

**UNITED STATES  
FEDERAL DEPOSIT INSURANCE CORPORATION  
Washington, D.C. 20429**

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

**NORTHEAST BANK**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
  - Fee paid previously with preliminary materials.
  - Fee computed on table in exhibit required by Item 25(b) per Exchange Act Rules 14a-6(i)(1) and 0-11.
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October 3, 2022

Dear Northeast Bank Shareholder:

You are cordially invited to attend the 2022 annual meeting of shareholders of Northeast Bank. The annual meeting will be held on Tuesday, November 15, 2022 at 12:00 p.m., Eastern time, at the offices of Goodwin Procter LLP located at 100 Northern Avenue, Boston, Massachusetts 02210.

The proxy statement, with the accompanying formal notice of the meeting, describes the matters expected to be acted upon at the meeting. We urge you to review these materials carefully and to use this opportunity to take part in the affairs of Northeast Bank by voting on the matters described in the proxy statement. Following the formal portion of the meeting, we will report on the operations of our Bank, and our directors and management team will be available to answer appropriate questions from shareholders.

Your vote is important. We hope that you will be able to attend the annual meeting. Whether or not you plan to attend the annual meeting, please vote as soon as possible. Instructions on how to vote are contained in the proxy statement.

Thank you for your continued support of Northeast Bank.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard Wayne", with a long horizontal flourish extending to the right.

Richard Wayne  
*President and Chief Executive Officer*

**NORTHEAST BANK**  
27 Pearl Street  
Portland, Maine 04101

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD ON NOVEMBER 15, 2022**

The 2022 annual meeting of shareholders of Northeast Bank will be held on Tuesday, November 15, 2022 at 12:00 p.m., Eastern time, at the offices of Goodwin Procter LLP located at 100 Northern Avenue, Boston, Massachusetts 02210. The annual meeting will be held for the following purposes:

1. To elect the three nominees named in the proxy statement as Class III directors, each to serve until the 2025 annual meeting and until their respective successors are duly elected and qualified.
2. To approve, on an advisory, non-binding basis, the compensation of our named executive officers.
3. To ratify the appointment of RSM US LLP as our independent registered public accounting firm for the fiscal year ending June 30, 2023.
4. To consider and act upon any other matters that are properly brought before the annual meeting and at any adjournments or postponements thereof. At this time, we are not aware of any such other matters.

You may vote if you were a holder of shares of voting common stock of record as of the close of business on September 21, 2022. If you do not plan to attend the meeting and vote your shares of voting common stock during the meeting, we urge you to vote your shares by following the instructions in the proxy statement. Please complete, date, sign and return the accompanying proxy card, or submit your proxy electronically via the Internet or telephone.

If your shares of voting common stock are held by a broker, bank or other nominee, please follow the instructions you receive from your broker, bank or other nominee to have your shares of voting common stock voted.

Any proxy may be revoked at any time prior to its exercise at the annual meeting.

By Order of the Board of Directors



Date: October 3, 2022

Heidi Jacques  
*Corporate Clerk*

**Important Notice Regarding the Availability of Proxy Materials for  
the Annual Meeting of Shareholders to be Held on November 15, 2022**

We have adopted the Securities and Exchange Commission rule allowing companies to furnish proxy materials to their shareholders over the Internet. We believe that this expedites shareholders' receipt of proxy materials and lowers the costs of our annual meeting. On or about October 3, 2022, we mailed a Notice of Internet Availability of Proxy Materials (the "Notice") to all shareholders of record of voting common stock as of September 21, 2022, containing instructions on how to access our proxy statement, Form 10-K, and annual report and vote your shares. The Notice also contains instructions on how you can (i) receive a paper copy of the proxy materials, if you only received a Notice by mail, or (ii) elect to receive your proxy materials over the Internet.

**The proxy statement and annual report to shareholders are available at  
*<http://www.investorvote.com/NBN>*.**

**NORTHEAST BANK**  
27 Pearl Street  
Portland, Maine

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**PROXY STATEMENT**

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This proxy statement is being first made available to shareholders of Northeast Bank on or about October 3, 2022, and is being furnished in connection with the solicitation of proxies by the Board of Directors of Northeast Bank (the “Board”) for use at the 2022 annual meeting of shareholders of Northeast Bank to be held on Tuesday, November 15, 2022 at 12:00 p.m., Eastern time, at the offices of Goodwin Procter LLP located at 100 Northern Avenue, Boston, Massachusetts 02210, and at any adjournments or postponements thereof. For directions to attend the annual meeting, please visit <http://www.edocumentview.com/NBN>.

In this proxy statement, the terms “Northeast,” “the Bank,” “we,” “our” and “us” refer to Northeast Bank.

**Important Notice Regarding the Availability of Proxy Materials  
for the Annual Meeting of Shareholders To Be Held on Tuesday, November 15, 2022**

We have adopted the Securities and Exchange Commission (the “SEC”) rule allowing companies to furnish proxy materials to their shareholders over the Internet. We believe that this expedites shareholders’ receipt of proxy materials and lowers the costs of our annual meeting. On or about October 3, 2022, we mailed a Notice of Internet Availability of Proxy Materials (the “Notice”) to all shareholders of record of voting common stock as of September 21, 2022, containing instructions on how to access our proxy statement, Form 10-K and annual report and vote your shares. The Notice also contains instructions on how you can (i) receive a paper copy of the proxy materials, if you only received a Notice by mail, or (ii) elect to receive your proxy materials over the Internet.

**QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING**

**Why am I receiving this proxy statement?**

You are receiving this proxy statement because our Board of Directors is soliciting your proxy to vote at the 2022 annual meeting of shareholders. This proxy statement contains detailed information you need to know in order to vote at the annual meeting.

**What am I voting on?**

You are being asked to vote on the following items at the annual meeting:

1. To elect the three nominees named in this proxy statement as Class III directors, each to serve until the 2025 annual meeting and until their respective successors are duly elected and qualified.
2. To approve, on an advisory, non-binding basis, the compensation of our named executive officers.
3. To ratify the appointment of RSM US LLP as our independent registered public accounting firm for the fiscal year ending June 30, 2023.
4. To consider and act upon any other matters that are properly brought before the annual meeting and at any adjournments or postponements thereof. At this time, we are not aware of any such other matters.

## Who is entitled to vote?

If you were a shareholder of record of voting common stock (a “Voting Shareholder”) as of the close of business on September 21, 2022, (the “Record Date”), you are entitled to receive notice of the annual meeting and to vote the shares of voting common stock that you held as of the close of business on the Record Date.

## May I attend the meeting?

All shareholders of record at the close of business on the Record Date, or their designated proxies, are authorized to attend the annual meeting. Each shareholder of record and proxy will be asked to present a valid government-issued photo identification, such as a driver’s license or passport, before being admitted. If you are not a shareholder of record but you hold your shares in “street name,” you should provide proof of beneficial ownership as of the Record Date, such as an account statement reflecting your stock ownership as of the Record Date, a copy of the voting instruction card provided by your broker, bank or other nominee, or other similar evidence of ownership. We reserve the right to determine the validity of any purported proof of beneficial ownership. If you do not have proof of ownership, you may not be admitted to the annual meeting. Cameras, recording devices and other electronic devices will not be permitted, and attendees may be subject to security inspections and other security precautions.

## What constitutes a quorum?

The presence, in person or by proxy, of holders of at least a majority of the total number of issued and outstanding shares of voting common stock entitled to vote is necessary to constitute a quorum for the transaction of business at the annual meeting. As of the Record Date, there were 7,523,182 shares of voting common stock outstanding and entitled to vote at the annual meeting. Each share of voting common stock outstanding on the Record Date is entitled to one vote on each matter properly submitted at the annual meeting and, with respect to the election of directors, one vote for each director to be elected. Abstentions and “broker non-votes” (i.e., shares represented at the meeting held by brokers, as to which instructions have not been received from the beneficial owners or persons entitled to vote such shares and with respect to which, on one or more but not all matters, the broker does not have discretionary voting power to vote such shares) will be counted for purposes of determining whether a quorum is present for the transaction of business at the annual meeting.

## How do I vote?

***Voting in Person at the Meeting.*** If you are a Voting Shareholder as of the Record Date and attend the annual meeting, you may vote in person at the meeting. If your shares of voting common stock are held in “street name” and you wish to vote at the meeting, you will need to obtain a proxy from the broker, bank or other nominee that holds your shares of voting common stock of record.

***Voting by Proxy for Shares Registered Directly in Your Name.*** If you hold your shares of voting common stock in your own name as a holder of record with our transfer agent, Computershare, Inc., you may instruct the proxy holders named in the proxy card how to vote your shares of voting common stock in one of the following ways:

- ***Online Voting.*** You may provide voting instructions online by following the instructions provided on your proxy card. Please have your proxy card in hand. If you provide voting instructions online, you do not need to return your proxy card.
- ***Telephone Voting.*** You also have the option to provide voting instructions by calling the toll-free number listed on your proxy card. When you call, please have your proxy card in hand. If you provide voting instructions by telephone, you do not need to return your proxy card.
- ***Voting by Mail.*** If you would like to provide voting instructions by mail, then please mark, sign and date your proxy card and return it promptly to our transfer agent, Computershare, Inc., in the postage-paid envelope provided.

***Voting by Proxy for Shares Registered in Street Name.*** If your shares of voting common stock are held in street name, you will receive instructions from your broker, bank or other nominee that you must follow in order to have your shares of common stock voted.

**Will other matters be voted on at the annual meeting?**

We are not currently aware of any other matters to be presented at the annual meeting other than those described in this proxy statement. If any other matters not described in the proxy statement are properly presented at the meeting, any proxies received by us will be voted in the discretion of the proxy holders.

**May I revoke my proxy instructions?**

You may revoke your proxy at any time before it has been exercised by:

- Filing a written revocation with the Corporate Clerk of Northeast Bank, 27 Pearl Street, Portland, Maine 04101;
- Submitting a new proxy card or voting instructions after the time and date of the previously submitted proxy card or voting instructions; or
- Attending and voting at the annual meeting.

If you are a Voting Shareholder as of the Record Date attending the annual meeting, you may vote whether or not a proxy has been previously given, but your presence (without further action) at the annual meeting will not constitute revocation of a previously given proxy.

**How can I receive copies of the proxy materials?**

If you wish to request copies free of charge of our annual report or proxy statement, please send your request to our executive offices at c/o Corporate Clerk, Northeast Bank, 27 Pearl Street, Portland, Maine 04101 or visit <https://investor.northeastbank.com/investor-relations>.

Additionally, this proxy statement and our 2022 annual report are available on the Bank's website and at <http://www.investorvote.com/NBN>.

## CORPORATE GOVERNANCE PRINCIPLES AND BOARD MATTERS

### The Board of Directors

The Board of Directors, which is elected by the Voting Shareholders, is responsible for the overall management of the business and affairs of Northeast. It has the ultimate decision-making authority, except with respect to those matters reserved to shareholders. The Board and its committees review Northeast's long-term strategic plans and exercise direct decision-making authority in a number of areas, such as declaring a dividend. The Board selects, advises and monitors the performance of the senior management team, which is charged with the conduct of Northeast's business and the implementation of the Board's strategic plan. The Board also reviews development and succession plans for Northeast's senior executive officers, as needed.

The Board of Directors currently consists of seven members divided into three classes. Class I directors are Richard Wayne and William Mayer; Class II directors are Matthew B. Botein and Cheryl Lynn Dorsey; and Class III directors are John C. Orestis, David A. Tanner and Judith E. Wallingford. The terms of the Class III directors will expire at the 2022 annual meeting.

### Corporate Governance Guidelines

The Board has adopted Corporate Governance Guidelines that govern the structure of the Board and outline the Board's policies on a number of Northeast's corporate governance issues and procedures. These guidelines embody long-standing practices of Northeast and also include procedures designed to incorporate current corporate governance best practices. Northeast's corporate governance practices are designed to align the interests of the Board and management with those of Northeast's shareholders and to promote honesty and integrity throughout the Bank. The Corporate Governance Guidelines are available on the Bank's website at <https://investor.northeastbank.com/investor-relations>.

### Director Qualifications and Independence

Applicable rules of The Nasdaq Stock Market (the "Nasdaq Listing Rules"), the exchange on which Northeast's voting common stock is listed, and the Corporate Governance Guidelines require that the Board of Directors consist of a majority of independent directors. The Board of Directors evaluates the relationships between each director (or his or her immediate family members and related interests) and the Bank to determine a director's independence under the Nasdaq Listing Rules. Based on that review, the Board of Directors has affirmatively determined that each director, other than Mr. Wayne, is independent under the Nasdaq Listing Rules.

### Executive Sessions of the Board

As provided in the Corporate Governance Guidelines, the independent directors meet in executive session at least quarterly and often monthly, following a meeting of the Board of Directors. The Chairman of the Board of Directors presides at these sessions.

### Board Attendance and Annual Meeting Policy

It is the Bank's policy that directors should make every effort to attend each meeting of the Board of Directors, each meeting of the committees on which they serve, and the annual meeting of shareholders. During the fiscal year ended June 30, 2022 ("fiscal year 2022"), there were 12 meetings of the Board of Directors, and each of the directors attended at least 75% of the meetings of the Board of Directors (held during the period for which he or she had been a director) and committees on which he or she served (during the periods he or she served). Directors are expected to attend annual meetings of shareholders unless doing so is impracticable due to unavoidable conflicts. Seven directors of Northeast attended the 2021 annual meeting of shareholders.

### Board Leadership

In accordance with the Bank's bylaws, the Board elects an independent director as the Chairman of the Board and also appoints the President, who also serves as Chief Executive Officer ("CEO"). Matthew Botein serves as the Bank's Chairman of the Board, and Richard Wayne serves as President and CEO of the Bank. The Chairman of the Board is responsible for the management, development and effective functioning of the Board and provides



leadership in every aspect of the Board’s oversight of the Bank. The Chairman of the Board also acts in an advisory capacity to the President and CEO, and to other executive officers in matters concerning the interests of the Bank and the Board, as well as serving as the liaison between management and the Board. The Chairman of the Board and the President and CEO work closely to ensure that the strategic goals of Northeast’s management team are in line with the risk and governance oversight objectives of the Board of Directors.

### **Board Committee Membership and Meetings**

The committees of the Board of Directors include an Audit Committee, Compensation Committee, Nominating and Corporate Governance Committee (“Governance Committee”) and Risk Management Committee. These committees assist the Board in fulfilling its responsibilities. All of the members of the committees are nominated by the Governance Committee and appointed by the Board of Directors. Members of these committees are elected annually at the Board of Directors’ meeting following the annual meeting of shareholders. Each of these committees is composed entirely of independent directors. Each of the Audit Committee, the Compensation Committee, the Governance Committee and the Risk Management Committee operates under a committee charter approved by the Board of Directors setting out the purposes and responsibilities of the committee.

<u>Audit Committee</u>	<u>Compensation Committee</u>	<u>Governance Committee</u>	<u>Risk Management Committee</u>
Judith E. Wallingford, Chair	Matthew B. Botein, Chair	Cheryl Lynn Dorsey, Chair	John C. Orestis, Chair
Cheryl Lynn Dorsey	Cheryl Lynn Dorsey	John C. Orestis	Matthew B. Botein
John C. Orestis	Judith E. Wallingford	David A. Tanner	Judith E. Wallingford
	David A. Tanner		David A. Tanner
			William Mayer

***Audit Committee.*** The Audit Committee currently consists of Meses. Wallingford and Dorsey and Mr. Orestis. Each member of the Audit Committee is independent under the Nasdaq Listing Rules and meets the criteria for independence as set forth in the SEC rules applicable to an audit committee.

The Audit Committee (i) oversees the accounting, financial reporting and internal control processes and the audits of financial statements; (ii) takes, or recommends that the Board take, appropriate action to oversee the qualifications, independence and performance of independent auditors; (iii) evaluates the performance of the Bank’s internal audit function and (iv) prepares the report required by the rules of the SEC to be included in the proxy statement.

The Audit Committee held eight meetings during fiscal year 2022. The Board of Directors has determined that Ms. Wallingford qualifies as an “audit committee financial expert” as that term is defined in the rules of the SEC. The Audit Committee’s charter is available on the Bank’s website under the “Investor Relations” tab at <https://investor.northeastbank.com/investor-relations>.

***Compensation Committee.*** The Compensation Committee currently consists of Messrs. Botein and Tanner and Meses. Dorsey and Wallingford. Each member of the Compensation Committee is independent under the Nasdaq Listing Rules.

The Compensation Committee (i) oversees overall compensation structure, policies and programs; (ii) reviews processes and procedures for the consideration and determination of director and executive compensation; and (iii) is responsible for producing a report for inclusion in the proxy statement relating to the Bank’s annual meeting of shareholders or annual report on Form 10-K, in accordance with applicable rules and regulations. The primary objective of the Compensation Committee is to develop and implement compensation policies and plans that ensure the attraction and retention of key management personnel, the motivation of management to achieve Northeast’s corporate goals and strategies, and the alignment of the interests of management with the long-term interests of Northeast’s shareholders.

The Compensation Committee determines the compensation of all officers. The Compensation Committee also reviews and makes recommendations to the full Board of Directors regarding the compensation of non-employee directors. In fiscal year 2022, the Compensation Committee engaged PricewaterhouseCoopers LLP to conduct market compensation reviews for its named executive officers and directors. For additional information on the

Compensation Committee’s process for the consideration and determination of the executive officer and director compensation and the engagement of the compensation consultant, please see “*Executive Compensation*.”

The Compensation Committee held five meetings during fiscal year 2022. The Compensation Committee’s charter is available on the Bank’s website at <https://investor.northeastbank.com/investor-relations>.

**Governance Committee.** The Governance Committee currently consists of Ms. Dorsey and Messrs. Orestis and Tanner. Each member of the Governance Committee is independent under the Nasdaq Listing Rules.

The Governance Committee is responsible for identifying individuals qualified to become board members, consistent with criteria approved by the Board, and recommending that the Board select the director nominees for election at each annual meeting of shareholders. The Governance Committee is also responsible for developing and recommending to the Board a set of corporate governance guidelines applicable to Northeast, periodically reviewing such guidelines and recommending any changes thereto, and overseeing the evaluation of the Board and management.

The Governance Committee held three meetings during fiscal year 2022. The Governance Committee Charter is available on the Bank’s website under the “Investor Relations” tab at <https://investor.northeastbank.com/investor-relations>.

**Risk Management Committee.** The Risk Management Committee currently consists of Messrs. Orestis, Botein, Mayer and Tanner and Ms. Wallingford. The Risk Management Committee monitors and approves the Bank’s levels of risk tolerance and related metrics on a comprehensive, enterprise-wide basis, and identifies and monitors key risks individually, approves levels of risk tolerance for each, and evaluates arrangements for the management thereof. The Risk Management Committee further provides a forum for consideration and discussion of trends and emerging risks.

The Risk Management Committee held six meetings during fiscal year 2022.

## **Risk Oversight**

The Board of Directors plays an important role in the risk oversight of the Bank and is involved in risk oversight through direct decision-making authority with respect to significant matters, including the development of limits and specific risk tolerances, and the oversight of management by the Board of Directors and its committees. The Board and its committees are also each directly responsible for considering risks and the oversight of risks relating to decisions that each committee is responsible for making. In light of Northeast’s overall business, market and regulatory framework under which Northeast operates, and the complexities of Northeast’s operations as a whole, the Board has established a Senior Management Risk and Compliance Committee, tasked with specific responsibility for direct oversight of the risks inherent in Northeast’s business, along with management of the enterprise-wide risk management program.

In addition to the Senior Management Risk and Compliance Committee, the Board of Directors administers its risk oversight function through (i) the review and discussion of regular periodic reports to the Board of Directors and its committees on topics relating to the risks that Northeast faces, including, among others, credit risk, interest rate risk, regulatory risk and various other matters relating to Northeast’s business; (ii) the required approval by the Board of Directors (or a committee thereof) of significant transactions and other decisions, including, among others, final budgets, material uses of capital, strategic direction, and executive management hiring and promotions; (iii) the direct oversight of specific areas of Northeast’s business by the Senior Management Risk and Compliance Committee, the Audit Committee, the Compensation Committee, and the Governance Committee; and (iv) regular periodic reports from the Bank’s internal and external auditors and other third-party consultants regarding various areas of potential risk, including, among others, those relating to the Bank’s internal controls and financial reporting. The Board of Directors also relies on management to bring significant matters impacting the Bank to the Board’s attention.

## **Corporate Social Responsibility**

Corporate responsibility promotes the long-term interests of our shareholders and strengthens our Board and management accountability. Our Board of Directors' duty of overseeing our corporate strategy includes the Board's oversight of how environmental and social issues may impact the long-term interests of our shareholders and other stakeholders. Corporate responsibility at Northeast is governed from the most senior levels down to every one of our employees because we believe that achieving operational excellence is intrinsically tied to how responsibly we run our business.

At Northeast, we are focused on environmental, social, and governance ("ESG") factors that are connected to our strategic business initiatives. As a full-service bank and national commercial loan originator, we focus on ESG issues such as financial inclusion and literacy, cybersecurity, and the development of our employees. We are in the process of fully evaluating our ESG issues and developing a comprehensive strategy.

### *Cybersecurity*

One of our top priorities is safeguarding our customers' personal financial information. We engage in a comprehensive and proactive approach to compliance, data privacy, cybersecurity, and risk management. Our information security program follows the industry recognized National Institute of Standards and Technology framework to prevent, identify, mitigate and respond to potential risks and threats. We are supported by a number of reputable third-party vendors. Our commitment to data security and privacy is coordinated through our Senior Management Risk and Compliance Committee, which is chaired by our Senior Enterprise Risk Manager. Through regular meeting, reporting, and employee training, we work diligently every day to protect our customers' most sensitive information.

### *Financial Inclusion and Literacy*

As a financial institution, we recognize the value of financial access and knowledge. We operate pursuant to a Community Reinvestment Act ("CRA") Strategic Plan (the "CRA Strategic Plan") that we have adopted in order to tailor our CRA goals and objectives to address the needs of our community consistent with our business strategy, operational focus, and capacity and constraints. The CRA Strategic Plan is an important aspect of our business strategy within our Community Banking Division. The CRA Strategic Plan focuses on the extent and breadth of small business lending activities, including the distribution of small business loans among different geographies and small businesses of different sizes throughout Maine, and places a strong emphasis on community development lending, services, donations, and investments. The small business lending performed by the Community Banking Division provides meaningful support to businesses in our local communities. Our employees contribute hundreds of service hours per year supporting low- or moderate-income geographies and individuals through financial literacy programs and serving as directors for community development organizations. Community development donations provide meaningful assistance to organizations that focus on affordable housing and community services targeted to low- or moderate-income individuals throughout Maine. In addition, we hold an investment in a CRA Qualified Investment fund which is a mutual fund that invests in securities and debt instruments in our CRA Assessment Area.

### *Human Capital Management*

We recognize that attracting and retaining talent at all levels is vital to our continued success. Our human capital management philosophy is rooted in a deep sense of duty and care for one another. We strive to have open dialogues with our employees where issues can be raised and solutions identified. We offer our employees high-quality benefits and various health initiatives to support their overall well-being. Additionally, our talent development programs focus on providing educational opportunities through both internal and external resources, such as our employee training program and tuition reimbursements. We also prioritize giving back to our employees through recognition programs and bonus opportunities. All employees of the Bank received annual bonuses for fiscal years 2022 and 2021.

## **Consideration of Director Nominees**

***Shareholder Recommendations.*** The Governance Committee's current policy is to review and consider any director candidates who have been recommended by shareholders in compliance with the procedures established

from time to time by the Governance Committee and set forth in the Governance Committee charter. All shareholder recommendations for director candidates must be submitted to Corporate Clerk at Northeast Bank, 27 Pearl Street, Portland, ME 04101, who will forward all recommendations to the Governance Committee.

***Board Membership Criteria.*** The Governance Committee has established criteria for the Governance Committee-recommended director nominees. These criteria include the following specific, minimum qualifications that the Governance Committee believes must be met by each Governance Committee-recommended nominee for a position on the Board:

- The nominee shall have experience at a strategic or policymaking level in a business, government, non-profit or academic organization of high standing.
- The nominee shall be highly accomplished in his or her respective field, with superior credentials and recognition.
- The nominee shall be well regarded in the community and shall have a long-term reputation for the highest ethical and moral standards.
- The nominee shall have sufficient time and availability to devote to the affairs of the Bank, particularly in light of the number of boards on which the nominee may serve.
- To the extent such nominee serves or has previously served on other boards, the nominee shall have a demonstrated history of actively contributing at board meetings.

In addition to the minimum qualifications for each nominee set forth above, the Governance Committee shall recommend that the Board select persons for nomination to help ensure that:

- A majority of the Board shall be independent under the Nasdaq Listing Rules.
- Each of its Audit, Compensation, Governance and Risk Management Committees shall be comprised entirely of independent directors.
- At least one member of the Audit Committee shall have such experience, education and other qualifications necessary to qualify as an “audit committee financial expert” as defined by the rules of the SEC.

Finally, in addition to any other standards the Governance Committee may deem appropriate from time to time for the overall structure and composition of the Board, the Governance Committee may consider the following factors when recommending that the Board select persons for nomination:

- Whether the nominee has direct experience in the financial services industry or in the markets in which the Bank operates.
- Whether the nominee, if elected, assists in achieving a mix of Board members that represents a diversity of background and experience.

***Identifying and Evaluating Nominees.*** The Governance Committee may solicit recommendations for director nominees from any or all of the following sources: non-management directors, the CEO, other executive officers, third-party search firms or any other source it deems appropriate.

The Governance Committee will review and evaluate the qualifications of any proposed director candidate that it is considering or has been recommended to it by a shareholder in compliance with the Governance Committee’s procedures for that purpose, and conduct inquiries it deems appropriate into the background of the proposed director candidates. In identifying and evaluating proposed director candidates, the Governance Committee may consider, in addition to the minimum qualifications for Governance Committee-recommended director nominees, all facts and circumstances that it deems appropriate or advisable, including, among other things, the skills of the proposed director candidate, his or her depth and breadth of business experience, his or her independence and the needs of the Board. Neither the Governance Committee nor the Board has a specific policy with regard to the consideration of

diversity in identifying director nominees, although both may consider diversity when identifying and evaluating proposed director candidates. As noted above, the Governance Committee, when recommending director candidates to the full Board for nomination, may consider whether a director candidate, if elected, assists in achieving a mix of Board members that represents a diversity of background and experience. Other than circumstances in which Northeast may be legally required by contract or otherwise to provide third parties with the ability to nominate directors, the Governance Committee will evaluate all proposed director candidates that it considers or who have been properly recommended to it by a shareholder based on the same criteria and in substantially the same manner, with no regard to the source of the initial recommendation of the proposed director candidate.

## Board Diversity

In the director nomination process, the Board of Directors and the Governance Committee seek to ensure that there is diversity of thought among directors, which we believe stems from many factors, including professional experience, life experience, socio-economic background, education, gender, race, religion, skill set, and geographic representation. The Governance Committee does not assign specific weights to particular factors, and no particular factor is necessarily applicable to all prospective nominees. In addition to relevant business experience, qualifications, attributes, skills, and willingness to devote sufficient time to the Board of Directors and its committees, our Governance Committee seeks candidates with pertinent and desirable personal characteristics including outstanding reputation, integrity, sound judgment, and high ethical standards. We evaluate board diversity on a continuing basis by assessing whether varying viewpoints are routinely presented on key issues and evaluating the individual performance and contributions of each director.

The following table sets forth the diversity characteristics of the Board of Directors.

Total Number of Directors	7			
	Female	Male	Non-Binary	Did Not Disclose Gender
<b>Part I: Gender Identity</b>				
Directors	2	5	-	-
<b>Part II: Demographic Background</b>				
African American or Black	1	-	-	-
Alaskan Native or Native American	-	-	-	-
Asian	-	-	-	-
Hispanic or Latino	-	-	-	-
Native Hawaiian or Pacific Islander	-	-	-	-
White	1	5	-	-
Two or More Races or Ethnicities	-	-	-	-
LBGTQ+	-	-	-	-
Did Not Disclose Demographic Background	-	-	-	-

## Shareholder Engagement

Our Board and management value the opportunity to engage with our shareholders so as to better understand and focus on the priorities that matter most to them, and to foster consistent and constructive dialogue. This past year, our directors and members of senior management proactively initiated investor outreach efforts. From these requests, we were able to engage with our top shareholders, which group included index funds and actively managed funds, among others, as well as proxy advisory firms that represent the interests of a wide array of shareholders. The feedback and insight from these meetings, in addition to emerging best practices, policies at other companies and market standards, are considered and evaluated by our Board, its committees, and management to enhance the evolution of our disclosures and practices.

We plan to continue increasing shareholder and stakeholder outreach and are working to create a regular cadence of two-way communication opportunities as we seek to understand priorities from all perspectives.

## **Communications with Directors**

The Board of Directors has established a process for shareholders and other interested parties to communicate with the Board or a particular director. A shareholder may send a letter to Northeast Bank, Attention: Corporate Clerk, 27 Pearl Street, Portland, ME 04101. The mailing envelope should contain a clear notation indicating that the enclosed letter is a “Board communication” or “director communication.” All such letters should state whether the intended recipients are all members of the Board or just certain specified individual directors. The Corporate Clerk will circulate the communications (with the exception of commercial solicitations) to the appropriate director or directors. Communications marked “Confidential” will be forwarded unopened. A log of all correspondence addressed to the Board will be kept for periodic review by the Governance Committee and any other interested director.

## **Code of Ethics**

The Board has adopted a Code of Ethics that applies to all of the directors, officers and employees, including its principal executive officer, principal financial officer and principal accounting officer. The Bank is committed to the highest standards of ethical and professional conduct, and the Code of Ethics provides guidance on how to uphold these standards. The Code of Ethics consists of basic standards of business practice as well as professional and personal conduct. Any material amendments to, or waivers of, the Code of Ethics (to the extent applicable to the principal executive officer, principal financial officer or principal accounting officer) will be promptly disclosed by the Bank. The Governance Committee has been charged with reviewing and reassessing the adequacy of the Code of Ethics annually and recommending any proposed changes to the Board for approval. The Code of Ethics is available on the Bank’s website at <https://investor.northeastbank.com/investor-relations>. A copy of this Code of Ethics is also available in print to any shareholder upon written request addressed to Corporate Clerk, 27 Pearl Street, Portland, Maine 04101.

## **Policy Regarding Derivatives, Short Sales, Hedging or Pledging**

The Board annually reviews and approves the Bank’s policy with regard to insider trading. The Bank’s Insider Trading Policy prohibits insiders from trading in puts, calls, other derivative securities of the Bank’s common stock, or any derivative securities that provide the economic equivalent of ownership of any of the Bank’s securities or an opportunity to profit from or hedge against any change in the value of the Bank’s securities. The Bank’s Insider Trading Policy also prohibits insiders from pledging shares on margin and engaging in short sales of the Bank’s securities.

## **Director Compensation**

In fiscal year 2022, each director received \$10,000 per quarter for Board fees. All committee members received \$1,250 quarterly. The Governance and Compensation Committee chairs received an additional \$625 quarterly and the Audit and Risk Committee chairs received an additional \$1,875 quarterly. The Chairman of the Board of Directors received an additional \$5,000 quarterly. Management directors do not receive compensation for services rendered as directors.

Beginning in fiscal year 2022, the directors received a portion of their annual retainer as a fully vested common stock award to align their interests with those of the shareholders. In fiscal year 2022, the Chairman of the Board received 1,000 shares of common stock and the other independent directors received 715 shares each.

The following table sets forth a summary of the compensation earned by or paid to our non-employee directors for fiscal year 2022:

Name	<u>Fees Earned or Paid in Cash (1)</u>	<u>Stock Awards (2)</u>
Matthew Botein	\$77,500	\$35,000
Cheryl Dorsey	57,500	25,000
William Mayer	45,000	25,000
John Orestis	67,500	25,000
David Tanner	60,000	25,000
Judith Wallingford	62,500	25,000

(1) – This column reflects the total fees earned or paid in cash to directors.

(2) – The amount in this column represents a portion of the director’s annual fee paid in the form of fully vested common stock.

## **PROPOSAL 1 ELECTION OF DIRECTORS**

### **Introduction**

The Board of Directors consists of seven members divided into three classes: Class I, Class II and Class III. At the 2022 annual meeting, three Class III directors will be elected to serve until the 2025 annual meeting of shareholders and until their respective successors are duly elected and qualified. Following the recommendation of the Governance Committee, the Board has nominated each of the current Class III directors for re-election.

### **Vote Required**

Directors are elected by a plurality of the votes cast by the holders of shares of voting common stock present in person or represented by proxy and entitled to vote on the election of directors at the annual meeting. Votes may be cast for or withheld from each nominee. Votes cast for the nominees will count as “yes” votes. Votes that are withheld from the nominees will not be voted with respect to the director or directors indicated. Withheld votes and broker non-votes will have no effect on the outcome of the director elections.

### **Recommendation**

**The Board of Directors unanimously recommends a vote *FOR* its nominees, John C. Orestis, David A. Tanner and Judith E. Wallingford. Properly authorized proxies solicited by the Board will be voted *FOR* each of the nominees unless instructions to the contrary are given.**

### **Information Regarding the Nominees, Other Directors and Executive Officers**

The following biographical descriptions set forth certain information with respect to the nominees for election as directors at the annual meeting, each director who is not standing for election and the executive officers who are not directors, based on information furnished to the Bank by each nominee, director and executive officer. Each executive officer holds office until the regular meeting of the Board of Directors following the next annual meeting of shareholders and until his or her successor is duly elected and qualified or until his or her earlier resignation or removal.

The biographical description below for each nominee includes the specific experience, qualifications, attributes and skills that led to the conclusion by the Board of Directors that such person should serve as a director of Northeast. The biographical description of each director who is not standing for election includes the specific experience, qualifications, attributes and skills that the Board of Directors would expect to consider if it were making a conclusion currently as to whether such person should serve as a director. The Board of Directors did not currently evaluate whether these directors should serve as directors, as the terms for which they have been previously elected continue beyond the annual meeting.

#### *Directors with Terms Expiring 2022*

**John C. Orestis**, 79, has been a director of Northeast and the Bank since 2007. Mr. Orestis has been the owner, Treasurer and Chief Development Officer of Schooner Estates Retirement Community in Auburn, Maine since 2006 as well as the President and Chief Executive Officer of North Country Associates in Lewiston, Maine since 1987. Mr. Orestis received his A.B. from Georgetown University and his Juris Doctorate from American University and was a senior Partner at Skelton, Taintor, Abbott & Orestis, Attorneys from 1968 to 1987, specializing in business and tax law. Mr. Orestis has served on many government and civic organizations throughout Maine, including the Maine Healthcare Association and the Maine Economic Growth Council. Mr. Orestis was the former mayor of the city of Lewiston and is widely recognized by many of the Bank’s customers as having a particular interest in senior citizens by virtue of his substantial investment in senior care. We believe that Mr. Orestis’ qualifications to serve on the Board of Directors include his business and legal experience, and his connections to the Maine community.

**David A. Tanner**, 63, has been a director of Northeast and the Bank since 2010. He is also the Managing Director of Three Mile Capital LLC, a private investment company. Until June 30, 2017, Mr. Tanner was the Managing Director of Arlon Group LLC, the investment group affiliated with Continental Grain Company, and served as Executive Vice President and a member of the Management Committee of Continental Grain Company



since 2006. Previously, Mr. Tanner served as a Founder and Managing Principal of Quadrangle Group, LLC from 2000 to 2006; Managing Director at Lazard Freres & Co. and Managing Principal at Lazard Capital Partners from 1998 to 2000; and Managing Director at Warburg Pincus LLC, with which he was associated from 1986-1997. Mr. Tanner serves on the Board of Directors of White Mountain Insurance Group, Ltd. Mr. Tanner is also the Chairman of the Board of Trustees of New York University School of Law, is a Trustee of New York University, a Trustee and Chairman Emeritus of Montefiore Medicine Academic Health System, Director of Lawyers for Children, Trustee of Central Synagogue, Director of The Carroll and Milton Petrie Foundation and member of the Council on Foreign Relations. Mr. Tanner received his Bachelor of Arts degree with honors in History from Princeton University, his Diploma of Economics from the London School of Economics, and his Juris Doctor from the New York University School of Law. We believe that Mr. Tanner's qualifications to serve on the Board of Directors include his extensive experience in executive leadership, strategic planning and corporate governance.

**Judith E. Wallingford**, 66, has been a director of the Bank since 1994. Ms. Wallingford is the retired President of The Maine Water Company, a water utility serving various communities in Maine, and prior to that served as Treasurer and Controller for Consumers Water Company. Ms. Wallingford joined the Board as a result of Northeast's acquisition of Brunswick Federal Savings, F.A. Ms. Wallingford is a Certified Management Accountant and holds a BA from Bowdoin College. We believe that Ms. Wallingford's qualifications to serve on the Board of Directors include her knowledge of executive management, finance and accounting, and general business acumen.

#### *Directors with Terms Expiring in 2023*

**Richard Wayne**, 70, has been the President and Chief Executive Officer and a director of the Bank since 2010. He co-founded Capital Crossing Bank (formerly known as Atlantic Bank) located in Boston, Massachusetts in 1988. He served as President and Co-Chief Executive Officer from 1991 until its sale in February 2007. Mr. Wayne holds a B.S. in Accounting from Syracuse University, a J.D. from Suffolk University Law School, and a Masters in Taxation from Boston University School of Law. We believe that Mr. Wayne's qualifications to serve on the Board of Directors include his demonstrated experience in executive leadership, management and banking.

**William Mayer**, 71, has been a director of the Bank since 2021, and is a retired partner from Goodwin Procter. Mr. Mayer served as corporate and regulatory counsel for financial institutions and financial institution holding companies, ranging from global and larger U.S. banking organizations to regional and community banks until his retirement in 2019. Mr. Mayer also participated in missions for USAID, the World Bank and the IMF to address financial sector issues in Eastern Europe, the Middle East and Latin America. A former chair of Goodwin's Pro Bono Committee for 10 years, Mr. Mayer maintained an active pro bono practice, serving as chairman of the board of KickStart International, a nonprofit devoted to designing and marketing appropriate technology to African farmers, and chairman of the board of RefugePoint, a nonprofit organization founded to protect and develop solutions for refugees worldwide. He was also on the board of The Chocorua Lake (NH) Conservancy. In addition, Mr. Mayer also served as counsel and board advisor to a number of other nonprofit organizations. Mr. Mayer graduated Summa Cum Laude from Dartmouth College, received a Masters' Degree from the University of Dar es Salaam, and a J.D. from Virginia Law School, where he was an editor of the Virginia Law Review. We believe that Mr. Mayer's qualifications to serve on the Board of Directors include his extensive legal experience and knowledge of the financial and banking industries.

#### *Directors with Terms Expiring in 2024*

**Matthew B. Botein**, 49, has been a director of the Bank since 2010 and has served as Chairman of the Board since 2021. He is Co-founder and Managing Partner of Gallatin Point Capital LLC ("GPC"). Prior to founding GPC, Mr. Botein was co-head and Chief Investment Officer of BlackRock Alternative Investors, the alternative investing unit of asset manager BlackRock Inc. Prior to his role at BlackRock, he was a partner at hedge fund Highfields Capital Management and a principal in the private equity department of The Blackstone Group. He has been instrumental in the formation, acquisition or development of numerous financial services enterprises, including PennyMac Financial Services Inc., Aspen Insurance Holdings Limited, ABR Reinsurance Limited, Home Partners of America, and Cyrus Reinsurance Limited. Mr. Botein currently serves on the Boards of Hunt Capital Holdings LLC, Amber Infrastructure Group Holdings Ltd., Fortuna Holdings Ltd., Bowhead Specialty Underwriters, The Tower Hill Insurance Exchange Subscribe Advisory Committee, and James River Holdings, and as a strategic advisor to technology-enabled real estate investment platform Cadre Inc. He also serves as a trustee of Boston Medical Center and Beth Israel Deaconess Medical Center and on the investment committee of both institutions,

chairing that of Boston Medical Center. He has served on the Advisory Committee on Corporate Social Responsibility for Harvard University. He is a Phi Beta Kappa graduate of Harvard College and the Harvard Business School, where he was awarded Baker and Loeb scholarships. We believe that Mr. Botein's qualifications to serve on the Board of Directors include his extensive experience relating to finance, strategic planning and executive leadership.

**Cheryl Lynn Dorsey**, 59, has been a director of the Bank since 2010. She has also been the President of Echoing Green, a global nonprofit that sparks transformative social change by investing in emerging social entrepreneurs and their bold ideas to build a more equitable world, since May 2002. Ms. Dorsey served as a White House Fellow from 1997 to 1998, serving as Special Assistant to the U.S. Secretary of Labor, advising the Clinton Administration on health care and other issues. She was later named Special Assistant to the Director of the Women's Bureau of the U.S. Labor Department, where she helped develop family-friendly workplace policies and spearheaded the labor secretary's pay equity initiative. From 2009-2017, she was the Vice Chair of the President's Commission on White House Fellowships, after serving as a team member of the Innovation and Civil Society subgroup of the Obama Presidential Transition's Technology, Innovation, and Government Reform Policy Working Group. Ms. Dorsey currently serves on the Board of Oak Street Health. She was named one of "America's Best Leaders" in 2009 by U.S. News & World Report and the Center for Public Leadership at the John F. Kennedy School of Government at Harvard University. Ms. Dorsey serves on the Harvard University Board of Overseers and the SEED Foundation. She is a 2006 Henry Crown Fellow through the Aspen Institute, a 2007 Prime Movers Fellow through the Hunt Alternatives Fund, and a member of the John F. Kennedy School of Government's Visiting Committee. She holds a B.A. in History and Science from Harvard-Radcliffe Colleges, an M.D. from the Harvard Medical School and an M.P.P. from the John F. Kennedy School of Government. We believe that Ms. Dorsey's qualifications to serve on the Board of Directors include her extensive experience in executive leadership, management and strategic planning.

#### *Executive Officers who are not Directors*

**Patrick Dignan**, 59, has been the Chief Operating Officer since August 2022, Executive Vice President of the Bank since fiscal year 2016 and with the Bank since 2010. He is responsible for developing new lending opportunities and ensuring sound credit quality throughout all business lines. Prior to joining the Bank in 2010, Mr. Dignan was a Senior Vice President with Capital Crossing Servicing Company, and previously with Capital Crossing, a Division of Lehman Brothers Bank, and Capital Crossing Bank. Mr. Dignan holds a B.A. in Philosophy from St. John's College, is a Fellow of the Royal Institute of Chartered Surveyors, and a member of the Counselors of Real Estate.

**Jean-Pierre Lapointe**, 40, has been the Chief Financial Officer of the Bank since 2017. Prior to joining Northeast Bank, Mr. Lapointe served as a Senior Audit Manager at Wolf & Company, P.C. in their external and internal audit practices, with a focus on the financial services sector from 2004 to 2017. Mr. Lapointe is a certified public accountant and received a B.S. and a M.S. in Accountancy from Bentley University and Western New England University, respectively.

**Julie Jenkins**, 59, has been the Senior Vice President and Chief Information Officer since 2020. She is responsible for the oversight of the Information Technology department of the Bank. Prior to becoming Chief Information Officer, she served as Director of Operations, from 2012 to 2020, and Director of eBanking Strategic Initiatives from 2011 to 2012. Prior to joining the Bank, Ms. Jenkins was at Santander Bank, where she led a team of internal consultants for its parent, Banco Santander, who were responsible for planning, organizing and implementing enterprise-wide new technology systems for the company. Ms. Jenkins has held senior operations and technology management positions at Mt. Washington Bank and Abington Savings Bank. Ms. Jenkins earned her B.A. in Management from Assumption College in Worcester, Massachusetts.

**Robert Banaski**, 52, has been the Senior Vice President and Director of Community Banking of the Bank since 2018. He is responsible for leading the overall deposit gathering strategy and all supporting operations, marketing, and customer support functions for the Bank. Prior to joining Northeast Bank, Mr. Banaski served as Executive Vice President and Chief Administrative Officer of Admirals Bank from 2010 to 2018, where he led all bank-wide operations, including consumer lending, loan and deposit servicing, retail banking, human resources, and information technology. Mr. Banaski has held senior operations, human resources, and technology management positions at Capital Crossing Servicing Company, LLC; Capital Crossing Bank, a Division of Lehman Brothers

Bank; Capital Crossing Bank; and First Essex Bank FSB. Mr. Banaski received a B.S. in Business Administration from Southern New Hampshire University.

## EXECUTIVE COMPENSATION

### Introduction

This section describes the Bank's executive compensation philosophy, programs and policies for fiscal year 2022, and sets forth how the Compensation Committee of the Board of Directors of the Bank determined fiscal year 2022 compensation for the following named executive officers of the Bank:

- Richard Wayne, President and CEO;
- Patrick Dignan, Executive Vice President, Chief Operating Officer; and
- Julie Jenkins, Senior Vice President, Chief Information Officer.

### Compensation Philosophy and Objectives

We seek to attract and retain talented and committed employees and executives. Our compensation program is intended to meet the following objectives:

- Attract, develop, retain and motivate talented leadership to achieve the Bank's strategic objectives;
- Align management's interests with those of the shareholders through the use of equity plans approved by the Board and shareholders; and
- Reward high performance, promote accountability and adherence to the Bank's values and its Code of Ethics.

### Executive Summary

Fiscal year 2022 was another strong year for the Bank, with net income of \$42.2 million, or \$5.34 per diluted common share. These earnings also resulted in a return on average assets of 2.68%, a return on average equity of 17.40% and an efficiency ratio of 45.22%. The driver behind the strong operating results was \$22.5 million of correspondent fee income recognized during fiscal year 2022, along with a continued increase in net interest income, which grew by \$16.3 million, or 24.4%, during fiscal year 2022.

The Bank's National Lending Division originated and purchased a total of \$775.7 million of loans during fiscal year 2022, resulting in net loan growth in the National Lending Division of \$284.3 million, or 29.8%. At the end of the year, delinquencies and non-accrual loans amounted to \$7.0 million and \$12.9 million, respectively. The Bank repurchased 820,698 shares during fiscal year 2022 at a weighted average price per share of \$34.09.

### 2022 Executive Compensation Framework

The Compensation Committee designed the fiscal year 2022 executive compensation program to drive performance, recognize achievement of strategic objectives for the year and attract, develop, retain, and motivate our leadership team. Our program this year emphasizes at-risk pay and is consistent with the compensation philosophy and has been designed to be responsive to shareholder views and feedback. Additionally, this year's compensation reflected the level of efforts that employees contributed beyond executive management. All employees of the Bank received annual bonuses for fiscal years 2022 and 2021.

The Board has a clawback policy in place, whereby if there is a financial restatement, at the sole discretion of the Board or the Compensation Committee, any covered officer may be required to repay the Bank any excess compensation from incentive compensation plans received if, based on relevant facts and circumstances, the covered officer engaged in misconduct that resulted in the financial restatement. Alternatively, the Board or the Compensation Committee may reduce the amount of future compensation by an amount equal to the excess compensation received by the covered officer during the clawback period. The Board or the Compensation Committee shall have full discretion and authority to administer and interpret this policy and the Board or the Compensation Committee may take into account any factors it deems reasonable in determining whether to seek recoupment of previously paid excess compensation and how much excess compensation to recoup from the covered officers.

## **Role of Compensation Committee, Outside Advisors and Management in Compensation Decisions**

In determining the bonus payouts for fiscal year 2022 for Messrs. Wayne and Dignan, similar to fiscal year 2021, the Compensation Committee utilized a metric tied to pretax earnings prescribing a threshold under which no bonus would be paid and a maximum above which no additional bonus would be paid. Within those ranges, 30% of the calculated amount is at the discretion of the Compensation Committee based on qualitative factors such as overall management of the Bank, risk management considerations, regulatory relations, and other factors. The Compensation Committee therefore set potential fiscal year 2022 bonuses for Messrs. Wayne and Dignan based on fiscal year 2022 budgeted pre-tax income before any bonus to these two individuals. The other named executive officers' compensation, including bonus and equity compensation, was not tied to financial performance, but rather determined by reference to qualitative factors, including individual performance, enterprise risk assessment, regulatory compliance, and other related matters. In fiscal year 2022, the Compensation Committee granted restricted stock awards to all of our named executive officers. The restricted stock awards granted to Messrs. Wayne and Dignan consisted of time-based awards and performance-based awards, each of which comprised 50% of the total amount granted. The restricted stock awards granted to the other named executive officers during fiscal year 2022 all consisted of time-based awards.

The Compensation Committee continues to monitor its pay program through regular market-based studies performed by our independent compensation consultant. Our executive compensation programs are designed to attract, motivate and retain a talented leadership team committed to driving superior results that deliver long-term shareholder value. Our incentive programs are designed to promote pay for performance and reward executives for performance that is aligned with our objectives, which ultimately creates long-term shareholder value. Annually, we review our pay programs to ensure that our compensation program aligns with our performance and business strategy while maintaining good corporate governance practices.

The Compensation Committee, pursuant to its charter, provides management and the Board with guidance on matters of executive and director compensation and related benefits. The CEO is not present when the Compensation Committee discusses CEO performance and specific actions related to CEO compensation. The Compensation Committee determines, after discussion with the Board, the compensation of the Bank's CEO, and determines all compensation actions for the Bank's other officers after reviewing the recommendations of the CEO. The Compensation Committee relies on management and outside advisers for technical guidance in conducting its affairs. It retains full authority to engage independent third-party advisers, including PricewaterhouseCoopers LLP, to conduct independent studies and provide objective advice on executive and director compensation. PricewaterhouseCoopers LLP's primary role with the Bank has been as an independent adviser to the Compensation Committee on executive compensation matters. The Bank also retains Goodwin Procter LLP for legal and advisory services on executive compensation matters, including the drafting of compensation plan documents. The Bank may use other firms from time to time in the normal course of business.

## **Role of Shareholder Say-on-Pay Votes**

The Bank provides its shareholders with the opportunity to cast an annual advisory vote to approve the compensation of the named executive officers ("Say-on-Pay"). At the Annual Meeting of Shareholders held on November 22, 2021, 90% of the votes cast on the Say-on-Pay proposal were voted in favor of the proposal. The Compensation Committee believes this affirms shareholder support of the Bank's approach to executive compensation.

## **Total Compensation Market Benchmarking and Peer Group**

The Compensation Committee, with the advice of its independent compensation consultant, PricewaterhouseCoopers LLP, approved the below peer group in July 2022, which was used for market comparisons in fiscal year 2022. The peer group included 13 banks and 2 mortgage real estate investment trusts of similar asset and revenue size, revenue mix and business orientation:

Bankwell Financial Group Inc.	Evans Bancorp, Inc.
Bar Harbor Bankshares	First Bancorp Inc.
Berkshire Hills Bancorp, Inc.	First of Long Island Corp.
Brookline Bancorp, Inc.	Granite Point Mortgage Trust Inc.
Camden National Corporation	Ladder Capital Corp
Chemung Financial Corporation	Salisbury Bancorp Inc.
Civista Bancshares Inc.	Western New England Bancorp
Enterprise Bancorp, Inc.	

This peer group was used as one market frame of reference for compensation comparisons. In addition, PricewaterhouseCoopers LLP has provided other relevant market reference points, such as broader financial services and general industry compensation survey data covering companies of similar size to augment this peer group data. Given the Bank's objective to attract and retain the talent necessary to meet its strategic objectives, the Bank currently relies primarily on the internal judgment of the Compensation Committee for performance and compensation benchmarking using an evaluation of both financial and non-financial goals. These goals include growing each of our divisions, fully deploying all raised capital, and enhancing and leveraging the operational capacity of the Bank. As a result, the Compensation Committee has placed less emphasis on total compensation benchmarking.

## **Principles for Setting Compensation Levels**

The factors considered by the Bank in setting executive compensation levels are:

- Achievement of the Bank's long-term strategic objectives;
- Alignment of management's interests with those of shareholders;
- Risk tolerances, and in particular whether compensation programs encourage excessive risk-taking;
- Retention of its executive team;
- Cost considerations; and
- Regulatory constraints and guidelines.

The Bank believes that the aggregate total compensation as reported in the Summary Compensation Table for its named executive officers is reasonable and fair based on the above factors. Specifically:

- A portion of the cash compensation for Messrs. Wayne and Dignan is directly tied to, and varies with, the overall performance of the Bank;
- The equity grants made to Messrs. Wayne and Dignan in fiscal year 2022 include a significant performance-based equity incentive component; and
- Named executive officer compensation is appropriate in light of the competitive environment for recruiting executive officers, and what competitors pay.

## SUMMARY COMPENSATION TABLE

The following table sets forth information concerning the compensation paid to or earned by the Bank's named executive officers.

Name and Principal Position	Fiscal Year	Salary	Stock Awards(1)	Bonus	All Other Compensation(2)	Total
<b>Richard Wayne</b>	2022	\$ 600,000	\$ 872,250	\$ 1,200,000	\$ 17,913	\$ 2,690,163
President & Chief	2021	600,000	—	1,200,000	15,532	1,815,532
Executive Officer						
<b>Patrick Dignan</b>	2022	450,000	697,800	900,000	17,206	2,065,006
Executive	2021	450,000	—	900,000	17,243	1,367,243
Vice President						
<b>Julie Jenkins</b>	2022	273,182	218,063	150,000	11,339	652,584
SVP, Chief	2021	265,225	—	200,000	10,834	476,059
Information Officer						

(1) The amounts in this column reflect the grant date fair value of equity awards, including modifications, determined in accordance with FASB ASC Topic 718 granted under the Bank's Amended and Restated 2021 Stock Option and Incentive Plan. Information about the assumptions used to value these awards can be found in Part II, Item 8, "Financial Statements and Supplementary Data—Note 12: Stock-Based Compensation" of the Bank's 2022 Annual Report on Form 10-K.

(2) These amounts for fiscal year 2022 include payments as follows: (i) term life insurance premiums: \$8,712 for Mr. Wayne, \$2,366 for Mr. Dignan, and \$2,366 for Ms. Jenkins; (ii) matching 401k contributions: \$9,200 for Mr. Wayne, \$8,960 for Mr. Dignan, and \$8,973 for Ms. Jenkins; and (iii) parking: \$5,880 for Mr. Dignan.

These amounts for fiscal year 2021 include payments as follows: (i) term life insurance premiums: \$6,858 for Mr. Wayne, \$2,322 for Mr. Dignan, and \$2,322 for Ms. Jenkins; (ii) matching 401k contributions: \$8,674 for Mr. Wayne, \$9,041 for Mr. Dignan, and \$8,513 for Ms. Jenkins; and (iii) parking: \$5,880 for Mr. Dignan.

### Elements of Executive Compensation

#### Base Salary

The Compensation Committee reviews the base salaries of its named executive officers each year. Salary increases, if any, are generally based on the executive's performance within specific areas of accountability, external market competitiveness and internal budget considerations. The base salaries of our Named Executive Officers for fiscal year 2023 and fiscal year 2022 are as follows:

Named Executive Officer	Base Salary FY2023 (\$)	Base Salary FY2022 (\$)	Percent Increase
Richard Wayne	600,000	600,000	0.0%
Patrick Dignan	500,000	450,000	11.1%
Julie Jenkins	289,573	273,182	6.0%

Mr. Dignan's salary was increased to reflect his promotion to Chief Operating Officer, effective July 2022.

#### Performance Bonuses

In establishing its bonus program for fiscal year 2022 for Messrs. Wayne and Dignan, the Compensation Committee implemented a metric prescribing a threshold under which no bonus would be paid and a maximum above which no additional bonus would be paid, which is capped at two times base salary. Within those ranges, 70% of the calculated amount is based on achievement of pre-tax income (prior to payment of the bonuses to Messrs.

Wayne and Dignan) and 30% of the calculated amount is at the discretion of the Compensation Committee. The factors that are considered as part of the discretionary portion are overall company management, relations with regulators, and other qualitative factors that the Compensation Committee feels reflects on the efforts of management.

The Bank earned pre-tax income before bonus to Messrs. Wayne and Dignan of \$63.6 million, which exceeded the maximum threshold. Further, with respect to the discretionary portion, some of the factors that the Compensation Committee considered included significant loan origination and purchase activity, a successful fiscal year with our employees working from home and a smooth transition back to office, planning for the relocation of our Boston office location, favorable results from the Bank’s regulatory examination, and the acceptance of our CRA Strategic Plan by our regulators. As such, the Compensation Committee approved the maximum bonus for both Messrs. Wayne and Dignan, of \$1.2 million and \$900,000, respectively, including 100% of the discretionary portion.

As Chief Information Officer, Ms. Jenkins’ bonus compensation was not tied to financial performance, but rather determined by reference to qualitative factors, including individual performance, technology and information security upgrades, and other related matters.

For fiscal year 2022, the Compensation Committee determined to award the following cash bonus amounts with respect to fiscal year 2022 performance:

<b>Named Executive Officer</b>	<b>Fiscal Year 2022 Bonus (\$)</b>
Richard Wayne	1,200,000
Patrick Dignan	900,000
Julie Jenkins	150,000

#### *Equity-Based Long-Term Incentives*

The Compensation Committee considers long-term equity-based compensation to be an integral part of the Bank’s compensation program. In making equity awards, the Compensation Committee considered the benefit to the Bank of having a significant portion of the executives’ compensation tied to the long-term financial performance of the Bank, and thereby to shareholder value. The Compensation Committee also considered the experience and qualifications of the executives, their ability to execute the Bank’s business plan, the retention value of long-term equity incentives and peer compensation data.

In fiscal year 2020, Mr. Dignan was granted 15,000 restricted shares, which vest in three equal annual installments, commencing on October 25, 2022. Mr. Wayne was not granted any restricted shares in fiscal year 2020. In fiscal year 2021, no restricted shares were granted to Messrs. Wayne or Dignan. Ms. Jenkins was not granted any restricted shares in fiscal year 2020 nor fiscal year 2021.

In fiscal year 2022, the Compensation Committee approved awards of time-based restricted shares to each of our named executive officers and performance-based restricted shares to each of Messrs. Wayne and Dignan. Specifically, Messrs. Wayne and Dignan were granted 12,500 and 10,000 time-based restricted shares, respectively, which vest in three equal annual installments, which commenced on August 13, 2022. In fiscal year 2022, Ms. Jenkins was granted 6,250 time-based restricted shares, which vest in three equal installments, which commenced on August 13, 2022.



Further, in fiscal year 2022, Messrs. Wayne and Dignan were granted 12,500 and 10,000 restricted shares that are performance-based (the “2021 Performance Shares”). The 2021 Performance Shares are subject to performance-based vesting based on a three-year performance period (the “performance period”). The Compensation Committee believes that the Bank’s return on average assets is an important target metric to determine the Bank’s performance over the measurement period. Messrs. Wayne and Dignan will vest in the 2021 Performance Shares based on reaching a certain threshold in regards to the Bank’s cumulative three-year ROA. The ROA targets and vesting schedule are as follows:

**Richard Wayne**

	ROA Target	Shares vested: <70% ROA Target	Shares vested: 70% - <80% ROA Target	Shares vested: 80% - <90% ROA Target	Shares vested: 90% - 100% ROA Target
3 Year Cumulative	1.75%	—	6,250	9,375	12,500

**Patrick Dignan**

	ROA Target	Shares vested: <70% ROA Target	Shares vested: 70% - <80% ROA Target	Shares vested: 80% - <90% ROA Target	Shares vested: 90% - 100% ROA Target
3 Year Cumulative	1.75%	—	5,000	7,500	10,000

Following fiscal year 2022, in August 2022, the Compensation Committee approved awards of time-based restricted shares to each of our named executive officers and performance-based restricted shares to each of Messrs. Wayne and Dignan. Specifically, Messrs. Wayne and Dignan and Ms. Jenkins were granted 12,500, 10,000 and 6,250 time-based restricted shares, respectively, which vest in three equal annual installments, commencing on August 23, 2023.

Further, Messrs. Wayne and Dignan were granted 12,500 and 10,000 restricted shares that are performance-based (the “2022 Performance Shares”). The 2022 Performance Shares are subject to performance-based vesting based on a three-year performance period (the “performance period”). The Compensation Committee believes that the Bank’s return on average assets is an important target metric to determine the Bank’s performance over the measurement period. Messrs. Wayne and Dignan will vest in the 2022 Performance Shares based on reaching a certain threshold in regards to the Bank’s cumulative three-year ROA. The ROA targets and vesting schedule are as follows:

**Richard Wayne**

	ROA Target	Shares vested: <70% ROA Target	Shares vested: 70% - <80% ROA Target	Shares vested: 80% - <90% ROA Target	Shares vested: 90% - 100% ROA Target
3 Year Cumulative	1.80%	—	6,250	9,375	12,500

**Patrick Dignan**

	ROA Target	Shares vested: <70% ROA Target	Shares vested: 70% - <80% ROA Target	Shares vested: 80% - <90% ROA Target	Shares vested: 90% - 100% ROA Target
3 Year Cumulative	1.80%	—	5,000	7,500	10,000

The restricted share awards granted to each of our named executive officers vest immediately upon the termination of the executive’s employment due to death or disability. In addition, upon a change in control of the Bank, (i) in the case of a change in control in which such awards are assumed or continued by the successor entity, any unvested time-based restricted shares will vest in full if the executive’s employment is terminated without cause on or following such change in control and (ii) in the case of a change in control in which such awards are not assumed or continued by the successor entity, any unvested time-based restricted shares will vest in full. In addition, upon a change in control of the Bank, any unvested 2021 Performance Shares will convert to time-based restricted shares that will vest in full at the end of the performance period, subject to the named executive officer’s continued employment through the last day of such performance period. If an acquirer does not assume, continue or substitute the performance shares, or the named executive officer’s employment is terminated without cause or he resigns for good reason following a change in control, the performance shares will vest in full upon the change in control, termination or resignation, as applicable.

### *Executive Benefits*

All named executive officers are eligible for Bank-sponsored benefit programs available broadly to Bank employees, including healthcare and dental benefits, disability insurance and life insurance. The Bank also maintains a traditional 401(k) plan pursuant to which the Bank matches half of an employee's contribution, up to 6% of the employee's salary.

### *Employment Agreement*

On December 29, 2010, the Bank entered into an employment agreement with Mr. Wayne with an initial term of three years. Upon expiration of the initial term, the employment agreement will be renewed for successive terms of one year, unless either party gives written notice not less than 90 days prior to the date of any such anniversary of the election not to extend the term.

Pursuant to the employment agreement, Mr. Wayne is entitled to receive an annual base salary, which may be increased from time to time in accordance with normal business practices and in the sole discretion of the Bank. Mr. Wayne is also eligible to participate in the Bank's non-equity incentive compensation and equity-based long-term incentive plans as determined by the Bank's Compensation Committee and in any benefit programs that the Bank establishes and makes available to its employees.

The employment agreement contains restrictive covenants, including non-competition and non-solicitation covenants that survive for 24 months following the termination of employment.

The employment agreement describes the payments and benefits to which Mr. Wayne would be entitled upon termination of his employment under certain circumstances. Specifically, if (i) Mr. Wayne's employment is terminated either by the Bank without cause or by such executive for good reason or if the Bank makes an election not to extend the term of any such employment agreement, and (ii) Mr. Wayne executes a release of claims prepared by the Bank, the non-competition restrictions in the applicable employment agreement will terminate unless the Bank (in the sole discretion of the Board) pays such executive an amount equal to the base salary such executive would have received for the duration of the restricted period.

Mr. Dignan and Ms. Jenkins are not party to an employment agreement with the Bank.

### *Tax, Regulatory and Accounting Implications*

The Compensation Committee considers the accounting and tax (individual and corporate) consequences of the compensation plans prior to making changes to the plans. In the consideration of Named Officer compensation, including the granting of equity awards, the Compensation Committee considers the impact of Section 162(m) of the Internal Revenue Code, as amended (the "Code") (which generally limits the deduction of compensation paid to certain named officers to \$1,000,000). While the Compensation Committee considers tax deductibility as one factor in determining executive compensation, the Compensation Committee also looks at other factors in making its decisions and retains the flexibility to award compensation that it determines to be consistent with the goals of the Bank's executive compensation program even if the awards are not deductible for tax purposes. The exemption from Section 162(m)'s deduction limit for performance-based compensation has been repealed as part of the Tax Reform Act, effective for taxable years beginning after December 31, 2017, such that compensation paid to our named executive officers in excess of \$1,000,000 will not be deductible unless it qualifies for the limited transition relief applicable to certain arrangements in place as of November 2, 2017.

While the Compensation Committee has made efforts to structure certain performance-based grants of restricted stock in a manner intended to be exempt from Section 162(m) and therefore not subject to its deduction limits, because of ambiguities and uncertainties as to the application and interpretation of Section 162(m) and the regulations issued thereunder, including the uncertain scope of the transition relief under the Tax Reform Act, no assurance can be made that compensation intended to satisfy the requirements for exemption from Section 162(m) in fact will. Further, the Compensation Committee reserves the right to modify compensation that was initially intended to be exempt from Section 162(m) if it determines that such modifications are consistent with the Bank's

business needs. The Compensation Committee believes that stockholder interests are best served if discretion and flexibility in awarding compensation is not restricted, even though some compensation awards may result in a non-deductible compensation expense to the Bank.

### OUTSTANDING EQUITY AWARDS AT JUNE 30, 2022

The following table shows the outstanding equity awards held by the Bank's named executive officers as of June 30, 2022:

Name	Option Awards					Stock Awards				
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Time-Based Awards: Number of Shares or Units of Stock That Have Not Vested (#)	Time-Based Awards: Market Value of Shares or Units of Stock That Have Not Vested \$(4)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested \$(4)	
Richard Wayne	49,589	—	—	\$9.38	1/31/2023	— \$	—	—	\$ —	
	—	—	—	—	—	22,500 (1)	821,925	12,500 (5)	456,625	
Patrick Dignan	33,059	—	—	9.38	1/31/2023	—	—	—	—	
	—	—	—	—	—	31,666 (2)	1,156,759	10,000 (6)	365,300	
Julie Jenkins	—	—	—	—	—	9,916 (3)	362,231	—	—	

- (1) 10,000 shares of restricted stock vest in two remaining installments, which vest on August 14, 2022 and 2023; and 12,500 shares of restricted stock vest in three equal installments, commencing on August 13, 2022.
- (2) 6,666 shares of restricted stock vest in two remaining installments, which vest on August 14, 2022 and 2023; 15,000 shares of restricted stock vest in three equal installments, commencing on October 25, 2022; and 10,000 shares of restricted stock vest in three equal installments, commencing on August 13, 2022.
- (3) 3,666 shares of restricted stock vest in two remaining installments, which vest on August 14, 2022 and 2023; and 6,250 shares of restricted stock vest in three equal installments, commencing on August 13, 2022.
- (4) Market value is based on the closing price of the Bank's common stock on June 30, 2022 of \$36.53 per share.
- (5) In August 2021, Mr. Wayne was granted 12,500 performance shares, subject to performance-based vesting over a three-year performance period, which are described previously in the section titled "Equity-Based Long-Term Incentives."
- (6) In August 2021, Mr. Dignan was granted 10,000 performance shares, subject to performance-based vesting over a three-year performance period, which are described previously in the section titled "Equity-Based Long-Term Incentives."

**PROPOSAL 2**  
**ADVISORY, NON-BINDING VOTE ON NAMED EXECUTIVE OFFICER COMPENSATION**

We are providing our Voting Shareholders the opportunity to vote to approve, on an advisory, non-binding basis, the compensation of our named executive officers as disclosed in this proxy statement in accordance with the SEC's rules.

Our executive compensation programs and policies are designed to attract, motivate and retain executive talent, and are aligned with the long-term interests of our shareholders. Please see the section titled "*Executive Compensation*" for a detailed discussion of our executive compensation programs. We believe that the effectiveness of our compensation programs is demonstrated by the accomplishments of management in executing the Bank's business plan over the most recent fiscal year.

The Board of Directors recommends that Voting Shareholders vote in favor of the following resolution:

"RESOLVED, that the compensation of Northeast's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Executive Compensation section, the compensation tables and narrative discussion, be approved."

The resolution that is the subject of this proposal will not have any binding legal effect regardless of whether or not it is approved, and may not be construed as overruling a decision by the Bank or the Board or creating or implying any change to the fiduciary duties of the Board. However, the Compensation Committee intends to take the results of the vote on this proposal into account in its future decisions regarding the compensation of the Bank's named executive officers.

**Vote Required**

The affirmative vote of a majority of the shares of voting common stock present in person or represented by proxy at the meeting and entitled to vote on this proposal is required for the approval of this proposal. Abstentions shall be included in determining the number of shares present and entitled to vote on the proposal, thus having the effect of a vote against the proposal. Broker non-votes, if any, are not counted in determining the number of shares present and entitled to vote and will therefore have no effect on the outcome.

**Recommendation**

**The Board of Directors unanimously recommends a vote *FOR* this proposal. Properly authorized proxies solicited by the Board will be voted *FOR* this proposal unless instructions to the contrary are given.**

**PROPOSAL 3**  
**RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC**  
**ACCOUNTING FIRM**

The Audit Committee of the Board of Directors has selected and appointed RSM US LLP as our independent registered public accounting firm to audit our financial statements for the year ending June 30, 2023. Although ratification by Voting Shareholders is not required by law or by our bylaws, the Audit Committee believes that submission of its selection to Voting Shareholders is a matter of good corporate governance. Even if the appointment is ratified, the Audit Committee, in its discretion, may select a different independent registered public accounting firm at any time if the Audit Committee believes that such a change would be in the best interests of Northeast. If our Voting Shareholders do not ratify the appointment of RSM US LLP, the Audit Committee will take that fact into consideration, together with such other factors it deems relevant, in determining its next selection of independent auditors.

It is anticipated that a representative of RSM US LLP will attend the annual meeting of shareholders, will have an opportunity to make a statement if he or she desires to do so and will be available to respond to appropriate questions.

**Fees**

Aggregate fees for professional services rendered by RSM US LLP for the years ended June 30, 2022 and 2021 were as follows:

	2022	2021
Audit Fees(1)	\$ 388,500	\$ 370,650
Audit-Related Fees(2)	6,510	6,300
Tax Fees	-	-
All Other Fees	-	-
<b>Total</b>	<b>\$ 395,010</b>	<b>\$ 376,950</b>

(1) Includes fees for the financial statement audit of the Bank, quarterly reviews, regulatory audit requirements, and out-of-pocket expenses.

(2) Consists of fees related to agreed-upon procedures performed in connection with the Bank's employee benefit plan for both years.

*Auditor Fees Policy*

The Audit Committee has approved a policy concerning the pre-approval of audit and non-audit services to be provided by RSM US LLP, our previous independent registered public accounting firm. The policy requires that all services provided by RSM US LLP to us, including audit services, audit-related services, tax services and other services, must be pre-approved by the Audit Committee; provided, however, the pre-approval requirement is waived with respect to the provision of non-audit services for the Bank if the "de minimis" provisions of Section 10A(i)(1)(B) of the Exchange Act are satisfied. This authority to pre-approve non-audit services may be delegated to one or more members of the Audit Committee, who shall present all decisions to pre-approve an activity to the full Audit Committee at its first meeting following such decision.

The Audit Committee approved all audit and non-audit services provided to us for fiscal years 2022 and 2021.

**Vote Required**

The affirmative vote of a majority of the shares of voting common stock present in person or represented by proxy at the meeting and entitled to vote on this proposal is required for the approval of this proposal. Abstentions shall be included in determining the number of shares present and entitled to vote on the proposal, thus having the effect of a vote against the proposal. Broker non-votes, if any, are not counted in determining the number of shares present and entitled to vote and will therefore have no effect on the outcome.

## **Recommendation**

**The Board of Directors unanimously recommends a vote *FOR* this proposal. Properly authorized proxies solicited by the Board will be voted *FOR* this proposal unless instructions to the contrary are given.**

## **AUDIT COMMITTEE REPORT**

The members of the Audit Committee of the Board of Directors of Northeast submit this report in connection with the committee's review of the financial reports for the fiscal year ended June 30, 2022 as follows:

1. The Audit Committee has reviewed and discussed with management the audited financial statements for Northeast Bank for the fiscal year ended June 30, 2022.
2. The Audit Committee has discussed with representatives of RSM US LLP the matters required to be discussed by applicable requirements of the Public Company Accounting Oversight Board (the "PCAOB").
3. The Audit Committee has received the written disclosures and the letter from the independent accountant required by the applicable requirements of the PCAOB regarding the independent accountant's communications with the Audit Committee concerning independence and has discussed with the independent accountant the independent accountant's independence.

Based on the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Bank's Annual Report on Form 10-K for the fiscal year ended June 30, 2022 for filing with the FDIC.

The Audit Committee operates pursuant to a charter that was approved by our Board of Directors. A copy of the Audit Committee Charter is available on the Bank's website at <https://investor.northeastbank.com/investor-relations>.

*Submitted by the Audit Committee:*

Judith E. Wallingford, Chair  
Cheryl Lynn Dorsey  
John C. Orestis

## EQUITY PLAN COMPENSATION INFORMATION

The following table provides information as of June 30, 2022 regarding shares of common stock that may be issued under the Bank's equity compensation plans, consisting of the Amended and Restated 2010 Stock Option and Incentive Plan and 2021 Stock Option and Incentive Plan.

Plan category	<u>Equity Compensation Plan Information</u>		
	<u>Number of securities to be issued upon exercise of outstanding options, warrants and rights</u>	<u>Weighted average exercise price of outstanding options</u>	<u>Number of securities remaining available for future issuance under equity compensation plan (excluding securities referenced in column (a))</u>
	(a)	(b)	(c)
Equity compensation approved by security holders:			
Amended and Restated 2010 Stock Option and Incentive Plan	108,281	\$ 9.38	-
2021 Stock Option and Incentive Plan	-	-	432,925
Equity compensation plans not approved by security holders:			
	N/A	N/A	N/A
<b>Total</b>	<u>108,281</u>	<u>\$ 9.38</u>	<u>432,925</u>

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The table below sets forth, as of September 21, 2022, the number of shares of our voting common stock that were owned beneficially by:

- Each person who is known by us to beneficially own more than 5% of our common stock;
- Each director;
- Each named executive officer; and
- All of our directors and executive officers as a group.

Unless otherwise indicated, the address of each of the individuals listed in the table is c/o Northeast Bank, 27 Pearl Street, Portland, Maine 04101.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership Number of Shares(1)	Percent of Class(1)(2)
<b>Directors and Certain Executive Officers</b>		
Matthew Botein	80,365	1.07%
Cheryl Dorsey	1,335	*
John Orestis	71,335	*
William Mayer	1,335	*
David Tanner	21,335	*
Judith Wallingford	29,797	*
Richard Wayne	728,096 (3)	9.02%
Patrick Dignan	157,505	2.09%
Julie Jenkins	31,781	*
All directors and executive officers as a group (11 persons)	1,157,192 (4)	15.39%
<b>Other Beneficial Holders</b>		
Basswood Capital Management, L.L.C. (5) 645 Madison Avenue, 10 <sup>th</sup> Floor New York, NY 10022	440,721	5.86%
Dimensional Fund Advisors LP (6) 6300 Bee Cave Road, Building One Austin, TX 78746	429,577	5.71%
Ovis Capital, LLC (7) 16185 Los Gatos Boulevard, Suite 205 Los Gatos, CA 95032	413,677	5.50%
BlackRock Inc. (8) 55 East 52 <sup>nd</sup> Street New York, NY 10055	399,138	5.31%

\* Less than 1%

- (1) Beneficial ownership is determined in accordance with the rules of the SEC and includes voting and investment power with respect to shares. Pursuant to the rules of the SEC, the number of shares of voting common stock deemed outstanding includes shares issuable pursuant to options and warrants held by the respective person or group that may be exercised within 60 days of September 21, 2022.
- (2) The total number of shares of voting common stock outstanding as of September 15, 2022 was 7,519,282.
- (3) Includes 97,202 shares held by the Richard Wayne Irrevocable Trust u/a/d April 24, 1998 and 507,405 shares held by the Richard Wayne Revocable Trust. Also includes options to purchase 49,589 shares of common stock exercisable within 60 days of September 21, 2022.
- (4) Includes options to purchase 49,589 shares of common stock exercisable within 60 days of September 21, 2022.



- (5) With respect to information relating to Basswood Capital Management, L.L.C., we have relied, in part, on information supplied on Form 13F filed with the SEC on August 15, 2022, by Basswood Capital Management, L.L.C. and Matthew Lindenbaum.
- (6) With respect to information relating to Dimensional Fund Advisors LP, we have relied, in part, on information supplied on Form 13F filed with the SEC on August 12, 2022, by Dimensional Fund Advisors LP, Dimensional Fund Advisors Ltd., DFA Australia Ltd., Dimensional Fund Advisors Pte. Ltd. and Dimensional Ireland Ltd.
- (7) With respect to information relating to Ovis Capital, LLC, we have relied, in part, on information supplied on Form 13G filed with the FDIC on January 27, 2022, by Ovis Capital, LLC, Ovis Master Fund, L.P., and Liron Manor.
- (8) With respect to information relating to BlackRock Inc., we have relied, in part, on information supplied on Form 13G filed with the SEC on August 12, 2022, by BlackRock Financial Management, Inc., BlackRock Investment Management (Taiwan) Limited, BlackRock Investment Management (Australia) Limited, BlackRock Asset Management Canada Limited, BlackRock (Singapore) Limited, BlackRock Asset Management North Asia Ltd, BlackRock Brasil Gestora de Investimentos Ltd., FutureAdvisor, Inc., BlackRock Investment Management, LLC, BlackRock Advisors LLC, BlackRock Capital Management, Inc., BlackRock Fund Advisors, BlackRock Institutional Trust Company, N.A., BlackRock Japan Co. Ltd, BlackRock Group LTD, BlackRock Fund Managers Limited, BlackRock Investment Management (UK) Limited, BlackRock (Netherlands) B.V., BlackRock International Limited, BlackRock Asset Management Ireland Limited, BlackRock Advisors (UK) Limited, BlackRock Asset Management Deutschland AG, BlackRock (Luxembourg) S.A., IShares (DE) I InvAG Mit Teilgesellschaftsvermögen, BlackRock Life Limited, BlackRock Fund Management Company S.A., BlackRock Asset Management Schweiz AG, Tennenbaum Capital Partners, LLC, Aperio Group, LLC, BlackRock Capital Investment Advisors, LLC, and Global Energy & Power Infrastructure II Advisors, LLC.

#### **DELINQUENT SECTION 16(A) REPORTS**

Section 16(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), requires the executive officers and directors, and persons who own more than ten percent of a registered class of Northeast’s equity securities, to file reports of ownership and changes in ownership with the SEC. Officers, directors and greater than ten percent beneficial owners are required by SEC regulations to furnish Northeast with copies of all Section 16(a) forms they file. To our knowledge, based solely on our review of the copies of such reports furnished to us and written representations that no other reports were required during fiscal year 2022, all Section 16(a) filing requirements applicable to our executive officers, directors and greater than ten percent beneficial owners were timely satisfied, except that a late Form 3 was filed for Robert Banaski upon becoming a named executive officer during fiscal year 2022.

#### **CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS**

The Bank’s Code of Ethics provides guidance on transactions with related persons. Any transaction with a related person must be reviewed and approved by the full Board and determined to be “arm’s length.” John C. Orestis, who is a member of our Board of Directors, and his affiliates had one loan outstanding with the Bank, which was paid off in full in June 2022. All loans were made in the ordinary course of business under normal credit terms, including interest rates and collateral requirements prevailing at the time of origination for comparable transactions with other persons, and do not represent more than normal credit risk.

#### **OTHER MATTERS**

As of the date of this proxy statement, our Board of Directors knows of no matters that will be presented for consideration at the annual meeting other than as described in this proxy statement. If any other matters properly come before the annual meeting, or any adjournments or postponements of that meeting, and are voted upon, the enclosed proxies will be deemed to confer discretionary authority on the individuals that they name as proxies to vote the shares represented by these proxies as to any of these matters. The individuals named as proxies intend to vote or not to vote in accordance with the recommendation of our management.

## **Expenses of Solicitation**

The cost of solicitation of proxies will be borne by Northeast. We also may reimburse brokers, banks, nominees and other fiduciaries for postage and reasonable clerical expenses of forwarding the proxy material to their principals who are beneficial owners of shares of our common stock.

## **Shareholder Proposals for 2023 Annual Meeting**

Shareholder proposals intended to be presented at the next annual meeting of shareholders must be received by the Bank on or before June 5, 2023 in order to be considered for inclusion in our proxy statement and form of proxy for that meeting. These proposals must also comply with the rules of the SEC governing the form and content of proposals in order to be included in Northeast's proxy statement and form of proxy. Any such proposals should be mailed to: Corporate Clerk, Northeast Bank, 27 Pearl Street, Portland, Maine 04101.

A shareholder of record who wishes to present a proposal at the next annual meeting, other than a proposal to be considered for inclusion in Northeast's proxy statement described above, must provide written notice of such proposal and appropriate supporting documentation, as set forth in Northeast's bylaws, to Northeast at its principal executive office no earlier than July 18, 2023 nor later than August 17, 2023; provided, however, that in the event the annual meeting is scheduled to be held on a date more than 30 days before the first anniversary of the date of the preceding year's annual meeting (the "Anniversary Date") or more than 60 days after the Anniversary Date, timely notice by the shareholder must be delivered not earlier than the close of business on the later of (a) the 90th day prior to the scheduled date of such annual meeting or (b) the 10th day following the first date on which the date of such annual meeting is publicly disclosed. Proxies solicited by the Board of Directors will confer discretionary voting authority with respect to these proposals, subject to SEC rules governing the exercise of this authority. Any such proposal should be mailed to: Corporate Clerk, Northeast Bank, 27 Pearl Street, Portland, Maine 04101.

## **WHERE YOU CAN FIND MORE INFORMATION**

The Bank makes available on or through its Investor Relations page, without charge, its proxy statements, its annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K and amendments to those reports filed with, or furnished to, the FDIC as soon as reasonably practicable after such reports have been filed or furnished to the FDIC. The Bank's reports filed with, or furnished to, the FDIC are also available at the FDIC's website at [www.FDIC.gov](http://www.FDIC.gov).



**Your vote matters – here’s how to vote!**

You may vote online or by phone instead of mailing this card.



Votes submitted electronically must be received by **November 15, 2022 at 12:00 A.M., Eastern Time.**

**Online**

Go to [www.envisionreports.com/NBN](http://www.envisionreports.com/NBN) or scan the QR code – login details are located in the shaded bar below.



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Call toll free 1-800-652-VOTE (8683) within the USA, US territories and Canada



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Using a **black ink** pen, mark your votes with an X as shown in this example. Please do not write outside the designated areas.



**Northeast Bank 2022 Annual Meeting Proxy Card**

▼ IF VOTING BY MAIL, SIGN, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. ▼

**A Proposals – The Board of Directors recommend a vote FOR all the nominees listed and FOR Proposals 2 and 3.**

1. To elect the three nominees named in the proxy statement as Class III directors, each to serve until the 2025 annual meeting and until their respective successors are duly elected and qualified.

	<b>For</b>	<b>Withhold</b>		<b>For</b>	<b>Withhold</b>		<b>For</b>	<b>Withhold</b>
01 - John C. Orestis	<input type="checkbox"/>	<input type="checkbox"/>	02 - David A. Tanner	<input type="checkbox"/>	<input type="checkbox"/>	03 - Judith E. Wallingford	<input type="checkbox"/>	<input type="checkbox"/>

2. To approve, on an advisory, non-binding basis, the compensation of our named executive officers.

<b>For</b>	<b>Against</b>	<b>Abstain</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. To ratify the appointment of RSM US LLP as our independent registered public accounting firm for the fiscal year ending June 30, 2023.

<b>For</b>	<b>Against</b>	<b>Abstain</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**B Authorized Signatures – This section must be completed for your vote to count. Please date and sign below.**

Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, corporate officer, trustee, guardian, or custodian, please give full title.

Date (mm/dd/yyyy) – Please print date below

Signature 1 – Please keep signature within the box.

Signature 2 – Please keep signature within the box.

2 2 B V

**2022 Annual Meeting Admission Ticket**

2022 Annual Meeting of Northeast Bank Shareholders

Tuesday, November 15, 2022, 12:00 p.m., Eastern Time



The offices of Goodwin Procter LLP

100 Northern Avenue, Boston, Massachusetts 02210

Upon arrival, please present this admission ticket and photo identification at the registration desk.

Directions to the Northeast Bank annual meeting can be viewed at [www.edocumentview.com/NBN](http://www.edocumentview.com/NBN)

Important notice regarding the Internet availability of proxy materials for the Annual Meeting of Shareholders. The material is available at: [www.envisionreports.com/NBN](http://www.envisionreports.com/NBN)

	<p><b>Small steps make an impact.</b></p> <p>Help the environment by consenting to receive electronic delivery, sign up at <a href="http://www.envisionreports.com/NBN">www.envisionreports.com/NBN</a></p>	
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▼ IF VOTING BY MAIL, SIGN, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. ▼

**Proxy – Northeast Bank**



**Notice of 2022 Annual Meeting of Shareholders**

**Proxy Solicited by Board of Directors for Annual Meeting – November 15, 2022**

Richard Wayne and Jean-Pierre Lapointe, each with the power of substitution, are hereby authorized to represent and vote the shares of the undersigned, with all the powers which the undersigned would possess if personally present, at the Annual Meeting of Shareholders of Northeast Bank to be held on November 15, 2022 or at any postponement or adjournment thereof.

Shares represented by this proxy will be voted in accordance with the shareholder's instructions. If no such directions are indicated, the Proxies will have authority to vote FOR Proposals 1, 2 and 3.

In their discretion, the Proxies are authorized to vote upon such other business as may properly come before the meeting.

This proxy may be revoked at any time before it is exercised.

(Items to be voted appear on reverse side)

**C Non-Voting Items**

**Change of Address** – Please print new address below.

**Comments** – Please print your comments below.

