

**2022
ANNUAL
REPORT**

Rippling Through Rural Wisconsin

MESSAGE FROM THE CEO

Our communities, friends, and partners:

Like many in Wisconsin, I enjoy time on and around the lakes in our state. I've found that studying nature and patterns can help put perspective to situations in life and in business. Watching my son cast off the dock last summer, I found myself lost in the ripple created when his bait hit the water.

One small object like a bait or a bobber created ripples across the water that grew and spread out far beyond the initial point of impact. It made me think about the little actions that the Forward team does each day and the impact that can be felt beyond the walls of our buildings.

How do we at Forward extend our message into our communities – does our positivity spread to reach others that we haven't met yet?

I'm proud of how often Forward is asked to be a supporter of projects that improve the lives of community members. Many times, we are the first bank or business approached by an excited committee member with a great idea. Our support alone isn't going to get that project done, but the ripple effect it creates when other businesses add their contributions amplifies the reach.

This year, we're highlighting the big and little things that the Forward team has been doing that is sending waves out into our communities. I'm proud of each one of their stories and lucky to share this organization with this inspiring group.

Thank you for moving FORWARD with us!



Bill Sennholz
CEO | Forward



THE RURAL BANK IN WISCONSIN

It starts internally, and the effects ripple out as we gain momentum together. What starts with one small action, ends up in a wave moving through rural communities in Central and Northern Wisconsin.

While it may not be specifically discussed in these terms, our Strategic Plan at Forward is the guide for where we want to make the initial impact to put everything in motion. Purposeful decisions on direction while anchoring to our mission – *Moving Our Communities Forward*.

An intentional move into a rural community can impact businesses, families, farms, and non-profits in a very big way. **At the center of that ripple effect is our Service Suite model of business that is currently being deployed.** This efficient model for service blends technology and personal service with a small physical footprint. The end results make it possible for Forward to move into communities that larger banks have deemed unprofitable.

"Don't underestimate the ripple effect of what you do. These kinds of actions have toppled empires."

-- Leila Janak

DORCHESTER & RIB LAKE

Dorchester is the first community benefiting from this new Forward model and hosts both banking and insurance team members. In Rib Lake, Forward was able to purchase a building left vacant by another organization and repurpose it to house banking and insurance services. Ideally, a Service Suite can have a dual purpose in a community: bring our style of service and bring a business back into an empty building.

Small steps and refining our thinking with each Service Suite will ripple out to make **Forward THE rural bank in Wisconsin.**



MOVE NORTH CONTINUES

Very often – the draw towards a new community is centered around the right people that share our drive and purpose. They are advocates for the community and help us direct our resources to make the biggest impact. That was the case in the Northwoods.

In early Summer, **Jake Weinand joined Forward as VP/Market President leading our expansion into the Three Lakes and St. Germain communities.**

The values that the Forward team shares align well with his personal outlook, and we now provide a platform for his dedication to volunteering and helping his friends and neighbors.

Larry Snedden joined Forward in early Fall as a Vice President/Senior Commercial Loan Officer and will help build Forward's presence in the Northwoods market. His connection to many of the great people at Forward has accelerated his ability to tell our story to businesses and individuals who know him and trust in his professionalism.

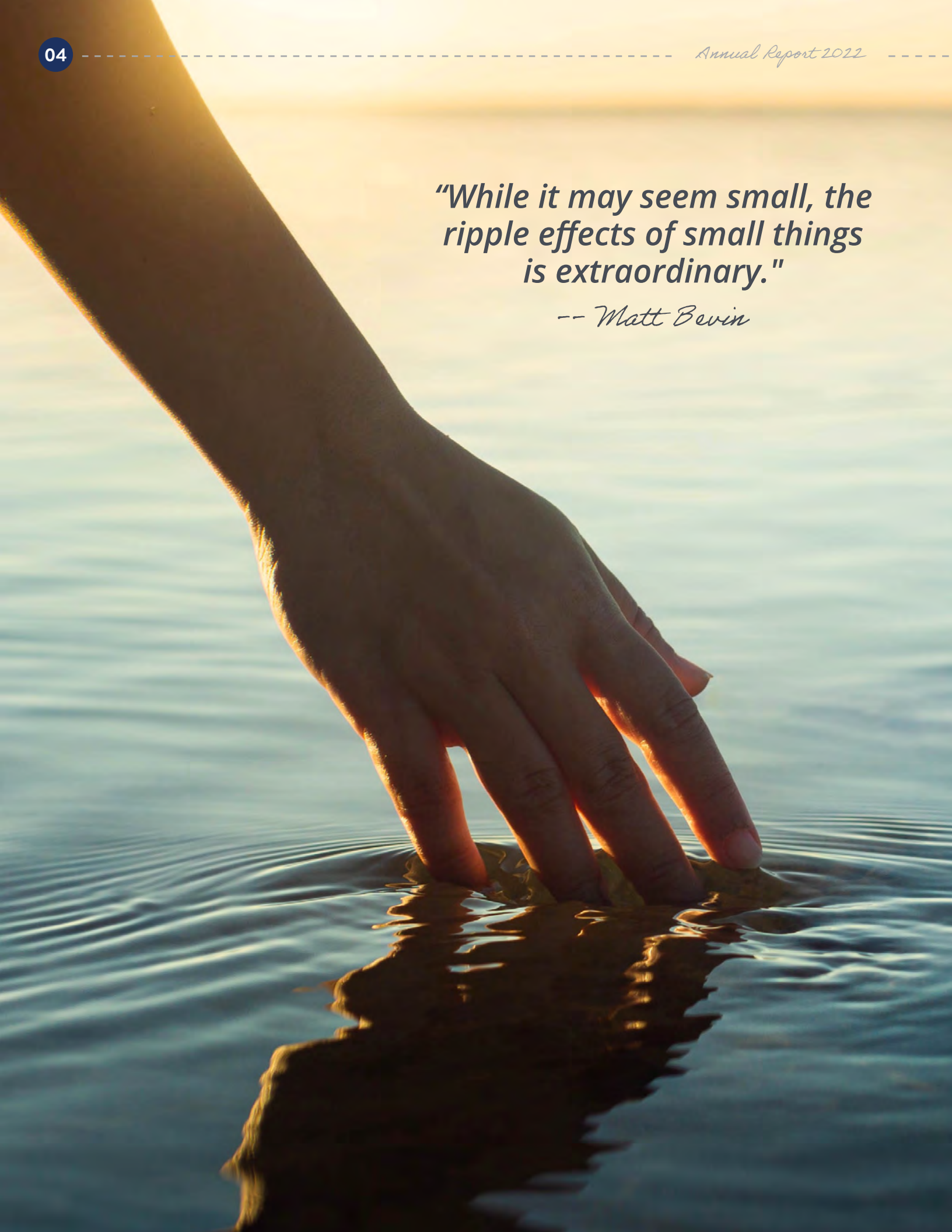
Plans are underway for Service Suites in Three Lakes and St. Germain to support customers that are drawn to Forward because of Larry and Jake's style of banking.



Jake Weinand



Larry Snedden

A close-up photograph of a hand reaching down to touch the surface of a body of water. The scene is set during sunset or sunrise, with a warm, golden light illuminating the hand and the water. The hand is positioned on the left side of the frame, with fingers slightly spread. The water is calm, and the touch of the hand creates a series of concentric ripples that spread outwards. The background is a soft, hazy expanse of water meeting a bright, glowing sky at the horizon. The overall mood is serene and contemplative.

"While it may seem small, the ripple effects of small things is extraordinary."

-- Matt Bevin

MUTUAL COMMUNITY BANK

The power in our ability to attract the best employees and leaders stems from something that most traditional banks would consider a small thing – our ownership structure as a mutual. **Being depositor-owned is at the center of everything we do.**

As a mutual, Forward doesn't endeavor to remove profits from our communities to reward shareholders out of the area or out of the country. Instead, we choose to invest our profits into the communities we serve through donations, innovative loan programs, insurance and wealth services, and creative charitable giving offerings. We do that because that's what good for our owners, our local depositors.

We don't need to focus on providing dividends to shareholders which allows the reinvestment into our communities and employees. It also creates opportunities for us to efficiently and successfully enter small rural communities. Through the combination of smaller footprints, the right people serving customers, and the ability to pay communities versus shareholders; mutuals like Forward can help small towns in Wisconsin thrive.

HADDEN INSURANCE AGENCY

Our expansion in rural communities throughout our area is not limited to the banking arm of Forward, much of our recent growth has come courtesy of the Insurance team. Insurance is a service that everyone needs! From businesses to families to farms, everyone wants to protect what they have worked hard to earn.



Don Hadden

In December, we welcomed **Don Hadden and Barbie Monroe to our team as part of the acquisition of the Hadden Insurance Agency** in Ogema. Their history of service to community and dedication to their clients aligns with the full Forward Insurance Agency team of 24. They will be part of the team serving customers from the Rib Lake office – adding more value to our Service Suite model.



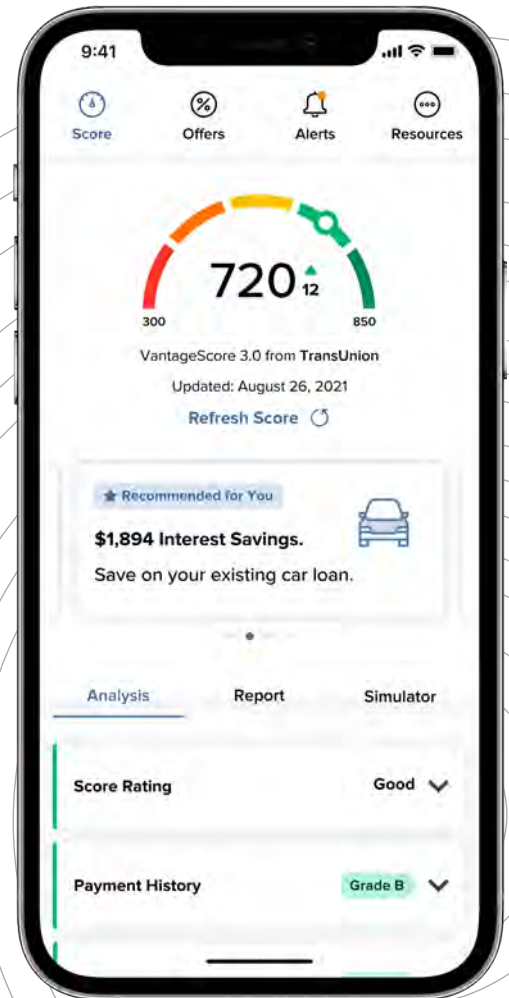
Barbie Monroe

CREDIT SCORE JOURNEY

Innovation comes in many forms, sometimes it's new technology and other times it's taking the best simple idea from another industry and making it our own. The constant is our customer needs remain at the center.

Digital banking is one of the strongest connectors between the bank and our customers. This tool continues to evolve from simply conducting transactions and looking up balances to become a planning resource for improving your life. **The most recent example of adding value to the app is credit score monitoring.**

Not only will customers see their credit score update periodically, but the app will also offer suggestions on why the score changed and how to improve the score in the future. With credit scores being vital to opening new accounts and approvals for loans, customers are becoming more conscious of improving and maintaining this piece of their financial health.

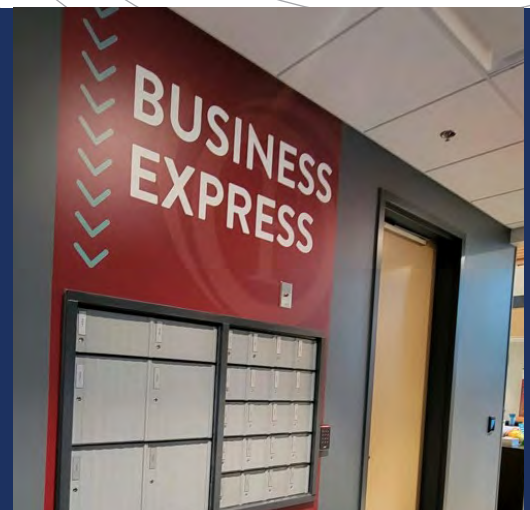


"The help we give to others creates the ripple of good feeling we give to ourselves."

-- Gina Greenlee

BUSINESS BOXES

Not every improvement needs to be high tech. Curbside pick-up and delivery to store has been around for years but hasn't been translated to banking until now. **Putting the timing of transactions in the customers' hands is the premise that business boxes are built on.** Drop off your request in the designated box and pick up the fulfilled order the next day. The process is fluid and allows busy business owners to get on with their day.





At the heart of Forward – it’s about the people. From leadership through to everyone who represents us in the community and in our industry, we are dedicated to sharing our energy.

The company is guided by a plan and our people are guided by great leaders. In 2022, Forward expanded our Executive team and named **Sheri Dick as the Chief Operating Officer**. She is now collaborating with a team of established and experienced department directors to maintain the alignment of their goals with the strategic plan.



We not only share our knowledge internally, but also influence our industry through volunteering that most don’t see. **Forward team members serve on many boards and committees within the Wisconsin Bankers Association** offering insight into the unique challenges and successes of our rural approach and full-service structure.

The impact of their efforts ripples out to the national stage as they work with the *American Banking Association*, the *Independent Community Bankers of America*, *Independent Insurance Agents of Wisconsin*, and *Professional Insurance Agents of Wisconsin*. These opportunities put us in front of legislators in Madison and Washington to speak on behalf of our customers and communities.



Forward was awarded Plan Sponsor of the Year 2022 at the 2022 PLAN SPONSOR Excellence in Retirement Awards celebration. The event recognizes plan sponsors that demonstrate a commitment to their participants’ financial health and retirement success. We join companies like *Delta Airlines*, *International Dairy Queen*, and *True Value Company* as leaders in caring for our employees and their long-term goals.

The Forward team also celebrated our sixth Best Banks to Work For. We continue to be the top Wisconsin bank on the list – all because we never take our eyes off our culture and the impact it has on employees and our communities.

TESTIMONIALS

As we highlight different areas within Forward, we can't forget the ongoing impact that each line of business has in fulfilling our mission in each community we serve. Our customers often say it best and remind us why we have chosen to work at Forward.

"Initially we chose Forward for the non-profit product offerings - CDMA, and better interest rate than our primary bank, but it's also become about the relationship. I really feel that they are true partner with their customers." -- Marge R., ODC

"Our financial advisor has arranged for us to have a one-on-one video meeting with representatives for Clark Capital Management Group. We have an opportunity to have in depth discussions regarding plans for our investments. Definitely a wow!" -- Jeff

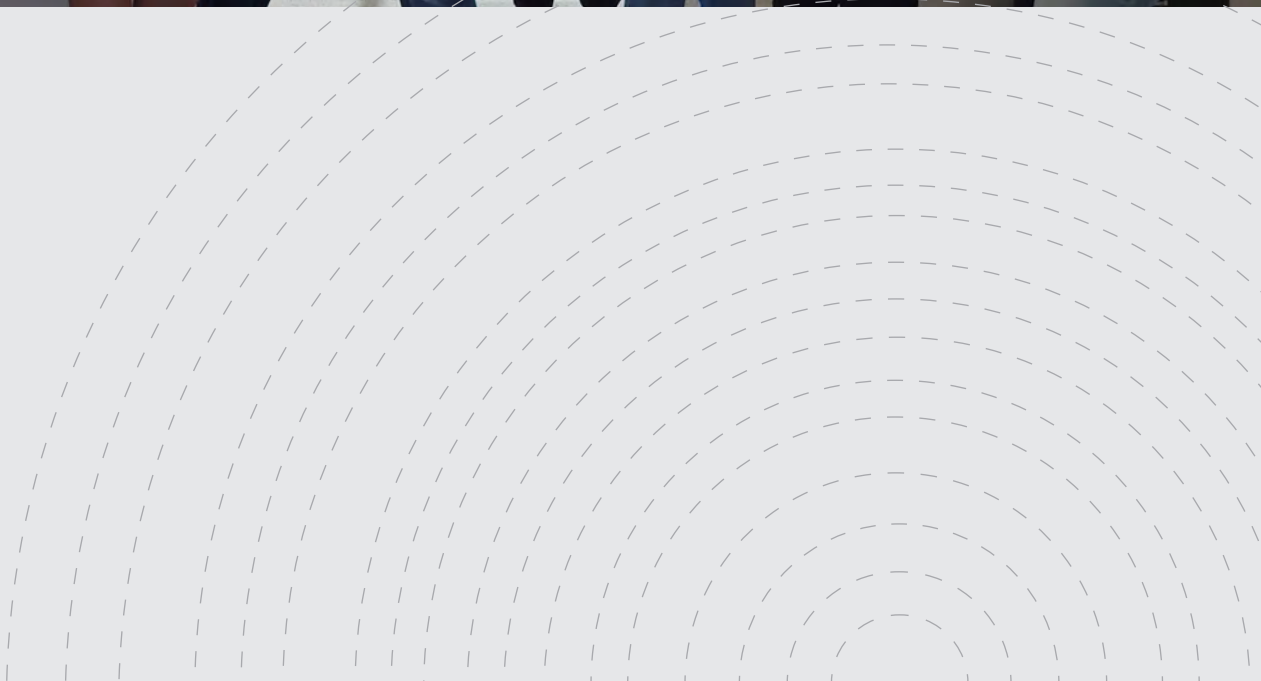
"Allie Plessner continues to go above and beyond to take care of everything so I don't worry about anything. She has proven time and time again why I made the right choice with Forward Bank and Forward Insurance." -- Kristina

"The team did an incredible job at putting us at ease through the refinancing process by providing us with thorough information and taking us through the steps one at a time. They answered any questions or concerns that arose and would accommodate us whenever possible." -- Erin

"I would definitely recommend Forward - the service is amazing! Forward is not just a bank, it is a partner in your business." -- Sean K., Automated Products

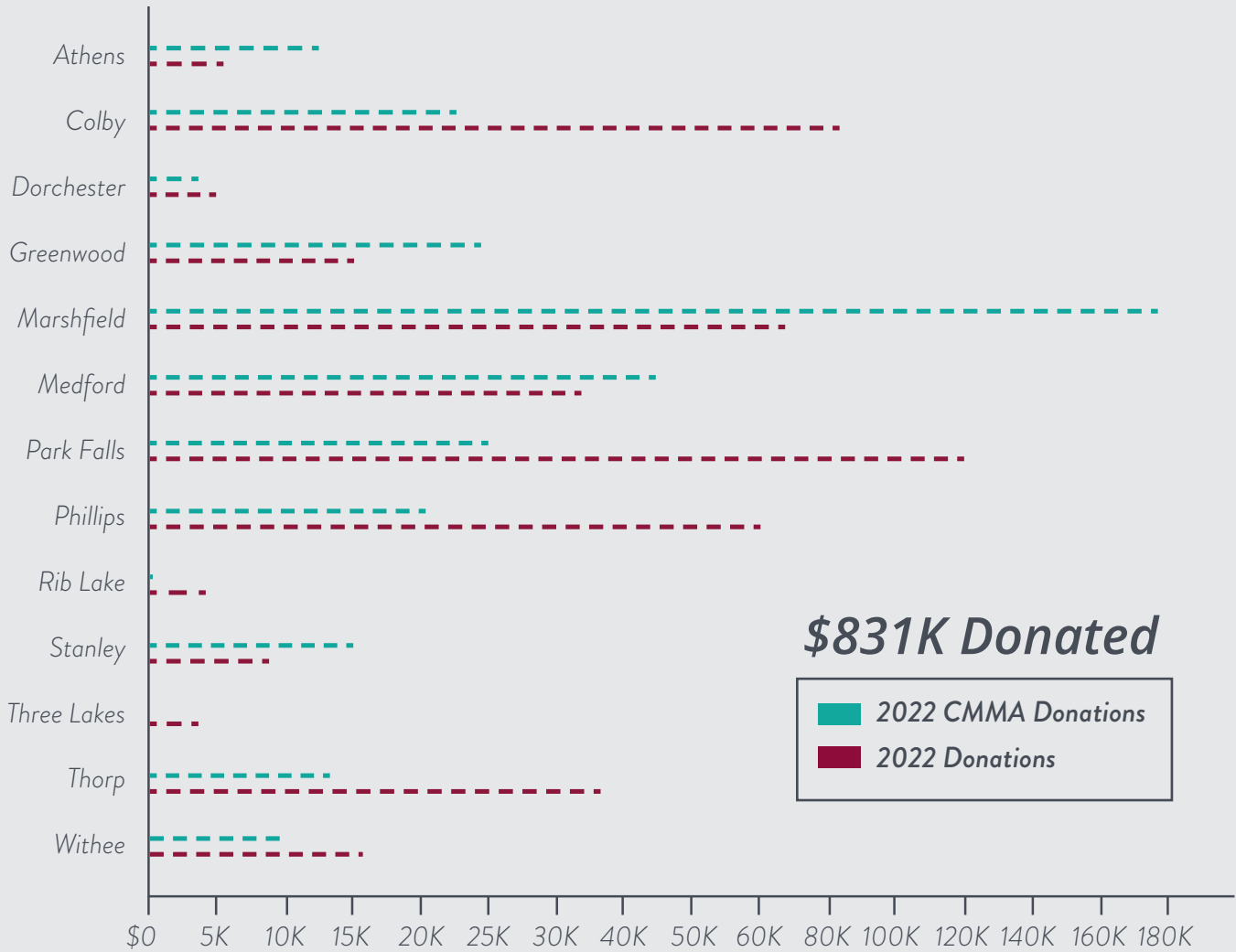


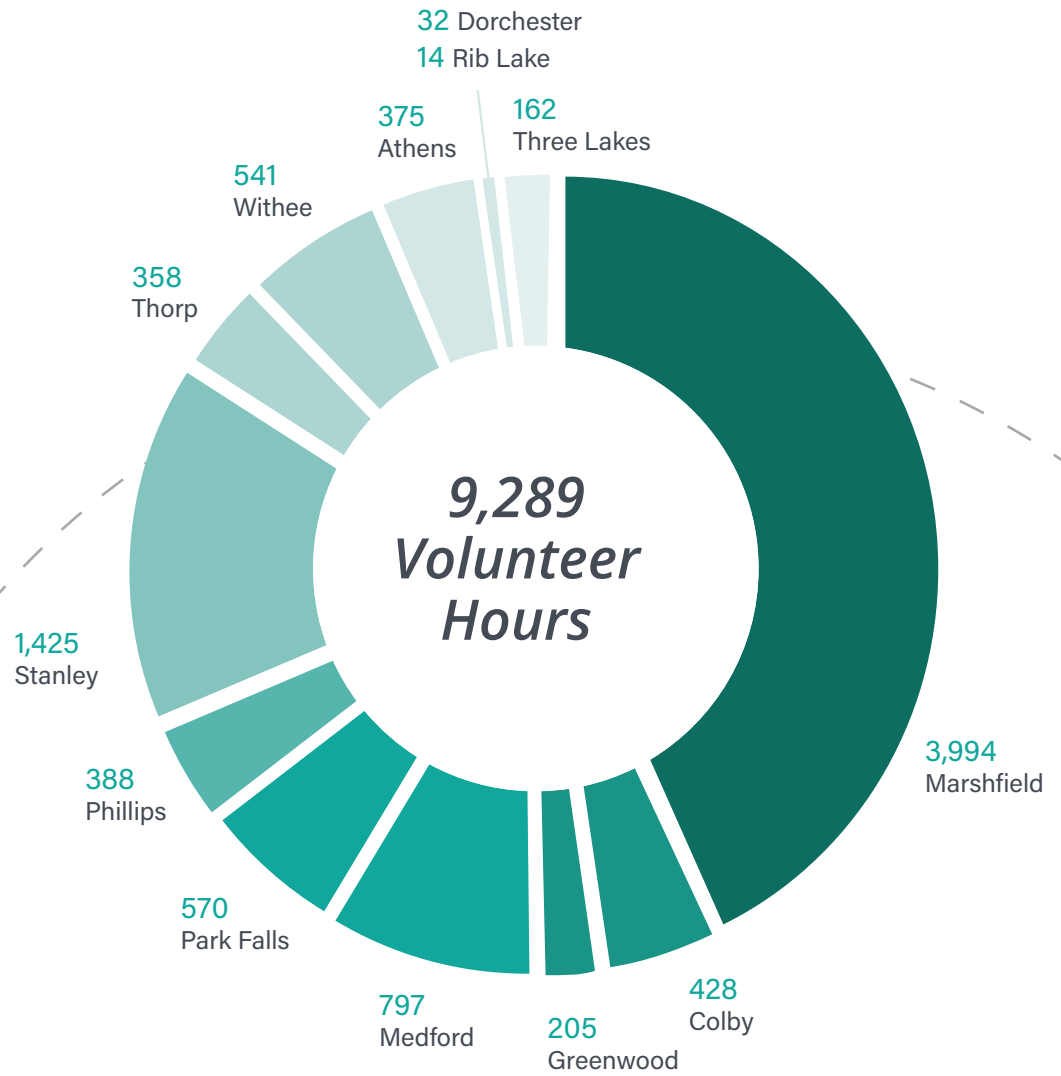
To have our mission flow out into our communities, we need to start within. **We are one Forward with many opportunities to serve our customers through our banking, insurance, and investment lines of business.** We are one team working together to achieve our strategic goals and positively impact the communities we live in. We are one family keeping each other and the interests of our depositor-owners at the center of our decisions. This is what makes Forward an award-winning company!



DONATIONS & VOLUNTEER HOURS

Our year-end financials tell the story of our internal performance. Our giving and volunteering demonstrate how we use our profit to move our communities forward. It reflects the support of our customers and continues to ripple through each rural community that we move into. Our culture and mission-driven giving is why Forward is asked to open new locations, and it is something to be proud of!





Statement of Condition - Unaudited December 31, 2022

ASSETS

Cash and Cash Equivalents	\$20,904,966
Investments	196,177,413
Net Loan	637,651,253
Mortgage Servicing Rights	2,732,944
Other Assets	77,939,405
Total Assets	\$935,405,981

LIABILITIES & EQUITY

Deposits	\$817,409,618
Borrowed Funds	32,000,000
Other Liabilities	14,987,348
Total Liabilities	\$864,396,966
Equity	\$71,009,015
Total Liabilities & Equity	\$935,405,981

Statement of Operations - Unaudited

INTEREST INCOME

Loans	\$27,178,449
Securities	4,125,504
Other	-
Total Interest Income	\$31,303,953

INTEREST EXPENSE

Deposits Accounts	\$2,587,345
Borrowed Funds	341,633
Total Interest Expense	\$2,928,978
Net Interest Income	\$28,374,975
Provision for Loan Losses	1,009,993
Net Interest Income After Provision	\$27,364,982

NON-INTEREST INCOME

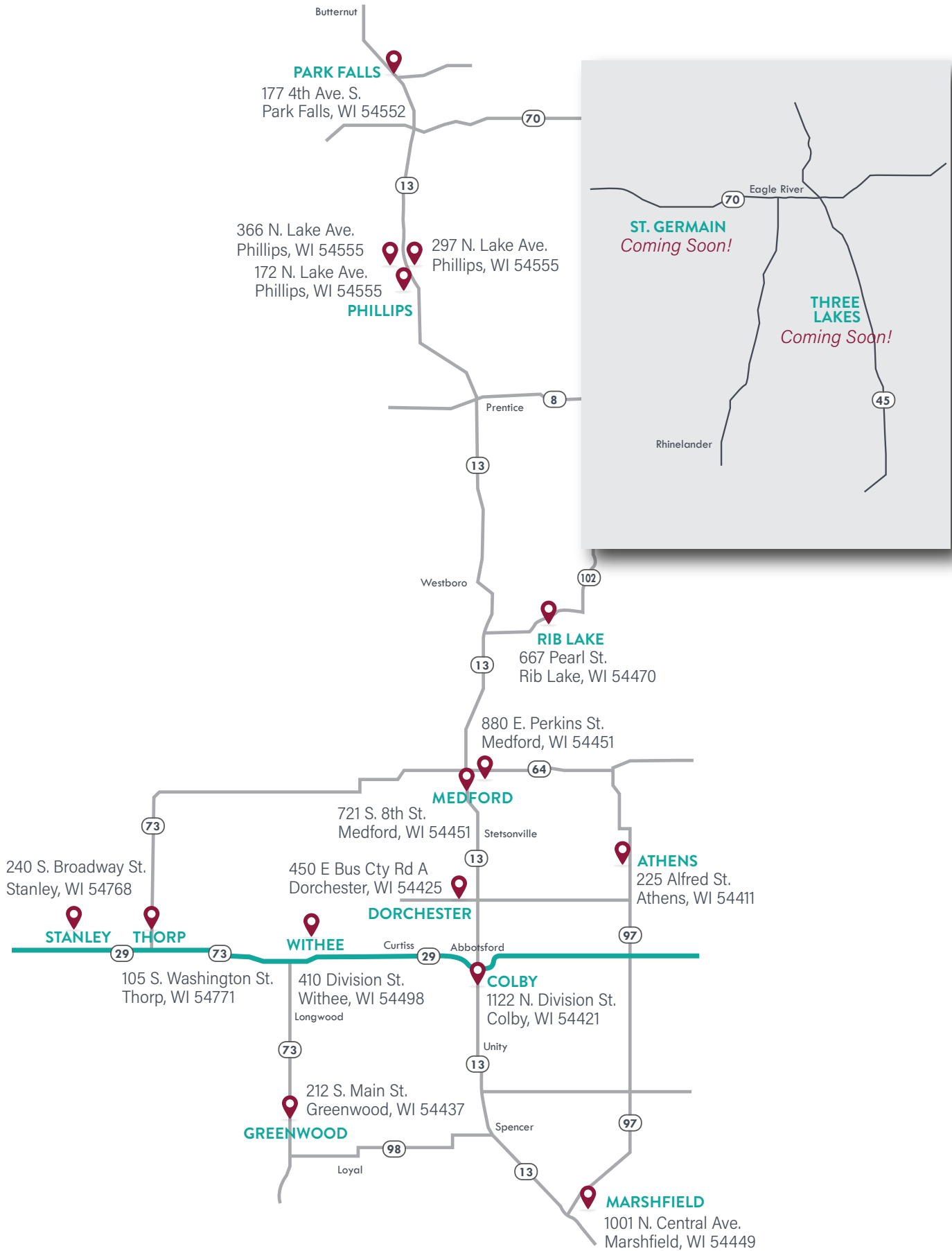
Other Loan Income	\$1,993,377
Deposit Account Income	715,033
Other Income	6,781,092
Total Non-interest Income	\$9,489,502

Income Before Operating Expenses & Income Taxes

Income Before Operating Expenses & Income Taxes	36,854,484
Operating Expenses	28,919,192
Income Before Income Taxes	7,935,292
Income Taxes	1,772,444
NET INCOME	\$6,162,848

"Just as ripples spread out when a single pebble is dropped into the water, the actions of individuals can have far-reaching effects."

-- Dalai Lama



BOARD OF DIRECTORS

ALLAN MICHALSKI, *Current Chair* – CFO | Felker Brothers Corp.
JOHN MARSHALL, *Past Chair* – Owner | Furniture by Jake
LORI GROPP – Academic Business Systems Manager | Marshfield Clinic
JON PESKO – CEO | United Pride Dairy
MARK VIEGUT – Owner/CEO | Colby Metal
TERRY PALECEK – VP/Owner | Palecek Inc.
BILL SENNHOLZ – CEO | Forward Bank
DAVE CLARK – President | Forward Bank

SENIOR MANAGEMENT TEAM

BILL SENNHOLZ – CEO
DAVE CLARK – President
ROB MORT – Treasurer/CFO
SHERI DICK – COO

CORPORATE OFFICERS

BILL NEVILLE – VP/Sr. Commercial Loan Officer
BRYAN TROYER – VP/Insurance Services
CARISSA MILLER – VP/Credit Administration Officer
CHAD HOERMAN – VP/Sr. Commercial Loan Officer
CHRISTOPHER MUELLER – VP/Compliance Officer
DAVE KRAUSE – VP/Sr. Commercial Loan Officer
GARY SCHRAUFNAGEL – VP/Sr. Ag Loan Officer
GENE KNOLL – VP/Sr. Commercial Loan Officer
HOLLY ZOPFI – VP/Mortgage Lending Director
JAKE WEINAND – VP/Market President
JASON LINDEMAN – VP/Sr. Ag & Commercial Loan Officer
JEFF DENNEE – VP/Commercial Loan Officer
JENNIFER SOBOTTA – VP/Marketing Director
JESSE NELSON – VP/Internal Auditor
JESSICA FRAHM – VP/Commercial Loan Officer
JOHN KAPRELIAN – VP/Retail Manager
JOHN WHITE JR. – VP/IT Director
LARRY SNEDDEN – VP/Commercial Loan Officer
LORI SCHUTZ – VP/Project Manager
MEGAN GENTEMAN – VP/Deposit Operations Manager
MIKE HENKE – VP/Sr. Ag Loan Officer
MOLLY KNOLL – VP/Commercial Loan Officer
RON WILCZEK – VP/Sr. Lending Manager
SAM PRITZL – VP/Commercial Loan Officer
SCOTT WUCHERPFENNIG – VP/Investment Services
STEVE BROST – VP/Ag Loan Officer
TERRY JOHNSON – VP/Ag Lending Manager
TODD WALDHART – VP/Mortgage Loan Officer
CHRISSEY WALCZAK – AVP/Controller
GWEN SCHNITZLER – AVP/Human Resources Director
SANDY KLATT – AVP/Executive Administrator

