



Community
FINANCIAL SYSTEM, INC.

Investor Day 2024

COMMUNITY FINANCIAL SYSTEM, INC. | NYSE: CBU

SEPTEMBER 2024

Disclaimers

Forward-Looking Statements

This presentation contains comments or information that constitute forward-looking statements (within the meaning of the Private Securities Litigation Reform Act of 1995), which involve significant risks and uncertainties. Forward-looking statements often use words such as “anticipate,” “could,” “target,” “expect,” “estimate,” “intend,” “plan,” “goal,” “forecast,” “believe,” or other words of similar meaning. These statements are based on the current beliefs and expectations of Community Financial System, Inc.’s (the “Company” or “CFSI”) management and are subject to significant risks and uncertainties. Actual results may differ materially from the results discussed in the forward-looking statements. Moreover, the Company’s plans, objectives and intentions are subject to change based on various factors (some of which are beyond the Company’s control). Factors that could cause actual results to differ from those discussed in the forward-looking statements include: (1) adverse developments in the banking industry related to recent bank failures and the potential impact of such developments on customer confidence and regulatory responses to these developments; (2) current and future economic and market conditions, including the effects of changes in housing or vehicle prices, higher unemployment rates, disruptions in the commercial real estate market, labor shortages, supply chain disruption, inability to obtain raw materials and supplies, U.S. fiscal debt, budget and tax matters, geopolitical matters and conflicts, and any changes in global economic growth; (3) the effect of, and changes in, monetary and fiscal policies and laws, including future changes in Federal and state statutory income tax rates and interest rate and other policy actions of the Board of Governors of the Federal Reserve System; (4) the effect of changes in the level of checking or savings account deposits on the Company’s funding costs and net interest margin including the possibility of a sudden withdrawal of the Company’s deposits due to rapid spread of information or disinformation regarding the Company’s well-being; (5) future provisions for credit losses on loans and debt securities; (6) changes in nonperforming assets; (7) the effect of a fall in stock market or bond prices on the Company’s fee income businesses, including its employee benefit services, wealth management, and insurance businesses; (8) risks related to credit quality; (9) inflation, interest rate, liquidity, market and monetary fluctuations; (10) the strength of the U.S. economy in general and the strength of the local economies where the Company conducts its business; (11) the timely development of new products and services and customer perception of the overall value thereof (including features, pricing and quality) compared to competing products and services; (12) changes in consumer spending, borrowing and savings habits; (13) technological changes and implementation and financial risks associated with transitioning to new technology-based systems involving large multi-year contracts; (14) the ability of the Company to maintain the security, including cybersecurity, of its financial, accounting, technology, data processing and other operating systems, facilities and data, including customer data; (15) effectiveness of the Company’s risk management processes and procedures, reliance on models which may be inaccurate or misinterpreted, the Company’s ability to manage its credit or interest rate risk, the sufficiency of its allowance for credit losses and the accuracy of the assumptions or estimates used in preparing the Company’s financial statements and disclosures; (16) failure of third parties to provide various services that are important to the Company’s operations; (17) any acquisitions or mergers that might be considered or consummated by the Company and the costs and factors associated therewith, including differences in the actual financial results of the acquisition or merger compared to expectations and the realization of anticipated cost savings and revenue enhancements; (18) the ability to maintain and increase market share and control expenses; (19) the nature, timing and effect of changes in banking regulations or other regulatory or legislative requirements affecting the respective businesses of the Company and its subsidiaries, including changes in laws and regulations concerning taxes, accounting, banking, service fees, risk management, securities, capital requirements and other aspects of the financial services industry; (20) changes in the Company’s organization, compensation and benefit plans and in the availability of, and compensation levels for, employees in its geographic markets; (21) the outcome of pending or future litigation and government proceedings; (22) the effect of opening new branches to expand the Company’s geographic footprint, including the cost associated with opening and operating the branches and the uncertainty surrounding their success including the ability to meet expectations for future deposit and loan levels and commensurate revenues; (23) the effects of natural disasters could create economic and financial disruption; (24) other risk factors outlined in the Company’s filings with the SEC from time to time; and (25) the success of the Company at managing the risks of the foregoing.

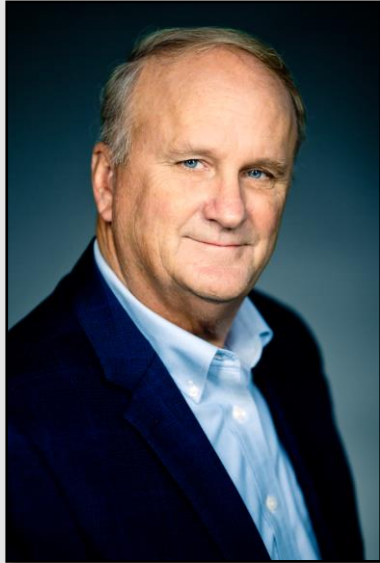
The foregoing list of important factors is not all-inclusive. For more information about factors that could cause actual results to differ materially from the Company’s expectations, refer to the discussion under the heading “Item 1A. Risk Factors” in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2023 as filed with the SEC on February 29, 2024. Any forward-looking statements speak only as of the date on which they are made and the Company does not undertake any obligation to update any forward-looking statement, whether written or oral, to reflect events or circumstances after the date on which such statement is made. If the Company does update or correct one or more forward-looking statements, investors and others should not conclude that the Company will make additional updates or corrections with respect thereto or with respect to other forward-looking statements.

Note Regarding Non-GAAP Financial Measures

The Company also provides supplemental reporting of its results on an “operating”, “core”, or “tangible” basis. During the first quarter of 2024, the Company modified the presentation of its non-GAAP operating results to exclude amortization of intangible assets which the Company believes better reflects core performance across its segments and enhances comparability to both banking and nonbanking organizations. The prior period has been recast to conform to the current period presentation. Results on an “operating” basis exclude the after-tax effects of acquisition expenses, litigation accrual, restructuring expenses, gain on debt extinguishment, gain (loss) on sales of investment securities, unrealized gain (loss) on equity securities and amortization of intangible assets. Results on a “tangible” basis exclude goodwill and intangible asset balances, net of accumulated amortization and applicable deferred tax amounts. Although these items are non-GAAP measures, the Company’s management believes this information helps investors and analysts measure underlying core performance and improves comparability to other organizations that have not engaged in acquisitions or restructuring activities. In addition, the Company provides supplemental reporting for “operating pre-tax, pre-provision net revenues,” which excludes the provision for credit losses, acquisition expenses, litigation accrual, restructuring expenses, gain on debt extinguishment, gain (loss) on sales of investment securities, unrealized gain (loss) on equity securities and amortization of intangible assets from income before income taxes. Results on a core income basis are defined as net income after taxes and before extraordinary items, less net income attributable to noncontrolling interest, gain or loss on the sale of securities, amortization of intangibles, goodwill and nonrecurring items. Although operating pre-tax, pre-provision net revenue is a non-GAAP measure, the Company’s management believes this information helps investors and analysts measure and compare the Company’s performance through a credit cycle by excluding the volatility in the provision for credit losses associated with the impact of CECL, helps investors and analysts measure underlying core performance and improves comparability to other organizations that have not engaged in acquisitions or restructuring activities. The Company also provides supplemental reporting of its interest income, net interest income and net interest margin on a fully tax-equivalent (“FTE”) basis, which includes an adjustment to interest income and net interest income that represents taxes that would have been paid had nontaxable investment securities and loans been taxable. Although fully tax-equivalent interest income, net interest income and net interest margin are non-GAAP measures, the Company’s management believes this information helps enhance comparability of the performance of assets that have different tax liabilities. This presentation includes a reconciliation of each non-GAAP financial measure to the most comparable GAAP equivalent. The disclosures within this presentation are unaudited.



Welcome & Opening Remarks



Presenter: Eric “Rick” Stickels

Title: Chair, CFSI Board of Directors

Years on Board: 8+

Years of Industry Experience: 40+

Professional Experience:

- Joined CBU Board related to the Oneida Financial Corp. transaction, elected Board Chairperson in 2022
- President, Chief Operating Officer at Oneida Financial Corp.
- EVP, Chief Financial Officer at Oneida Financial Corp.

Education:

- BS, Finance and Economics, Syracuse University
- ABA Stonier Graduate School of Banking



Investor Day Agenda

9:00 AM **Welcome and Opening Remarks**

Eric “Rick” Stickels | Chair, CFSI Board of Directors

9:05 AM **Company Overview & Investment Thesis**

Dimitar Karaivanov | *President & CEO*

9:20 AM **Banking**

Jeffrey Levy | *SVP & Chief Banking Officer*

9:40 AM **Employee Benefit Services**

Paul Neveu | *Chief Executive Officer, Benefit Plans Administrative Services (BPAS)*

10:00 AM **Insurance Services**

Pierre Morrisseau | *Chief Executive Officer, OneGroup*

10:15 AM **Q&A Session #1**

10:30 AM **Break**

10:45 AM **Wealth Management Services**

Michael Cerminaro | *President & CEO, Community Bank Wealth Management*

11:00 AM **Risk Management**

Daniel Bailey, CFA | *SVP, Chief Risk Officer*

11:15 AM **Financial Performance**

Joseph Sutaris | *EVP, Chief Financial Officer*

11:30 AM **Valuation Considerations**

Dimitar Karaivanov | *President & CEO*

11:40 AM **Q&A Session #2**

11:55 AM **Closing Remarks**

Dimitar Karaivanov | *President & CEO*

12:00 PM **Conclusion of Investor Day 2024**



Investor Day Speakers

8+
years average
company tenure

30+
years average
industry experience



Eric "Rick" Stickels

Chair, CFSI Board of Directors
Joined CBU: 2015



Paul Neveu

Chief Executive Officer, Benefit Plans Administrative Services (BPAS)
Joined CBU: 2005



Dimitar Karaivanov

President & Chief Executive Officer
Joined CBU: 2021



Pierre Morrisseau

Chief Executive Officer, OneGroup
Joined CBU: 2015



Joseph Sutaris

Executive Vice President, Chief Financial Officer
Joined CBU: 2011



Michael Cerminaro

President & CEO, Community Bank Wealth Management
Joined CBU: 2023



Jeffrey Levy

Senior Vice President, Chief Banking Officer
Joined CBU: 2018



Daniel Bailey, CFA

Senior Vice President, Chief Risk Officer
Joined CBU: 2023



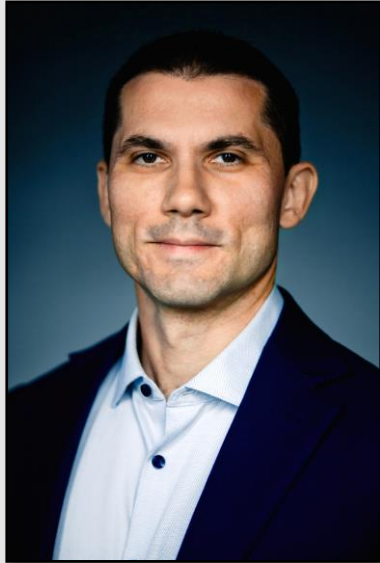


Community
FINANCIAL SYSTEM, INC.

Company Overview & Investment Thesis

COMMUNITY FINANCIAL SYSTEM, INC. | NYSE: CBU

Company Overview



Presenter: Dimitar Karaivanov

Title: President & Chief Executive Officer

Years at Company: 3

Years of Industry Experience: 20+

Professional Experience:

- Joined CBU in 2021 as EVP, promoted to COO in 2022 and CEO in 2024
- Managing Director, Financial Institutions Group at Lazard
- Managing Director, Financial Institutions Group at RBC Capital Markets






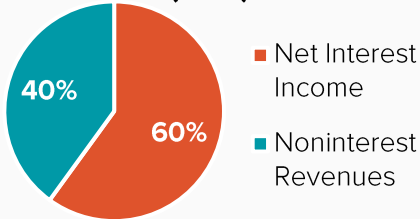
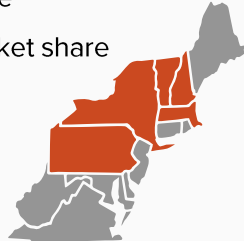
Education & Certifications:

- MBA, The Ohio State University Max M. Fisher College of Business
- ABA Stonier Graduate School of Banking
- CFA Charterholder, CFA Institute
- Professional Risk Manager, PRMIA



About CBU

SUCCESSFUL AND GROWING FINANCIAL SERVICES COMPANY operating four scaled, complementary business lines

Community Financial System, Inc.		Banking	Employee Benefit Services	Insurance Services	Wealth Management Services
					
<p>Operating Revenue Mix (YTD)</p>  <ul style="list-style-type: none"> Net Interest Income (60%) Noninterest Revenues (40%) 		<ul style="list-style-type: none"> Large bank capabilities with local service Strong market share 	<ul style="list-style-type: none"> Retirement Plan & Benefits Administration Actuarial & Pension Services Public-Sector Benefits & VEBA Health & Welfare Plans Collective Investment Fund 	<ul style="list-style-type: none"> Top 66 Insurance Broker in the U.S. P&C, Benefits, HR Consulting Offices in NY, PA, MA, FL and SC 	<ul style="list-style-type: none"> Investment & Insurance Services Trust Services Asset Management Retirement Plan Consulting Financial Planning Outsourced Partner Solutions
TTM Operating Revenue¹ 3-Yr Operating Revenue^{1,2} CAGR (TTM basis)	<p>\$712.7M total revenues</p>	<p>\$503.8M operating revenues²</p>	<p>\$129.7M operating revenues²</p>	<p>\$48.3M operating revenues²</p>	<p>\$35.6M operating revenues²</p>
	<p>5.5%</p>	<p>4.8%</p>	<p>6.1%</p>	<p>13.9%</p>	<p>3.6%</p>

¹ Operating revenue is a non-GAAP measure. Please see Appendix for details.

² Segment-level operating revenue results. Segment results include certain intercompany transactions that are eliminated in consolidation to Community Financial System, Inc. Segment-level operating results are presented utilizing methodology consistent with the Company's Segment Information disclosure in its Quarterly Report on Form 10-Q for the periods ended March 31, 2024 and June 30, 2024 in accordance with Accounting Standards Codification 280: Segment Reporting.

Trailing twelve months ("TTM") and year to date ("YTD") figures used throughout this presentation refer to the period ending 6/30/2024 unless otherwise noted.



How We Operate: Our Core Values

Our Mission: “Contribute to the prosperity of our Community, including our clients, colleagues and shareholders.”

INTEGRITY
WE DO THE RIGHT THING



EXCELLENCE
WE ALWAYS BRING OUR BEST



TEAMWORK
WE WORK TOGETHER



HUMILITY
WE RESPECT EVERYONE



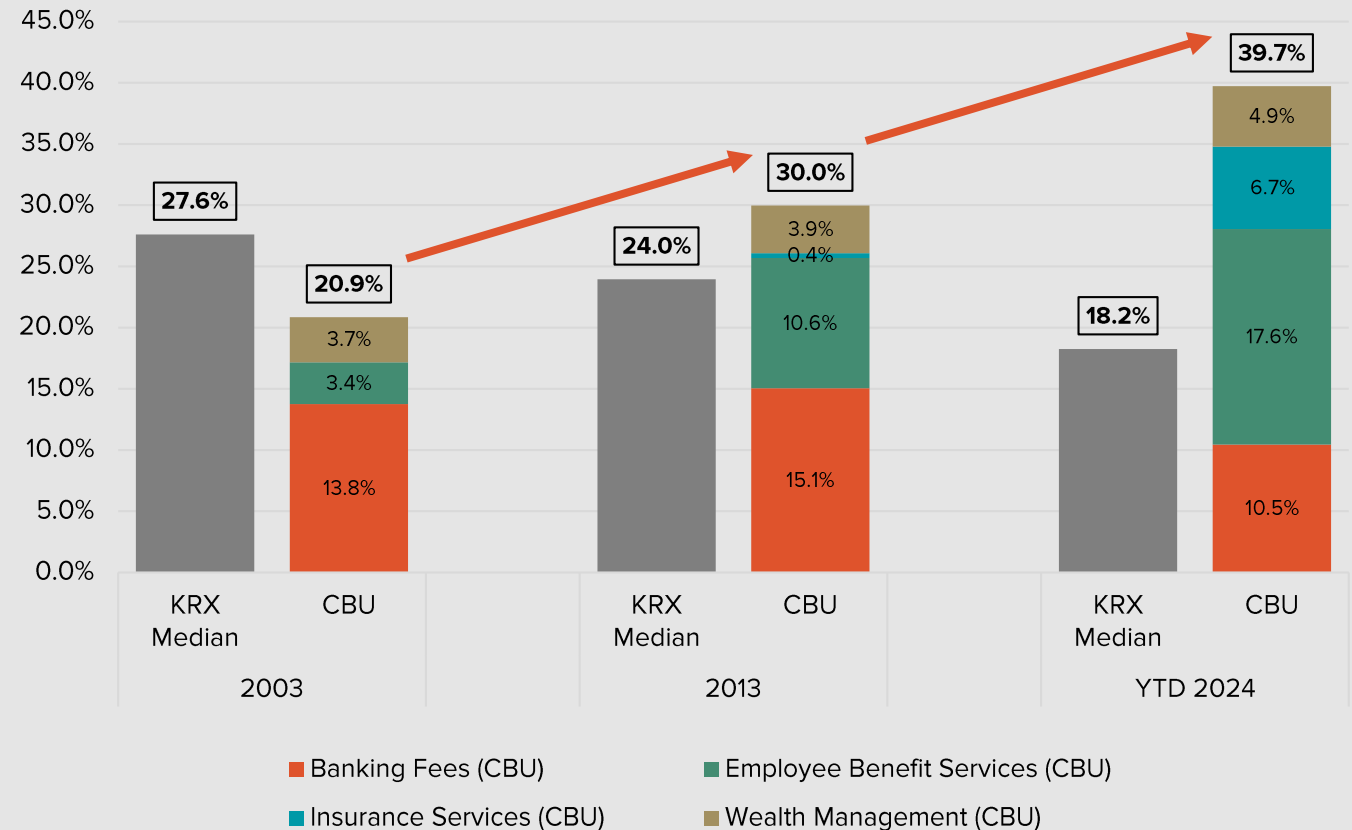
Our Evolution Into a Diversified Financial Company

YTD 2024 operating noninterest revenues were 40% of total operating revenues¹

- Top decile fee income performer²
- Longstanding focus on growing high quality, recurring noninterest revenues reduces revenue volatility
- 74% of CBU's YTD 2024 operating noninterest revenues¹ derived from its financial services businesses
 - Providing important revenue diversification with lower capital intensity and higher ROA
 - Higher multiple businesses that support overall CBU return and valuation advantage

² Ranked in the top decile for noninterest revenue as a percentage of operating revenue among nationwide public banks with assets between \$10 and \$50 billion on a TTM basis

Operating Noninterest Revenues / Operating Revenues (FTE)¹



¹ Operating noninterest revenues and operating revenues (FTE) are non-GAAP measures. Please see Appendix for details. KRX peer group used throughout this presentation can be found in the appendix.



Our Investment Thesis:

Above Average Returns with Below Average Risk



Below Average Risk

Manage Risk & Earnings Volatility through:

- Revenue Diversity & Stability
- Cost of Funds Management
- Credit & Net Charge-off Management
- Risk-Weighted Asset Management



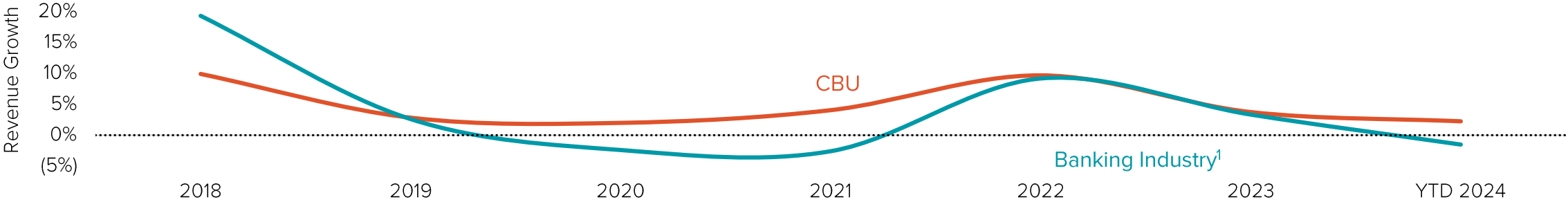
Above Average Returns

Provide Solid Earnings & Shareholder Return:

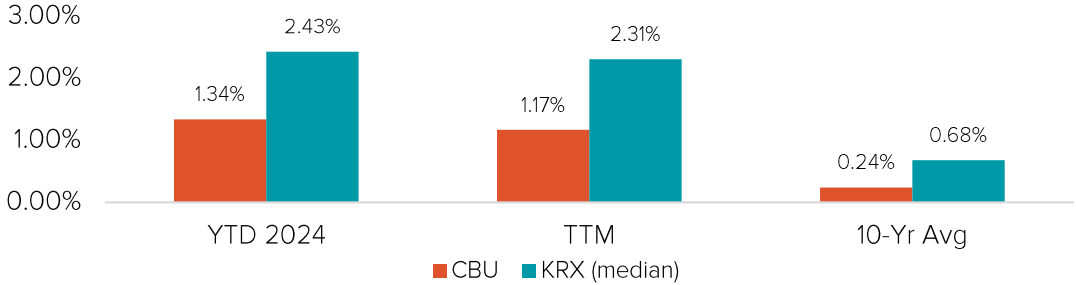
- Premium Return on Assets
- Long-term Shareholder Value & Return

Below Average Risk

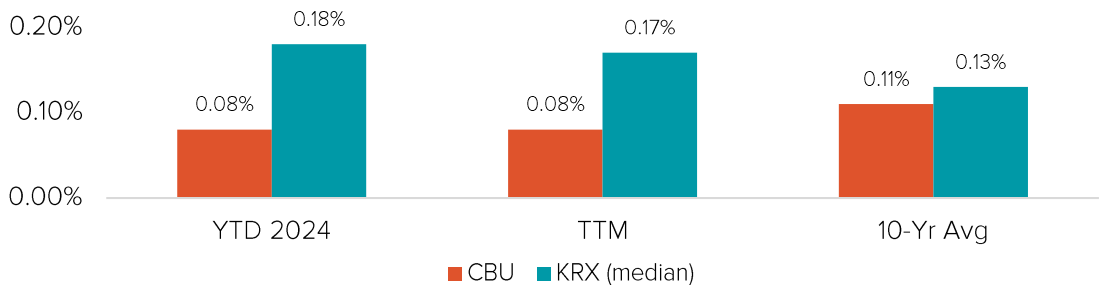
Revenue Growth Stability



Cost of Funds



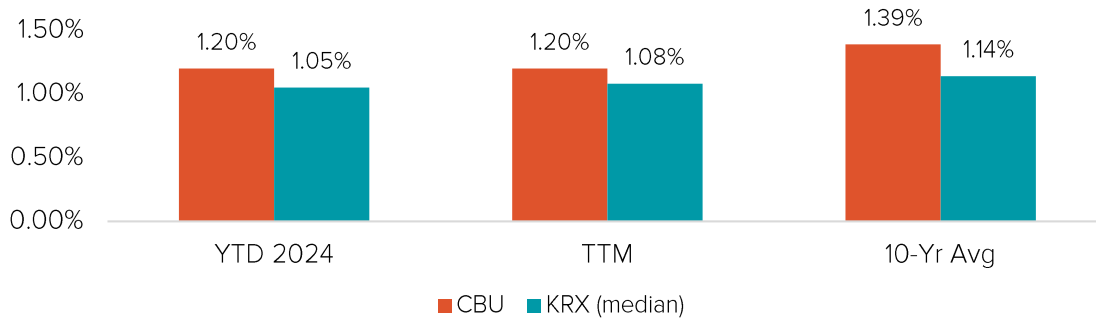
Net Charge-off Ratio



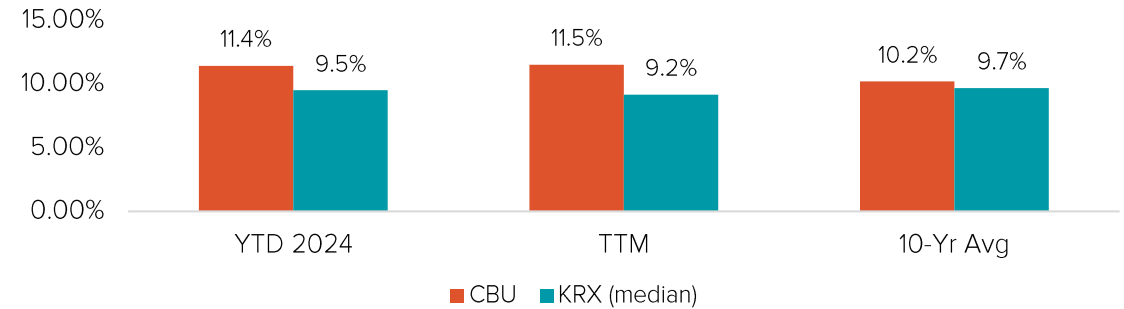
Sources: S&P Global, Internal filings
¹Industry group is defined as U.S. Commercial Banks with assets between \$10 billion and \$50 billion

Above Average Returns

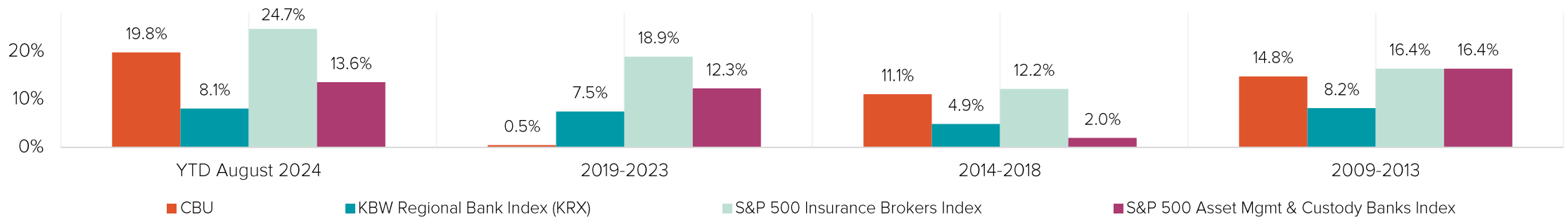
Core Return on Assets¹



Core Return on Equity¹



Total Shareholder Return²



Sources: S&P Global, Internal filings

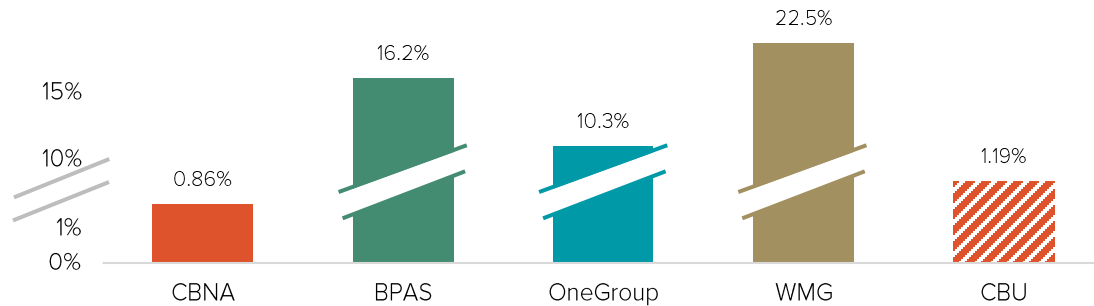
¹ Core income, a non-GAAP measure, is net income after taxes and before extraordinary items, less net income attributable to noncontrolling interest, gain or loss on the sale of securities, amortization of intangibles, goodwill and nonrecurring items. Core ROA is defined as core income divided by average period assets; annualized. Core ROE is defined as core income divided by average period equity; annualized.

² Total returns for periods noted, include reinvestment of dividends

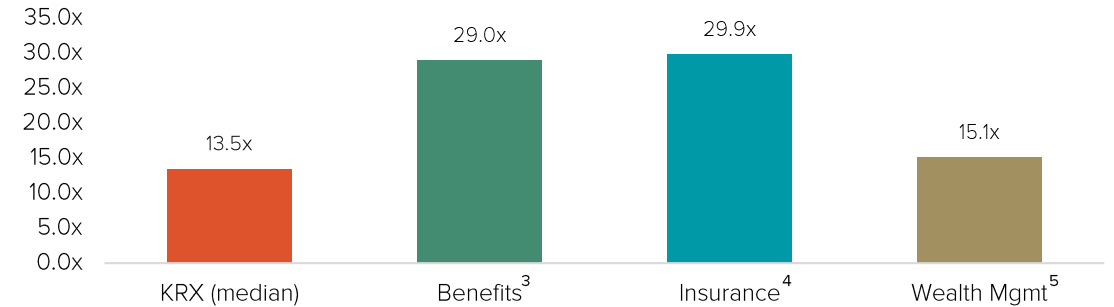


Our System Produces Premium Results

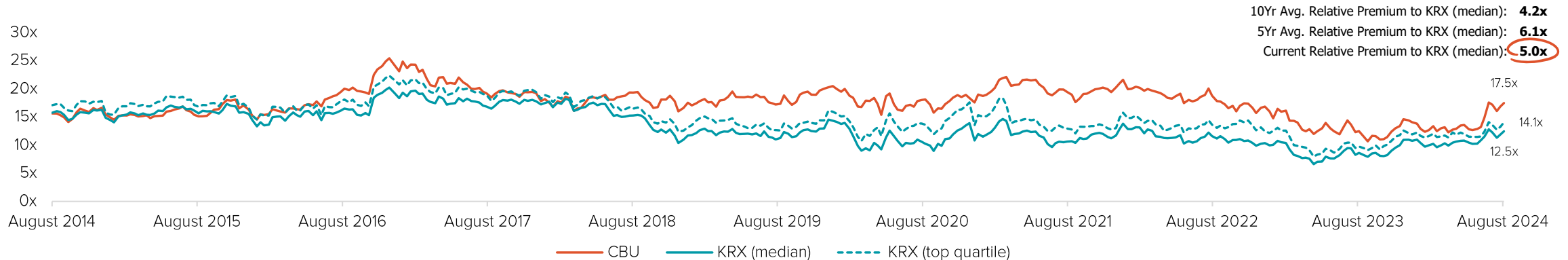
Operating Return on Assets ("ROA")¹



Peer Valuation (Price/ TTM EPS)



CBU Valuation (Price/ TTM Core² EPS)



Analysis current as of 8/30/2024

Sources: S&P Global, Internal filings

¹ TTM results. Operating ROA is a non-GAAP measure. Please see Appendix for details.

² Core income, a non-GAAP measure, is net income after taxes and before extraordinary items, less net income attributable to noncontrolling interest, gain or loss on the sale of securities, amortization of intangibles, goodwill and nonrecurring items.

³ Median multiple among the following publicly traded firms: ADP, BR, HQY, PAYX, SEIC, SSNC

⁴ Median multiple among the following publicly traded insurance brokers: AJG, AON, BRO, MMC

⁵ Median multiple among the following publicly traded firms: AMG, AMK, ENV, LPLA, RJF, SF



Our Opportunity Set: Banking (CBNA)

Highlights



#1 or #2 deposit market share position in 66% of the towns we do business in

2023 Summary of Deposits <i>\$ in Millions</i>	Buffalo, NY MSA	Rochester, NY MSA	Syracuse, NY MSA	Albany, NY MSA
Deposit Market Size:	\$76,153	\$32,626	\$18,975	\$47,811
Market 5-Year CAGR:	11.8%	7.4%	6.4%	16.1%
CBNA Deposits:	\$237	\$813	\$1,052	\$183
CBNA Market Share:	0.3%	2.5%	5.5%	0.4%
CBNA 5-Year CAGR:	12.6%	14.1%	4.9%	1.0%
CBNA Branches:	3	12	14	6
CBNA De Novo:	3	3	4	3

2023 Summary of Deposits <i>\$ in Millions</i>	Allentown, PA MSA	Springfield, MA MSA	Manchester NH, MSA	Total Selected MSAs
Deposit Market Size:	\$25,180	\$15,924	\$18,790	\$235,459
Market 5-Year CAGR:	11.6%	6.5%	7.1%	10.6%
CBNA Deposits:	\$62	\$31	\$0	\$2,378
CBNA Market Share:	0.3%	0.2%	0.0%	1.0%
CBNA 5-Year CAGR:	6.6%	(3.6%)	NA	7.6%
CBNA Branches:	2	1	0	38
CBNA De Novo:	3	1	1	18

Over \$10 Billion in Market Share Opportunity



Our Opportunity Set: Employee Benefit Services (BPAS)

Highlights



Top 5

in 18 categories across all market segments¹



880,000+

plan participants among 5,800 retirement plans

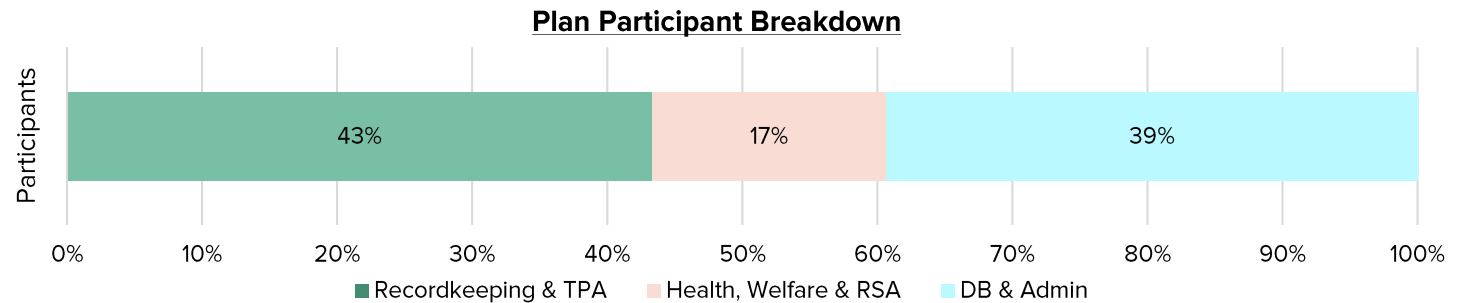
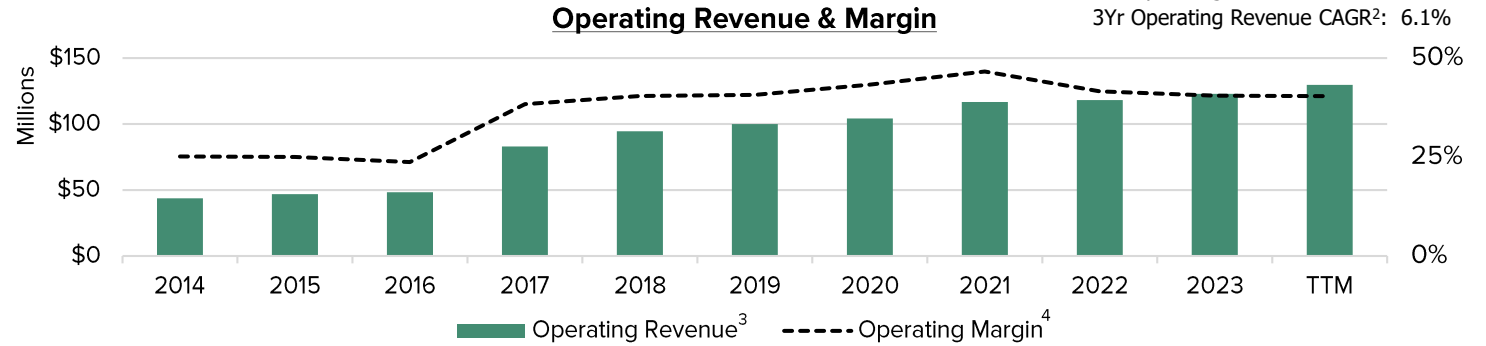


6

completed acquisitions since 2016

BPAS

10Yr Operating Revenue CAGR²: 12.1%
 5Yr Operating Revenue CAGR²: 5.9%
 3Yr Operating Revenue CAGR²: 6.1%



Industry Note⁵:

There are over **111 million** benefit plan participants in the United States

¹ In September 2023, the National Association of Plan Advisors (NAPA) Advisors' Choice Awards placed BPAS in the top 5 recordkeepers in a total of 18 categories across all 5 market sizes.

² TTM calculation basis

³ Total Operating Revenues includes segment net interest income plus operating noninterest revenues (total noninterest revenues less securities and debt gains/losses). Includes certain intersegment revenues that eliminate upon consolidation.

⁴ Operating Margin is calculated by total segment operating pre-tax income divided by total segment operating revenues. Total operating Pre-Tax Income is calculated by segment net interest income plus operating noninterest revenues less provision for credit losses less operating noninterest expenses (total noninterest expenses less acquisition expenses, amortization of intangible assets and other special charges). Includes certain intersegment revenues and expenses that eliminate upon consolidation.

⁵ Plansponsor 2023 Recordkeeping Survey, data is as of December 31, 2022; limited to 401(k), 403(b), 457 and NQDC plans



Our Opportunity Set: Insurance Services (OneGroup)

Highlights



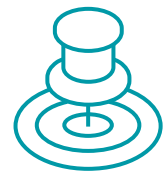
66th

among the top 100 U.S. insurance agencies¹



Top 5

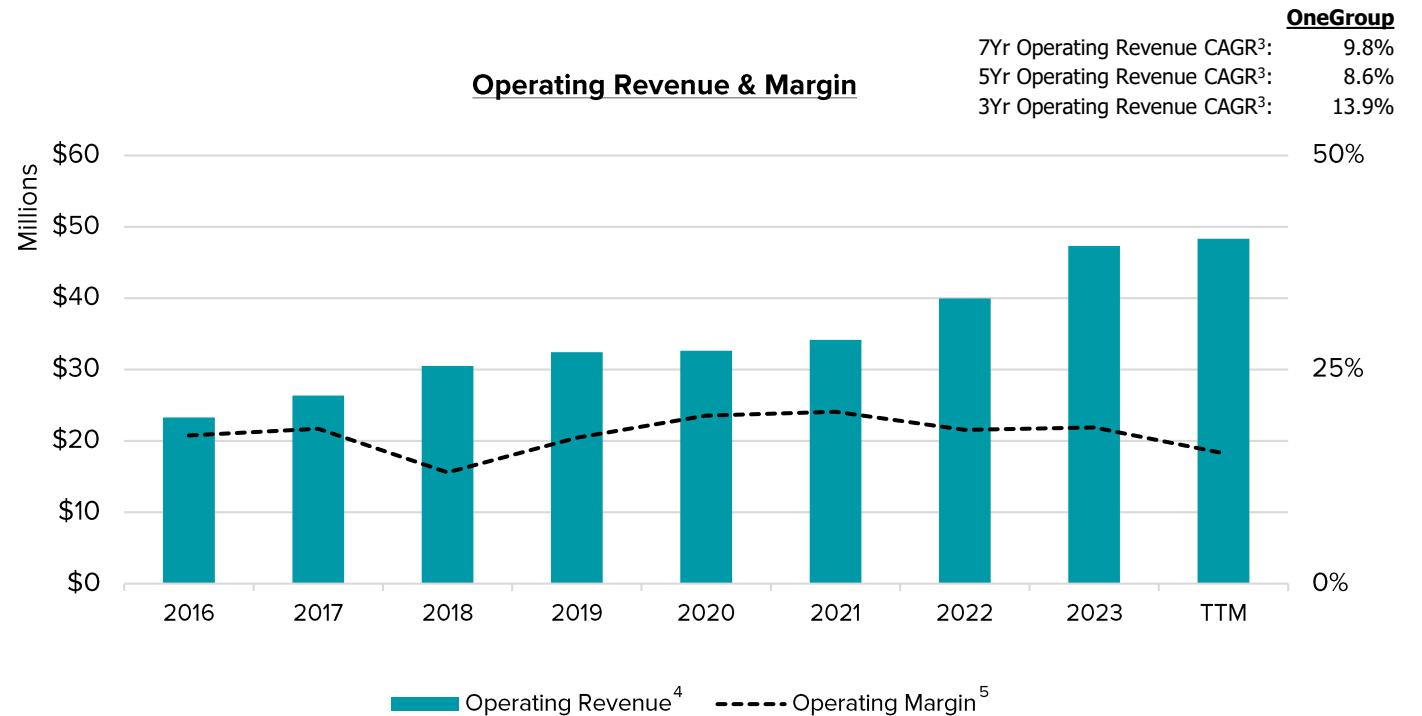
US bank owned insurance agency²



13

completed insurance acquisitions since 2021

Operating Revenue & Margin



Industry Note⁶:

The top 75 insurance agencies have grown revenue at a 13% CAGR (2019 – 2022)

¹ Based on a 2024 *Insurance Journal* ranking of total property & casualty agency revenue

² Based on 2023 full-year revenue limited to publicly owned U.S. banks

³ TTM calculation basis

⁴ Total Operating Revenues includes segment net interest income plus operating noninterest revenues (total noninterest revenues less securities and debt gains/losses). Includes certain intersegment revenues that eliminate upon consolidation.

⁵ Operating Margin is calculated by total segment operating pre-tax income divided by total segment operating revenues. Total operating Pre-Tax Income is calculated by segment net interest income plus operating noninterest revenues less provision for credit losses less operating noninterest expenses (total noninterest expenses less acquisition expenses, amortization of intangible assets and other special charges). Includes certain intersegment revenues and expenses that eliminate upon consolidation.

⁶ Source: Zion Market Research



Our Opportunity Set: Wealth Management Services

Highlights



\$12.5B

assets under management & administration (“AUMA”)¹ at 6/30/2024



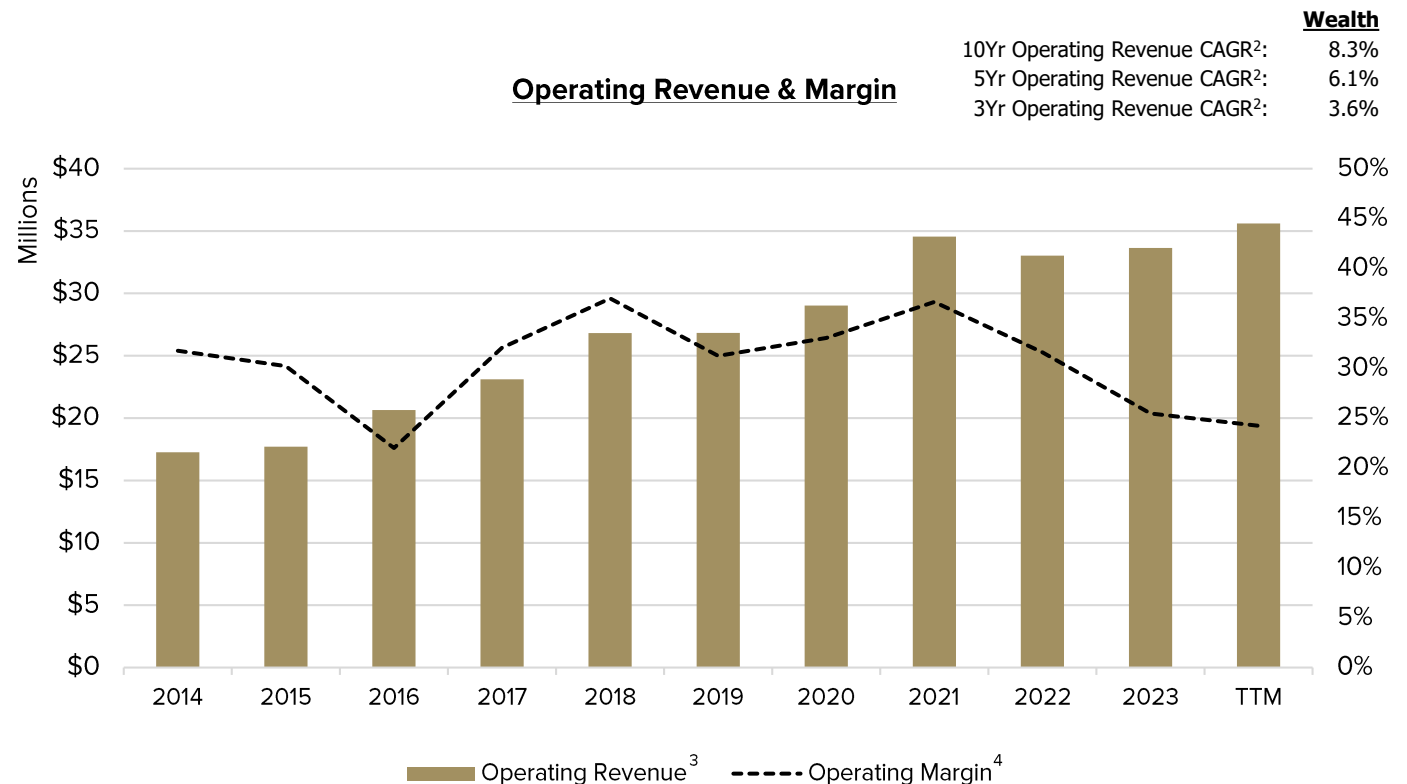
15.4%

AUMA growth from 6/30/2023¹

Wealth Management Statistics

# of CFAs	6
# of CFPs	5
# of Financial Consultants	32
# of AIFs	12
# of Trust Officers	19

Operating Revenue & Margin



Wealth
 10Yr Operating Revenue CAGR²: 8.3%
 5Yr Operating Revenue CAGR²: 6.1%
 3Yr Operating Revenue CAGR²: 3.6%

¹ Includes \$3.26 billion of intercompany AUA

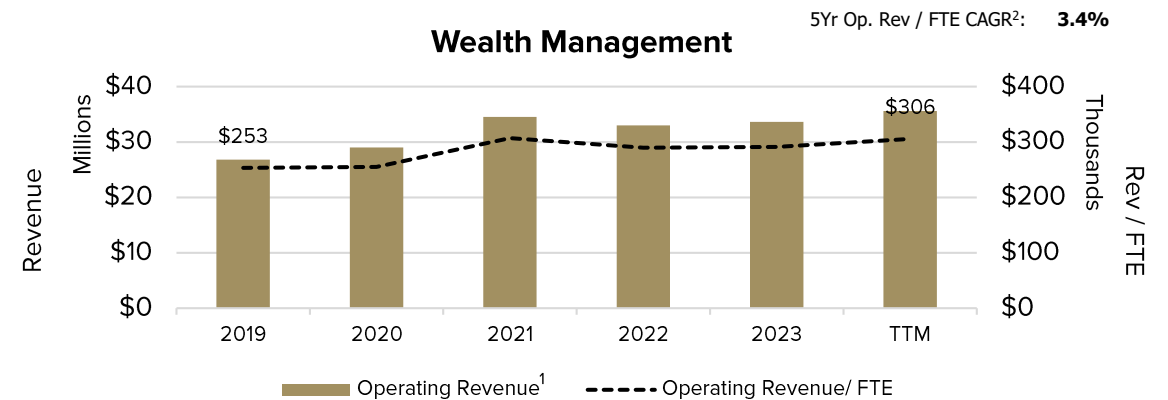
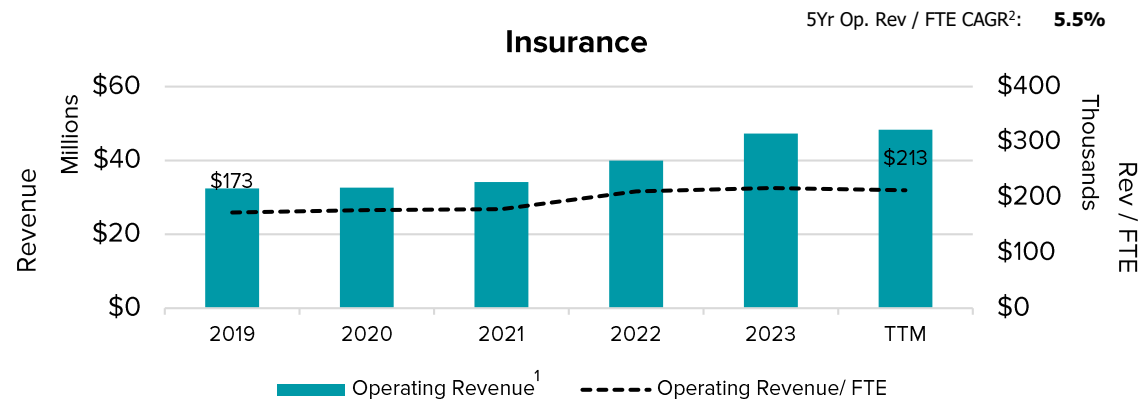
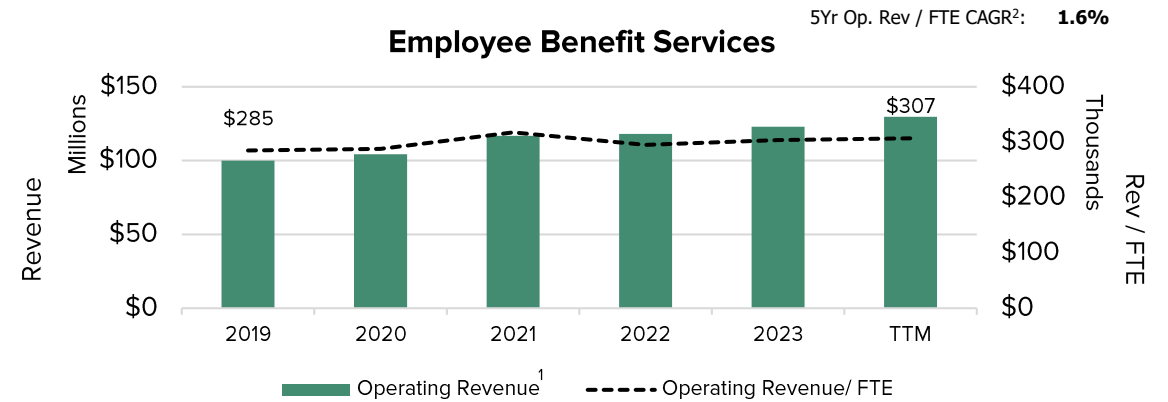
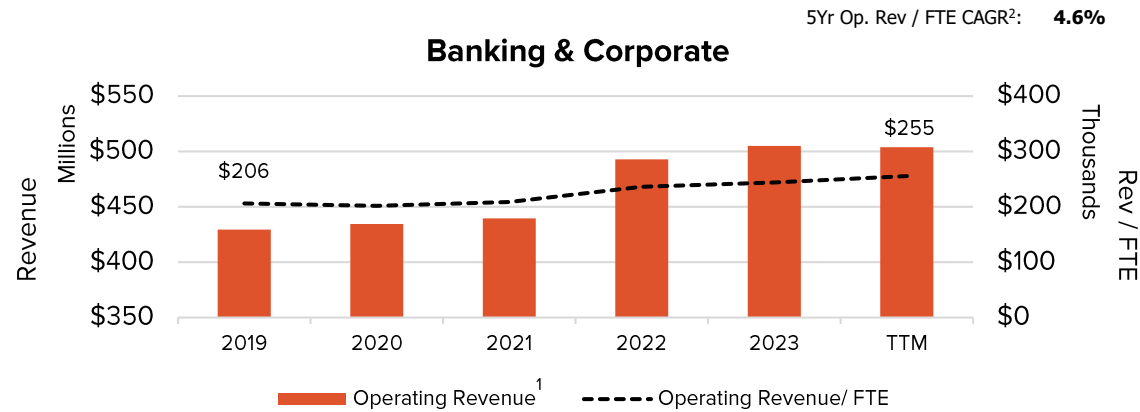
² TTM calculation basis

³ Total Operating Revenues includes segment net interest income plus operating noninterest revenues (total noninterest revenues less securities and debt gains/losses). Includes certain intersegment revenues that eliminate upon consolidation.

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Consistently Improving Productivity



¹ Total Operating Revenues includes segment net interest income plus operating noninterest revenues (total noninterest revenues less securities and debt gains/losses). Includes certain intersegment revenues that eliminate upon consolidation.

² TTM calculation basis



How Our System Works

Our Community

Banking

- #1 or #2 market share in 2/3 of towns we operate in
- 90% of commercial customers are SMBs¹

Insurance

- Leading market share in CNY
- Deep specialties
- 90% of clients are SMBs¹

Wealth

- Local presence in each region
- Affluent/mass-affluent focus

Benefits

- 90% of clients are SMBs¹
- National reach

Our Financial Solutions

ONE COMPANY. ONE CULTURE.

Connected Solutions



Our System

- 654 insurance referrals, 13.2% CAGR²

Insurance

- 291 wealth referrals, 29% TTM YoY growth

Wealth

- 59 benefits referrals, 27% TTM YoY growth

Benefits

- Marquee client wins from insurance referrals

Banking

¹ SMBs defined as businesses with less than 500 employees ² Referrals and CAGRs based on 2022 – 2024 YTD



Local Growth Opportunities

Supported by economic development

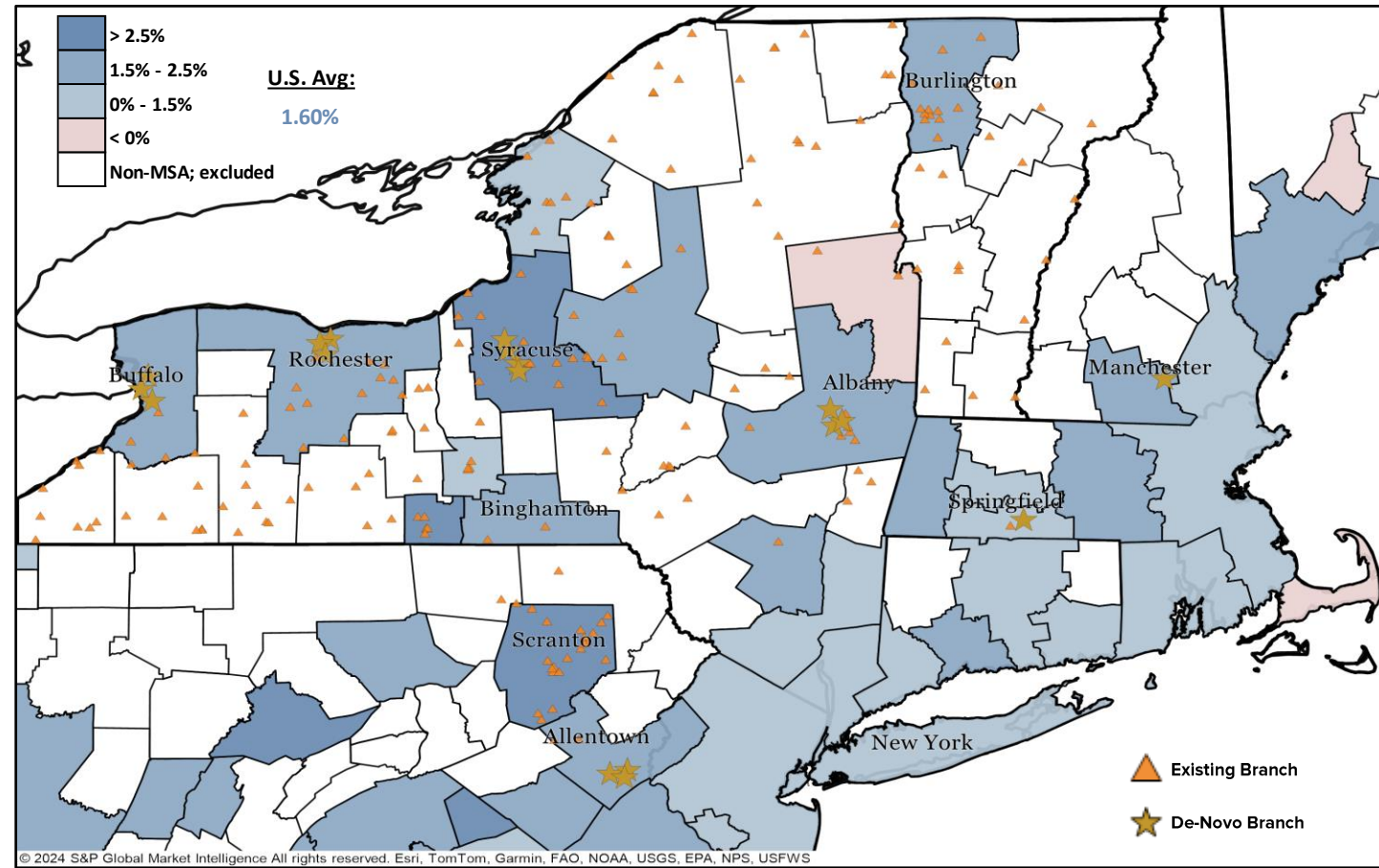
Job Growth

- Employment growth in our expansion markets exceeds statewide and nationwide averages

In-market economic development

- Upstate NY semiconductor/chip manufacturer investment¹
 - ~\$7.6 billion via CHIPS Act
 - Up to \$125 billion in potential Micron investment over the next 20+ years
- Central NY project pipeline²
 - \$10 billion (excl. Micron)
 - Current economic development pipeline is almost **20x** 2019 levels

Nonfarm employment, year-over-year % change



Source: BLS (data through June 2024)
Only metropolitan statistical areas (MSA) considered for shading

¹ Source: Micron & GlobalFoundries press releases

² Source: Centerstate CEO





Community
FINANCIAL SYSTEM, INC.

Banking

COMMUNITY FINANCIAL SYSTEM, INC. | NYSE: CBU



Community
BANK

Banking



Presenter: Jeffrey Levy

Title: SVP, Chief Banking Officer

Years at Company: 7

Years of Industry Experience: 40

Professional Experience:

- SVP, Chief Banking Officer at Community Bank, N.A. (CBNA)
- SVP, President of Commercial Banking at CBNA
- Regional Executive at CBNA
- EVP, President of Commercial Banking at NBT Bank
- Various leadership roles at M&T Bank

Education:

- B.S., Business Economics, State University of New York at Oneonta
- MBA, Finance, Fairleigh Dickinson University



CBNA at a Glance



Ranked as one of America's most trustworthy banks of 2023 by Newsweek



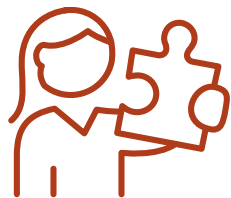
Deeply Penetrated Footprint

- First or second deposit market share in two-thirds of towns we operate in
- Large bank capabilities with local service



Relationship Focused

- In-footprint lender with a focus on credit quality
- Regularly named a "best bank" in our communities
- Decentralized decision-making and authority



Disciplined Proven Acquirer

- Successful in-market strategy focused on high quality banking partners through low-risk, accretive acquisitions
- 5 whole bank acquisitions in the last 10 years

195
branches



240
ATMs



1,745
FTEs¹



40
mortgage
bankers



~578,000
customers



76%
loans/deposits



44
middle market
bankers



28
business
bankers

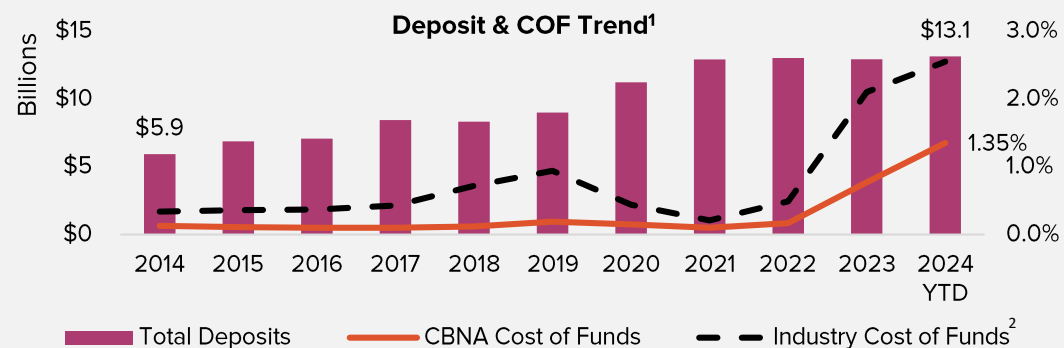
¹ Excludes corporate units

Figures as of June 30, 2024



Liquidity & Credit Are Our Foundational Strengths

Liquidity



Average Consumer Deposit Balance:

\$12,000

Average Business Deposit Relationship:

\$68,000

Average Non-maturity Deposit Age:

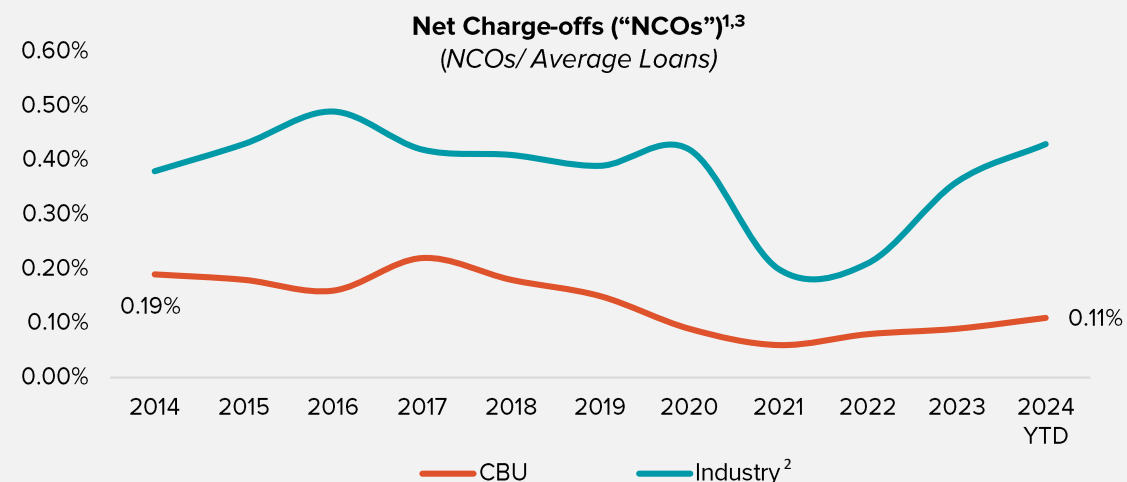
15 years

Deposits by Customer Type

- Personal: 61%
- Business: 26%
- Municipal: 13%

Over **80%** of deposit balances are either insured by the FDIC or secured through municipal pledging.

Credit



¹ YTD data as of 6/30/2024

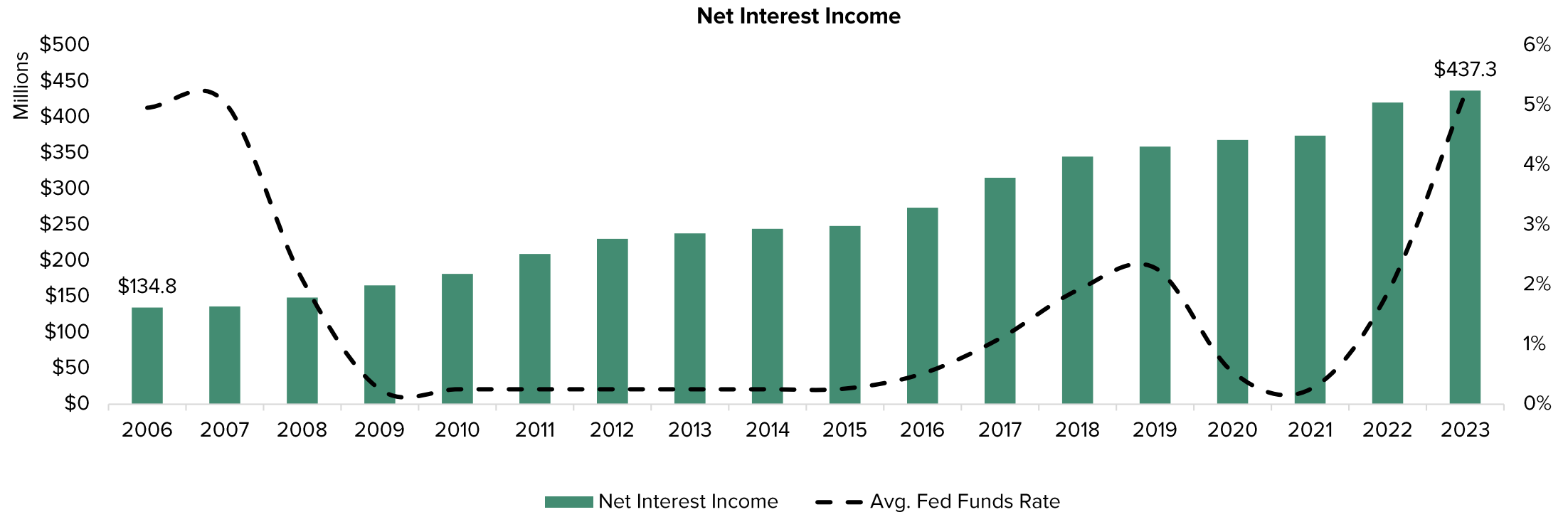
² Industry group is defined as U.S. Commercial Banks with assets between \$10 billion and \$50 billion

³ Bank-level regulatory reporting results. NCOs include checking/overdraft charge-offs



We Have Grown Net Interest Income Every Year Since 2006

1 of only 3 KRX peers to achieve that consistent growth



Business Line Summary

Retail & Business Banking

- Expansive, prominent branch network, complemented by a growing digital platform.
- Experienced, customer service focused team of bankers, providing day-to-day personalized service to our long-term customer base.
- Business Bankers across the entire branch footprint.
- Branch Leaders and Business Bankers are actively involved in each of the communities we are present in.

Consumer Lending

- Community banking model of serving our customer base with the traditional products of Installment Loans, Residential Mortgages, and Home Equity Loans, nearly all of which we service in-house.
- Residential lending has evolved to attract a younger generation with a robust digital offering, while keeping face-to-face meeting opportunities for our customers who prefer “the traditional way”.
- We have maintained a 45 + year commitment to providing automobile financing thru our vast, relationship-based dealer network, rising to the top 25 auto financers in the nation.

Commercial Banking

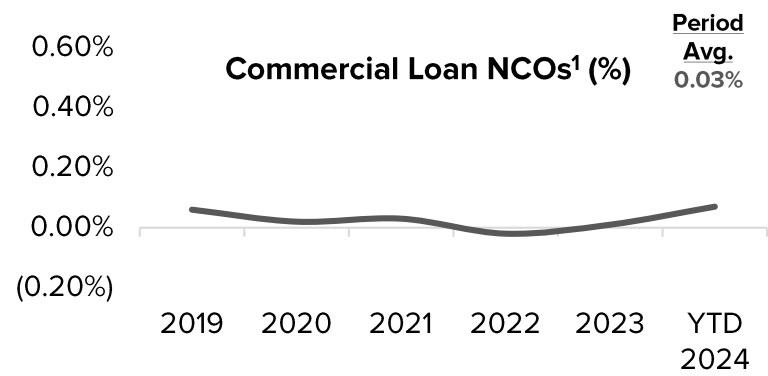
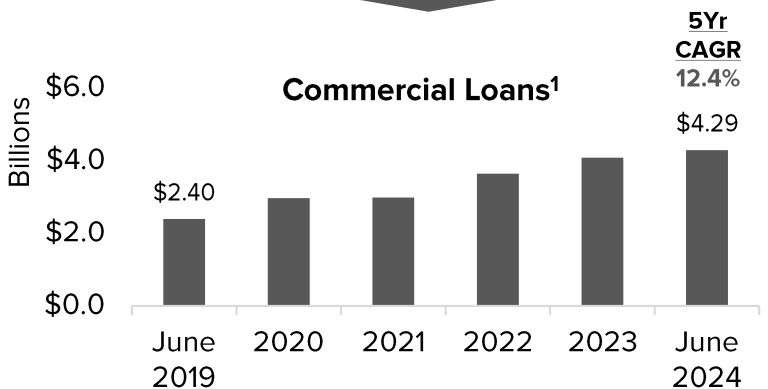
- Regionally based teams of experienced bankers focused on Middle Market Banking, Commercial Real Estate Banking and Treasury Management Solutions.
- High-touch, relationship focused Credit, Deposit, Capital Markets and Payments products and services.
- Strong cross-referral relationships with Insurance, Wealth Management and Employee Benefits business partners.



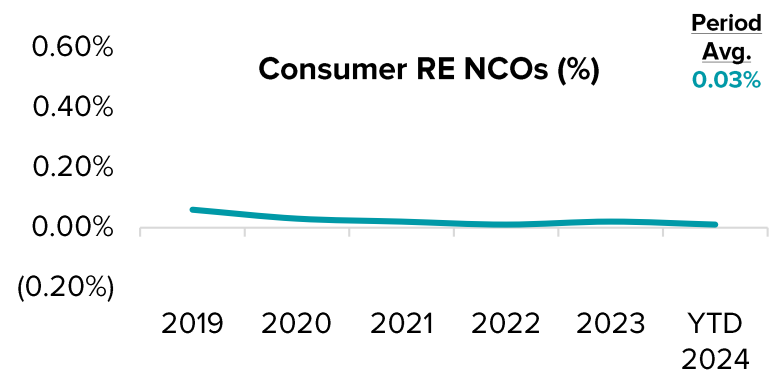
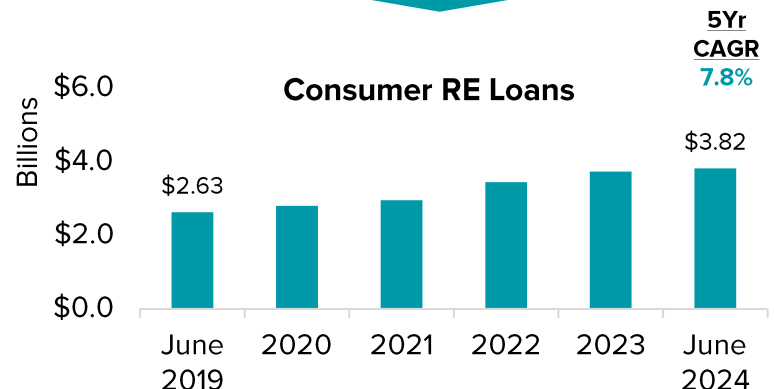
Loan Portfolios & Asset Quality

Successful track record of organic growth and acquisition integration combined with consistently strong credit results

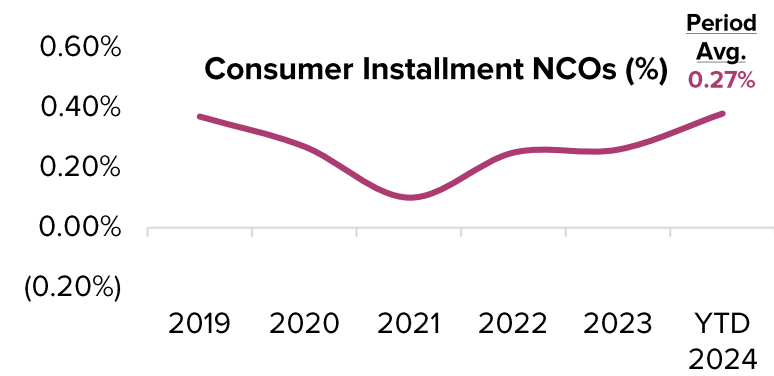
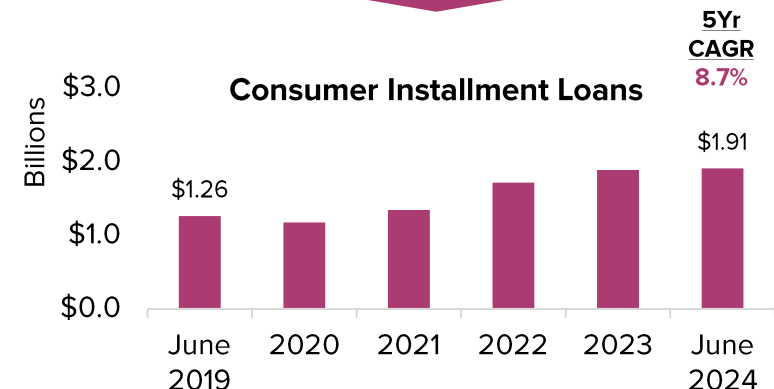
Commercial Loans



Consumer Real Estate



Consumer Installment



¹Excludes PPP loans



Our Banking Evolution

Investments

Talent Investments

- Experienced leadership into all functional areas
- Built out expansion market teams in New Hampshire and Lehigh Valley, PA
- Process improvement and data analytics teams
- CRE, middle market and business banking development
- Invested in mortgage sales

Technology Investments

- Fraud prevention technology
- Treasury management solution
- Digital escrow platform
- AI / generative chat solutions
- Robotic process automation (RPA) technologies

Performance Results

	Pre-COVID ¹	2022 – 2024 YTD
Commercial Loans	7.0% CAGR	11.5% CAGR
Consumer Real Estate	3.3% CAGR	7.1% CAGR
Consumer Installment	4.3% CAGR	7.3% CAGR
Total Loans	4.9% CAGR	9.0% CAGR
Total Deposits	3.2% CAGR	0.6% CAGR
Loans/Deposits	77% in 2019	76% in 2023
NCO %	0.12% in 2019	0.08% in 2023
# of Branches	231 in 2019	195 in 2023
# of Banking Employees ²	1,946 in 2019	1,745 in 2023

Below all policy concentration limits

¹Pre-COVID period defined as 2017 – 2019

² Excludes corporate units



De-centralized Regional Structure

“Think Big, Act Small”



Think Big

Each banking region has the ability and resources required to provide our customers with comprehensive specialized products and connected solutions



Act Small

Each banking region has enough local & qualified resources to provide our customers with the local touch to solve their problems including referrals to any of our sister companies

Established Growth Capabilities Across All Regions

Banking Regions¹

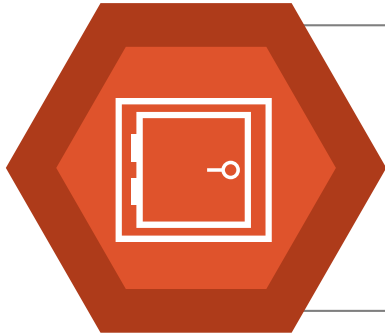
<i>As of June 30th 2024</i>	<i>Buffalo, NY</i>	<i>Rochester, NY</i>	<i>Syracuse, NY</i>	<i>Binghamton, NY</i>	<i>Albany, NY</i>	<i>Pennsylvania</i>	<i>New England</i>	<i>CBNA Total</i>
Loans	\$1.57 B	\$1.58 B	\$2.02 B	\$0.71 B	\$1.50 B	\$1.39 B	\$1.23 B	\$10.02 B
Deposits	\$2.13 B	\$2.04 B	\$3.23 B	\$0.77 B	\$2.15 B	\$1.51 B	\$1.51 B	\$13.14 B
Loans / Deposits	73.8%	77.6%	62.3%	92.1%	69.5%	92.0%	81.5%	76.3%
Branches	29	28	40	15	28	25	30	195
Middle Market Bankers	6	5	6	3	6	5	13*	44
Business Bankers	3	6	5	2	4	5	3	28
Mortgage Bankers	3	3	8	7	9	5	5	40
1 Year Cons. RE Growth	8.1%	1.1%	9.3%	20.3%	19.4%	11.7%	18.6%	8.8%
3 Year Deposit Growth	3.1%	16.6%	2.4%	12.1%	11.2%	5.9%	(6.1%)	6.5%

¹ Excludes Online, Florida and Administration regions; includes intercompany balances

* 4 middle market bankers in New Hampshire, an expansion market



Retail & Business Banking



Deposit Strength

- Leading deposit beta
- Granular and diverse deposits
- Long-standing relationships
- High insured deposit levels



Digital Capabilities

- Expanding digital banking services
- Evaluating AI/generative chat solutions
- Implementing RPA technologies
- Leveraging data to provide valuable insights



Business Banking Evolution

- Dedicated bankers for rising SMBs and their expanding needs
- High touch, relationship focused



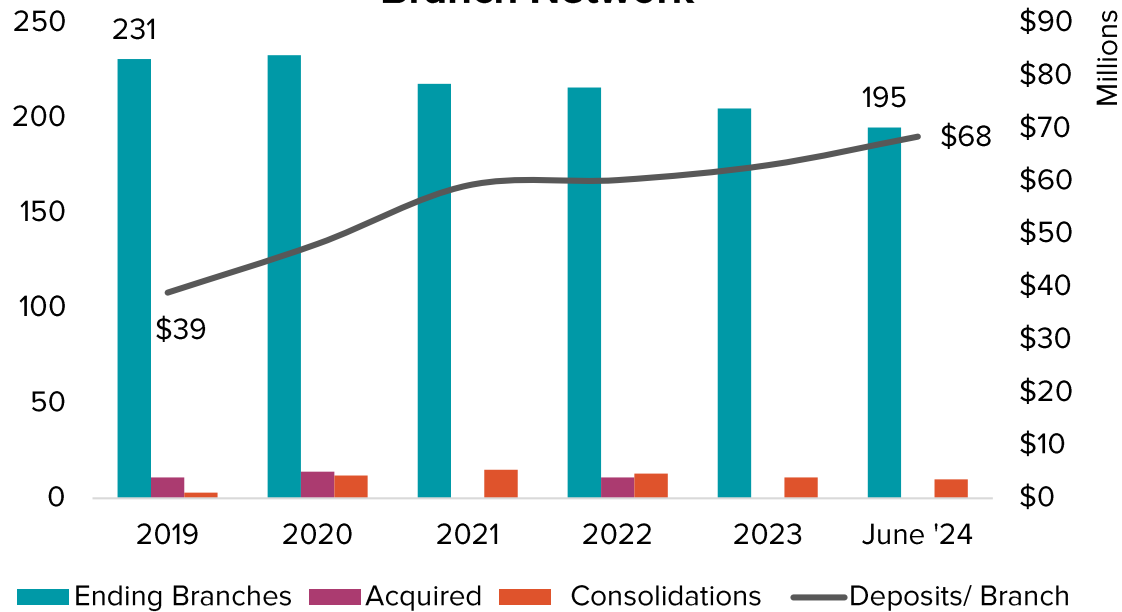
Branch Rationalization & Market Expansion

- Maintaining appropriate branch network
- De novo branch investment in newer, more densely populated markets

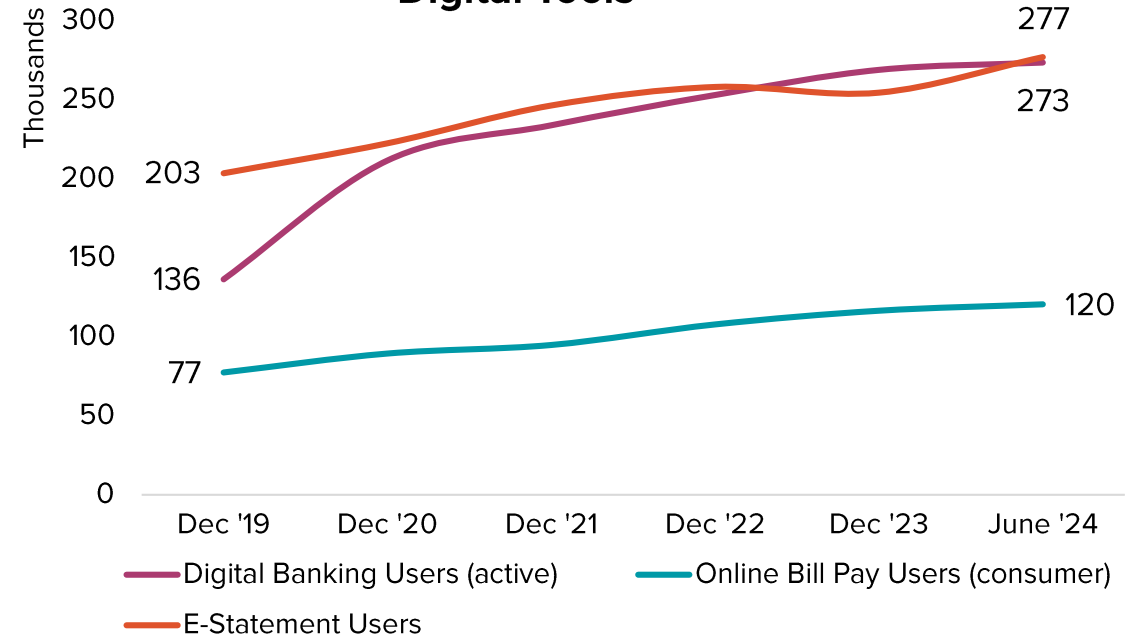
Optimizing Delivery Channels for Growth

- Addressing redundancies through consolidations and expanding digital banking services
- 61 branches consolidated since 2020
- The Company is investing in the retail network through de novo branch expansion in new, more densely populated markets throughout the current geographic footprint
- As of June 2024, 76% of total customers were digital banking users, while 60% and 29% of core deposit customers were e-statement users and online bill pay users, respectively

Maintaining Appropriate Branch Network

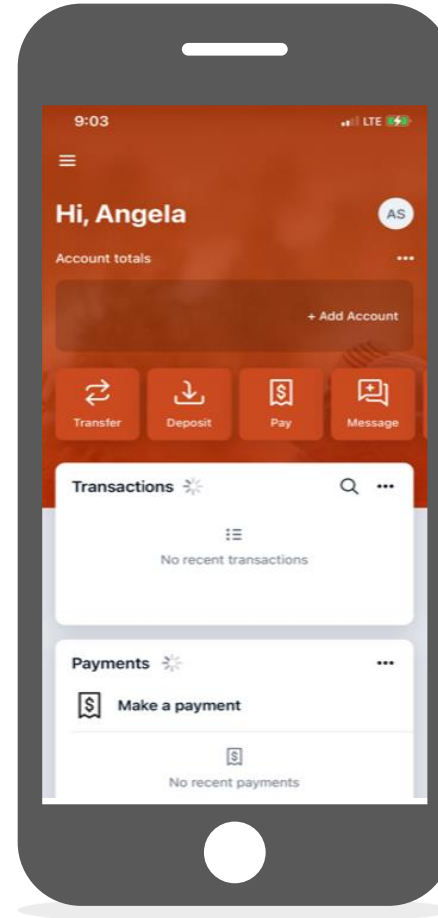


Customers Steadily Adopting Digital Tools



Digital Banking Capabilities

- Full array of digital capabilities available in our online and mobile banking solutions
 - Mobile deposits
 - Card management
 - Payments & transfers
 - eStatements
 - Alerts & stop payments
 - Online chat & support
 - Loan application
 - Appointment scheduling



- 1 LOGIN TRENDS**
 - › 70% mobile app
 - › 30% online banking
 - › Approximately 9.2 million digital logins per month; up 3% YOY
- 2 ACCOUNT OPENINGS**
 - › 40% of mortgage applications received digitally
 - › Digital accounts have increased 18.6% YOY
- 3 ZELLE PARTNERSHIP¹**
 - › Established in 2023
 - › YTD Zelle transactions (count) up 33.9%
 - › YTD Zelle transaction (\$ amount) volume up 41.5%

¹Transaction comparisons are to the last 6 months of 2023



Consumer Lending



Consumer Real Estate

- Predominately 1-4 family first lien mortgages
- In market and highly granular
- Branch / mortgage banker origination channels

TTM originations:

- **\$796.1 million**



Indirect Point-of-Sale

- Dealer-based financing with strict underwriting standards
- Short-medium term durations
- Consists of 13% new auto, 79% used auto, 8% non-auto

TTM originations:

- **\$731.2 million**



Direct Lending

- In-branch and online consumer lending
- Strong credit spread with nominal losses

TTM originations:

- **\$94.5 million**

Consumer Lending

Durable loss history versus industry¹

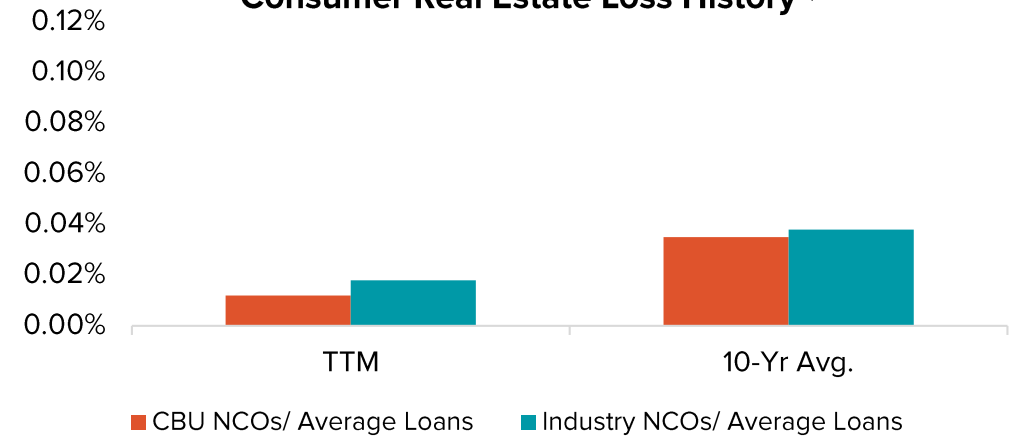
Consumer Real Estate (\$3.82 billion)

- Broad product set including non-conforming, FHA, VA and 1st time homebuyers program
- 88% consumer mortgage / 12% home equity
- 752 average origination FICO score

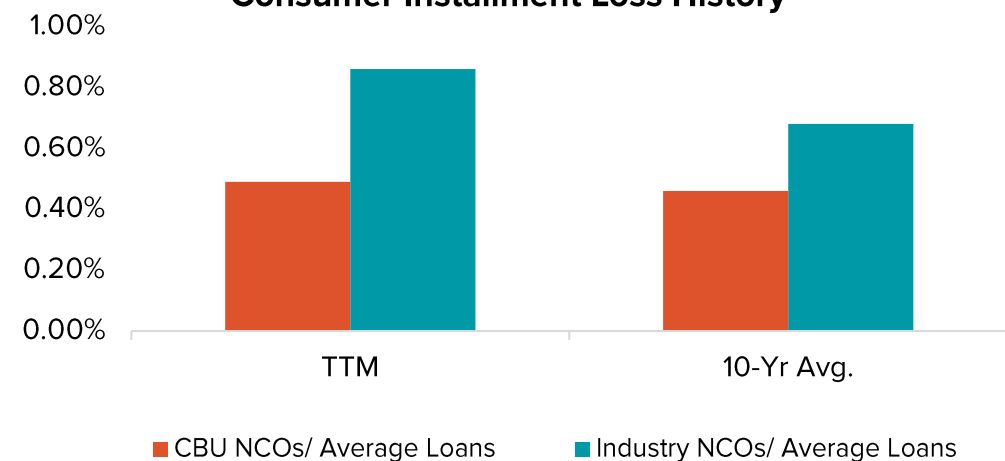
Consumer Installment (\$1.91 billion)

- 30+ years in the business
- 90% indirect (through 1,100+ dealer network) / 10% direct (branch/online)
- 753 average origination FICO score

Consumer Real Estate Loss History^{2,3}



Consumer Installment Loss History^{2,3}



Sources: S&P Global, Internal filings

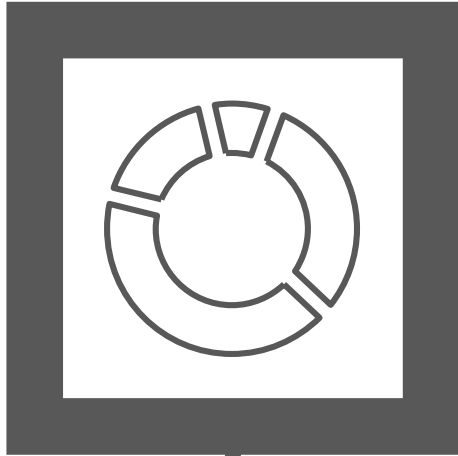
¹Industry group is defined as U.S. Commercial Banks with assets between \$10 billion and \$50 billion

²Regulatory reporting results. Consumer installment results include checking/overdraft charge-offs and exclude credit cards.

³Net charge-offs ("NCOs")



Commercial Banking

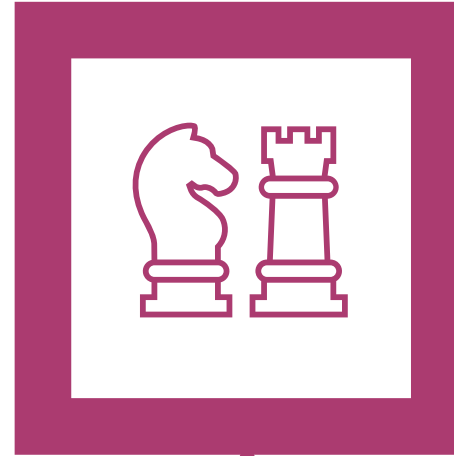


Low Average Credit Relationships

Primarily operate in non-metropolitan footprint within contiguous states

Strong Asset Quality

No significant industry or property concentrations



New Initiatives

Recent fee & referral based initiatives has helped contribute to noninterest income growth

Recent Investments

Leveraging technology & talent investments into efficient growth

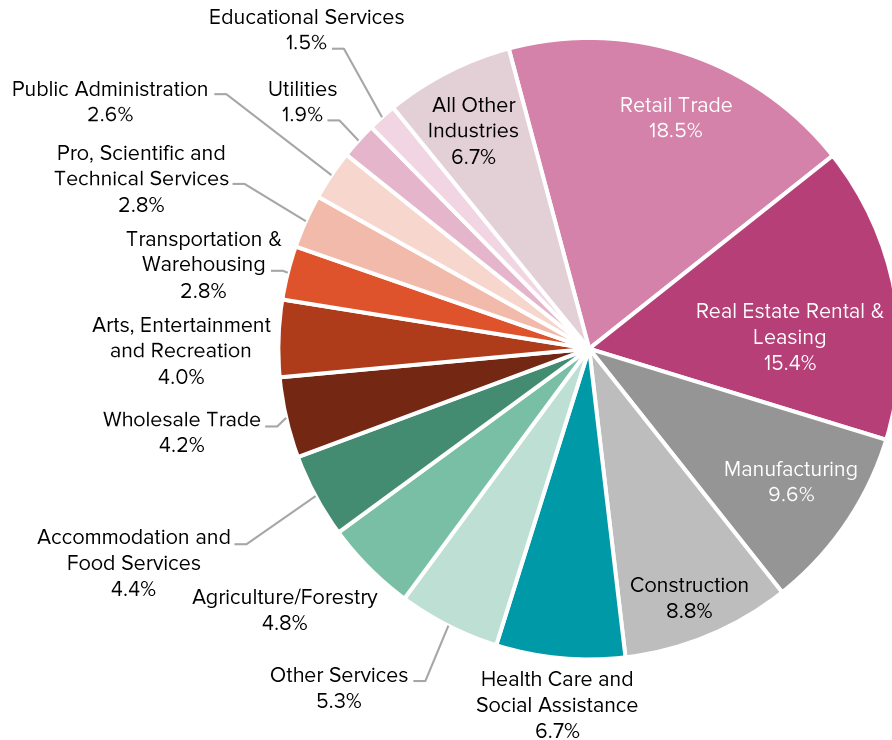


Commercial Lending

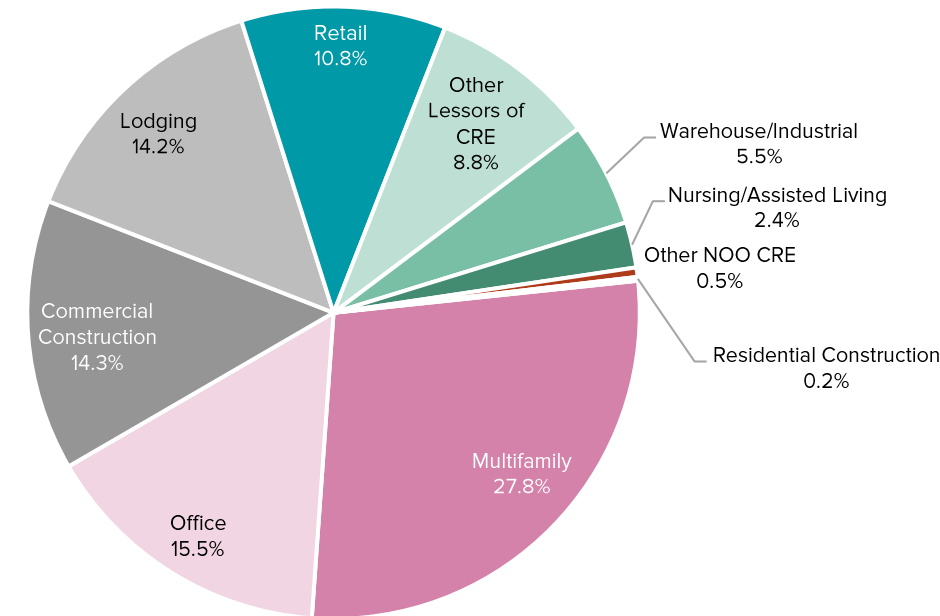
Well diversified lending portfolio

0.07% 10-year average net-charge off ratio (2014-2023)

C&I, Owner Occupied CRE & All Other Business¹
(\$1.91 billion)



Multifamily & Non-Owner Occupied CRE (“NOO CRE”)²
(\$2.38 billion)



Total Commercial Lending
\$4.29 Billion
43% of total loans

NOO CRE represents 197% of total bank-level capital compared to the KRX bank-held median of 242%

¹ Loan balances as of June 30, 2024, call report code-based customer loan data

² Commercial & Industrial (“C&I”), owner occupied commercial real estate (“CRE”) & all other portfolio includes all business loans not coded with “NOO CRE” call report codes (below)

³ Non-owner occupied CRE portfolio includes all business loans coded with 1A1, 1A2, 1D and 1E2 call report codes



Commercial Banking Initiatives



CRE Capital Markets

- Established in 2023 via Axiom Capital acquisition
- Structure & arrange CRE financing deals
- No credit risk and attractive fee income
- Differentiated solution vs local peers



Interest Rate Derivatives

- Customer SWAP agreements
- Customer receives desired rate structure
- CBNA receives fee income and manages balance sheet interest rate risk
- Limited credit risk



Community Connect

- >500 commercial and HNW opportunities per annum, often times multiple products
- 30%+ win rate
- Increased client retention
- Attractive, recurring fee income

Expansion Markets Opportunity

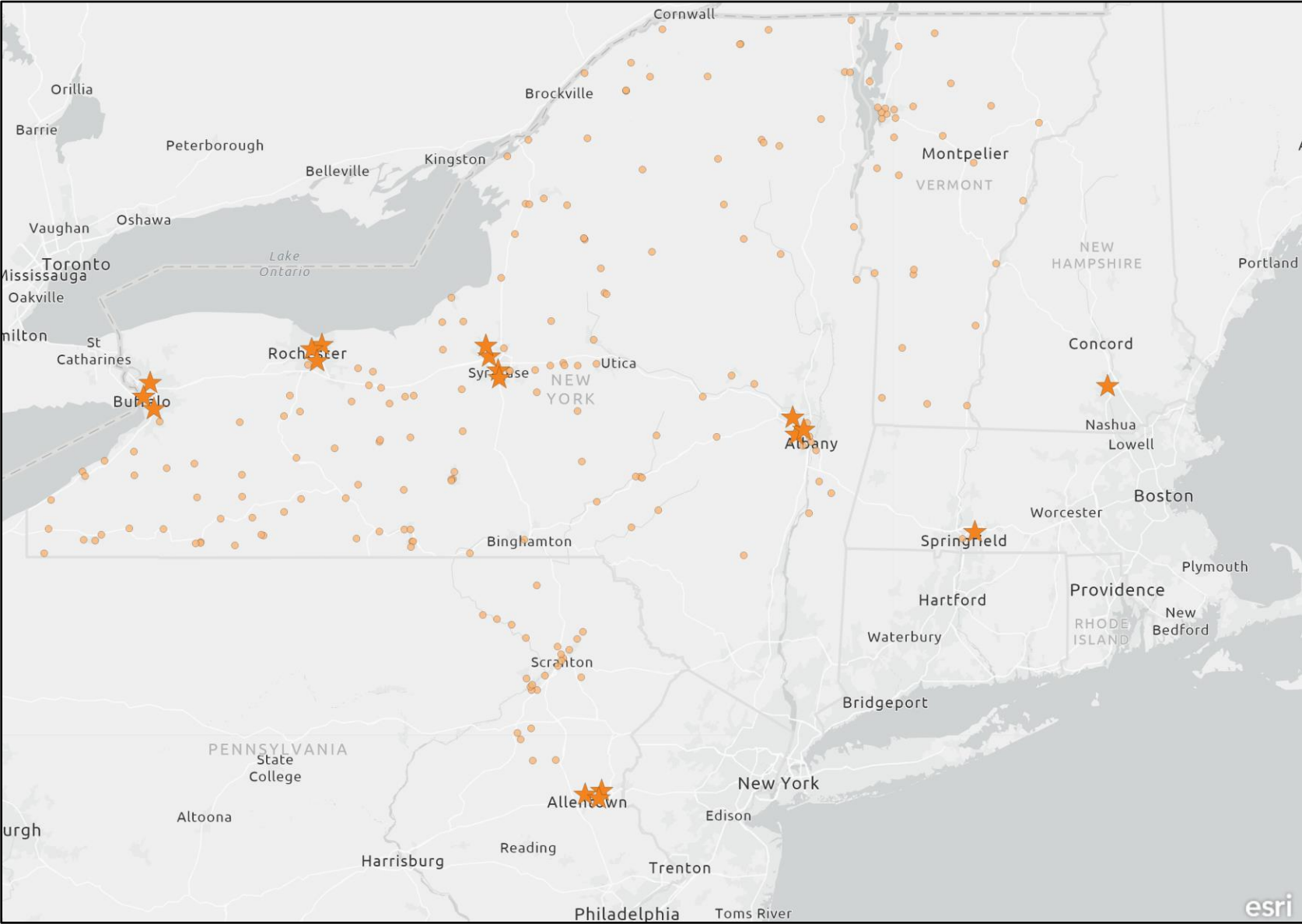
Over \$10 Billion in Market Share Opportunity

2023 Summary of Deposits \$ in Millions	Buffalo, NY MSA	Rochester, NY MSA	Syracuse, NY MSA	Albany, NY MSA	Allentown, PA MSA	Springfield, MA MSA	Manchester NH, MSA
Deposit Market Size:	\$76,153	\$32,626	\$18,975	\$47,811	\$25,180	\$15,924	\$18,790
Market 5-Year CAGR:	11.8%	7.4%	6.4%	16.1%	11.6%	6.5%	7.1%
CBNA Deposits:	\$237	\$813	\$1,052	\$183	\$62	\$31	\$0
CBNA Market Share:	0.3%	2.5%	5.5%	0.4%	0.3%	0.2%	0.0%
CBNA 5-Year CAGR:	12.6%	14.1%	4.9%	1.0%	6.6%	(3.6%)	NA
CBNA Branches:	3	12	14	6	2	1	0
CBNA De Novo:	3	3	4	3	3	1	1
#1 Market Share Company:	M&T Bank Corp.	ESL FCU	M&T Bank Corp.	Citizens Financial Group Inc.	Wells Fargo & Co.	Peoples Bancorp	Citizens Financial Group Inc.
2023 Market Share:	65.4%	17.2%	19.5%	23.6%	16.2%	14.3%	24.2%
Top 3 Institution Market Share:	79.6%	40.4%	46.8%	55.5%	35.2%	38.8%	61.8%
Top Non-Super Regional, Non-Credit Union Market Share:	Northwest Bancshares, Inc.	Canandaigua National Corp.	NBT Bancorp Inc.	TrustCo Bank Corp NY	Fulton Financial Corp	Peoples Bancorp	Primary Bank
2023 Market Share:	3.2%	11.0%	6.8%	7.2%	7.3%	14.3%	3.1%



Expansion Markets

The Company is investing in the retail network through de novo branch expansion in new, more densely populated markets throughout the current geographic footprint



● Existing Branch ★ De-Novo Branch



What the Future Brings

More of the same, just a lot more of it, done more efficiently



Community Bank has a well-established corporate culture with a simple, straight-forward, set of core values; Integrity, Excellence, Teamwork, Humility



Balanced approach of organic growth and M&A



Continued focus on asset quality and balance sheet transformation



Branch distribution and operating cost rationalization



De novo branch and market expansion (contiguous) strategy



Talent management investments
Recruit bankers with larger bank experience, internal training and development, retention



Leverage existing customer relationships to deepen penetration with non-bank business partners;
Benefits, Insurance, Wealth Management



Community
FINANCIAL SYSTEM, INC.

Employee Benefit Services

COMMUNITY FINANCIAL SYSTEM, INC. | NYSE: CBU



Employee Benefit Services



Presenter: Paul Neveu

Title: Chief Executive Officer, Benefit Plans Administrative Services (BPAS)

Years at Company: 19

Years of Industry Experience: 28

Professional Experience:

- Chief Executive Officer at BPAS
- President at BPAS
- SVP / VP of Sales at BPAS
- VP, Sales at Federated Hermes

Education & Certifications:

- B.S., University of New Hampshire, Paul College of Business
- Certified Employee Benefit Specialist
- Holds Series 7, 6 and 63 designations



One Company, One Call

BPAS is an emerging player in the national retirement landscape



Growth Strategy

- Organic and acquired
- Strategically filling gaps & expanding footprint
- Maintaining culture and operating philosophy



Breadth of Services

- “Swiss Army Knife”
- Broad range of engagements serviced
- State of the art technology

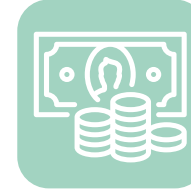


Speed to Market

- Numerous customer success stories
- Nimble maneuverability

\$129.7M

TTM revenue¹



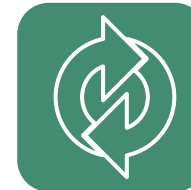
9.3%

TTM revenue growth



12.1%

10-year revenue CAGR



455

employees



880,000+

plan participants



5,800+

retirement plans



2,500+

financial intermediaries



4

acquisitions since 2017



¹Segment-level operating revenue results. Includes \$4.3 million of intercompany transactions that are eliminated in consolidation to Community Financial System, Inc.

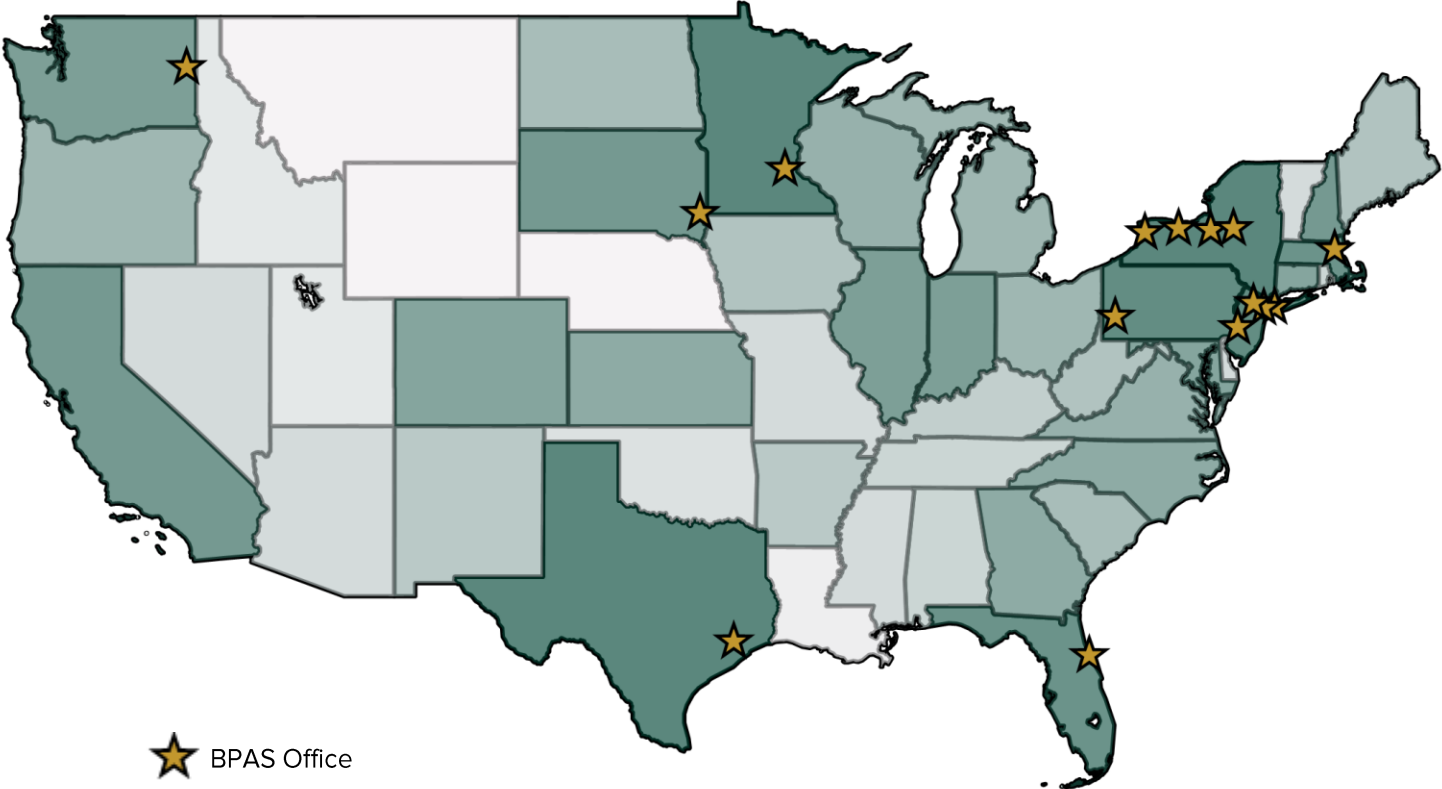
BPAS at a Glance

National Profile

BPAS operates from **16 offices** nationally and serves clients in **every U.S. state** plus the Commonwealth of Puerto Rico. We partner with Financial Consultants and Plan Sponsors across the nation to provide best-in-class services.

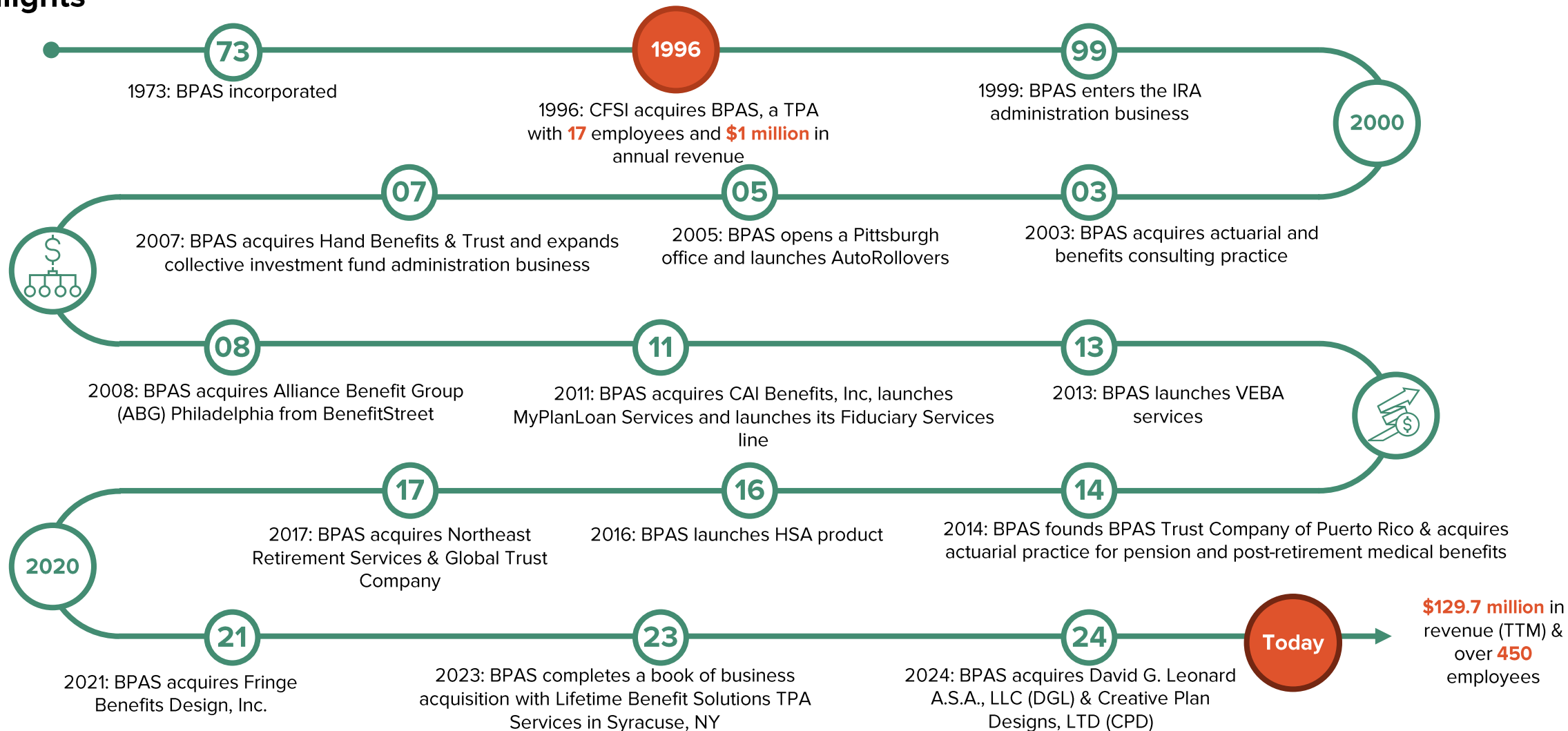
BPAS by the Numbers	
# of Employees	455
# of Offices	16
# of Sales Team Members	22
# of Plan Consultants	95
# of Actuaries	33
# of Business System / Programming Analysts	25

Customer Concentration



Our History

Highlights



Well Positioned For Success in a Growing Industry

Growing, attractive market opportunity

Total plan and participant opportunity¹

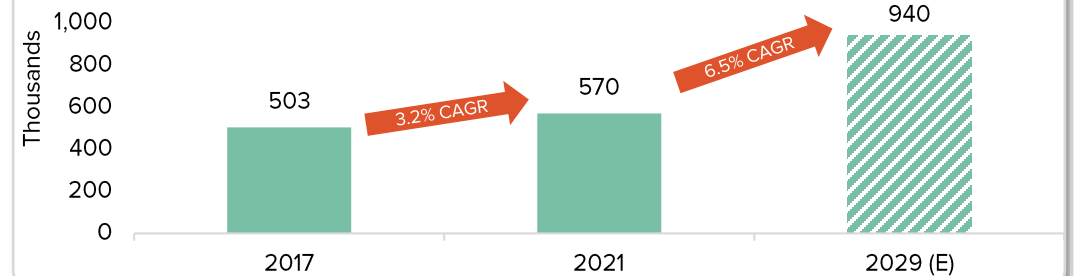
Plans

937K+
(+14.7% YOY)

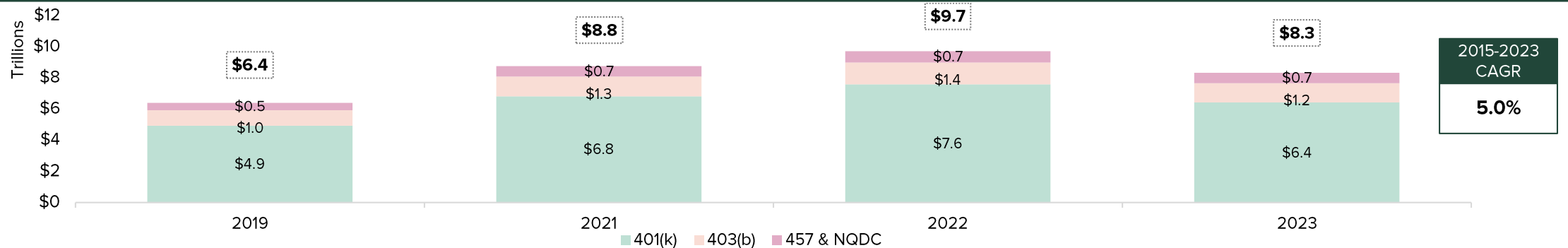
Participants

111M+
(+6.2% YOY)

SMB 401(k) plan expectations post SECURE ACT 2.0²



Assets by plan type¹



¹ Plansponsor 2023 Recordkeeping Survey, data is as of December 31, 2022; limited to 401(k), 403(b), 457 and NQDC plans

² SBE Council, DOL Private Pension Plan Bulletin, assumes 40% penetration of uncovered SMB retirement plans



Business Line Summary

Recordkeeping & TPA

One of the nation's 25 largest DC recordkeepers¹. Vertical integration offers unique expertise

- \$13B+ AUA
- 383K participants

Health, Welfare & RHS

Offer Health Savings Accounts (HSA) and Retiree Health Savings Accounts (RHS). National solution in VEBA HRA space

- 154K participants

Actuarial & DBO

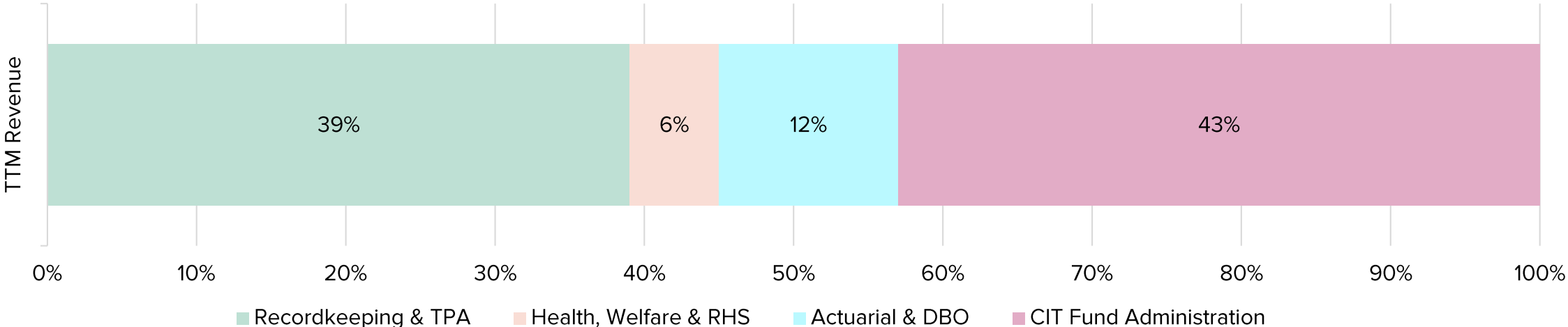
One of the 13 largest pension actuaries suited to handle full range of actuarial engagements

- 347K participants

CIT Fund Administration

One of the three largest special purpose trust companies focused on collective funds²

- \$104B in AUA
- ~\$60M in TTM revenue



¹ Per NAPA Black Book, 2023 results
² Based on publicly available data and firm asset data published on firm websites

Revenue Model & Performance

TTM Revenue by Source

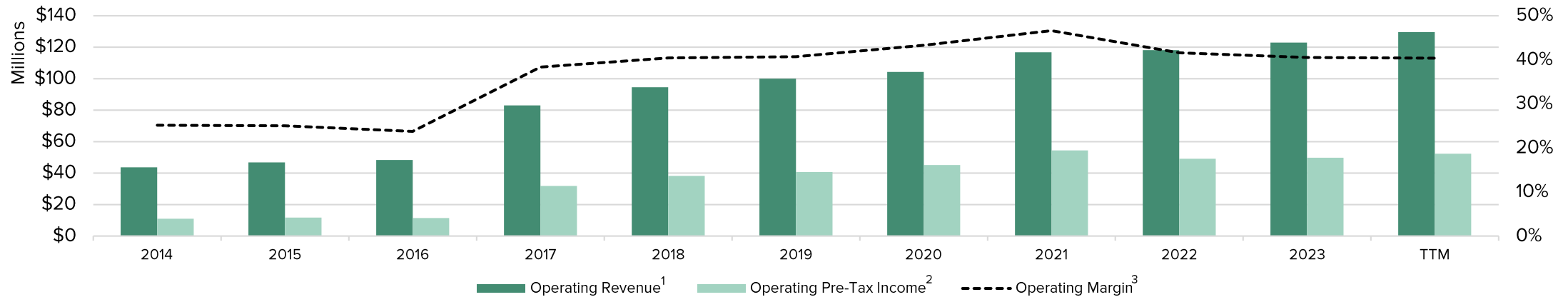
51% asset-based
45% fee-based
4% other

We have grown revenue every year for the past 20+ years

10Yr Operating Revenue CAGR^{1,4}: **12.1%**

3Yr Avg. Operating Margin^{3,5}: **42.9%**

Employee Benefit Services



Recordkeeping & TPA

Fixed fee per participant
&
asset-based fee

Health, Welfare & RHS

Fixed fee per participant
&
asset-based fee

Actuarial & DBO

Annual plan fee
&
consulting fees

CIT Fund Administration

Asset-based fees
&
fixed fees for transfer agency

¹ Total Operating Revenues includes segment net interest income plus operating noninterest revenues (total noninterest revenues less securities and debt gains/losses). Includes certain intersegment revenues that eliminate upon consolidation.

² Total Operating Pre-Tax Income is calculated by segment net interest income plus operating noninterest revenues less provision for credit losses less operating noninterest expenses (total noninterest expenses less acquisition expenses, amortization of intangible assets and other special charges). Includes certain intersegment revenues and expenses that eliminate upon consolidation.

³ Operating Margin is calculated by total segment operating pre-tax income divided by total segment operating revenues

⁴ TTM calculation basis

⁵ Calculation period ending full year 2023



Recordkeeping & TPA

Defined contribution (“DC”) plans

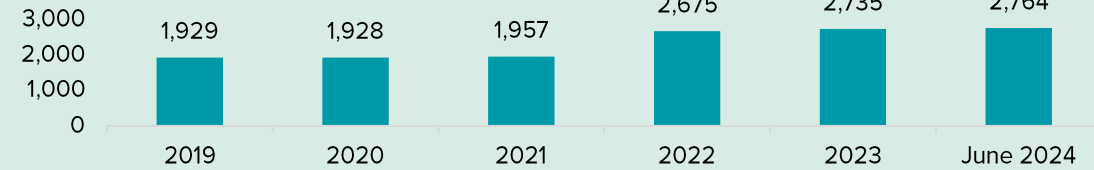
Support plan types include:

- 401(a), profit sharing, money purchase
- ERISA and non-ERISA 403(b)
- 401(k)
- 457(b) and 457(f)
- 409A
- VEBA HRA, 401(h)
- Corporate HSA
- ESOPs and kSOPs
- METs, MEPs and PEPs
- 1081
- IRAs
- Prevailing wage
- Church plans
- Taft Hartley

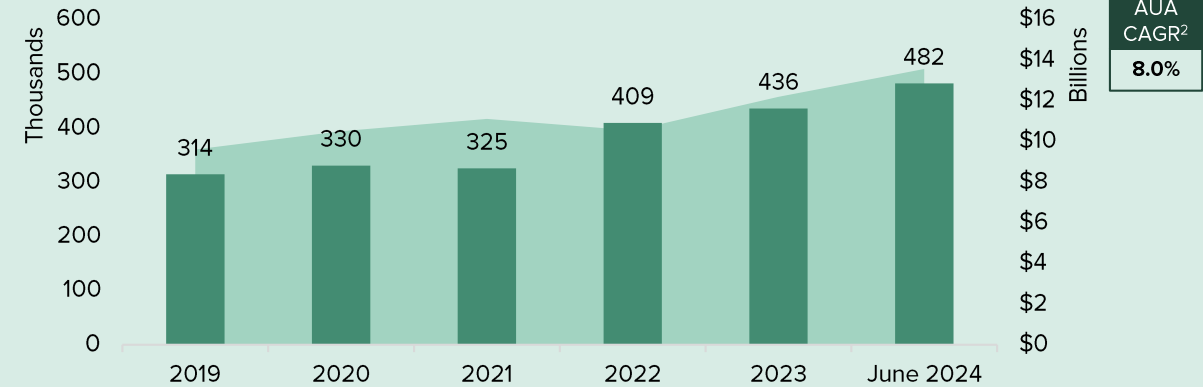
BPAS is among the nation’s 25 largest DC recordkeepers¹

¹ Per NAPA Black Book, 2023 results
² CAGR based on periods presented

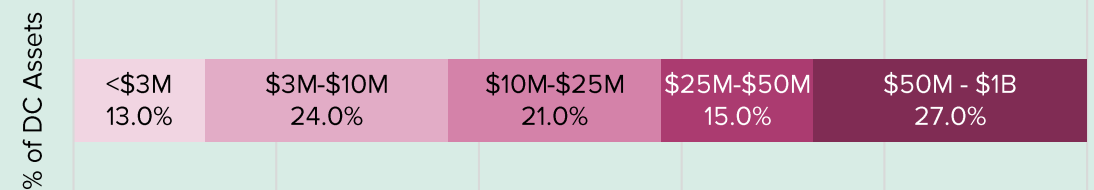
of DC Plans



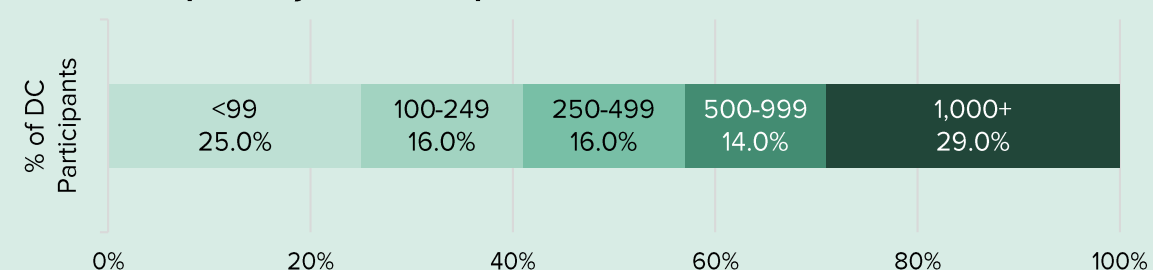
Plan Participants & AUA Trend



DC Plan Participants by Asset Size



DC Plan Participants by # of Participants



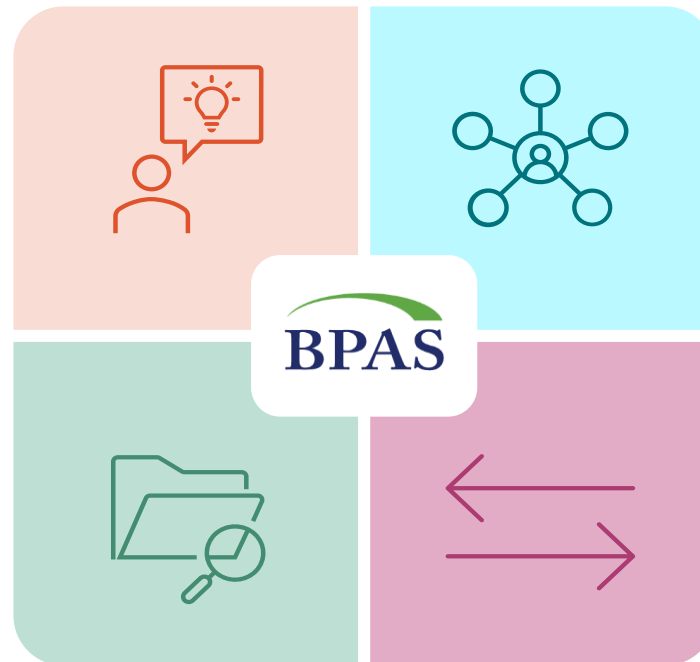
How We Win in Recordkeeping

Administration

- Advanced plan consulting for the full spectrum of retirement plan types and designs
- Direct access to fully-credentialed experts dedicated to your account

Recordkeeping

- Drive participant outcomes
- Ease day-to-day burden for HR
- Create high client satisfaction
- Full census file with each payroll submission means we simplify the process and take ownership



Custody

- Single system for recordkeeping and trust/custodial services
- Handle transactions once
- **No replicating records between plan and trust system**

Trading

- Flexible, open architecture
- Offer funds from 350+ fund families (representing 20,000+ tickers)
- NSCC-traded collective trusts
- Work with you to determine best investment menu for your plan

State of the Art Technology



Participant, Sponsor,
& Partner Website



Mile Marker
Projection Tool



BPAS University
u.bpas.com



Complete Financial
Wellness Program



Participant
Service Center

BPAS PARTICIPANT PORTAL

HOME MY ACCOUNT PLANNING LIBRARY MY PROFILE CONTACT US

Summary Contributions Investments Rollovers Loans Withdrawals

Balance Activity Statements History

Account Balance
\$149,083.30

Summary Detail

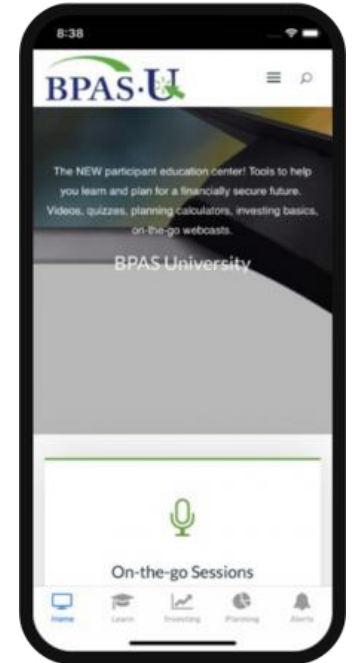
Investment	Investment Category	Current Election	Market Value
HB&T Metlife Stable Val Fd RO	Money Market	7%	\$10,735.89
T. Rowe Price Infl Prot Bond	Inflation-Protected Bond	10%	\$8,058.18
TRP Spectrum Conserv Alloc I	Allocation--30% to 50% Equity	0%	\$3,763.55
TRP Spectrum Mod Grth Alloc I	Allocation--70% to 85% Equity	8%	\$5,684.62
Jpmorgan Lrg Cap Growth	Large Growth	6%	\$6,751.98
Vanguard Equity Income Admiral	Large Value	4%	\$1,315.54
Vanguard Inst'l Index I	Large Blend	22%	\$27,177.51
T. Rowe Price Mid-Cap Gr I	Mid-Cap Growth	3%	\$4,976.53

Investments Sources

Did You Know?
An "investment category" is a way to group together investments with similar objectives and risk and return characteristics.

Focus on Long-term Investing
How you can avoid reacting impulsively when investment values fluctuate.

Watch



Mile Marker
Helping you achieve your retirement goals

Your Projected Assets at Retirement Age **\$3,470,639** Annual | Monthly

BPAS takes pride in owning our own technology



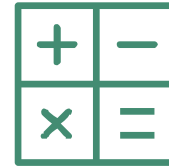
Other Revenue Verticals

Providing a full range of complementary products and services



Health, Welfare & RHS

- 600+ plans
- \$1.2B in assets
- 154K+ participants
- Pairing HSA account with HDHP
- National solution in the VEBA HRA space



Actuarial & DBO

- 347K+ participants
- 13th largest pension actuary
- Handle full range of actuarial engagements
- DB360: Everything under one roof
 - Actuarial services
 - Pension portal
 - DB call center
 - Payor services
 - Asset management
 - Trustee services



IRA Business

- Over 65,000 IRA clients
- Top 5 automatic rollover firm
 - AutoRollovers.com
- IRA Express solution
- Corridors with our partners for rollovers



BPAS Trust Company of Puerto Rico

- Approximately 200 plans, 20,000 participants
- Dozens of household name clients and multinational employers
- Full mastery of English and Spanish
- CIF created for Commonwealth of PR 106 Plan

CIT Fund Administration

BPAS is one of the three largest special purpose trust companies focused on collective funds³

Retirement Services & Collective Investment Trust (“CIT”) Businesses

What are Collective Investment Trusts (“CITs”)?

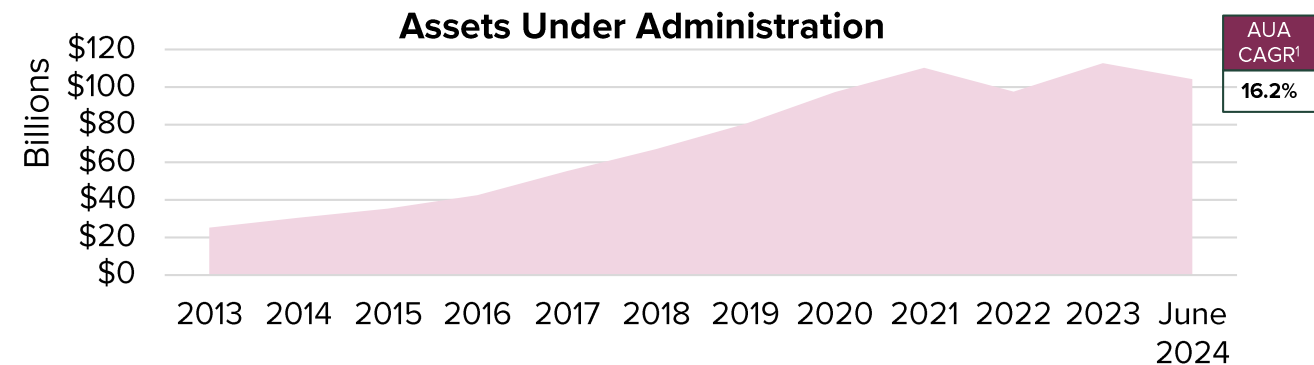
- Mutual fund alternative
- Bank investment product only available to qualified plans
- Lighter regulations
- Lower costs to operate
- Greater flexibility

Our approach

- Our team partners with leading asset managers, plan sponsors, and consultants in delivering solutions to institutional investors
- We act as a Trustee and administer the funds

Industry Note:
Morningstar notes that CITs now represent 49% of total DC plan assets and will overtake mutual funds this year as the most popular target-date vehicle²

~\$60M TTM revenue			2 distinct trust companies
110 professionals			\$104.2B AUA



¹ 10-year CAGR period ending 2023 (full year basis)

² Morningstar newsroom online March 26, 2024. "Morningstar Report Reveals Collective-Investment Trusts Poised to Overtake Mutual Funds in Target-Date Strategies in 2024".

³ Based on publicly available data and firm asset data published on firm websites



Future Outlook

Focus on growth & evolution



Attractive, growing market segment



Well-balanced and diversified business



Unique capabilities and partnerships



Growing national reputation



Increasing internal connectivity with CBNA and Wealth



Increasing automation / AI impact



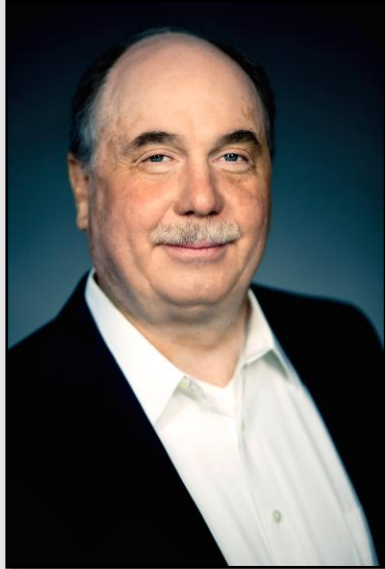
Community
FINANCIAL SYSTEM, INC.

Insurance Services

COMMUNITY FINANCIAL SYSTEM, INC. | NYSE: CBU



Insurance Services



Presenter: Pierre Morrisseau

Title: Chief Executive Officer, OneGroup

Years at Company: 21

Years of Industry Experience: 38

Professional Experience:

- Chief Executive Officer at OneGroup
- President at Bailey, Haskell & LaLonde/OneGroup
- SVP Sales and Risk Management at Bailey, Haskell & LaLonde
- Director of Risk Management at J. J. Naples Insurance Agency
- Various leadership roles at Wausau Insurance

Education:

- B.S., Chemical Engineering, Syracuse University



Insurance Services

OneGroup is a leading risk management and insurance broker providing holistic solutions



Experienced Team

- Serving much of the East Coast with offices in:
 - NY
 - PA
 - MA
 - SC
 - FL

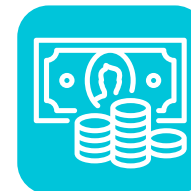


Services Offered

- Business Insurance
- Personal Insurance
- Risk Management and Consulting
- Claims Management
- Employee Benefits
- Human Resources Services & Consulting

\$48.3M

TTM
revenue¹



11.8%

TTM revenue
growth



9.8%

7-year revenue
CAGR



228

FTEs



> \$390M

annual premiums



66th

ranked U.S.
insurance agency²



22

offices



13

acquisitions since
2021

¹ Segment-level operating revenue results. Includes \$0.2 million of intercompany transactions that are eliminated in consolidation to Community Financial System, Inc.
² Based on a 2024 *Insurance Journal* ranking of total property & casualty agency revenue

OneGroup at a Glance

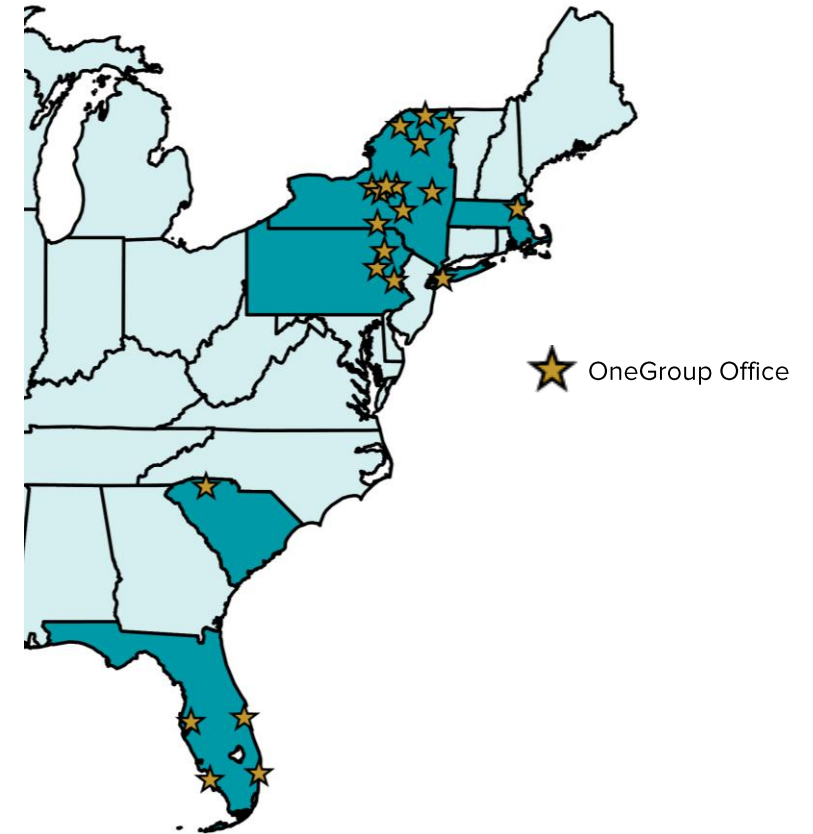
History

Year	Description
1983	Retirement Income Services, Inc. established
1988	Bailey & Haskell Associates, Inc. established
1996	Benefit and HR consulting services added
2003	Financial investment advisory services added
2008	Workplace Health Solutions established
2014	All related companies combined under OneGroup name
2015	OneGroup acquired by Community Bank, N.A.

Acquisition History

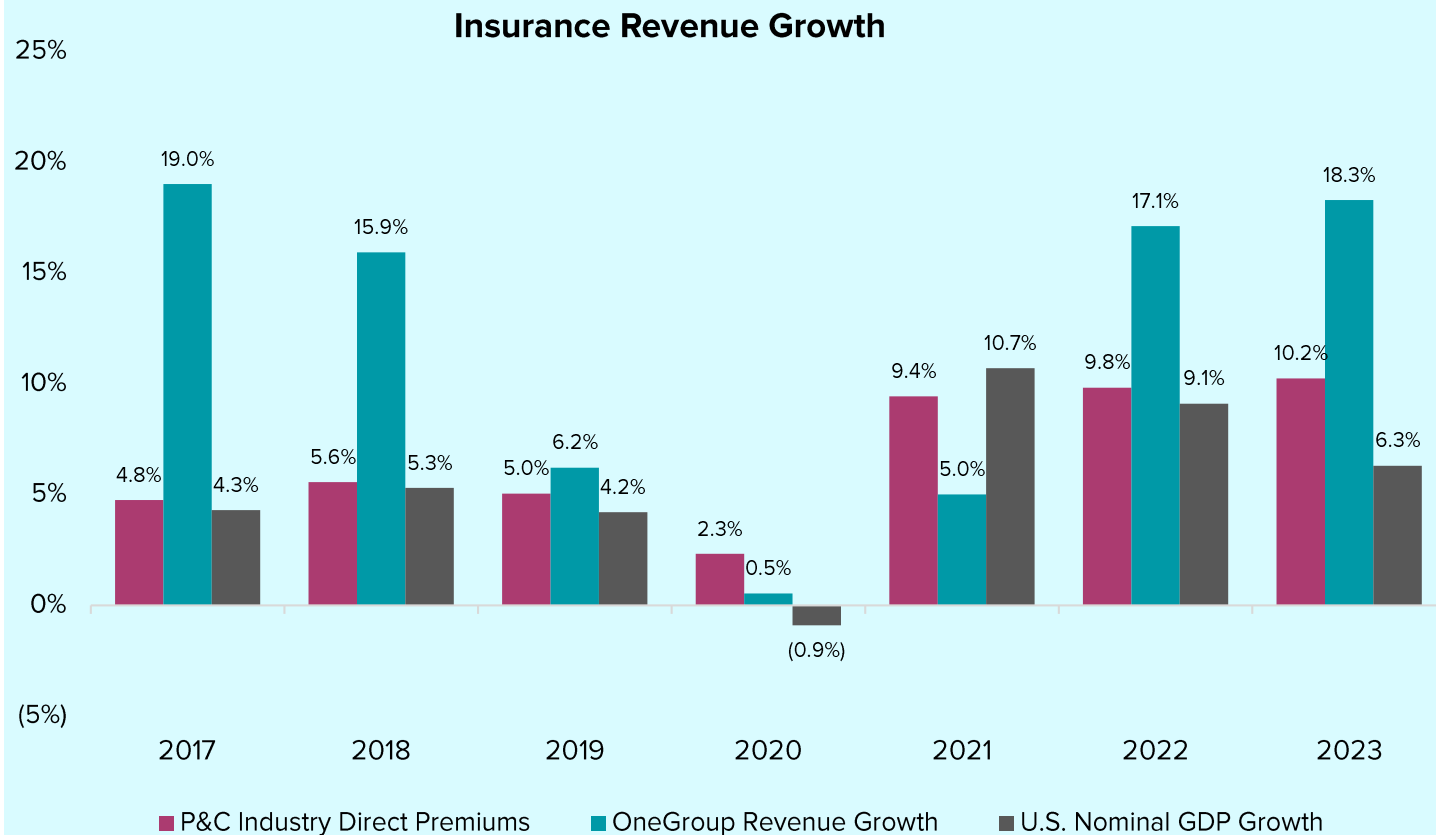
Year	# of Acquisitions
2016	1 acquisition
2017	3 acquisitions
2018	1 acquisition
2021	2 acquisitions
2022	4 acquisitions
2023	5 acquisitions
2024	2 acquisitions

22 Locations Along the Eastern United States



Insurance Brokerage Industry

- Consistent revenue growth above nominal GDP
- Non-discretionary spend
- Strong client retention with rates > 85%
- Highly fragmented with tens of thousands of small participants providing M&A opportunities

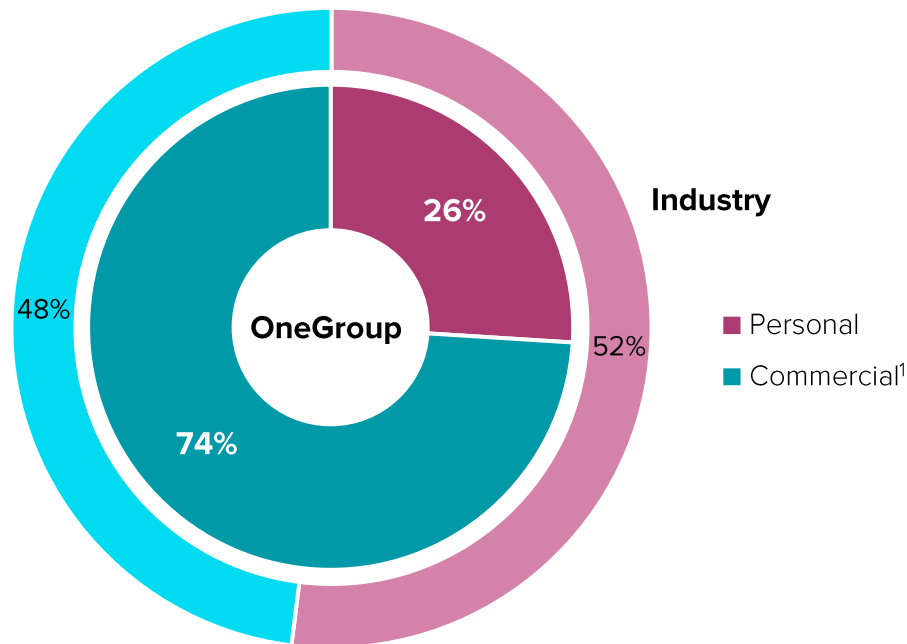


Sources: S&P Global, Internal filings












Favorable Business Mix With Deep Specialties

TTM Revenue Mix



Specialties

 Manufacturing	 Food & Agricultural	 Life Sciences
 Public Entities	 Education	 Healthcare
 Construction	 Real Estate	 Non-Profits / Social Service

Sources: S&P Global, Internal filings

¹ Commercial revenue includes employee benefit revenue (OneGroup) and accident & health revenue (Industry)



Lines of Business

Commercial Lines

- Ability to tailor solutions for small business, middle market, Large/Complex risks and group programs.
- Deep specialties which allow us to acquire clients throughout the U.S.
- Our resources enable our clients to reduce costs by better managing risk.
- Offer a full range of risk financing options including traditional insurance, high deductible programs, captives, and self insurance.

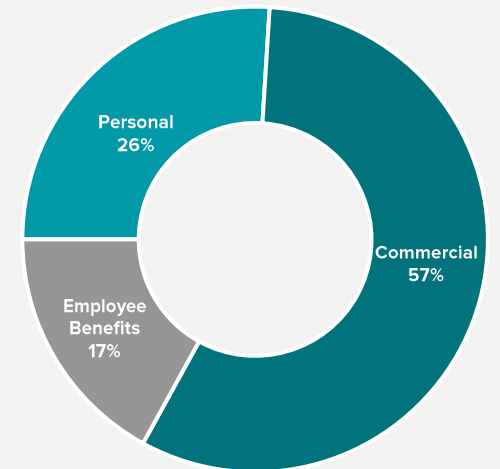
Employee Benefits

- Ability to tailor solutions for small business, middle market, Large/Complex risks and group programs.
- Offer a full range products including traditional insurance, captives, and self insurance.
- Partner with our sister Company (BPAS) for Actuarial Analysis and Robust Analytics.
- Opportunity to expand beyond our concentration in the NY market to our other regions

Personal Lines

- Heavy concentrations in NY and Florida with additional opportunities to continue growth in New England and PA markets.
- Building tools and technology to make it convenient for the client and allow the service team to focus on advising the client.

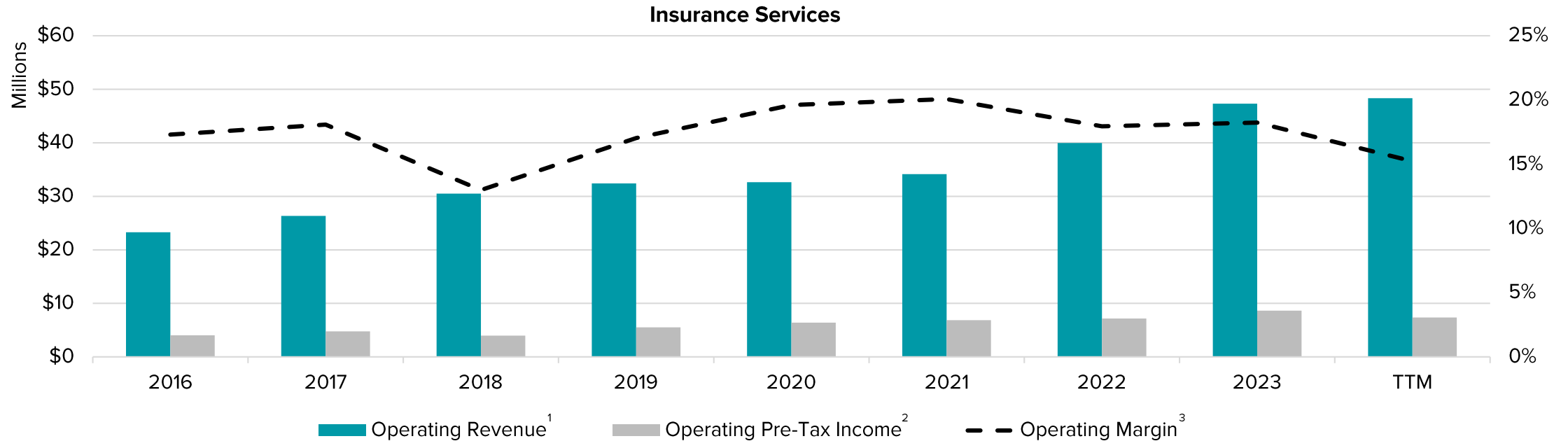
Revenue Mix (TTM)



Revenue Performance

We have grown revenue every year since the CBU acquisition

7Yr Operating Revenue CAGR^{1,4}: **9.8%**
 3Yr Avg. Operating Margin^{3,5}: **18.8%**



Acquisitions	2016	2017	2018	2019	2020	2021	2022	2023
	1	3	1	0	0	2	4	5

¹ Total Operating Revenues includes segment net interest income plus operating noninterest revenues (total noninterest revenues less securities and debt gains/losses). Includes certain intersegment revenues that eliminate upon consolidation.

² Total Operating Pre-Tax Income is calculated by segment net interest income plus operating noninterest revenues less provision for credit losses less operating noninterest expenses (total noninterest expenses less acquisition expenses, amortization of intangible assets and other special charges). Includes certain intersegment revenues and expenses that eliminate upon consolidation.

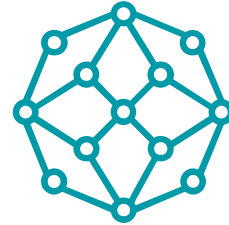
³ Operating Margin is calculated by total segment operating pre-tax income divided by total segment operating revenues

⁴ TTM calculation basis

⁵ Calculation period ending full year 2023



Carrier Depth



300+ Carrier Relationships

- Top 3: \$111 million, 28% of premiums
- Top 10: \$181 million, 46% of premiums



Excellent Loss Retention History



Increasing Access to Specialty Programs

Future Outlook



Continued organic growth



Deepening market share within customer base



Strong interconnectivity with CBNA



Nationwide reach in specialty areas



Attractive AI automation opportunities



Continued M&A rollup activity



Community
FINANCIAL SYSTEM, INC.

Wealth Management Services

COMMUNITY FINANCIAL SYSTEM, INC. | NYSE: CBU



COMMUNITY BANK
Wealth Management

Wealth Management Services



Presenter: Michael Cerminaro

Title: President & CEO, Community Bank Wealth Management

Years at Company: 1

Years of Industry Experience: 30+

Professional Experience:

- President & CEO, Community Bank Wealth Management
- Managing Director and Market Head for the Northeast/Mid-Atlantic Region for HSBC Private Bank USA
- Head of US Ultra-High Net Worth for HSBC Private Bank USA
- Various roles at Citigroup Private Bank, Bank of America Private Bank and Strong Asset Management

Education:

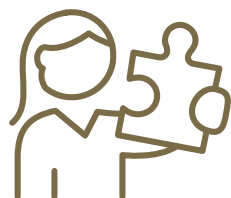
- B.S., Business Administration, University at Albany, State University of New York



COMMUNITY BANK
Wealth Management

Wealth Management Services

Providing comprehensive asset management, strategic wealth planning and management, and trust administration



Our Brands*

- Community Investment Services, Inc. (“CISI”)
- Nottingham Trust
- Nottingham Advisors
- OneGroup Retirement Advisors (“OGRA”)

*Financial Planning & Outsourced Partner Solutions provided across all businesses



Experienced Team

- Serving much of the East Coast with offices in:
 - NY
 - PA
 - VT
 - MA
 - FL
- Clients in all 50 states and the US Virgin Islands and Puerto Rico

\$35.6M

TTM
revenue¹



9.7%

TTM revenue
growth



8.3%

10-year revenue
CAGR



117

FTEs



32

financial
professionals



19

trust
officers



\$12.5B

AUMA²



15.4%

AUMA growth from
6/30/2023²



¹ Segment-level operating revenue results. Includes \$1.9 million of intercompany transactions that are eliminated in consolidation to Community Financial System, Inc.

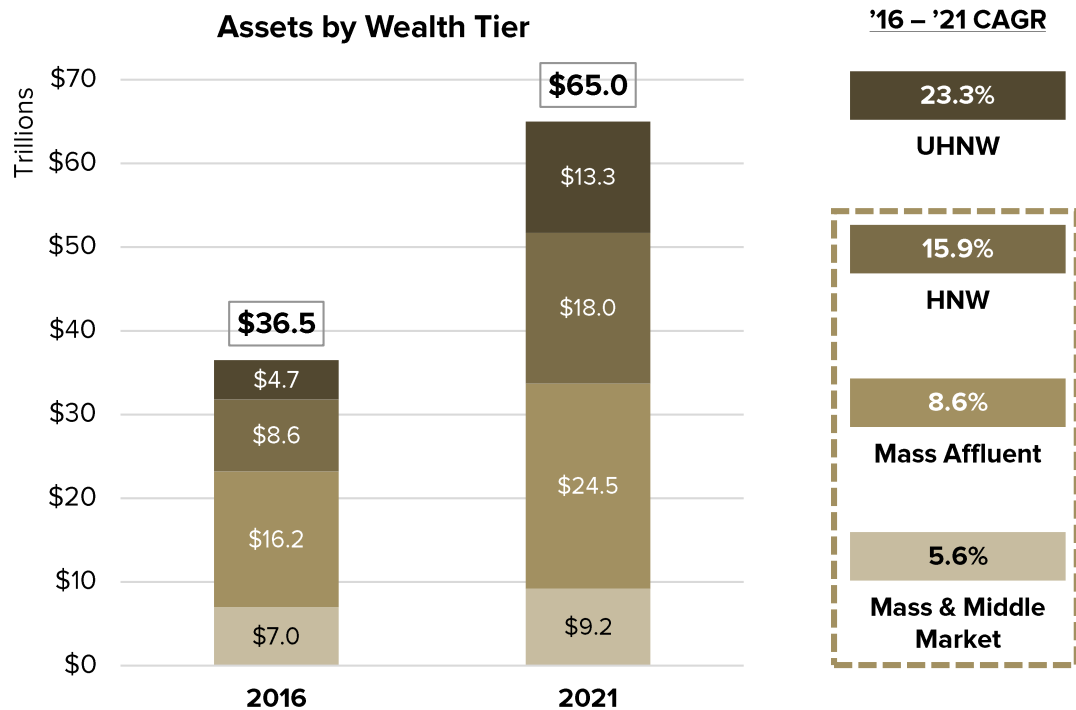
² Includes \$3.26 billion of intercompany AUMA



Well Positioned For Success in a Growing Industry

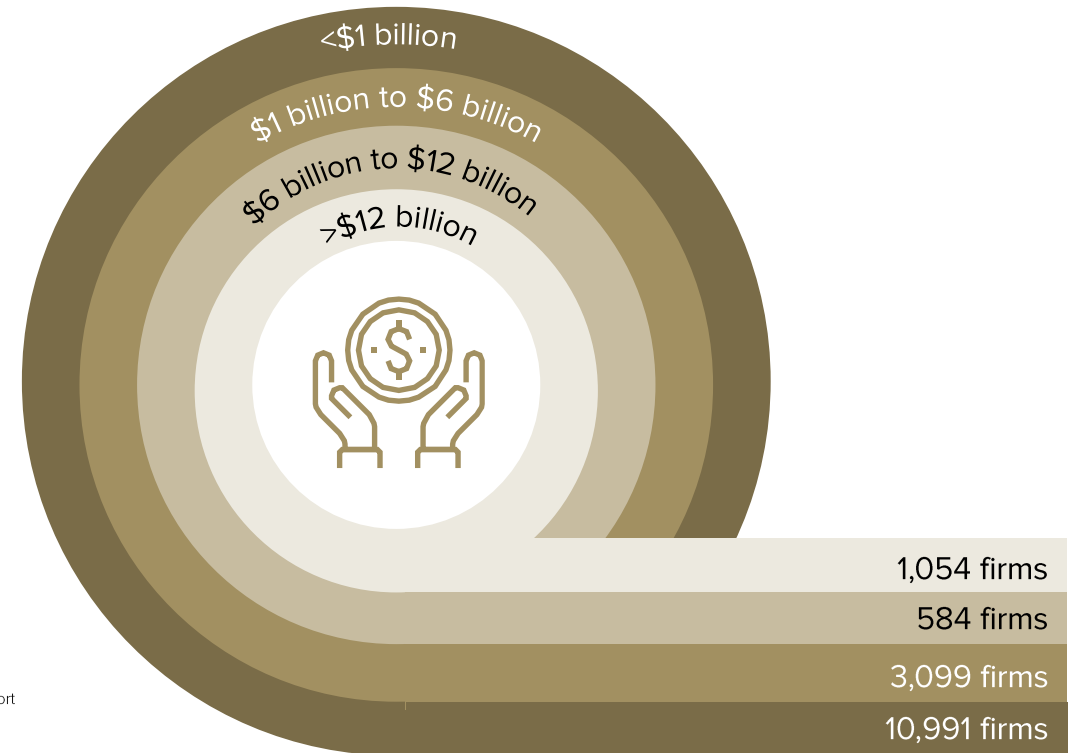
Our Target Market^{1,2}

Target Market: 10.2% CAGR



Our Scale & Depth³

Of the 15,728 SEC-registered investment advisors in the US, just over 1,000 have RAUM of **\$12+ billion**, demonstrating our scale and depth across our wealth management division⁴.



¹ Cerulli Associates: U.S. High-Net-Worth and Ultra-High-Net-Worth Markets 2022: Shift in Alternative Allocations; Oliver Wyman | Morgan Stanley – 2022 Global Wealth and Asset Management Report

² UHNW defined as \$20mm+ investable assets, HNW defined as \$5mm – \$20mm, Mass Affluent defined as \$500k – \$5mm, Mass & Middle Market defined as <\$500k

³ SEC RIA Database as of June 30, 2024. Excludes exempt advisors and those without assets under management

⁴ Wealth management division includes non-SEC RIA assets



Uniquely Broad and Deep Capabilities

Across our brands

Community Investment Services, Inc. (“CISI”)

- Top 15 broker/dealer Bank affiliated program with LPL Financial, the largest Independent B/D in the US marketplace with 1,000 plus Financial Institutions, CISI ranks #13 in Investment Revenue
- 68% of revenues are derived from Advisory business, with a total of more than 80% of all revenues from recurring sources
- \$2.7+ billion in AUM
- 26 FAs with a variety of credentialed designations including CFP®, AIF®, ChFC®, CLU®, CRPC, LUTCF, CWS, CLTC

Nottingham Trust

- Multigenerational clients, more than half of which have been on the platform for 10 years or more, and 20% on the platform for 20 years or more
- 19 Trust Officers with a variety of credentialed designations including CTFA, JD, CFP and CFA
- Full-service Trust Advisor including Administration, Fiduciary and Investment Management
- \$2.0 billion in AUM, \$1.5 billion in AUA
- Employee Benefits Group is a national provider of institutional retirement plans serving as custodian, paying agent and trustee and works closely with BPAS

Nottingham Advisors

- \$1.5 billion in AUM¹ and more than \$3.2 billion in AUA
- Top 25% RIA based on reported RAUM³
- Extensive institutional portfolio management experience, specializing in pension plans, foundations and endowments
- Over 30 years of partnering with RIAs in an OCIO (Outsourced Chief Investment Officer) capacity
- 6 CFAs and nearly 20 years of compliance with Global Investment Performance Standards (GIPS)

OneGroup Retirement Advisors (“OGRA”)²

- \$2.1 billion in AUMA with 180+ retirement plan clients with 29,000+ participants, and an additional \$500 million in Private Wealth AUMA
- Approved by LPL as 3(38) Fiduciary Advisors; LPL’s 28,000 registered FAs, only 1 of 100 approved to provide the service
- Six (6) consecutive years ranked as a top DC teams by NAPA, and top 10 in NY based on AUA; also Top Advisors Under 40 by NAPA
- 6 FAs with a variety of credentialed designations including AIF®, CPFA, QKA, QKC, CWS, QPFC

¹ Includes \$0.5 billion of intrasegment AUA

² Starting July 1, 2024, OGRA was recognized as its own vertical with a P&L and asset and revenue reporting

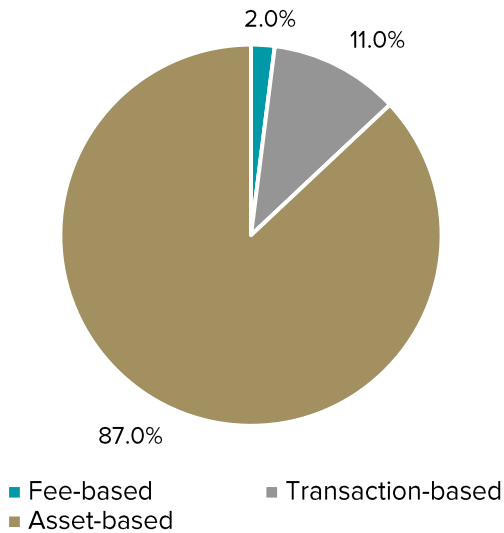
³ SEC RIA Database as of June 30, 2024. Excludes exempt advisors and those without assets under management



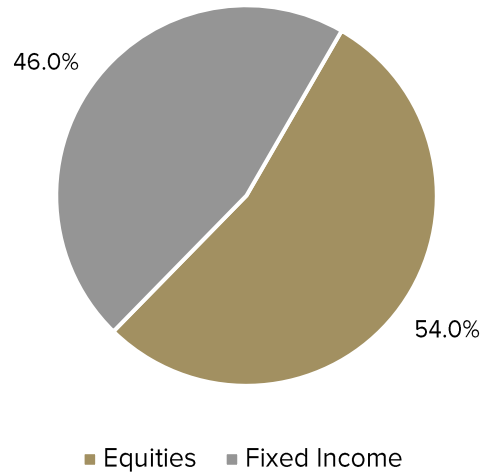
Trended Results

The Wealth Management division has experienced a consistent level of both revenue and asset growth through market appreciation and organic efforts.

TTM Revenue by Source

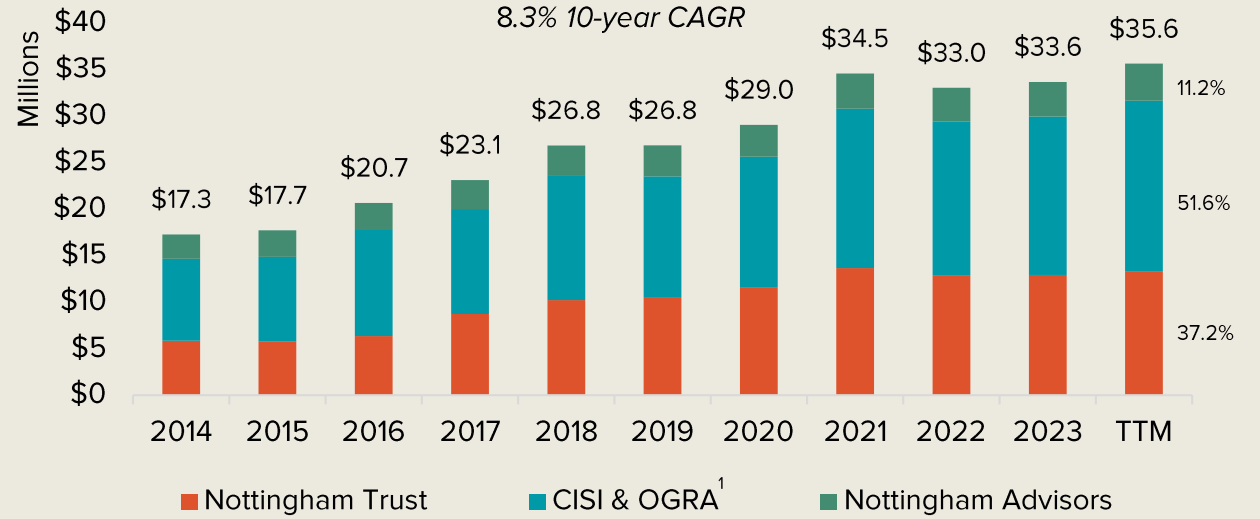


AUMA Mix (6/30/24)



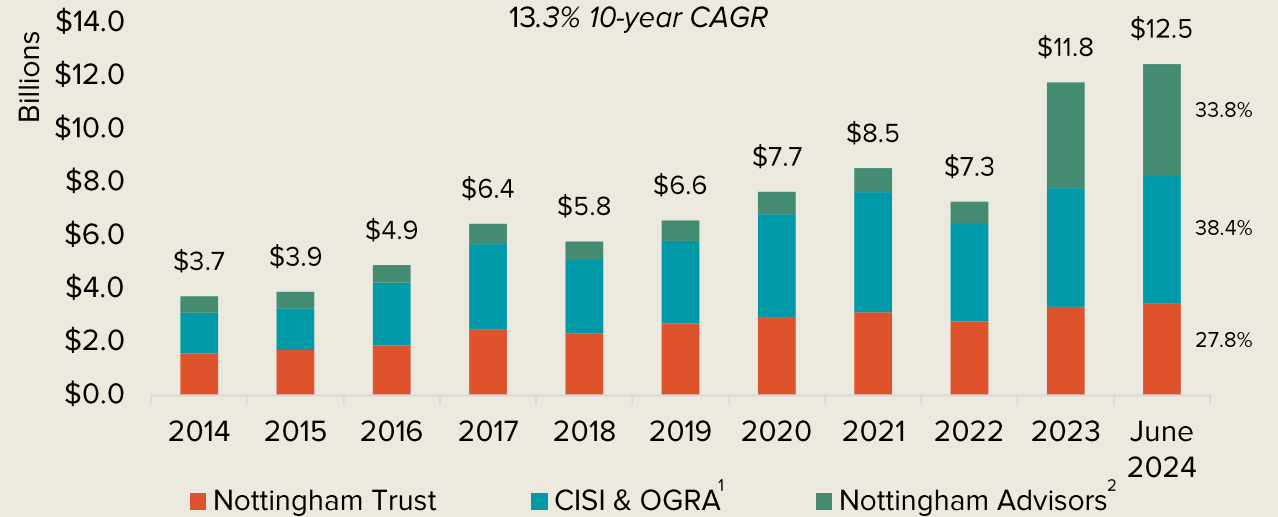
Revenue by Category

8.3% 10-year CAGR



Assets Under Management & Administration by Category

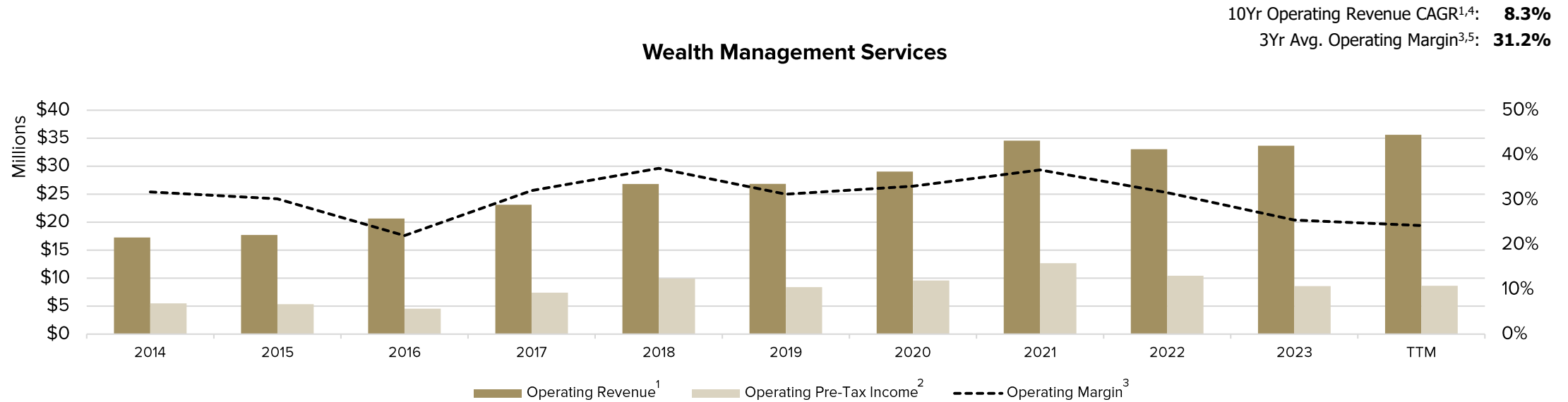
13.3% 10-year CAGR



¹ Starting July 1, 2024, OGRA was recognized as its own vertical with a P&L and asset and revenue reporting
² Nottingham Advisors began management of BPAS Fiduciary Assets (401k) in 2023



Wealth Management Services: Financial Performance



¹ Total Operating Revenues includes segment net interest income plus operating noninterest revenues (total noninterest revenues less securities and debt gains/losses). Includes certain intersegment revenues that eliminate upon consolidation.

² Total Operating Pre-Tax Income is calculated by segment net interest income plus operating noninterest revenues less provision for credit losses less operating noninterest expenses (total noninterest expenses less acquisition expenses, amortization of intangible assets and other special charges). Includes certain intersegment revenues and expenses that eliminate upon consolidation.

³ Operating Margin is calculated by total segment operating pre-tax income divided by total segment operating revenues

⁴ TTM calculation basis

⁵ Calculation period ending full year 2023



Future Outlook



Greater penetration across CFSI family of businesses



Nationwide growth through BPAS Partnership Solutions/Outsourced Services



Greater wallet-share across all 4 verticals within wealth management business; Broker/Dealer, Trust, RIA and Retirement Plan Consulting



Community
FINANCIAL SYSTEM, INC.

Risk Management

COMMUNITY FINANCIAL SYSTEM, INC. | NYSE: CBU

Risk Management



Presenter: Daniel Bailey, CFA

Title: SVP, Chief Risk Officer

Years at Company: 1

Years of Industry Experience: 38

Professional Experience:

- SVP, Chief Risk Officer at Community Financial System, Inc.
- Assistant Deputy Comptroller for Community Bank Supervision at the Office of the Comptroller of the Currency (OCC)
- Director of Commercial Credit Policy at the OCC
- VP of Portfolio Management at KeyCorp Leasing
- Independent financial institution consultant

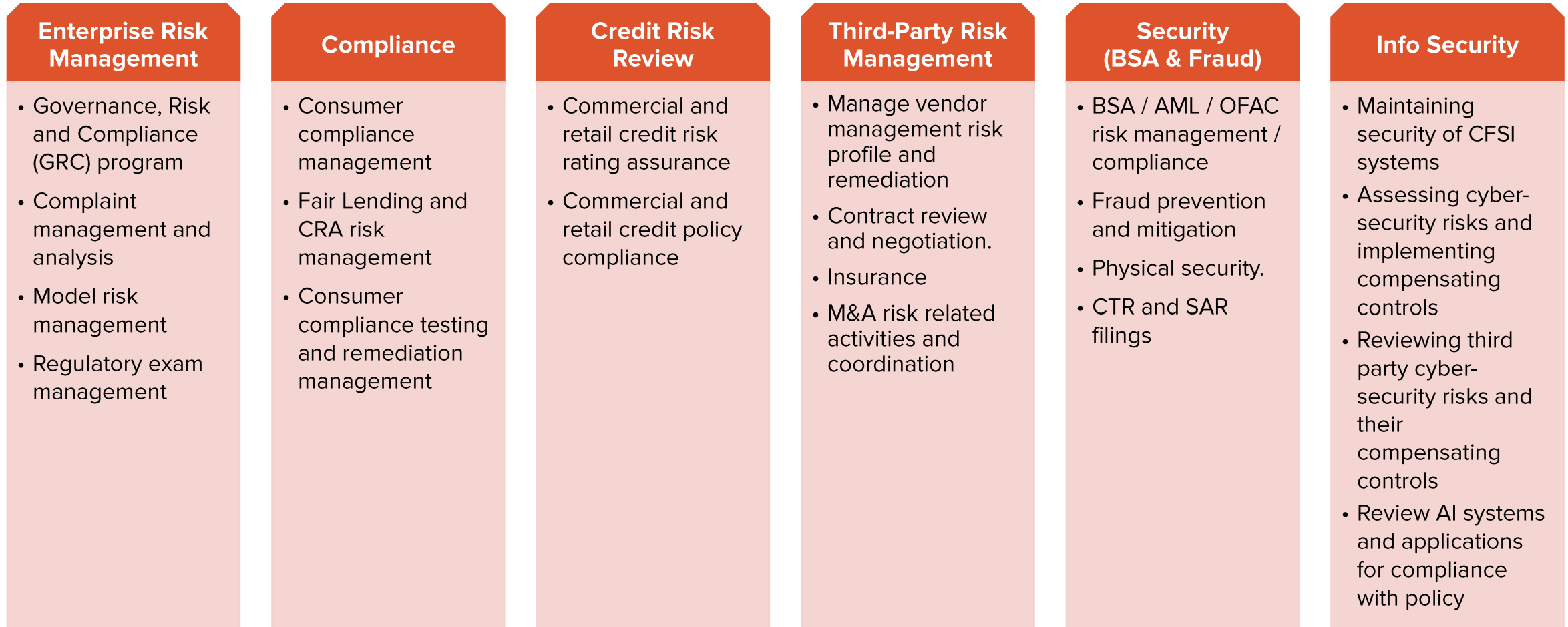
Education:

- M.S., Accounting, University at Albany, State University of New York
- B.S., Business, University at Albany, State University of New York



Risk Management Framework

Second Line of Defense



CBNA's Lending Philosophy & Credit Risk Management

1

Balanced Loan Portfolio – Commercial & Retail

2

Core Strength in Retail Lending Credit Risk Selection

3

Residential Mortgage and Auto Lending Exhibit Low Delinquency, Default and Loss Volatility

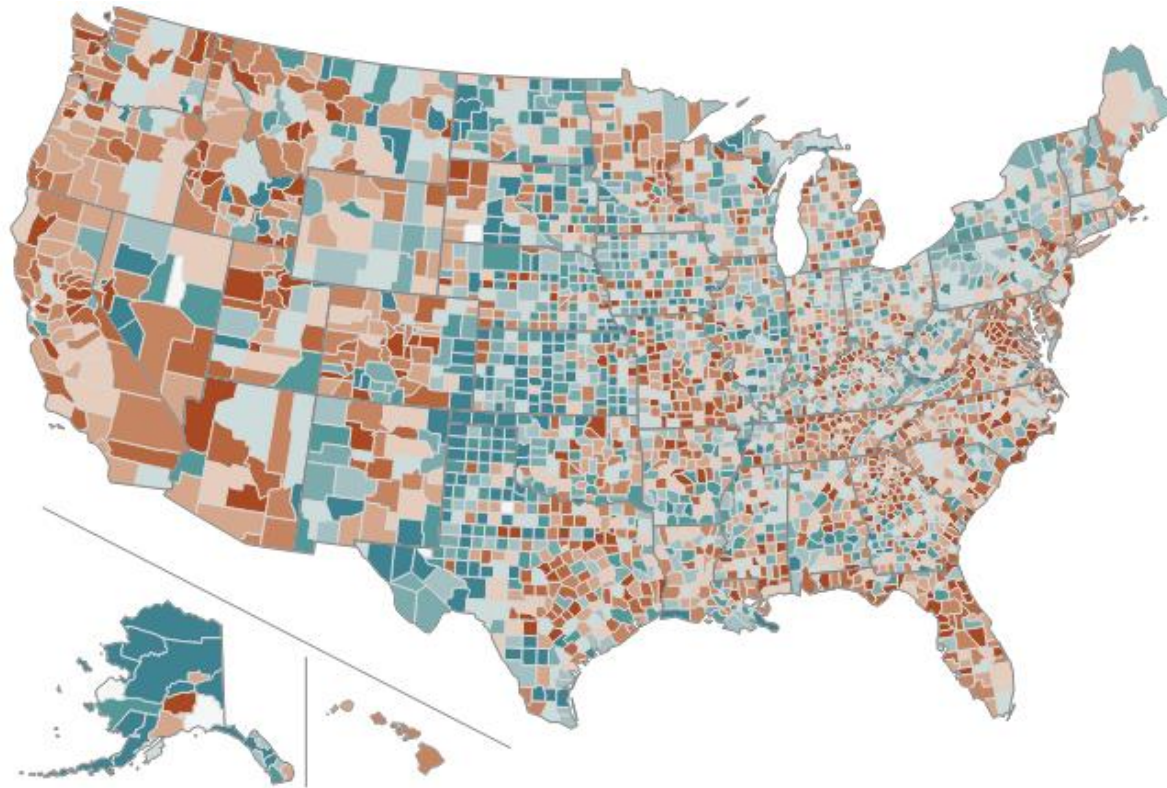
4

Core Markets Exhibit Low Credit Losses

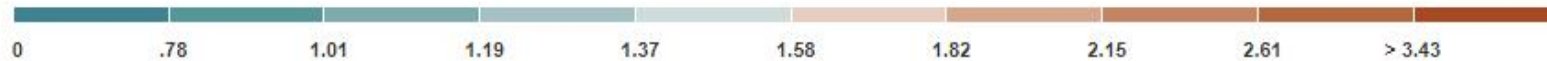


Debt-to-Income Ratio

County-level, 2023

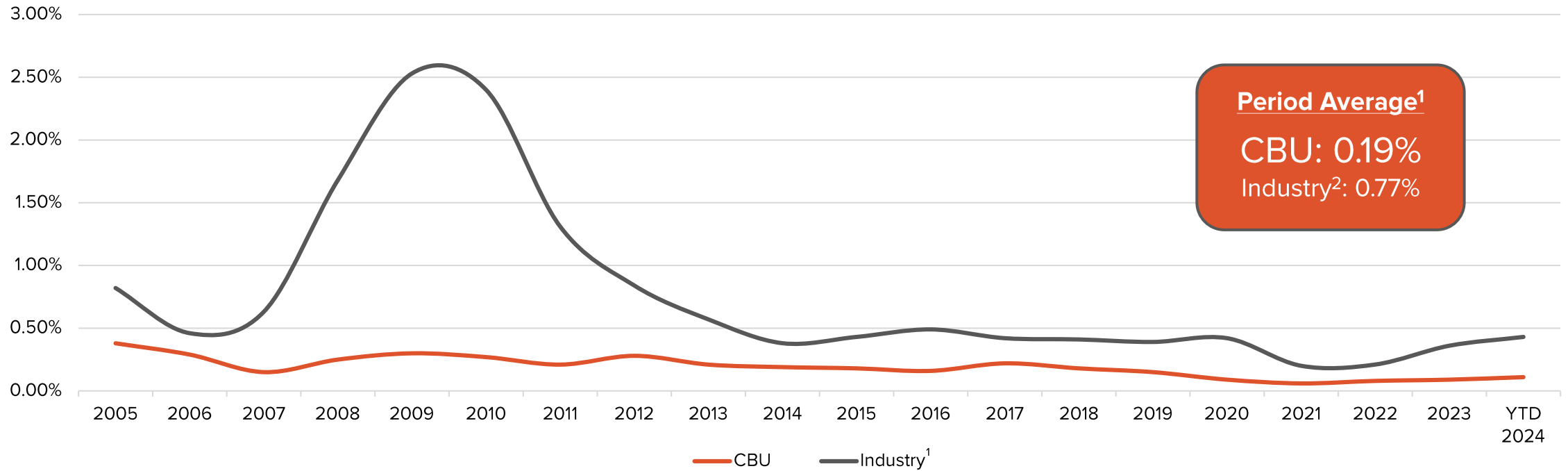


Source: FRBNY Consumer Credit Panel/Equifax, Bureau of Labor Statistics



Loan Losses

Net Charge-off Ratio (2005 – YTD 2024)



Period Average¹
CBU: 0.19%
Industry²: 0.77%

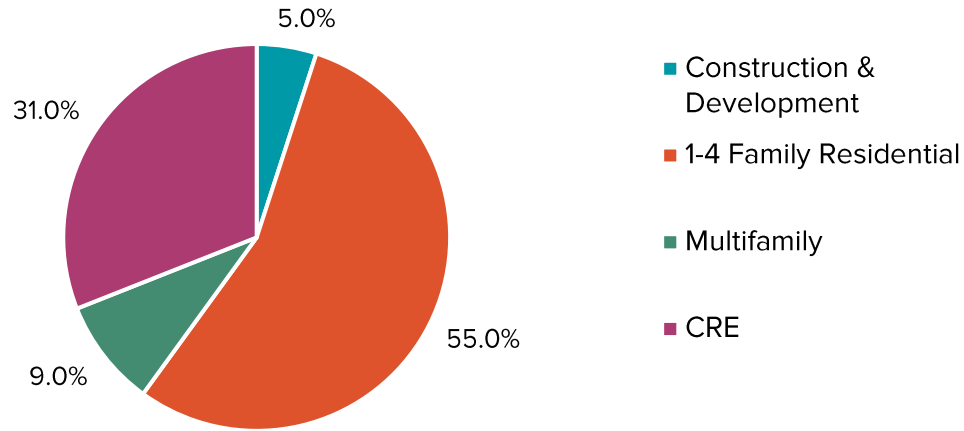
¹ Simple average of all periods presented

² Industry group is defined as U.S. Commercial Banks with assets between \$10 billion and \$50 billion

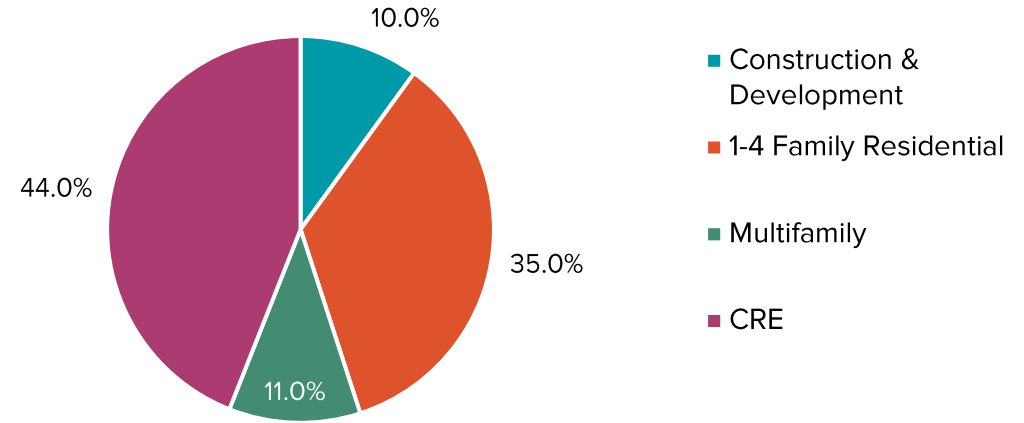


Loan Mix Comparison

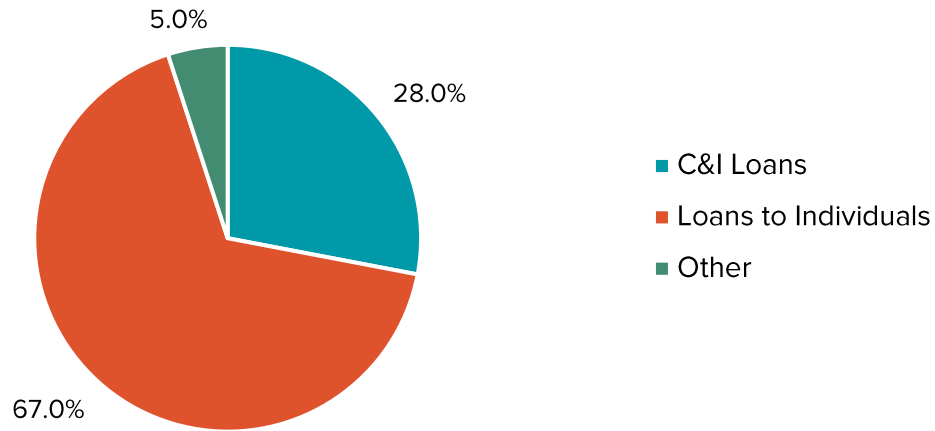
CBNA RE Secured Loan Mix (72% of total loans)



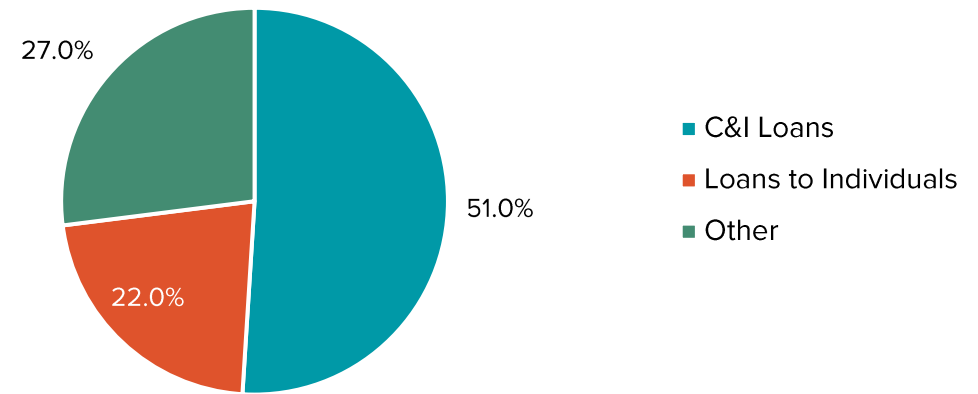
Industry¹ RE Secured Loan Mix (67% of total loans)



CBNA Non-RE Secured Loan Mix (28% of total loans)



Industry¹ Non-RE Secured Loan Mix (33% of total loans)



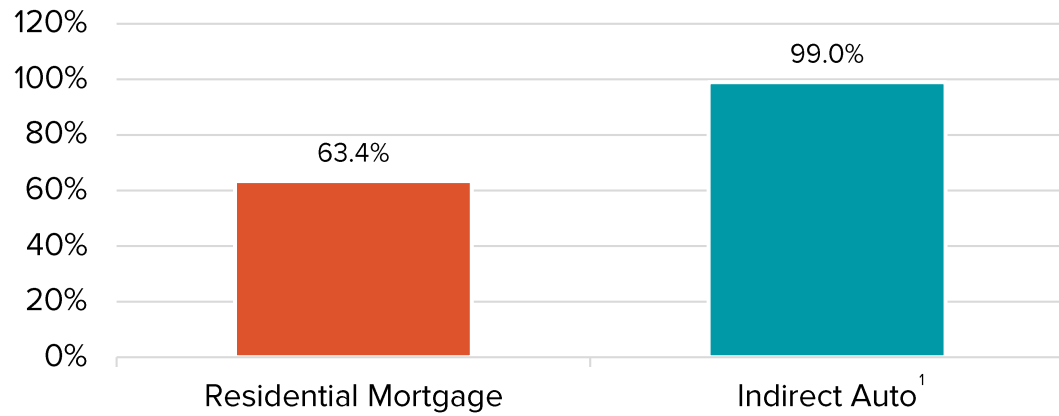
¹ Industry group is defined as U.S. Commercial Banks with assets between \$10 billion and \$50 billion

Loan mix based on 6/30/2024 regulatory filings

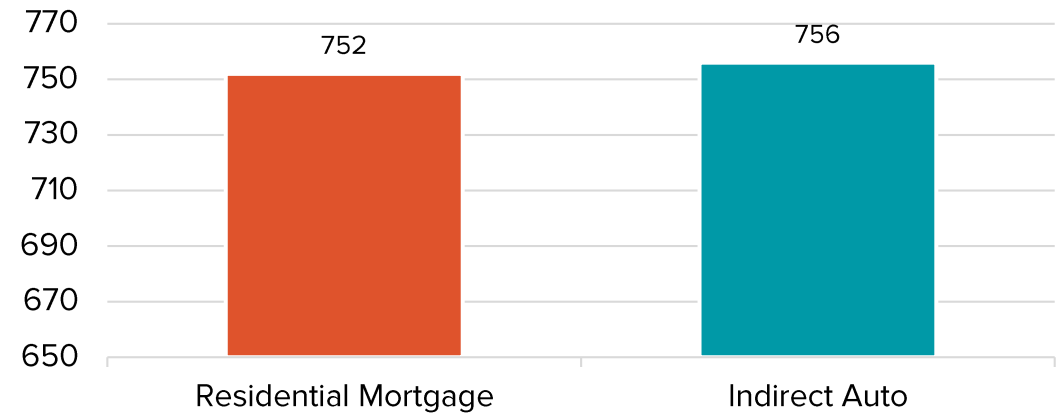


Retail Lending

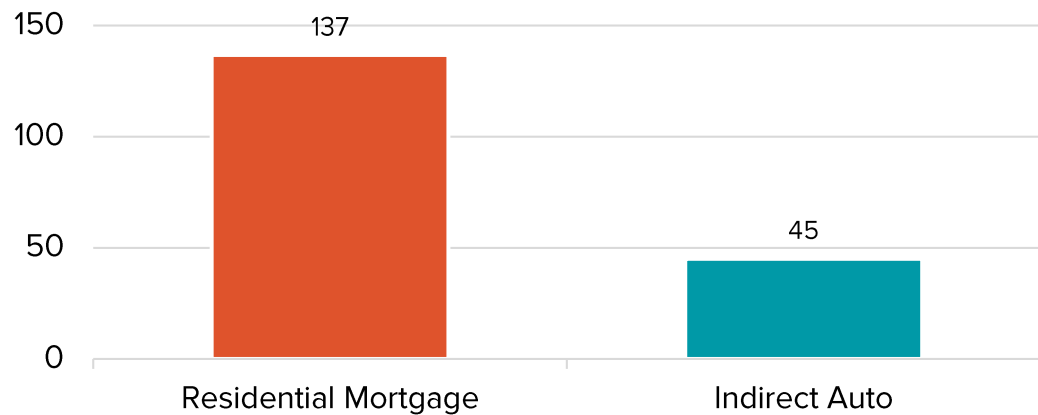
Average LTV at Origination



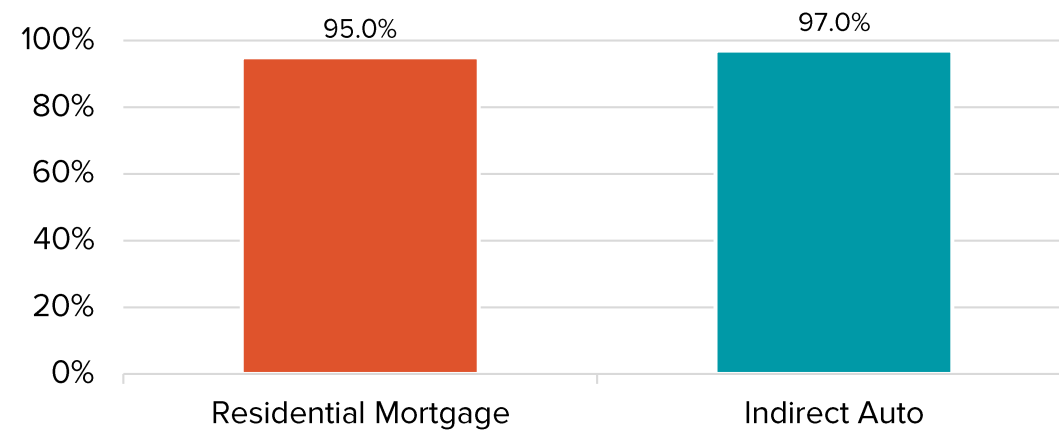
Average FICO at Origination



Average Remaining Term (months)



Origination FICOs > 660



¹ Calculated using "trade-in value" not higher "retail value" of automobile



Funding Metrics

Funding Characteristics	CBNA	Industry ¹
Core Deposits to Total Funding	81.71%	75.27%
Short-Term Non-Core Funding to Total Funding	5.20%	15.12%
Brokered Deposits to Total Deposits	0%	8.81%
Net Loans to Core Deposits	78.38%	96.33%
Net Loans to Deposits	74.63%	81.05%

¹ Industry group is defined as U.S. Commercial Banks with assets between \$10 billion and \$50 billion

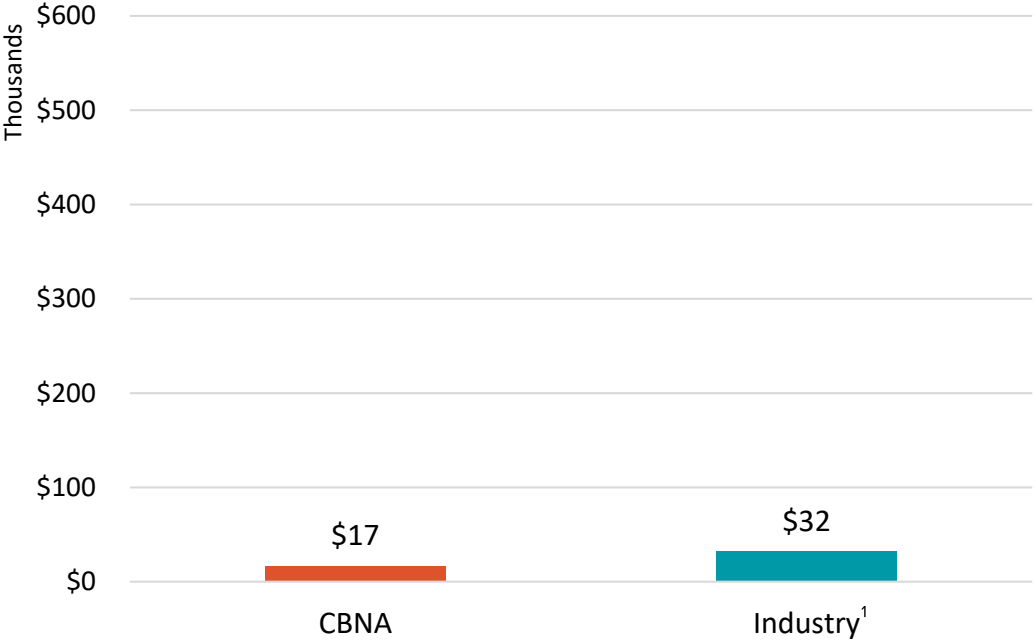
Funding metrics based on 6/30/2024 regulatory filings



Deposit Granularity

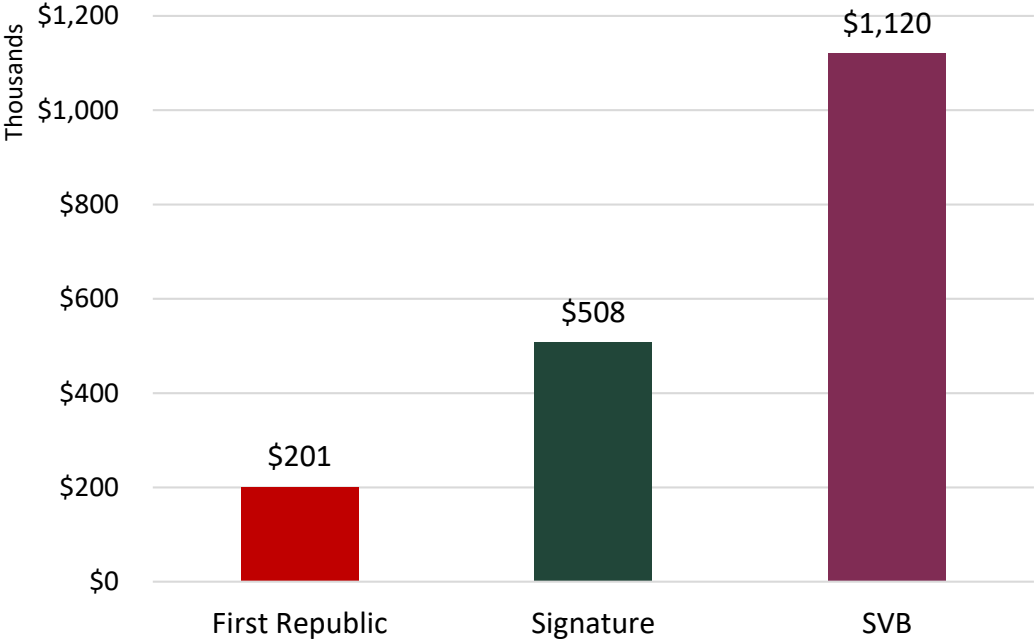
CBNA & Industry (Y/E 2023)

Average Deposit Account Balance



Banks that Failed After 2023 Deposit Runs (Y/E 2022)

Average Deposit Account Balance



¹ Industry group is defined as U.S. Commercial Banks with assets between \$10 billion and \$50 billion

Averages based on 6/30/2024 regulatory filings



Community
FINANCIAL SYSTEM, INC.

Financial Performance

COMMUNITY FINANCIAL SYSTEM, INC. | NYSE: CBU

Financial Performance



Presenter: Joseph Sutaris

Title: EVP, Chief Financial Officer

Years at Company: 14

Years of Industry Experience: 37

Professional Experience:

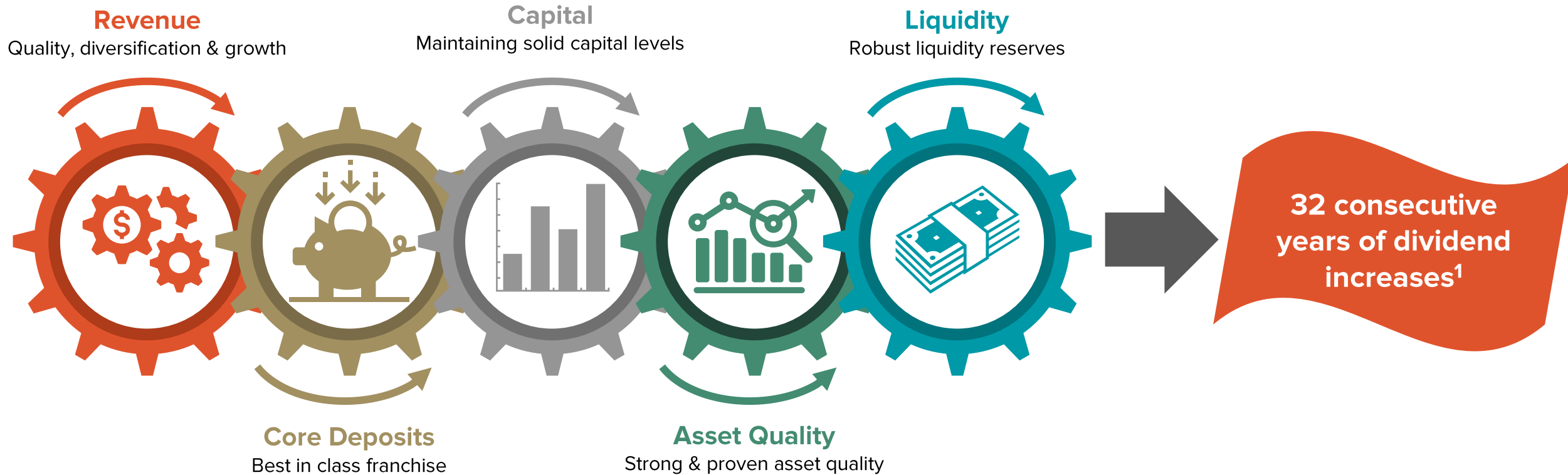
- EVP, Chief Financial Officer at Community Financial System, Inc.
- SVP, Regional Banking Executive & Municipal Banking Director at Community Financial System, Inc.
- EVP, Chief Financial Officer, Treasurer and Secretary at The Wilber Corporation
- Worked at a privately-held investment holding company

Education:

- B.A, Economics, Rutgers University
- MBA, Finance, Rutgers University
- American Bankers Association Stonier Graduate School of Banking
- New York Bankers Association Graduate School of Management



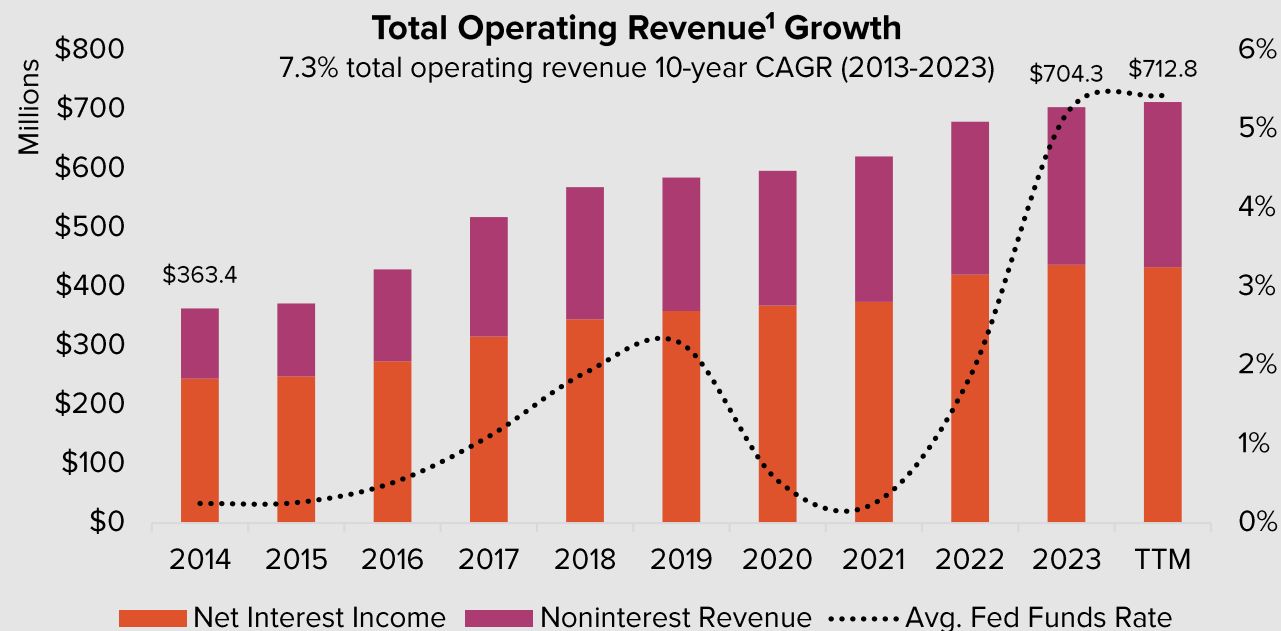
Fundamental Elements of Our Enduring Success



¹ Tied for the second longest streak among the KRX peer group

Focus on Revenue Quality, Diversification and Sustainable Results

- Our businesses each have positive expected returns over the long term while helping balance each other at any particular point in the economic cycle
- Diversification allows us to produce consistent, lower volatility results



Diversified and Complementary Revenue ¹ : Growth Rate						
Revenue Source (TTM % of Total)	2019	2020	2021	2022	2023	5-Yr Cum
Net Interest Income (61%)	4.1%	2.6%	1.6%	12.3%	4.0%	26.7%
Banking Fees (10%)	(6.5%)	(5.8%)	(2.7%)	11.2%	(2.7%)	(7.3%)
Benefits Administration (17%)	5.3%	4.3%	12.8%	0.9%	2.2%	27.8%
Wealth Management (5%)	0.4%	7.8%	19.2%	(4.7%)	0.9%	24.1%
Insurance & Risk Services (7%)	6.2%	0.5%	5.0%	17.1%	18.3%	55.2%
Total CBU Operating Revenue¹	2.8%	2.0%	4.1%	9.5%	3.7%	23.9%
Banking Industry²	2.6%	(2.4%)	(2.6%)	9.2%	3.3%	10.0%

Sources: S&P Global, Internal filings

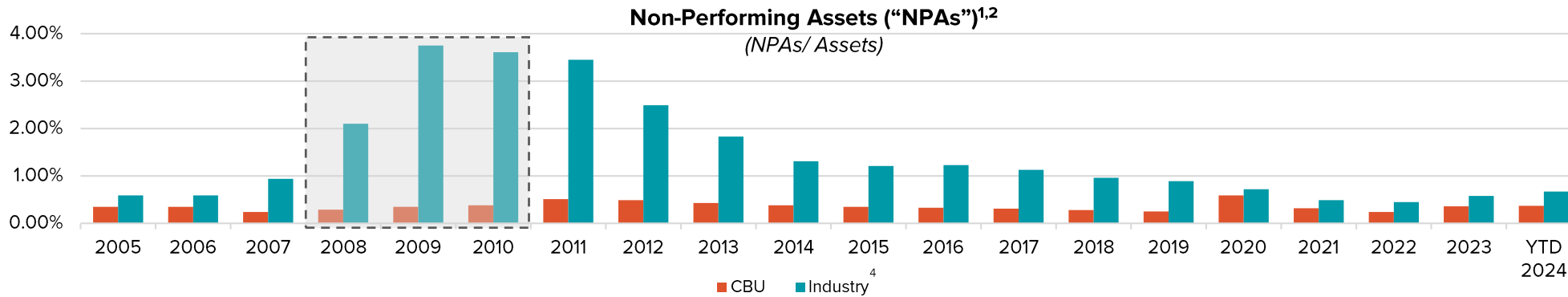
¹ Non-GAAP measure. Please see Appendix for details.

² Industry group is defined as U.S. Commercial Banks with assets between \$10 billion and \$50 billion. Results are regulatory based and include net interest income and noninterest revenue as reported.

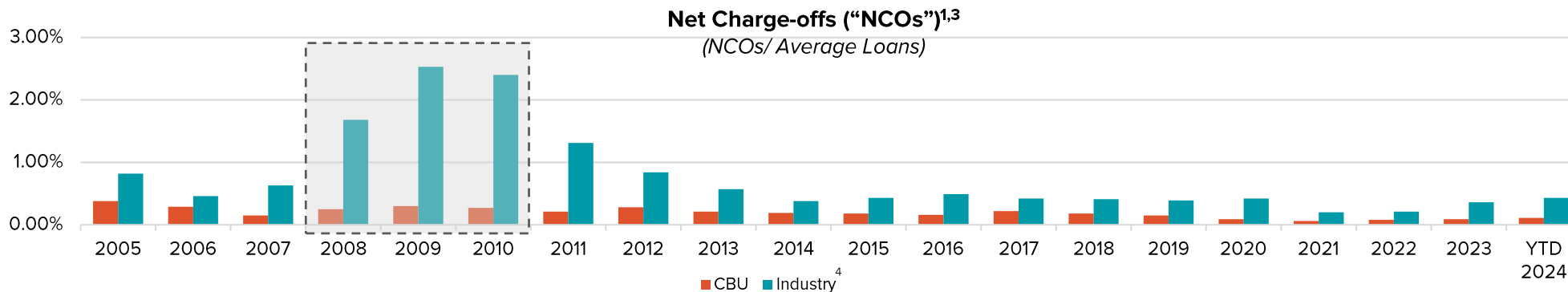


Strong Asset Quality

Historically Strong Asset Quality Metrics



Period Average⁵
CBU: 0.36%
Industry: 1.49%



Period Average⁵
CBU: 0.19%
Industry: 0.77%

¹ YTD 2024 data as of 6/30/2024.

² Bank-level regulatory reporting results. Nonperforming assets include total nonaccrual loans, restructured loans, nonaccrual debt securities and other assets, and other real estate owned.

³ Bank-level regulatory reporting results. NCOs include checking/overdraft charge-offs.

⁴ Industry group is defined as U.S. Commercial Banks with assets between \$10 billion and \$50 billion

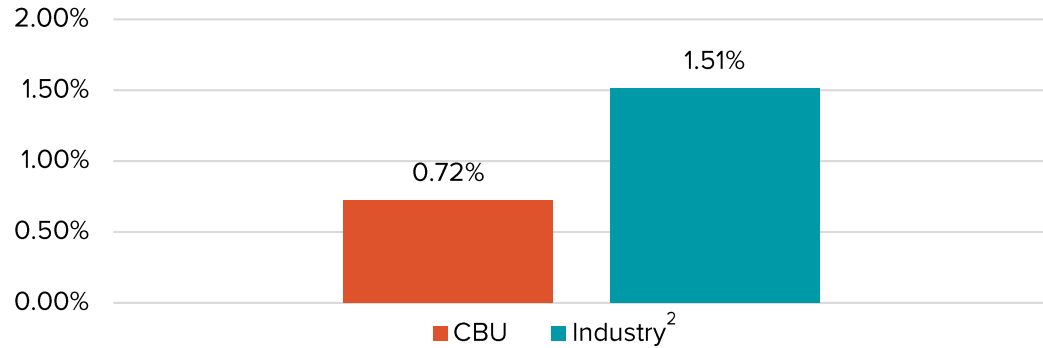
⁵ Simple average of all periods presented



Allowance Industry Comparison

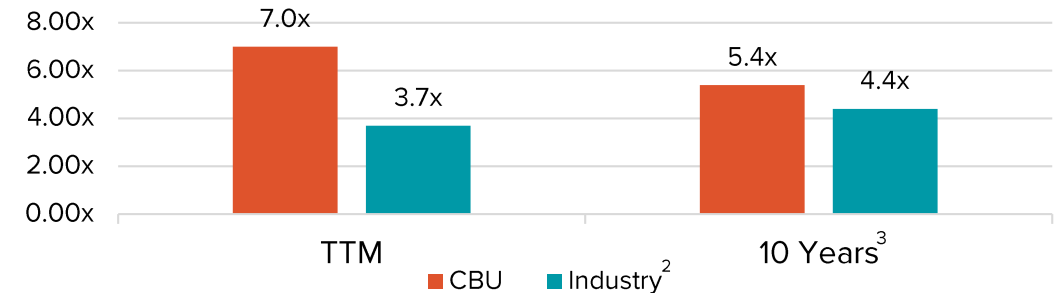
Ample loss coverage compared to industry

Allowance for Credit Losses (“ACL”) Ratio¹

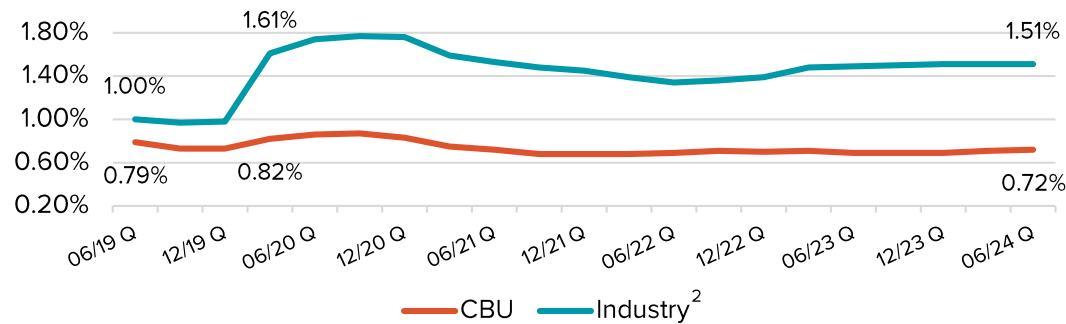


Allowance Loss Coverage

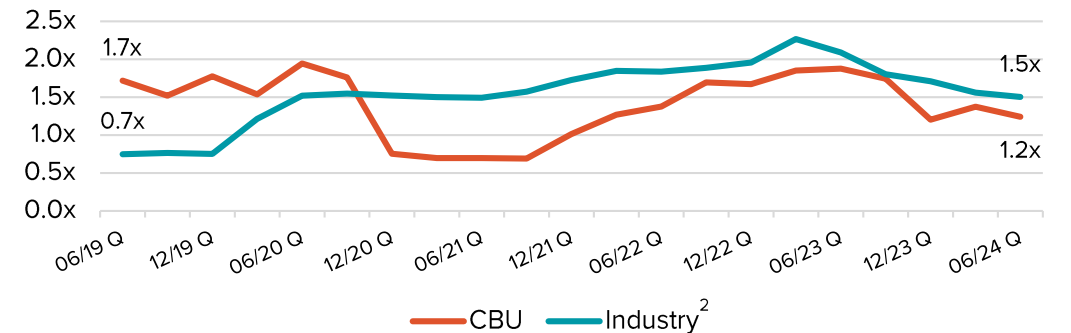
(ACL Ratio¹ / Average Period Net Charge-Off Ratio)



ACL Ratio Trend¹



ACL¹ / NPLs⁴



¹ Q2 2024 ACL regulatory reporting results.

² Industry group is defined as U.S. Commercial Banks with assets between \$10 billion and \$50 billion.

³ Average net charge-off ratio is a 10-year average from 2014 – 2023

⁴ Loan loss reserves as a percent of nonperforming assets plus loans 90 days or more past due and still accruing.



Core Deposit Strength

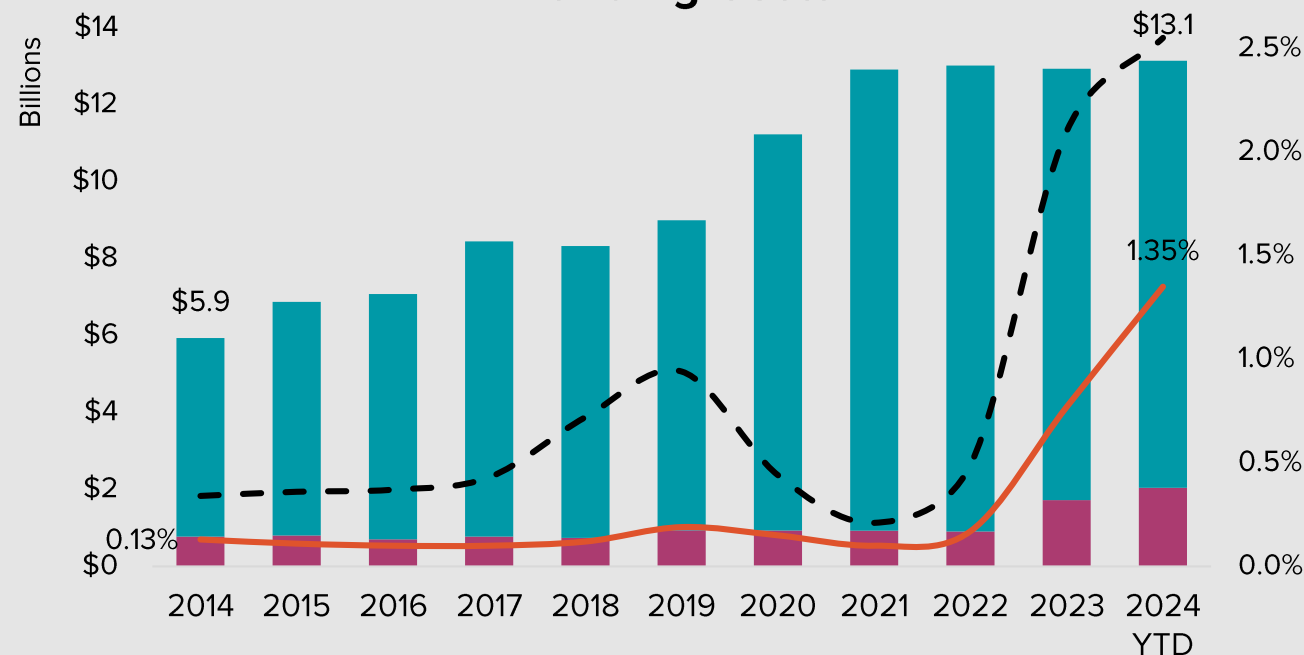
- Excellent core deposit customer base
 - Focus on generating and retaining core non-time deposits, which made up 84.5% of total deposits at June 30, 2024
 - Average cost of deposits of 1.23% for Q2 2024
- \$13.1 billion of total deposits at June 30, 2024
- During the current up-rate cycle¹, CBU has experienced a total funding beta of **24%** as compared to an industry total funding beta of **45%**.

22% cycle to date deposit beta¹

24% cycle to date funding beta¹

30% cycle to date interest-bearing deposit beta¹

Core Deposit Strength Supports Low Overall Funding Costs



■ Time Deposits
 ■ Core Deposits
 — CBNA Cost of Funds
 - - Industry Cost of Funds*

¹ Deposit or funding beta is calculated as the change in quarterly deposit or total cost of funds compared to the change in the quarterly average federal funds rate. Base period is set as the quarter before the federal funds rate began increasing. Calculation period of cycle to date betas is Q4 2021 (base period) through Q2 2024.

Bank Level Call Report Based Results

* Industry group is defined as U.S. Commercial Banks with assets between \$10 billion and \$50 billion



Liquidity Position & Sources

Conservative approach

- Loan to deposit ratio of 76.3% as of June 30, 2024
- Investment portfolio consists of lower risk investments
 - 76% US Treasury Securities & Cash Equivalents at 6/30/2024
- Core deposit focused
- The Company's immediately available liquidity sources represent over **200%** of the Company's uninsured deposits, net of collateralized and intercompany deposits, which are estimated at \$2.14 billion

Dollars in thousands	June 30, 2024
Cash and cash equivalents	\$201,493
FHLB borrowing availability	1,182,480
FRB borrowing capacity	1,165,833
Investments ¹	
US government and agency	3,077,831
MBS and CMO	473,937
Municipals	401,367
Corporates & equity securities	9,502
Less: Pledged securities	(2,071,579)
Net unpledged securities	1,891,058
Total liquidity sources	\$4,440,864

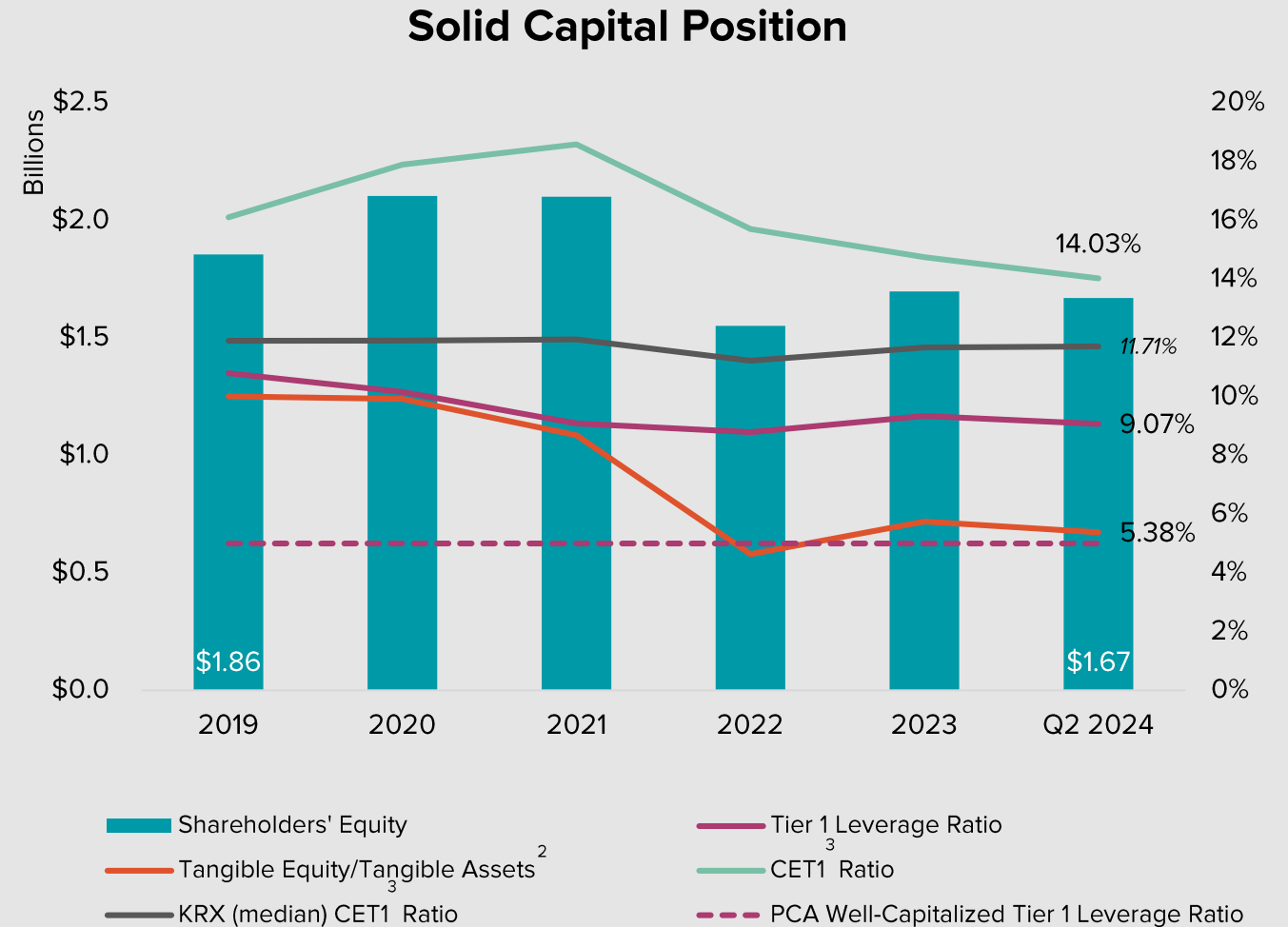
¹ Includes \$432.8 million in net unrealized losses on AFS securities and \$103.4 million in net unrealized losses on HTM securities; excludes municipal qualified school construction bonds, equity securities without readily determinable fair values and other investments



Solid Capital Position

Ready to support growth

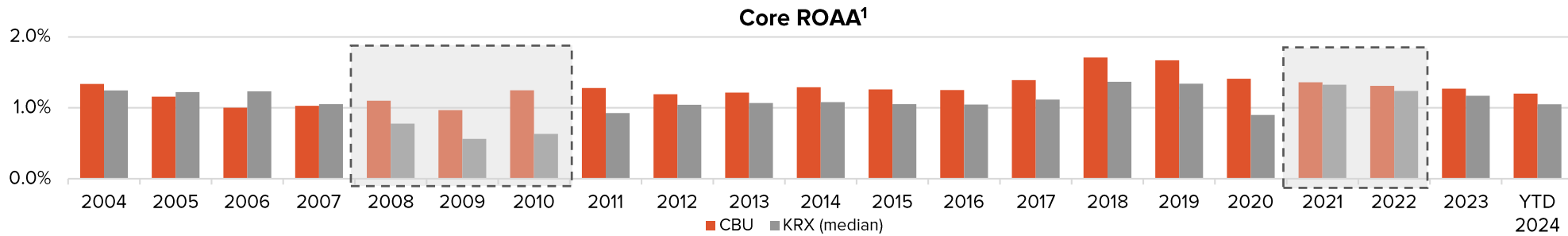
- Tier 1 leverage ratio maintained well above PCA¹ well-capitalized standards to support future organic growth and strategic M&A
- Risk-based capital ratios maintained well-above KRX peer levels reflective of solid capital position and lower-risk balance sheet



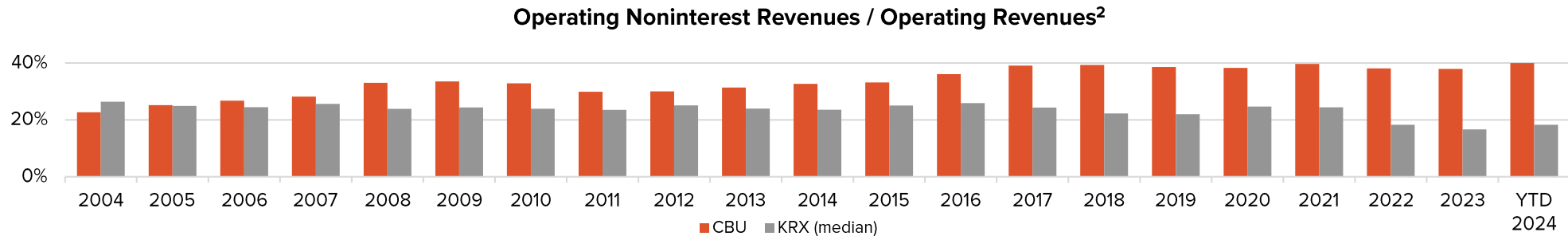
¹ Prompt Corrective Action
² Tangible equity and tangible assets are non-GAAP measures. Please see Appendix for details.
³ Tier 1 Common Capital (CET1) Ratio



Outperformance During Turbulence



Period Average³
CBU: 1.27%
KRX: 1.07%



Period Average³
CBU: 33.3%
KRX: 23.7%

¹ Core income, a non-GAAP measure, is net income after taxes and before extraordinary items, less net income attributable to noncontrolling interest, gain or loss on the sale of securities, amortization of intangibles, goodwill and nonrecurring items.
² Operating noninterest income / operating revenues is defined as total noninterest revenues, excluding only gains from securities transactions (if reported) and nonrecurring items divided by recurring operating revenue, net of interest expense and excluding securities transactions.
³ Simple average of all periods presented

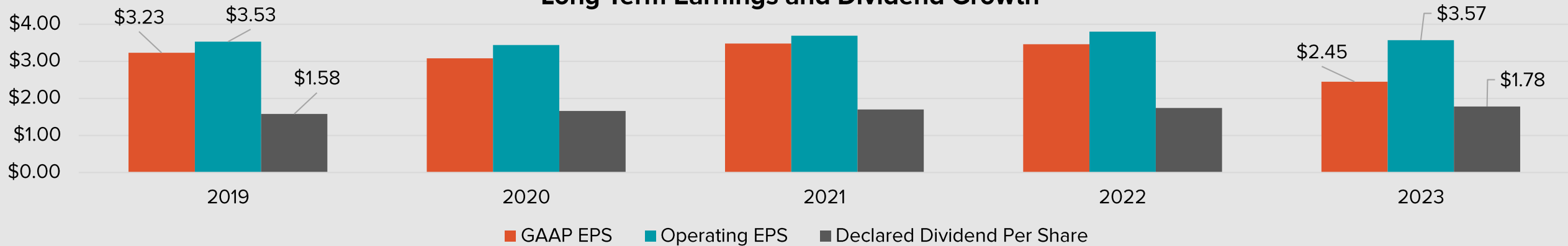


Company Performance

Second Quarter 2024



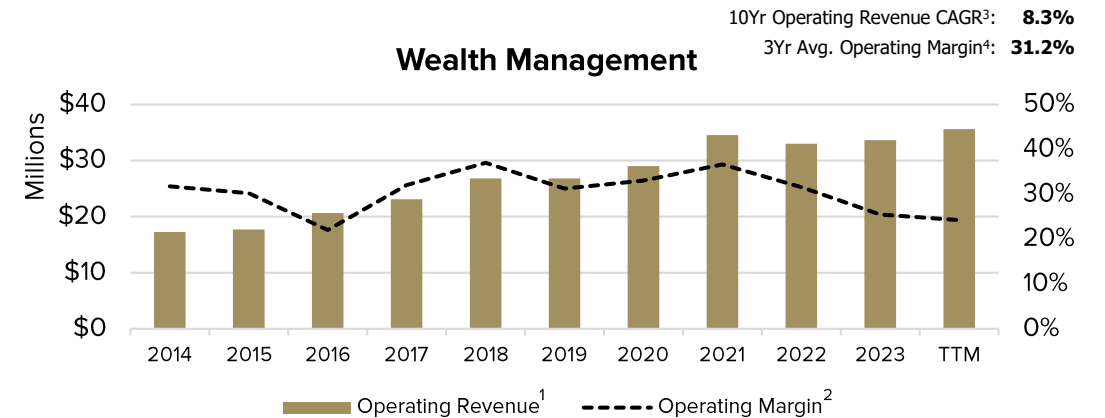
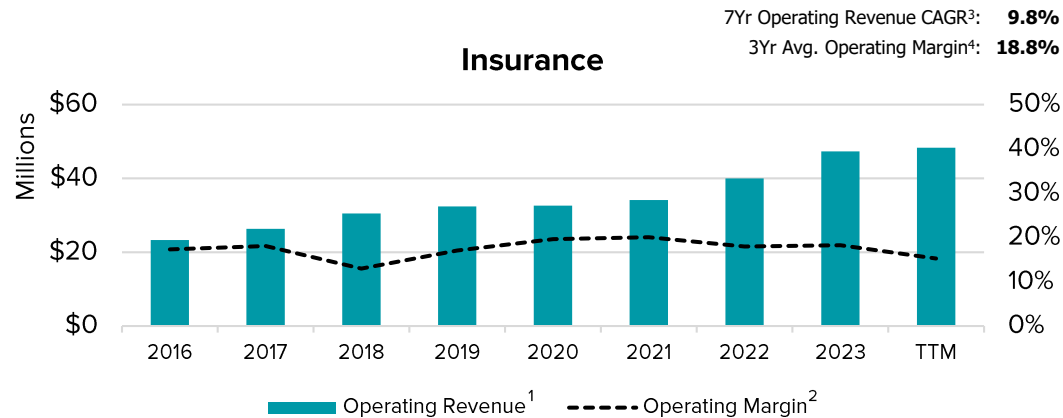
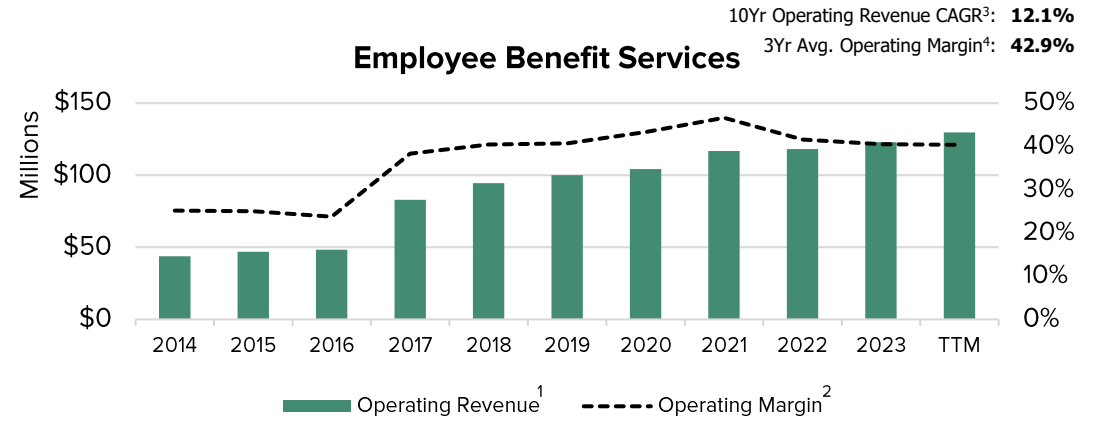
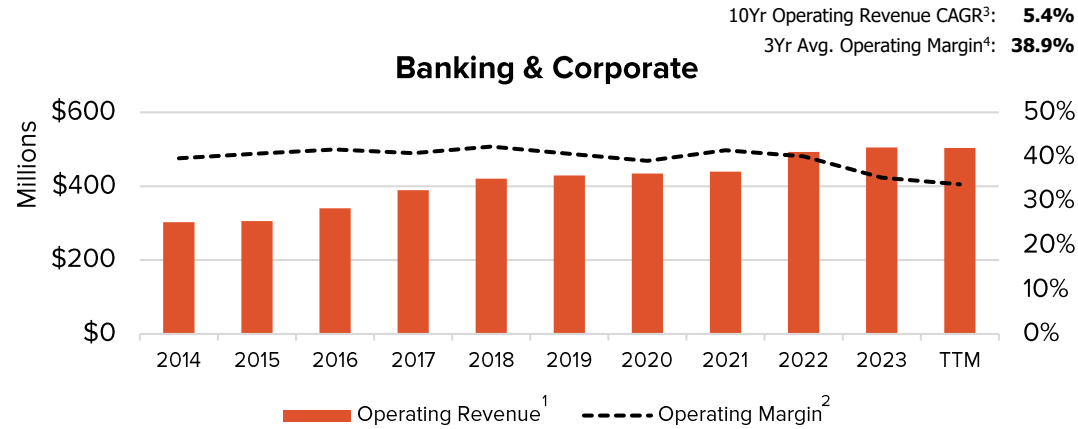
Long Term Earnings and Dividend Growth



¹ Non-GAAP measure. Please see Appendix for details.



Segment Performance



¹ Total Operating Revenues includes segment net interest income plus operating noninterest revenues (total noninterest revenues less securities and debt gains/losses). Includes certain intersegment revenues that eliminate upon consolidation.

² Operating Margin is calculated by total segment operating pre-tax income divided by total segment operating revenues. Total operating Pre-Tax Income is calculated by segment net interest income plus operating noninterest revenues less provision for credit losses less operating noninterest expenses (total noninterest expenses less acquisition expenses, amortization of intangible assets and other special charges). Includes certain intersegment revenues and expenses that eliminate upon consolidation.

³ TTM calculation basis

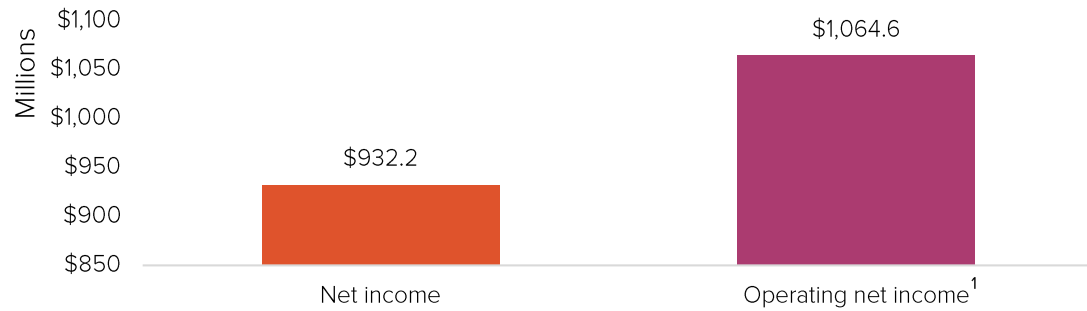
⁴ Calculation period ending full year 2023



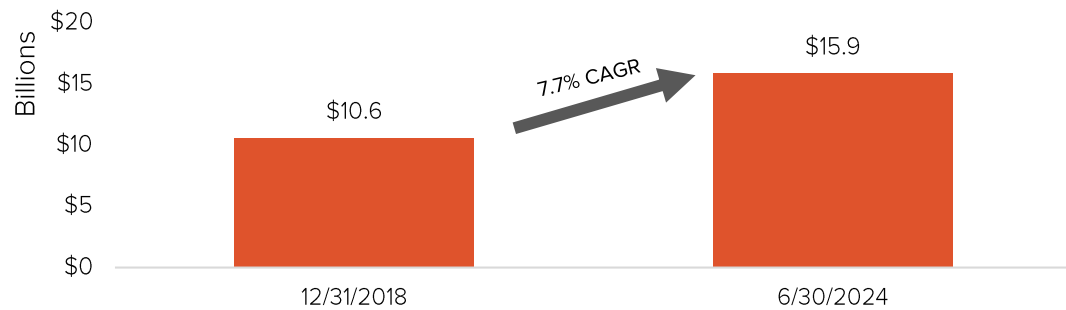
Capital Deployment

Since 12/31/2018
 46.5% operating payout ratio
 53.1% payout ratio

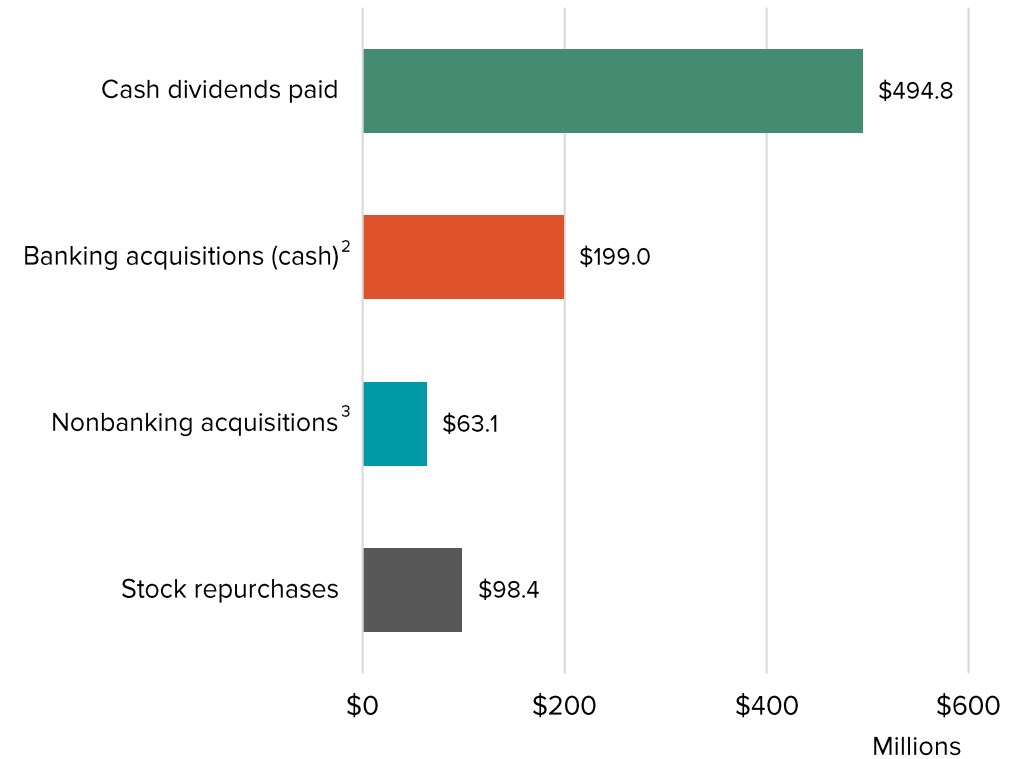
Cumulative Earnings (since 12/31/2018)



Total Ending Assets



Capital Deployment Activity (since 12/31/2018)



¹ Non-GAAP measure. Please see Appendix for details.

² Excludes stock consideration

³ Includes purchase price, earnout payments to date & the current value of future earnout payments



Catalysts for Earnings Growth & Shareholder Value Creation



**Organic and
Acquired Growth
Opportunities
Across all 4
Businesses**



**Robust
Liquidity
Levels**



**Limited
Credit
Concentrations**



**Strong
Core Deposit
Base**



**Strong Capital,
Currency &
Scale**

Loan Repricing Opportunity

- **\$2.84 billion** of estimated loan repricing, maturities and prepayments over the next 12 months at a blended rate of **6.20%**
- Weighted average rate on new volume of approximately **7.50%** presents significant net interest income upside opportunity

28% of outstanding loan balances are expected to reprice or be repaid in the next 12 months¹

Loan Repricing Opportunities			
Loans Repricing or cash-flowing over the next 12 months (NTM) <i>\$ in millions</i>	Repricing Loans ¹ (NTM)	% of Total Loans	Wtd Avg Rate
Floating & Adjustable Rate Loans			
Floating Rate Loans	\$1,060.3	10.6%	8.16%
Adjustable Rate Loans	\$193.4	1.9%	4.89%
Total Floating & Adjustable Rate Loans:	\$1,253.7	12.5%	7.66%
Fixed Rate Loans			
Scheduled Maturities & Amortizing Cashflows	\$1,075.0	10.7%	4.90%
Prepayment Cashflows	\$506.6	5.1%	5.36%
Total Fixed Rate Loans:	\$1,581.6	15.8%	5.05%
Total Repricing Loans	\$2,835.3	28.3%	6.20%

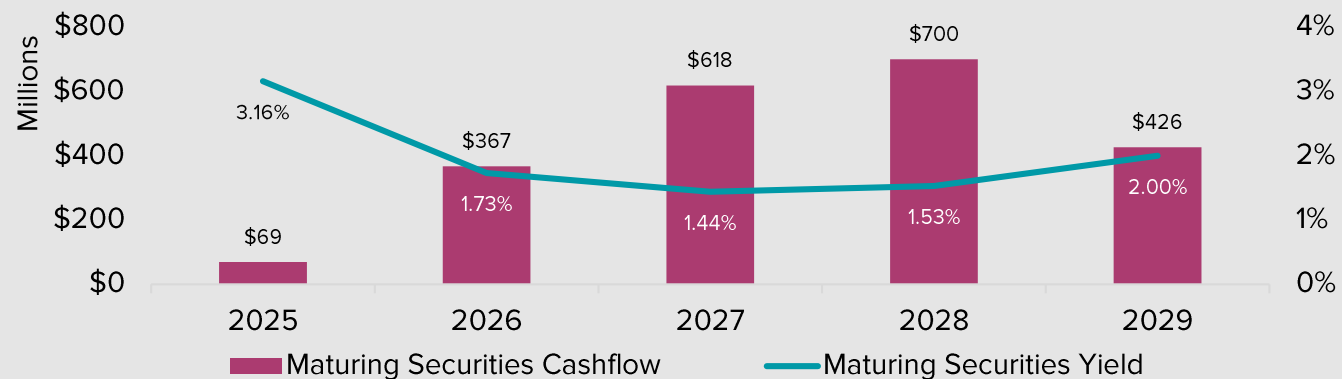
¹ The estimated figures are based on current base modeling assumptions.



Securities Redeployment Opportunity

- Cashflows from maturing investment securities is expected to be **\$2.2 billion** over the next 5 calendar years at a blended rate of **1.68%**
- These maturing cashflows create a significant redeployment opportunity that can be redeployed to repay higher cost borrowings or reinvested into new loans or investment securities at higher yields

Maturing Securities Cashflow & Yield



Hypothetical Redeployment of Securities Cash Flows and Associated Impact

Hypothetical Impact to Return on Assets (ROA)^{1,3}

Reinvestment Rate Above Runoff Rate	2025	2026	2027	2028	2029	EOP
+100 bps	0.00%	0.01%	0.03%	0.06%	0.08%	0.08%
+200 bps	0.01%	0.02%	0.07%	0.12%	0.16%	0.16%
+300 bps	0.01%	0.03%	0.10%	0.18%	0.25%	0.25%
+400 bps	0.02%	0.03%	0.14%	0.24%	0.33%	0.33%

Hypothetical Impact to Annual Earnings Per Share (EPS)^{2,3}

Reinvestment Rate Above Runoff Rate	2025	2026	2027	2028	2029	5-Yr Cum
+100 bps	\$0.01	\$0.03	\$0.11	\$0.20	\$0.28	\$0.63
+200 bps	\$0.03	\$0.05	\$0.22	\$0.40	\$0.56	\$1.26
+300 bps	\$0.04	\$0.08	\$0.33	\$0.60	\$0.84	\$1.89
+400 bps	\$0.05	\$0.11	\$0.44	\$0.80	\$1.12	\$2.52

¹ Assumes average assets increase 3% per year
² Assumes shares outstanding increases 0.5% per year
³ Assumes a 22% tax rate



Opportunities and Financial Targets

Opportunities



- De novo branch and market expansion (contiguous) strategy
- Balanced approach of organic growth and M&A
- Continued focus on asset quality and balance sheet diversification



- Broadening relationships with large insurance, custodial and wealth partners
- Significant opportunities in the collective investment fund market, actuarial services arena and health and welfare plan space
- Recent acquisitions have demonstrated ability to expand servicing offerings and unlock new verticals



- Continue being a consolidator in a fragmented industry
- Broaden geographic footprint
- Expand specialty services



- Leverage outsourced services capabilities
- Embed wealth management capabilities into the Company's sister businesses

Financial Targets

	Through the Cycle	10-Yr Average ¹
Net interest income growth	Mid-single digits	6.4%
Loan growth (organic)	5 – 7%	3.5%
Credit outlook (NCO %)	< 0.15%	0.11%

BPAS noninterest revenue	Upper single digit	13.3%
---------------------------------	--------------------	-------

OneGroup noninterest revenue	Upper single – double digit	10.9% ²
-------------------------------------	-----------------------------	--------------------

Wealth management noninterest revenue	Upper single – double digit	8.8%
--	-----------------------------	------

¹ Simple average of annual growth rates ending 2023

² 7-year average





Community
FINANCIAL SYSTEM, INC.

Valuation Considerations

COMMUNITY FINANCIAL SYSTEM, INC. | NYSE: CBU

Valuation Considerations

#1

in nonbanking fees/
revenue amongst
KRX^{1,2}

#2

in fees/ revenue
amongst KRX¹

#1

in cost of funds
amongst KRX¹

#2

(*tied*)
in consecutive
annual dividend
increases amongst
KRX

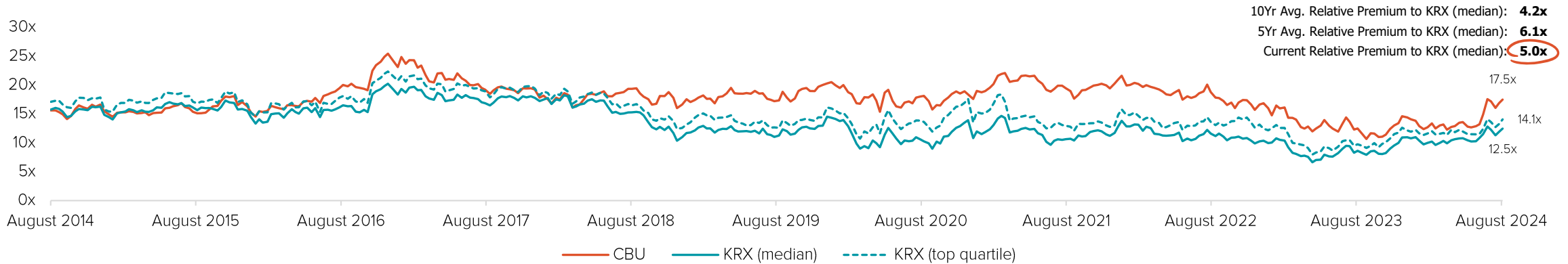
0.08%

NCO %
vs.
0.17% for KRX
median¹

1.20%

Core ROAA %
vs.
1.08% for KRX
median¹

CBU Valuation (Price/ TTM Core³ EPS)



¹ TTM basis

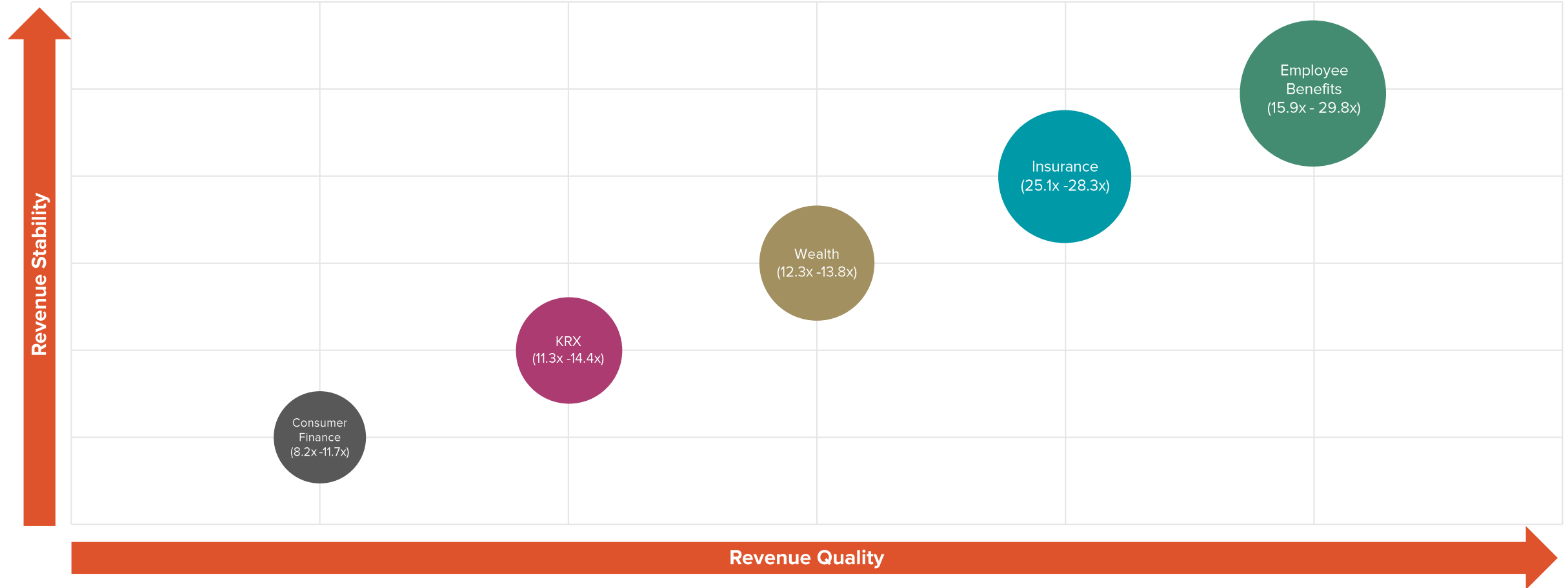
² Regulatory income statement basis. Non-bank revenue includes fiduciary, investment banking, insurance and other noninterest income to capture employee benefit services revenue

³ Core income, a non-GAAP measure, is net income after taxes and before extraordinary items, less net income attributable to noncontrolling interest, gain or loss on the sale of securities, amortization of intangibles, goodwill and nonrecurring items.

Sources: S&P Global
Analysis current as of 8/30/2024



P/E Reference Framework



¹ Estimates based on the following publicly traded consumer finance firms: ALLY, AXP, BFN, COF, DFS, SLM, SYF

² Estimates based on the following publicly traded firms: ADP, BR, HQY, PAYX, SEIC, SSNC

³ Estimates based on the following publicly traded insurance brokers: AJG, AON, BRO, MMC

⁴ Estimates based on the following publicly traded firms: AMG, AMK, ENV, LPLA, RJF, SF

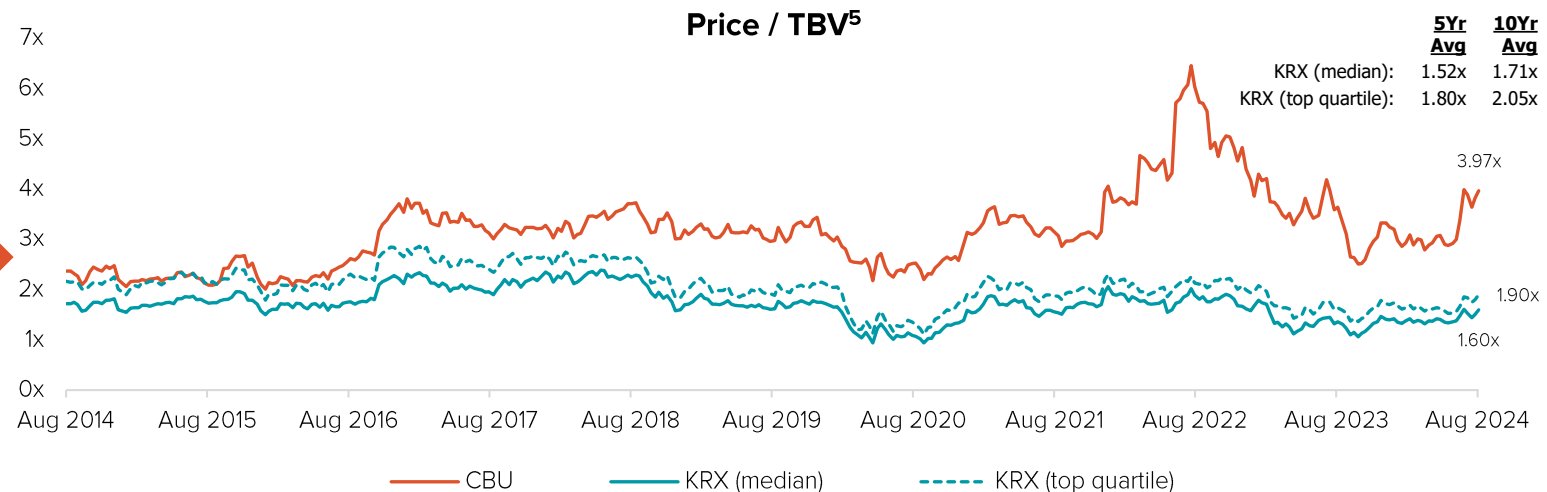
P/E ranges based on top and bottom quartiles based on 2024 estimates
Analysis current as of 8/30/2024



Illustrative P/TBV Context

Nonbanking Business Proxies	ROE	2024 Estimates				Illustrative Segment Valuation		
		Price/ Revenue	Price/ EBITDA		Price/ Earnings	Valuation	Per Share	Price / TBV
<i>\$ in Millions</i>	<i>TTM Median</i>	<i>Bottom Quartile Top Quartile</i>				<i>Median of 2024 Estimates</i>		
Employee Benefit Services ¹	27.9%	4.3x 7.7x	13.7x 20.4x	15.9x 29.8x	\$837.7	\$15.81	N/A	
Insurance Services ²	25.5%	5.6x 6.2x	18.2x 18.8x	25.1x 28.3x	\$197.2	\$3.72	N/A	
Wealth Management Services ³	14.6%	1.7x 3.8x	8.6x 9.7x	12.3x 13.8x	\$103.9	\$1.96	N/A	
Nonbanking Businesses⁴					\$1,138.8	\$21.49	N/A	

	Q2 2024
CBU Share Price (8/30/2024)	\$61.16
CBU TBV (A) ⁵	\$15.41
Nonbanking Businesses Implied Value (B) ⁴	\$21.49
CBU Intrinsic TBV (A + B) ⁴	\$36.58
CBU Intrinsic TBV (incl. AOCI) ⁴	\$47.55
Implied Price / Intrinsic TBV ⁴	1.66x
Implied Price / Intrinsic TBV (incl. AOCI) ⁴	1.29x



¹ Estimates based on the following publicly traded firms: ADP, BR, HQY, PAYX, SEIC, SSNC
² Estimates based on the following publicly traded insurance brokers: AJG, AON, BRO, MMC
³ Estimates based on the following publicly traded firms: AMG, AMK, ENV, LPLA, RJF, SF
⁴ Based on internal Company data for illustrative purposes
⁵ Tangible book value (TBV) is a non-GAAP measure. Please see Appendix for details

Analysis current as of 8/30/2024





Community
FINANCIAL SYSTEM, INC.

Closing Remarks

COMMUNITY FINANCIAL SYSTEM, INC. | NYSE: CBU

Closing Remarks

Why Invest in CBU?



▶ Standout business model designed to provide steady, consistent outperformance



▶ Multiple growth catalysts across all four business lines



▶ Visible and sustainable high quality earnings upside



▶ Below average risk approach



▶ Foundational balance sheet strength

Fully Aligned Management Team

Our Incentive Pay Scorecard

Above Average Return

- Banking PPNR Growth
- Financial Services Operating Earnings Growth
- ROA compared to KRX

Below Average Risk

- Net Charge-offs
- Liquidity
- Capital

Strategic Priorities



Thank you!

INVESTOR RELATIONS CONTACT

Mr. Joseph E. Sutaris

EVP & Chief Financial Officer

Joseph.Sutaris@cbna.com

315.445.7396



Community
FINANCIAL SYSTEM, INC.



Community
FINANCIAL SYSTEM, INC.

Appendix

COMMUNITY FINANCIAL SYSTEM, INC. | NYSE: CBU

Glossary of Terms

Term / Acronym	Defined as
ACL	Allowance for credit losses
AFS	Available for sale
AIF	Accredited investment fiduciary
AML	Anti-Money Laundering
AOCI	Accumulated other comprehensive income
AUA	Assets under administration
AUM	Assets under management
AUMA	Assets under management & administration
BSA	Bank Secrecy Act
CAGR	Compounded annual growth rate
CET1	Common equity tier 1
CFA	Chartered financial analyst
CFP	Certified financial planner
CIT	Collective investment trust
CNY	Central New York
CRE	Commercial real estate
DBO	Defined benefit obligation
DC	Defined contribution
EBITDA	Earnings before interest, taxes, depreciation, and amortization
FA	Financial analyst
FTE	Fully taxable equivalent
FTEs	Full-time equivalent staff
GDP	Gross domestic product
HNW	High-net-worth
HRA	Health reimbursement arrangement
HSA	Health savings account

Term / Acronym	Defined as
HTM	Held to maturity
IRA	Individual retirement account
KRX	Ticker for the KBW Regional Banking Index peer group used
LTV	Loan-to-value
NCO	Net charge-offs
NPA	Non-performing assets
NQDC	Nonqualified deferred compensation
NTM	Next twelve months
OFAC	Office of Foreign Assets Control
P&C	Property & casualty
PCA	Prompt corrective action
PPNR	Pre-provision net revenue
RAUM	Regulatory assets under management
RHS	Retirement health savings
RIA	Registered investment advisor
ROA	Return on assets
ROE	Return on equity
SMB	Small-medium businesses with less than 500 employees
TBV	Tangible book value
TPA	Third party administrator
TTM	Trailing twelve months as of 6/30/2024
UHNW	Ultra-high-net-worth
VEBA	Voluntary employees' beneficiary association
Y/E	Year ending
YOY	Year-over-year
YTD	Year to date as of 6/30/2024, unless otherwise noted



Primary Subsidiaries

Banking	Wealth Management Services	Insurance Services	Employee Benefit Services
Community Bank, N.A.	Community Investment Services, Inc.	OneGroup NY, Inc.	Benefit Plans Administrative Services, Inc.
	Nottingham Advisors, Inc.		Benefit Plans Administrative Services, LLC
	Nottingham Trust (Division of Community Bank, N.A.)		BPAS Actuarial & Pension Services, LLC
	The Carta Group, Inc.		Hand Benefits & Trust Company
	OneGroup Wealth Partners, Inc.		Hand Securities, Inc.
			Northeast Retirement Services, LLC
			Global Trust Company, Inc.
			BPAS Trust Company of Puerto Rico
			Fringe Benefits Design of Minnesota, Inc.



Board of Directors

Engaged & Diversified

50%

Gender, Ethnic & Racially Diverse

92%

Independent Membership

8

years average board tenure

58

average director age



Eric E. Stickels

Chairperson; Risk
Joined: 2015 | Age: 63



Dimitar A. Karaivanov

President & CEO
Joined: 2024 | Age: 42



Raymond C. Pecor III

Exec / Gov / Risk
Joined: 2017 | Age: 55



Susan E. Skerritt

Lead Director; Audit / Comp / Risk
Joined: 2021 | Age: 69



Jeffery J. Knauss

Comp / Gov / Risk
Joined: 2021 | Age: 38



Sally A. Steele

Comp / Risk / Trust
Joined: 2003 | Age: 68



Mark J. Bolus

Comp / Exec / Risk / Trust
Joined: 2010 | Age: 58



Kerrie D. MacPherson

Audit / Exec / Gov / Risk
Joined: 2019 | Age: 65



Michele Sullivan

Audit / Risk / Trust
Joined: 2024 | Age: 61



Neil E. Fesette

Audit / Comp / Exec / Risk
Joined: 2010 | Age: 58



John Parente

Exec / Gov / Risk / Trust
Joined: 2010 | Age: 57



John F. Whipple Jr.

Audit / Exec / Gov / Risk
Joined: 2010 | Age: 68

Bold committee membership indicates chairperson



KRX Peer Group

Peer Company Name	Ticker	Location	Total Assets ¹
New York Community Bancorp, Inc.	NYCB	Hicksville, NY	\$119,055
Webster Financial Corporation	WBS	Stamford, CT	\$76,838
Popular, Inc.	BPOP	Hato Rey, PR	\$72,845
Valley National Bancorp	VLY	Morristown, NJ	\$62,059
Wintrust Financial Corporation	WTFC	Rosemont, IL	\$59,782
Synovus Financial Corp.	SNV	Columbus, GA	\$59,606
Old National Bancorp	ONB	Evansville, IN	\$53,120
Columbia Banking System, Inc.	COLB	Tacoma, WA	\$52,047
BOK Financial Corporation	BOKF	Tulsa, OK	\$50,403
Pinnacle Financial Partners, Inc.	PNFP	Nashville, TN	\$49,367
Cullen/Frost Bankers, Inc.	CFR	San Antonio, TX	\$48,843
Cadence Bank	CADE	Tupelo, MS	\$47,984
F.N.B. Corporation	FNB	Pittsburgh, PA	\$47,715
SouthState Corporation	SSB	Winter Haven, FL	\$45,494
UMB Financial Corporation	UMBF	Kansas City, MO	\$45,343
Associated Banc-Corp	ASB	Green Bay, WI	\$41,624
Prosperity Bancshares, Inc.	PB	Houston, TX	\$39,762
Bank OZK	OZK	Little Rock, AR	\$36,836
BankUnited, Inc.	BKU	Miami Lakes, FL	\$35,428
Hancock Whitney Corporation	HWC	Gulfport, MS	\$35,412
Banc of California, Inc.	BANC	Los Angeles, CA	\$35,244
Fulton Financial Corporation	FULT	Lancaster, PA	\$31,770
Commerce Bancshares, Inc.	CBSH	Kansas City, MO	\$30,569
First Interstate BancSystem, Inc.	FIBK	Billings, MT	\$30,290
United Bankshares, Inc.	UBSI	Charleston, WV	\$29,957

Peer Company Name	Ticker	Location	Total Assets ¹
Texas Capital Bancshares, Inc.	TCBI	Dallas, TX	\$29,855
WaFd, Inc.	WAFD	Seattle, WA	\$28,581
Glacier Bancorp, Inc.	GBCI	Kalispell, MT	\$27,805
Simmons First National Corporation	SFNC	Pine Bluff, AR	\$27,369
United Community Banks, Inc.	UCBI	Blairsville, GA	\$27,057
Ameris Bancorp	ABCB	Atlanta, GA	\$26,521
Atlantic Union Bankshares Corporation	AUB	Glen Allen, VA	\$24,761
Provident Financial Services, Inc.	PFS	Jersey City, NJ	\$24,070
First Hawaiian, Inc.	FHB	Honolulu, HI	\$23,992
Bank of Hawaii Corporation	BOH	Honolulu, HI	\$23,301
Cathay General Bancorp	CATY	Los Angeles, CA	\$23,235
Home Bancshares, Inc. (Conway, AR)	HOMB	Conway, AR	\$22,920
Eastern Bankshares, Inc.	EBC	Boston, MA	\$21,044
WSFS Financial Corporation	WSFS	Wilmington, DE	\$20,745
Independent Bank Corp.	INDB	Rockland, MA	\$19,411
First BanCorp.	FBP	San Juan, PR	\$18,881
Trustmark Corporation	TRMK	Jackson, MS	\$18,452
Pacific Premier Bancorp, Inc.	PPBI	Irvine, CA	\$18,332
First Financial Bancorp.	FFBC	Cincinnati, OH	\$18,166
Hope Bancorp, Inc.	HOPE	Los Angeles, CA	\$17,375
CVB Financial Corp.	CVBF	Ontario, CA	\$16,151
Community Financial System, Inc.	CBU	Dewitt, NY	\$15,907
First Financial Bankshares, Inc.	FFIN	Abilene, TX	\$13,164
Brookline Bancorp, Inc.	BRKL	Boston, MA	\$11,635
First Commonwealth Financial Corporation	FCF	Indiana, PA	\$11,627

¹\$ in millions, as of June 30, 2024



Multifamily & NOO CRE by Location

(000's omitted, except percentages)	Multifamily CRE		Non-owner occupied CRE <i>(excluding Multifamily CRE)</i>		Total non-owner occupied CRE <i>("NOO CRE")</i>	
	Balance ¹	% of Total NOO CRE	Balance ¹	% of Total NOO CRE	Balance ¹	% of Total NOO CRE
Metropolitan Statistical Area ("MSA")²:						
Burlington-South Burlington, VT	\$166,457	7.0%	\$151,075	6.3%	\$317,532	13.3%
Albany-Schenectady-Troy, NY	81,272	3.4%	227,628	9.6%	308,900	13.0%
Buffalo-Cheektowaga, NY	36,526	1.5%	162,715	6.9%	199,241	8.4%
Rochester, NY	24,668	1.0%	154,681	6.5%	179,349	7.5%
Scranton-Wilkes-Barre, PA	60,976	2.5%	103,432	4.4%	164,408	6.9%
Syracuse, NY	12,071	0.5%	146,597	6.2%	158,668	6.7%
Utica-Rome, NY	40,208	1.7%	58,224	2.4%	98,432	4.1%
Ithaca, NY	31,423	1.3%	17,265	0.7%	48,688	2.0%
All Other MSA – NY ^{3,4}	87,919	3.7%	107,647	4.5%	195,566	8.2%
All Other MSA – PA ^{3,4}	17,932	0.8%	86,766	3.6%	104,698	4.4%
All Other MSA ³	23,967	1.0%	252,243	10.6%	276,210	11.6%
Non-MSAs:						
NY	53,770	2.3%	198,784	8.3%	252,554	10.6%
All Other Non-MSA	26,492	1.1%	53,482	2.2%	79,974	3.3%
Total	\$663,681	27.8%	\$1,720,539	72.2%	\$2,384,220	100.0%

¹ Balance indicated reflects the Company's amortized cost basis within each loan pool

² Reflects the geographic concentrations of the Company's commercial real estate ("CRE") loan balances by property location (MSA) as of June 30, 2024

³ The MSAs within these captions are individually less than 2% of total CRE exposure.

⁴ The MSAs within these captions include certain counties in adjacent states with a high degree of economic and social integration to the respective core city in New York or Pennsylvania.



Reconciliation of GAAP and Non-GAAP

Community Financial System, Inc.'s management uses the term "non-GAAP" financial measures in their analysis of the Company's performance and operations. Management believes that these non-GAAP financial measures help investors and analysts measure underlying core performance and improves comparability to other organizations that have not engaged in acquisitions or restructuring activities. These disclosures should not be viewed as a substitute for financial measures determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP financial measures that may be presented by other companies. The types of non-GAAP financial measures used in this presentation include:

- Tangible equity, tangible common equity, tangible assets and tangible book value and tangible book value per share are non-GAAP financial measures which Community Financial System, Inc.'s management uses to assess the quality of capital and believes that investors may find useful in their analysis, although these metrics are not necessarily comparable to similar non-GAAP financial measures used by other companies. Tangible equity is calculated by excluding the balance of goodwill and other intangible assets from the calculation of total equity and adding back the amount of the deferred tax liability related to tax deductible goodwill and other intangible assets. Tangible common equity is calculated by excluding the balance of goodwill and other intangible assets from the calculation of stockholders' equity and adding back the amount of the deferred tax liability related to tax deductible goodwill and other intangible assets. Tangible assets is calculated by excluding the balance of goodwill and other intangible assets from the calculation of total assets and adding back the amount of the deferred tax liability related to tax deductible goodwill and other intangible assets. Tangible book value per share is calculated by dividing tangible common equity by the number of shares outstanding at a point in time.
- Net interest margin on a fully tax-equivalent ("FTE") basis, includes an adjustment to net interest income that represents taxes that would have been paid had nontaxable investment securities and loans been taxable. The adjustment attempts to enhance the comparability of the performance of assets that have different tax liabilities.
- Operating earnings, operating revenues, operating revenues (FTE), operating noninterest revenues and operating noninterest expenses are non-GAAP financial measures which Community Financial System, Inc. believes investors may find useful in their analysis to better reflect core performance and enhance comparability to both banking and non-banking organizations. Operating earnings is calculated by excluding the net of tax effect of acquisition expenses, acquisition-related contingent consideration adjustment, net gain (loss) on sale of investments, unrealized gain (loss) on equity securities, amortization of intangible assets, gain (loss) on debt extinguishment, acquisition-related provision for credit losses, restructuring expenses and litigation accrual expenses from net income. Operating revenues is calculated by excluding unrealized gain (loss) on equity securities, gain (loss) on sales of investment securities and the gain (loss) on debt extinguishment from total revenues. Operating revenues (FTE) is calculated by adding the fully tax-equivalent (FTE) adjustment that is applied to net interest income to operating revenues. Operating noninterest revenues is calculated by excluding unrealized gain (loss) on equity securities, gain (loss) on sales of investment securities and the gain (loss) on debt extinguishment from total noninterest revenues. Operating noninterest expenses is calculated by excluding acquisition expenses, acquisition-related contingent consideration adjustment, amortization of intangible assets, restructuring expenses and litigation accrual expenses from noninterest expenses.
- Operating pre-tax, pre-provision net revenue, a non-GAAP financial measure, subtracts the provision for credit losses, acquisition-related expenses, unrealized gain (loss) on equity securities, loss on sales of investment securities, gain on debt extinguishment, amortization of intangible assets, restructuring expenses, and litigation accrual from income before income taxes. The Company's management believes this information helps investors and analysts measure and compare the Company's performance through a credit cycle by excluding the volatility in the provision for credit losses associated with the impact of CECL, helps investors and analysts measure underlying core performance and improves comparability to other organizations that have not engaged in acquisitions or restructuring activities.



Pre-tax, Pre-provision Components

Dollars in thousands, except per share data

	2024 YTD	2023 YTD	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024
Operating pre-tax, pre-provision net revenue ("PPNR") (non-GAAP)							
Net income (GAAP)	\$88,787	\$54,089	\$48,291	\$44,129	\$33,706	\$40,872	\$47,915
Income taxes	26,348	14,357	13,182	11,861	10,089	12,171	14,177
Income before income taxes	115,135	68,446	61,473	55,990	43,795	53,043	62,092
Provision for credit losses	8,856	4,252	752	2,878	4,073	6,148	2,708
Pre-tax, pre-provision net revenue (non-GAAP)	123,991	72,698	62,225	58,868	47,868	59,191	64,800
Acquisition expenses	139	56	(1)	-	7	35	104
Acquisition-related contingent consideration adjustment	-	1,000	1,000	80	2,200	-	-
Restructuring expenses	-	-	-	-	1,163	-	-
Litigation accrual	119	-	-	-	5,800	119	-
Loss on sales of investment securities	232	52,329	-	-	-	-	232
Unrealized (gain) loss on equity securities	(883)	50	50	49	(52)	(16)	(867)
Gain on debt extinguishment	-	(242)	-	-	-	-	-
Amortization of intangible assets	7,453	7,372	3,705	3,576	3,563	3,576	3,877
Operating pre-tax, pre-provision net revenue ("PPNR") (non-GAAP)	\$131,051	\$133,263	\$66,979	\$62,573	\$60,549	\$62,905	\$68,146
Operating pre-tax, pre-provision net revenue ("PPNR") per share (non-GAAP)							
Diluted earnings per share (GAAP)	\$1.67	\$1.00	\$0.89	\$0.82	\$0.63	\$0.76	\$0.91
Income taxes	0.50	0.27	0.25	0.22	0.19	0.23	0.26
Income before income taxes	2.17	1.27	1.14	1.04	0.82	0.99	1.17
Provision for credit losses	0.16	0.08	0.01	0.05	0.07	0.12	0.06
Pre-tax, pre-provision net revenue per share (non-GAAP)	2.33	1.35	1.15	1.09	0.89	1.11	1.23
Acquisition expenses	-	-	-	-	-	-	-
Acquisition-related contingent consideration adjustment	-	0.02	0.02	-	0.04	-	-
Restructuring expenses	-	-	-	-	0.02	-	-
Litigation accrual	-	-	-	-	0.11	-	-
Loss on sales of investment securities	-	0.96	-	-	-	-	-
Unrealized (gain) loss on equity securities	(0.01)	-	-	-	-	-	(0.01)
Gain on debt extinguishment	-	-	-	-	-	-	-
Amortization of intangible assets	0.14	0.13	0.07	0.07	0.07	0.07	0.07
Operating pre-tax, pre-provision net revenue ("PPNR") per share (non-GAAP)	\$2.46	\$2.46	\$1.24	\$1.16	\$1.13	\$1.18	\$1.29



Operating Net Income

Dollars in thousands, except per share data

	2019	2020	2021	2022	2023	2024 YTD	Q2 2024
Net income (GAAP)	\$169,063	\$164,676	\$189,694	\$188,081	\$131,924	\$88,787	\$47,915
Acquisition expenses, net of tax effect	6,952	3,942	551	3,930	50	108	81
Acquisition-related contingent consideration adjustments, net of tax effect	-	-	157	(235)	2,591	-	-
(Gain) loss on sales of investments, net of tax effect	(3,943)	-	-	-	41,340	180	180
Unrealized (gain) loss on equity securities, net of tax effect	(15)	5	(13)	34	37	(686)	(674)
Gain on debt extinguishment, net of tax effect	-	(336)	-	-	(191)	-	-
Acquisition-related provision for credit losses, net of tax effect	-	2,446	-	3,074	-	-	-
Restructuring expenses, net of tax effect	-	-	-	-	919	-	-
Litigation accrual, net of tax effect	-	2,357	(79)	-	4,582	93	-
Amortization of intangible assets, net of tax effect	12,886	11,425	11,044	11,907	11,464	5,802	3,013
Operating net income (non-GAAP)	\$184,943	\$184,515	\$201,354	\$206,791	\$192,716	\$94,284	\$50,515

	2019	2020	2021	2022	2023	2024 YTD	Q2 2024
Diluted earnings per share (GAAP)	\$3.23	\$3.08	\$3.48	\$3.46	\$2.45	\$1.67	\$0.91
Acquisition expenses, net of tax effect	0.13	0.07	0.01	0.07	-	-	-
Acquisition-related contingent consideration adjustments, net of tax effect	-	-	-	-	0.05	-	-
(Gain) loss on sales of investments, net of tax effect	(0.07)	-	-	-	0.76	-	-
Unrealized (gain) loss on equity securities, net of tax effect	-	-	-	-	-	(0.02)	(0.01)
Gain on debt extinguishment, net of tax effect	-	(0.01)	-	-	-	-	-
Acquisition-related provision for credit losses, net of tax effect	-	0.05	-	0.05	-	-	-
Restructuring expenses, net of tax effect	-	-	-	-	0.02	-	-
Litigation accrual, net of tax effect	-	0.05	-	-	0.08	-	-
Amortization of intangible assets, net of tax effect	0.24	0.21	0.20	0.22	0.21	0.12	0.05
Operating diluted earnings per share (non-GAAP)	\$3.53	\$3.45	\$3.69	\$3.80	\$3.57	\$1.77	\$0.95



Net Interest Margin & Operating ROA

Dollars in thousands

	2019	2020	2021	2022	2023	2024 YTD	Q2 2024
Net interest margin							
Net interest income	\$359,175	\$368,403	\$374,412	\$420,630	\$437,285	\$216,399	\$109,409
Total average interest-earning assets	9,663,634	11,358,162	13,393,383	14,548,665	14,078,061	14,591,808	14,604,973
Net interest margin (GAAP)	3.72%	3.24%	2.80%	2.89%	3.11%	2.98%	3.01%
Net interest margin (FTE) (non-GAAP)							
Net interest income	\$359,175	\$368,403	\$374,412	\$420,630	\$437,285	\$216,399	\$109,409
Fully tax-equivalent adjustment	4,009	3,939	3,393	4,074	4,242	1,967	953
Fully tax-equivalent net interest income (non-GAAP)	363,184	372,342	377,805	424,704	441,527	218,366	110,362
Total average interest-earning assets	9,663,634	11,358,162	13,393,383	14,548,665	14,078,061	14,591,808	14,604,973
Net interest margin (FTE) (non-GAAP)	3.76%	3.28%	2.82%	2.92%	3.14%	3.01%	3.04%

	2019	2020	2021	2022	2023	2024 YTD	Q2 2024
Average total assets	\$11,043,173	\$12,896,499	\$14,835,025	\$15,567,139	\$15,242,884	\$15,787,920	\$15,778,974
Net income (GAAP)	\$169,063	\$164,676	\$189,694	\$188,081	\$131,924	\$88,787	\$47,915
Return on assets (GAAP)	1.53%	1.28%	1.28%	1.21%	0.87%	1.13%	1.22%
Operating net income (non-GAAP)	\$184,943	\$184,515	\$201,354	\$206,791	\$192,716	\$94,284	\$50,515
Operating return on assets (non-GAAP)	1.67%	1.43%	1.36%	1.33%	1.26%	1.20%	1.29%



Operating Revenues

Dollars in thousands

	2003	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 YTD	Q2 2024
Operating noninterest revenues (non-GAAP)														
Noninterest revenues (GAAP)	\$35,231	\$102,180	\$119,020	\$123,299	\$155,625	\$202,423	\$224,059	\$230,619	\$228,419	\$246,235	\$258,725	\$214,834	\$144,675	\$74,390
Unrealized (gain) loss on equity securities	-	-	-	-	-	-	(657)	(19)	6	(17)	44	47	(883)	(867)
Loss (gain) on sales of investment securities	53	(80,768)	-	4	-	(2)	-	(4,882)	-	-	-	52,329	232	232
Loss (gain) on debt extinguishment	2,645	87,336	-	-	-	-	318	-	(421)	-	-	(242)	-	-
Operating noninterest revenues (non-GAAP)	\$37,929	\$108,748	\$119,020	\$123,303	\$155,625	\$202,421	\$223,720	\$225,718	\$228,004	\$246,218	\$258,769	\$266,968	\$144,024	\$73,755
Operating revenues (FTE) (non-GAAP)														
Net interest income (GAAP)	131,828	238,094	244,428	248,420	273,896	315,675	345,055	359,175	368,403	374,412	420,630	437,285	216,399	109,409
Noninterest revenues (GAAP)	35,231	102,180	119,020	123,299	155,625	202,423	224,059	230,619	228,419	246,235	258,725	214,834	144,675	74,390
Total revenues (GAAP)	167,059	340,274	363,448	371,719	429,521	518,098	569,114	589,794	596,822	620,647	679,355	652,119	361,074	183,799
Unrealized (gain) loss on equity securities	-	-	-	-	-	-	(657)	(19)	6	(17)	44	47	(883)	(867)
Loss (gain) on sales of investment securities	53	(80,768)	-	4	-	(2)	-	(4,882)	-	-	-	52,329	232	232
Loss (gain) on debt extinguishment	2,645	87,336	-	-	-	-	318	-	(421)	-	-	(242)	-	-
Operating revenues (non-GAAP)	169,757	346,842	363,448	371,723	429,521	518,096	568,775	584,893	596,407	620,630	679,399	704,253	360,423	183,164
Fully tax-equivalent adjustment (non-GAAP)	12,091	15,060	15,533	12,404	9,961	9,415	4,345	4,009	3,939	3,393	4,074	4,242	1,967	953
Operating revenues (FTE) (non-GAAP)	\$181,848	\$361,902	\$378,981	\$384,127	\$439,482	\$527,511	\$573,120	\$588,902	\$600,346	\$624,023	\$683,473	\$708,495	\$362,390	\$184,117
Noninterest revenues/ total revenues (GAAP)														
Noninterest revenues (GAAP)	35,231	102,180	119,020	123,299	155,625	202,423	224,059	230,619	228,419	246,235	258,725	214,834	144,675	74,390
Total revenues (GAAP)	167,059	340,274	363,448	371,719	429,521	518,098	569,114	589,794	596,822	620,647	679,355	652,119	361,074	183,799
Noninterest revenues/ total revenues (GAAP)	21.1%	30.0%	32.7%	33.2%	36.2%	39.1%	39.4%	39.1%	38.3%	39.7%	38.1%	32.9%	40.1%	40.5%
Operating noninterest revenues/ operating revenues (FTE) (non-GAAP)														
Operating noninterest revenues (non-GAAP)	37,929	108,748	119,020	123,303	155,625	202,421	223,720	225,718	228,004	246,218	258,769	266,968	144,024	73,755
Operating revenues (FTE) (non-GAAP)	181,848	361,902	378,981	384,127	439,482	527,511	573,120	588,902	600,346	624,023	683,473	708,495	362,390	184,117
Operating noninterest revenues/ operating revenues (FTE) (non-GAAP)	20.9%	30.0%	31.4%	32.1%	35.4%	38.4%	39.0%	38.3%	38.0%	39.5%	37.9%	37.7%	39.7%	40.1%



Equity-to-Assets

Dollars in thousands

	2019	2020	2021	2022	2023	Q2 2024
Total tangible assets (non-GAAP)						
Total assets (GAAP)	\$11,410,295	\$13,931,094	\$15,552,657	\$15,835,651	\$15,555,753	\$15,906,816
Goodwill and other intangible assets, net	(836,923)	(846,648)	(864,335)	(902,837)	(897,987)	(905,780)
Deferred taxes on goodwill and other intangible assets, net	44,742	44,370	44,160	46,130	45,198	44,921
Total tangible assets (non-GAAP)	\$10,618,114	\$13,128,816	\$14,732,482	\$14,978,944	\$14,702,964	\$15,045,957
Total tangible common equity (non-GAAP)						
Shareholders' equity (GAAP)	\$1,855,234	\$2,104,107	\$2,100,807	\$1,551,705	\$1,697,937	\$1,670,180
Goodwill and other intangible assets, net	(836,923)	(846,648)	(864,335)	(902,837)	(897,987)	(905,780)
Deferred taxes on goodwill and other intangible assets, net	44,742	44,370	44,160	46,130	45,198	44,921
Total tangible common equity (non-GAAP)	\$1,063,053	\$1,301,829	\$1,280,632	\$694,998	\$845,148	\$809,321
Shareholders' equity-to-assets ratio (GAAP)						
Total shareholders' equity (GAAP) – numerator	\$1,855,234	\$2,104,107	\$2,100,807	\$1,551,705	\$1,697,937	\$1,670,180
Total assets (GAAP) – denominator	11,410,295	13,931,094	15,552,657	15,835,651	15,555,753	15,906,816
Shareholders' equity-to-assets ratio (GAAP)	16.26%	15.10%	13.51%	9.80%	10.92%	10.50%
Tangible equity-to-assets ratio (non-GAAP)						
Total tangible common equity (non-GAAP) – numerator	\$1,063,053	\$1,301,829	\$1,280,632	\$694,998	\$845,148	\$809,321
Total tangible assets (non-GAAP) – denominator	10,618,114	13,128,816	14,732,482	14,978,944	14,702,964	15,045,957
Tangible equity-to-assets ratio (non-GAAP)	10.01%	9.92%	8.69%	4.64%	5.75%	5.38%



Book Value

Dollars and shares in thousands

	2019	2020	2021	2022	2023	Q2 2024
Book value (GAAP)						
Total shareholders' equity (GAAP)	\$1,855,234	\$2,104,107	\$2,100,807	\$1,551,705	\$1,697,937	\$1,670,180
Period end common shares outstanding	51,794	53,593	53,878	53,737	53,327	52,523
Book value per share (GAAP)	\$35.82	\$39.26	\$38.99	\$28.88	\$31.84	\$31.80
Tangible book value (non-GAAP)						
Total tangible common equity (non-GAAP)	\$1,063,053	\$1,301,829	\$1,280,632	\$694,998	\$845,148	\$809,321
Period end common shares outstanding	51,794	53,593	53,878	53,737	53,327	52,523
Tangible book value per share (non-GAAP)	\$20.52	\$24.29	\$23.77	\$12.93	\$15.85	\$15.41



Operating Noninterest Expenses

Dollars in thousands

	2019	2020	2021	2022	2023	2024 YTD	Q2 2024
Operating noninterest expenses (non-GAAP)							
Noninterest expenses (GAAP)	\$372,026	\$376,534	\$388,138	\$424,268	\$472,685	\$237,083	\$118,999
Acquisition expenses	(8,608)	(4,933)	(701)	(5,021)	(63)	(139)	(104)
Acquisition-related contingent consideration adjustments	-	-	(200)	300	(3,280)	-	-
Restructuring expenses	-	-	-	-	(1,163)	-	-
Litigation accrual	-	(2,950)	100	-	(5,800)	(119)	-
Amortization of intangible assets	(15,956)	(14,297)	(14,051)	(15,214)	(14,511)	(7,453)	(3,877)
Total operating noninterest expenses (non-GAAP)	\$347,462	\$354,354	\$373,286	\$404,333	\$447,868	\$229,372	\$115,018



Core Results

Dollars in thousands, except per share data

	2019	2020	2021	2022	2023	2024 YTD	Q2 2024
Net income (GAAP)	\$169,063	\$164,676	\$189,694	\$188,081	\$131,924	\$88,787	\$47,915
Acquisition expenses, net of statutory tax effect ¹	6,801	3,897	554	3,966	50	110	82
Acquisition-related contingent consideration adjustments, net of statutory tax effect ¹	-	-	158	(237)	2,591	-	-
(Gain) loss on sales of investments, net of statutory tax effect ¹	(3,857)	-	-	-	41,340	183	183
Unrealized (gain) loss on equity securities, net of statutory tax effect ¹	(15)	5	(13)	35	37	(698)	(685)
Restructuring expenses, net of statutory tax effect ¹	-	-	-	-	919	-	-
Litigation accrual, net of statutory tax effect ¹	-	2,330	(79)	-	4,582	94	-
Amortization of intangible assets, net of statutory tax effect ¹	12,605	11,295	11,100	12,019	11,464	5,888	3,063
FDIC special assessment, net of statutory tax effect ¹	-	-	-	-	1,184	237	(79)
Core income (non-GAAP)	\$184,597	\$182,203	\$201,414	\$203,864	\$194,091	\$94,601	\$50,479

	2019	2020	2021	2022	2023	2024 YTD	Q2 2024
Core income (non-GAAP)	\$184,597	\$182,203	\$201,414	\$203,864	\$194,091	\$94,601	\$50,479
Average total assets (GAAP)	11,043,173	12,896,499	14,835,025	15,567,139	15,242,884	15,787,920	15,778,974
Core ROAA (non-GAAP)	1.67%	1.41%	1.36%	1.31%	1.27%	1.20%	1.28%

	2019	2020	2021	2022	2023	2024 YTD	Q2 2024
Core income (non-GAAP)	\$184,597	\$182,203	\$201,414	\$203,864	\$194,091	\$94,601	\$50,479
Average shareholders' equity (GAAP)	1,794,717	2,026,669	2,064,105	1,733,521	1,595,724	1,657,543	1,633,875
Core ROAE (non-GAAP)	10.3%	9.0%	9.8%	11.8%	12.2%	11.4%	12.4%

¹ 21% statutory tax rate used

