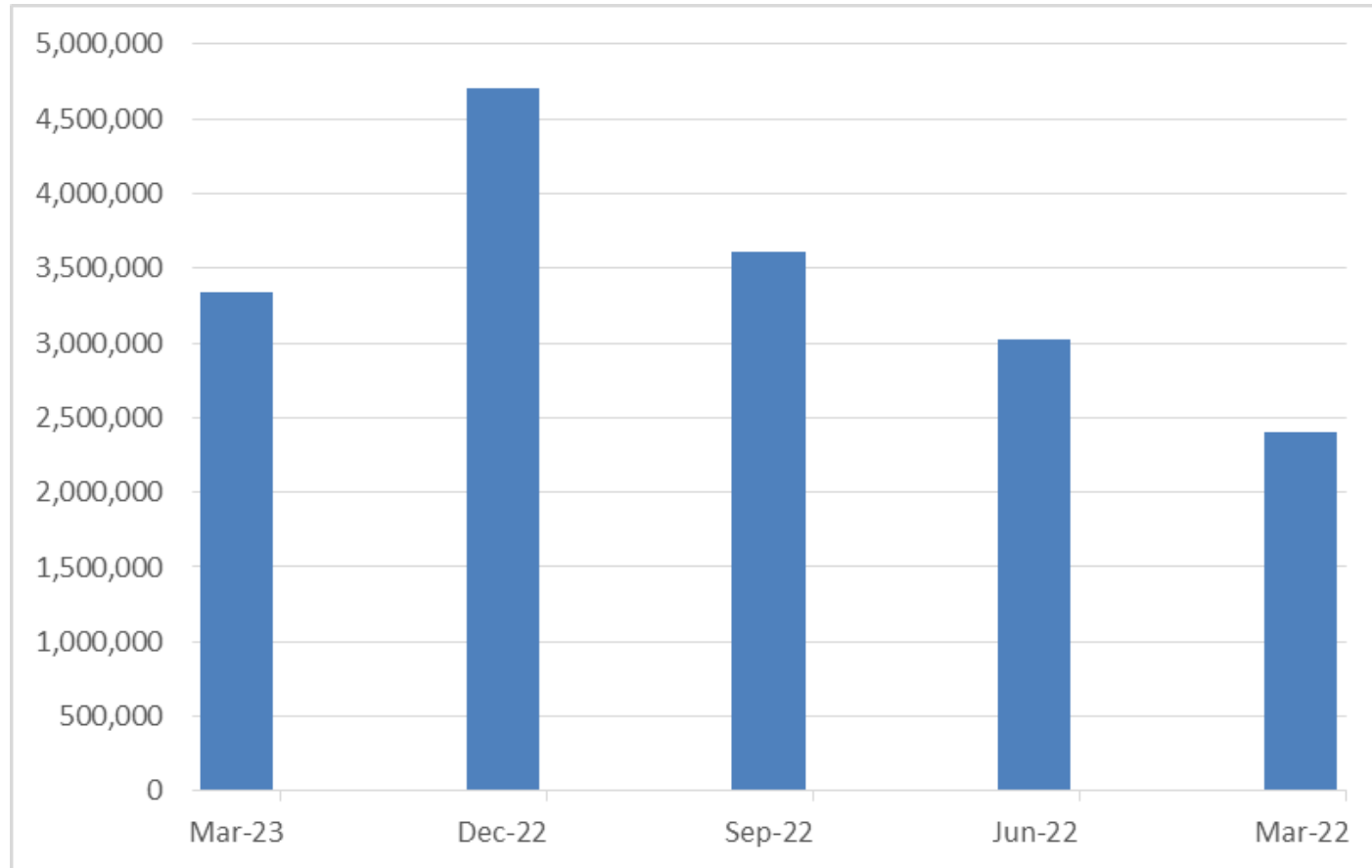
Balance Sheet Summary

	Three Months Ended March 31,		Year Ended December 31,	
	2023	2022	2022	2021
Net loans	\$749,840,153	\$688,676,880	\$740,332,658	\$682,240,305
Total assets	1,030,539,393	1,005,190,870	1,056,032,147	1,019,105,799
Total deposits	888,545,099	877,300,445	922,972,280	879,399,953
Borrowed funds	1,300,000	1,300,000	1,300,000	1,300,000
Junior subordinated debentures	12,887,000	12,887,000	12,887,000	12,887,000
Total liabilities	950,859,607	927,746,082	980,855,784	934,345,531
Total shareholders' equity	79,679,787	77,444,788	75,176,363	84,760,268

Operating Results, Trailing Five Quarters



Net Income, Trailing Five Quarters



Asset Quality Metrics

