
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
FORM 10-K**

(MARK ONE)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025
OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM _____ TO _____.
COMMISSION FILE NUMBER: 0-14703

NBT BANCORP INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or
organization)

16-1268674

(I.R.S. Employer Identification No.)

52 South Broad Street, Norwich, New York 13815

(Address of principal executive office) (Zip Code)

Registrant's telephone number, including area code: **(607) 337-2265**

Securities registered pursuant to section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	NBTB	The NASDAQ Stock Market LLC

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☒

Based on the closing price of the registrant's common stock as of June 30, 2025, the aggregate market value of the voting stock, common stock, par value, \$0.01 per share, held by non-affiliates of the registrant is \$2,120,430,098.

The number of shares of common stock outstanding as of January 31, 2026, was 52,204,410.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement for its Annual Meeting of Stockholders to be held on May 19, 2026 are incorporated by reference into Part III, Items 10, 11, 12, 13 and 14 of this Form 10-K.

NBT BANCORP INC.
FORM 10-K – Year Ended December 31, 2025
TABLE OF CONTENTS

PART I

ITEM 1.	BUSINESS	4
ITEM 1A.	RISK FACTORS	20
ITEM 1B.	UNRESOLVED STAFF COMMENTS	30
ITEM 1C.	CYBERSECURITY	30
ITEM 2.	PROPERTIES	32
ITEM 3.	LEGAL PROCEEDINGS.....	32
ITEM 4.	MINE SAFETY DISCLOSURES	32

PART II

ITEM 5.	MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES	33
ITEM 6.	[RESERVED]	34
ITEM 7.	MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	35
ITEM 7A.	QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK... ..	60
ITEM 8.	FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA	63
	Report of Independent Registered Public Accounting Firm.....	63
	Consolidated Balance Sheets.....	67
	Consolidated Statements of Income.....	68
	Consolidated Statements of Comprehensive Income (Loss)	69
	Consolidated Statements of Changes in Stockholders’ Equity	70
	Consolidated Statements of Cash Flows	71
	Notes to Consolidated Financial Statements.....	73
ITEM 9.	CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.....	137
ITEM 9A.	CONTROLS AND PROCEDURES	137
ITEM 9B.	OTHER INFORMATION.....	140
ITEM 9C.	DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS	140

PART III

ITEM 10.	DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE....	141
ITEM 11.	EXECUTIVE COMPENSATION	141
ITEM 12.	SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.....	141
ITEM 13.	CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE	141
ITEM 14.	PRINCIPAL ACCOUNTANT FEES AND SERVICES	141

PART IV

ITEM 15.	EXHIBITS AND FINANCIAL STATEMENT SCHEDULES	142
ITEM 16.	FORM 10-K SUMMARY	144
	SIGNATURES	145

GLOSSARY OF ABBREVIATIONS AND ACRONYMS

When references to “NBT”, “we,” “our,” “us,” and “the Company” are made in this report, we mean NBT Bancorp Inc. and our consolidated subsidiaries, unless the context indicates that we refer only to the parent company, NBT Bancorp Inc. When we refer to the “Bank” in this report, we mean our only bank subsidiary, NBT Bank, National Association, and its subsidiaries.

The acronyms and abbreviations identified below are used throughout this report, including the Notes to Consolidated Financial Statements. You may find it helpful to refer to this page as you read this report.

AFS	available for sale
AI	artificial intelligence
AIR	accrued interest receivable
ALCO	Asset Liability Committee
AOCI	accumulated other comprehensive income (loss)
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
Board	Board of Directors
bp(s)	basis point(s)
C&I	Commercial & Industrial
CECL	current expected credit losses
CD	certificate of deposit
CME	Chicago Mercantile Exchange Clearing House
CODM	chief operating decision maker
CRE	Commercial Real Estate
EPS	earnings per share
Evans	Evans Bancorp, Inc.
Evans Bank	Evans Bank, National Association
FASB	Financial Accounting Standards Board
FDIC	Federal Deposit Insurance Corporation
FHLB	Federal Home Loan Bank
FOMC	Federal Open Market Committee
FRB	Federal Reserve Board
FTE	fully taxable equivalent
GAAP	U.S. generally accepted accounting principles
GDP	Gross Domestic Product
HTM	held to maturity
LGD	loss given default
MMDA	money market deposit accounts
NASDAQ	The NASDAQ Stock Market LLC
NIM	net interest margin
OCC	Office of the Comptroller of the Currency
OREO	other real estate owned
PCD	purchased credit deteriorated
PD	probability of default
ROU	right-of-use
Salisbury	Salisbury Bancorp, Inc.
Salisbury Bank	Salisbury Bank and Trust Company
SEC	U.S. Securities and Exchange Commission
SOFR	Secured Overnight Financing Rate
TDR	troubled debt restructuring
VIE	variable interest entities

PART I

ITEM 1. BUSINESS

NBT Bancorp Inc. is a registered financial holding company incorporated in the state of Delaware in 1986, with its principal headquarters located in Norwich, New York. The principal assets of NBT Bancorp Inc. consist of all of the outstanding shares of common stock of its subsidiaries, including: NBT Bank, National Association (the “Bank”), NBT Financial Services, Inc. (“NBT Financial”), NBT Holdings, Inc. (“NBT Holdings”), CNBF Capital Trust I, NBT Statutory Trust I, NBT Statutory Trust II, Alliance Financial Capital Trust I, Alliance Financial Capital Trust II and Evans Capital Trust I (collectively, the “Trusts”). The principal sources of revenue for NBT Bancorp Inc. are the management fees and dividends it receives from the Bank, NBT Financial and NBT Holdings. Collectively, NBT Bancorp Inc. and its subsidiaries are referred to herein as (the “Company”). As of December 31, 2025, the Company had assets of \$16.00 billion and stockholders’ equity of \$1.90 billion on a consolidated basis.

The Company’s business, primarily conducted through the Bank, consists of providing commercial banking, retail banking and wealth management services primarily to customers in its market area, which includes upstate New York, northeastern Pennsylvania, southern New Hampshire, western Massachusetts, Vermont, southern Maine and central and northwestern Connecticut. The Company has been, and intends to remain, a community-oriented financial institution offering a variety of financial services. The Company’s business philosophy is to operate as a community bank with local decision-making, providing a broad array of banking and financial services to retail, commercial and municipal customers.

The financial condition and operating results of the Company are dependent on its net interest income, which is the difference between the interest and dividend income earned on its earning assets, primarily loans and securities and the interest expense paid on its interest-bearing liabilities, primarily deposits and borrowings. Among other factors, net income is also affected by provision for loan losses and noninterest income, such as service charges on deposit accounts, card services income, retirement plan administration fees, wealth management revenue including financial services and trust revenue, insurance services, bank owned life insurance income and gains/losses on securities sales, as well as noninterest expenses, such as salaries and employee benefits, technology and data services, occupancy, professional fees and outside services, office supplies and postage, amortization of intangible assets, loan collection and OREO expenses, marketing, FDIC assessment expenses and other expenses.

NBT Bank, National Association

The Bank, a full-service commercial bank formed in 1856, provides a broad range of financial products to individuals, corporations and municipalities through its network of branch locations throughout upstate New York, northeastern Pennsylvania, southern New Hampshire, western Massachusetts, Vermont, southern Maine and central and northwestern Connecticut.

Deposit products offered by the Bank include demand deposit accounts, savings accounts, interest-bearing checking accounts, MMDA and CD accounts. The Bank offers various types of each deposit account to accommodate the needs of its customers with varying rates, terms and features. Loan products offered by the Bank include indirect and direct consumer loans, home equity loans, mortgages, business banking loans and commercial loans, with varying rates, terms and features to accommodate the needs of its customers. The Bank also offers various other products and services through its branch network such as trust and investment services and financial planning and life insurance services. In addition to its branch network, the Bank also offers access to certain products and services electronically through 24-hour online, mobile and telephone channels as well as to a network of ATM locations that enable customers to check balances, make deposits, transfer funds, pay bills, access statements, apply for loans and access various other products and services.

NBT Financial Services, Inc.

Through NBT Financial, the Company operates EPIC Advisors, Inc. (“EPIC”), a national benefits administration firm which was acquired by the Company on January 21, 2005. Among other services, EPIC provides retirement plan administration. EPIC’s headquarters are located in Rochester, New York.

NBT Holdings, Inc.

Through NBT Holdings, the Company operates NBT Insurance Agency, LLC (“NBT Insurance”), a full-service regional insurance agency acquired by the Company on September 1, 2008. NBT Insurance is headquartered in Norwich, New York. NBT Insurance offers a full array of insurance products, including personal property and casualty, business liability and commercial insurance, tailored to serve the specific insurance needs of individuals as well as businesses in a range of industries operating in the markets served by the Company.

The Trusts

The Trusts were established to raise additional regulatory capital and to provide funding for certain acquisitions. CNBF Capital Trust I and NBT Statutory Trust I are Delaware statutory business trusts formed in 1999 and 2005, respectively, for the purpose of issuing trust preferred securities and lending the proceeds to the Company. In connection with the acquisition of CNB Bancorp, Inc., the Company formed NBT Statutory Trust II in February 2006 to fund the cash portion of the acquisition as well as to provide regulatory capital. In connection with the acquisition of Alliance Financial Corporation (“Alliance”), the Company acquired two statutory trusts, Alliance Financial Capital Trust I and Alliance Financial Capital Trust II, which were formed in 2003 and 2006, respectively. In connection with the acquisition of Evans Bancorp, Inc. (“Evans”), the Company acquired one statutory trust, Evans Capital Trust I, which was formed in 2004. The Company guarantees, on a limited basis, payments of distributions on the trust preferred securities and payments on redemption of the trust preferred securities. The Trusts are VIEs for which the Company is not the primary beneficiary, as defined by FASB ASC. In accordance with ASC, the accounts of the Trusts are not included in the Company’s consolidated financial statements.

Operating Subsidiaries of the Bank

The Bank has four operating subsidiaries, NBT Capital Corp., Broad Street Property Associates, Inc., NBT Capital Management, Inc. and SBT Mortgage Service Corporation. NBT Capital Corp., formed in 1998, is a venture capital corporation. Broad Street Property Associates, Inc., formed in 2004, is a property management company. NBT Capital Management, Inc., formerly Columbia Ridge Capital Management, Inc., was acquired in 2016 and is a registered investment advisor that provides investment management and financial consulting services. SBT Mortgage Service Corporation, acquired in 2023 in connection with the Salisbury acquisition, is a passive investment company (“PIC”). The PIC holds loans collateralized by real estate originated or purchased by the Bank. Income of the PIC is exempt from the Connecticut Corporate Business Tax. Evans National Holding Corp., acquired in 2025 in connection with the Evans acquisition, is a real estate investment trust.

Segment Reporting

The Company has identified two reportable segments: Banking and Retirement Plan Administration. See Note 1 and Note 22 to the consolidated financial statements included in Item 8. Financial Statements and Supplementary Data, which are included elsewhere in this report.

Evans Bancorp, Inc. Merger

On May 2, 2025, the Company completed the acquisition of Evans, through the merger of Evans with and into the Company, with the Company surviving the merger, and the merger of Evans Bank with and into the Bank, with the Bank as the surviving bank. Total consideration for the acquisition was \$221.8 million in common stock. Evans, with assets of \$2.19 billion at December 31, 2024, was headquartered in Williamsville, New York. Its primary subsidiary, Evans Bank, was a federally-chartered national banking association operating 18 banking locations in Western New York. The acquisition enhances the Company's presence in Western New York, including the Buffalo and Rochester communities. In connection with the acquisition, the Company issued 5.1 million shares of common stock and acquired approximately \$131.2 million of identifiable net assets, including \$1.67 billion of loans, \$255.5 million in AFS investment securities, which were sold during the second quarter of 2025, \$33.2 million of core deposit intangibles and \$1.86 billion in deposits. As of the acquisition date, the fair value discount was \$95.2 million for loans, net of the reclassification of the PCD allowance and \$0.6 million net discount related to long-term debt.

The Company incurred acquisition expenses related to the merger of \$19.5 million and \$1.5 million for the years ended December 31, 2025 and 2024, respectively.

Competition

The financial services industry, including commercial banking, is highly competitive, and we encounter strong competition for deposits, loans and other financial products and services in our market area. The increasingly competitive environment is the result of the rate environment, changes in regulation, changes in technology and product delivery systems, additional financial service providers and the accelerating pace of consolidation among financial services providers. The Company competes for loans, deposits and customers with other commercial banks, savings and loan associations, securities and brokerage companies, mortgage companies, insurance companies, finance companies, money market funds, credit unions and other nonbank financial service providers.

The financial services industry could become even more competitive as a result of legislative, regulatory and technological changes and continued consolidation. Banks, securities firms and insurance companies can merge under the umbrella of a financial holding company, which can offer virtually any type of financial service, including banking, securities underwriting, insurance (both agency and underwriting) and merchant banking. In addition, technology has lowered barriers to entry and made it possible for non-banks to offer products and services traditionally provided by banks, such as automatic transfer and automatic payment systems.

Some of the Company's nonbanking competitors have fewer regulatory constraints and may have lower cost structures. In addition, some of the Company's competitors have assets, capital and lending limits greater than those of the Company, have greater access to capital markets and offer a broader range of products and services than the Company. These institutions may have the ability to finance wide-ranging marketing campaigns and may be able to offer lower rates on loans and higher rates on deposits than the Company can offer. Some of these institutions offer services, such as credit cards and international banking, which the Company does not directly offer.

Various in-state market competitors and out-of-state banks continue to enter or have announced plans to enter or expand their presence in the market areas where the Company currently operates. With the addition of new financial services providers within our market, the Company expects increased competition for loans, deposits and other financial products and services.

In order to compete with other financial services providers, the Company stresses the community nature of its banking operations and principally relies upon local promotional activities, personal relationships established by officers, directors and employees with the Company's customers and specialized services tailored to meet the needs of the communities

served. We also offer certain customer services, such as agricultural lending, that many of our larger competitors do not offer. While the Company's position varies by market, the Company's management believes that it can compete effectively as a result of local market knowledge, local decision making and awareness of customer needs. The Company has banking locations in forty-seven counties in the states of New York, Pennsylvania, New Hampshire, Massachusetts, Vermont, Maine and Connecticut.

Data Privacy and Security Practices

The Company employs a defense-in-depth strategy, which involves a layered approach combining physical and logical controls to ensure comprehensive protection of Company and client information. The high-level objective of the information security program is to protect the confidentiality, integrity and availability of all information assets in our environment. We accomplish this by building our program around six foundational control areas: program oversight and governance, safeguards and controls, security awareness training, service provider oversight, incident response and business continuity. The Company's data security and privacy practices follow all applicable laws and regulations including the Gramm-Leach Bliley Act of 2001 ("GLBA") and applicable privacy laws described under the heading "Supervision and Regulation" in this Item 1. Business section.

The controls identified in our enterprise security program are managed by various stakeholders throughout the Company and monitored by the information security team. All employees complete security and privacy training upon hire and annually thereafter, supplemented by ad hoc sessions. We engage external consultants for periodic audits, including penetration testing, using simulated cyberattacks to identify vulnerabilities-on public-facing websites and corporate networks. The Board receives regular reports from the Information Security Officer on program status. Additional resources are available at www.nbtbank.com/Personal/Customer-Support/Fraud-Information-Center.

For more information regarding the Company's cybersecurity policies and practices, see Item 1C. Cybersecurity below.

Human Capital Resources

At December 31, 2025, the Company had 2,303 full-time equivalent employees. The Company's employees are not presently represented by any collective bargaining group.

Our employees are the foundation of our success. We are committed to attracting, developing and retaining exceptional talent while fostering a culture of inclusion and belonging grounded in our values. We strive to create an environment where every individual feels respected, supported and empowered to contribute fully. A workforce enriched by diverse perspectives is a competitive advantage which strengthens our ability to understand markets, serve customers and deliver results.

Our talent strategy goes beyond hiring to include continuous development, performance recognition and career growth. We invest in our people and celebrate achievements to ensure every employee has the opportunity to thrive and make a meaningful impact.

Investment in Our People

We believe that investing in our people is essential to sustaining a high-performing culture. We prioritize attracting, developing and retaining top talent, recognizing that a positive employee experience is essential, especially in today's competitive labor market.

We offer a comprehensive Total Rewards Program that supports the health, well-being and financial security of our employees while maintaining responsible cost management. This commitment is central to our Human Resource strategic pillars of positioning the Company as an employer of choice, aligning people strategies with business goals, and enhancing

engagement and retention. This strategy includes enhanced benefits such as paid parental leave, flexible work arrangements, paid time off, retirement transition options and a robust Employee Assistance Program with expanded coverage and health resources.

Our incentive programs are designed to recognize contributions at all levels and motivate employees to achieve shared success, while incorporating strong risk management practices. By supporting overall well-being and rewarding performance, we create an environment where employees can thrive personally and professionally.

Engaging Employees

We recognize that employee engagement is essential to sustaining strong company performance. While our retention rate remains consistently strong, we continue to invest in strategies to motivate, connect and engage our employees. These include career planning conversations, ongoing coaching, goal setting, individualized development plans and enhanced communication, all of which contribute to long-term satisfaction and growth.

Our 2025 Employee Engagement Survey highlighted key themes such as culture, leadership, growth and development and communication. Building on these insights, in 2026, we will conduct pulse surveys to target specific areas we want to learn more about, assess progress and identify new opportunities. The results will guide pointed initiatives to strengthen engagement across the organization and provide clarity for business strategies, decision-making and corporate-led development programs. By listening to our employees and acting on their feedback, we ensure that engagement remains a cornerstone of our success.

Learning and Career Development

Our top priority is to attract and retain exceptional talent by fostering continuous learning and internal career growth. Every employee has access to the LinkedIn Learning Library, offering thousands of courses in a concise, easily consumable format to help individuals build skills and achieve their career aspirations. Today, 90% of our employees actively use this resource, demonstrating a strong commitment to personal development.

For those new to the banking industry, our Personal Advancement Through Honing Self-Awareness program provides guidance in defining career goals through assessments, training and facilitated discussions with Talent Development Business Partners. Employees pursuing undergraduate or graduate degrees benefit from our Tuition Reimbursement Program, supporting their academic and professional ambitions.

Beyond employee-driven development, we offer strategic programs designed to attract and grow top talent early in their careers and to accelerate the advancement of high potential and emerging leaders. These initiatives align with our succession planning objectives. The Management Development Program targets college seniors by offering accelerated career paths and executive mentoring. Our high potential leadership programs are tailored for professionals with prior experience and seasoned leaders with direct management responsibilities. These programs feature mentorship, coaching, 360-degree feedback, individual development plans, presentation skills training and increased visibility to senior leadership.

All programs are delivered through a blend of virtual and in-person learning environments, ensuring flexibility and accessibility. Our robust annual talent review and succession planning process, involving senior management and the Board, reinforces our commitment to leadership continuity and organizational strength. We feel that development is not just an initiative, it is a cornerstone of our culture, empowering employees to grow, lead and succeed.

Conduct and Ethics

We uphold the highest standards of ethical conduct and workplace respect. The Board, senior management and our Ethics Committee strongly endorse a zero-tolerance policy toward harassment, bias and unethical behavior.

Our values-based Code of Business Conduct and Ethics is prominently communicated through our website and internal platforms, ensuring clarity and accessibility for all employees. To reinforce these principles, we provide frequent, role-specific training for managers and employees, along with regular updates on our Whistleblower Policy and reporting mechanisms. These measures reflect our guiding motto: “The right people. Doing the right things. In the right way.”

Community Engagement

The Company is engaged in the communities where we do business and where our employees and directors live and work. We live out our core value of community involvement through investments of both money and the time of our employees.

Through our active contribution program, administered by market-based committees with representation from all lines of business, the Company contributed over \$3 million in 2025. Our teams’ efforts to distribute philanthropic resources across our footprint ensure alignment with local needs and support for hundreds of organizations that provide health and human services and promote education, affordable housing, economic development, the arts and agriculture.

A consistent way the Company and our employees support our communities across our markets is through giving to United Way chapters in the form of corporate pledges and employee campaign contributions. In 2025, these commitments resulted in over \$375,000 in funding for United Way chapters that provide resources to local organizations offering critical education, financial, food security and health services.

In addition to corporate financial support of community organizations and causes, employees are encouraged and empowered to volunteer and be a resource in their communities. They invest their financial and other expertise as board members and serve in roles where they offer direct support to those in need by engaging in all kinds of volunteer activities. In 2025, the Company’s employees reported 12,500 hours of volunteer service.

The NBT CEI-Boulos Impact Fund is a \$10 million real estate equity investment fund with the Bank as the sole investor. The fund, launched in 2022, is designed to support individuals and communities with low- and moderate income through investments in high-impact, community supported, CRE projects located within the Bank’s Community Reinvestment Act assessment areas in New York. A Social Impact Advisory Board was also appointed to review proposed investments based on each project’s social and environmental impact, alignment with community needs and community support. Areas of the fund’s targeted impact include: projects that support job creation; affordable and workforce housing; Main Street revitalization/historic preservation developments that do not contribute to displacement; developments that serve nonprofit organizations; and environmentally sustainable real estate developments.

In 2023, the NBT CEI-Boulos Impact Fund announced its first equity investment in The Flanigan Square Transformation Project that now provides affordable workforce housing and a grocery store in a historically underinvested North Central neighborhood in Troy as part of an approximately \$75 million socially impactful, environmentally conscious, transit-oriented and community informed master plan. The NBT CEI-Boulos Impact Fund made a \$3.84 million equity investment for a majority ownership stake in two of the three components of the project. The Bargain Grocery opened in 2024, and 72 units of affordable and workforce housing are available with the opening of the Flanigan Square Lofts in 2025.

Flexible Banking Products

The Company offers a comprehensive array of financial products and services for consumers and businesses with options that are beneficial to unbanked and underbanked individuals. Deposit accounts include low balance savings and checking options that feature minimal or no monthly service fees, provide assistance rebuilding positive deposit relationships, and

assistance for those just starting a new banking relationship. The NBT iSelect Account was introduced in 2021 and has received certification for meeting the Bank On National Account Standards every year since its inception. Over 26,000 NBT iSelect Accounts have been opened since 2021. These accounts feature no monthly charges for maintenance, inactivity or dormancy, no overdraft fees and no minimum balance requirement. The Company's modern digital banking platform incorporates ready access through online and mobile services to current credit score information and a personal financial management tool for budget and expense tracking.

The Company is committed to making homeownership accessible to individuals and families across the communities we serve. Our suite of home lending products includes innovative and flexible options, such as government guaranteed programs through the Federal Housing Administration ("FHA"), the USDA Rural Housing Program and the U.S. Department of Veterans Affairs ("VA"). We also offer a variety of in-house programs, including Habitat for Humanity, Home in the City, Portfolio Housing Agency and Portfolio 97. Our home lending team includes specialists dedicated to affordable housing initiatives, and we maintain longstanding partnerships with housing agencies across our footprint. These partners provide first-time homebuyer education as well as assistance with down payments and closing costs, helping to ensure that more borrowers can achieve sustainable homeownership.

Environmental

The Company is focused on the environment and committed to business practices and activities that encourage sustainability and minimize our environmental impact. In larger facilities, the Company conserves energy through the use of building energy management systems and motion sensor lighting controls. In new construction and renovations, the Company incorporates high-efficiency mechanical equipment, LED lighting, and modern building techniques to reduce our carbon footprint wherever possible. The Company has an ongoing initiative to replace existing lighting with LED lighting to reduce energy consumption.

Services like mobile and online banking, remote deposit capture, electronic loan payments, eStatements and combined statements enable us to support all customers in their efforts to consume less fuel and paper. Across our footprint, we host community shred days with multiple confidential document destruction companies to promote safe document disposal and recycling.

Supervision and Regulation

The Company, the Bank and certain of its non-banking subsidiaries are subject to extensive regulation under federal and state laws. The regulatory framework applicable to bank holding companies and their subsidiary banks is intended to protect depositors, federal deposit insurance funds and the stability of the U.S. banking system. This system is not designed to protect equity investors in bank holding companies, such as the Company.

Set forth below is a summary of the significant laws and regulations applicable to the Company and its subsidiaries. The description that follows is qualified in its entirety by reference to the full text of the statutes, regulations and policies that are described. Such statutes, regulations and policies are subject to ongoing review by Congress and state legislatures and federal and state regulatory agencies. A change in any of the statutes, regulations or regulatory policies applicable to the Company and its subsidiaries could have a material effect on the results of the Company.

Overview

The Company is a registered bank holding company and financial holding company under the Bank Holding Company Act of 1956, as amended (the "BHC Act"), and is subject to the supervision of, and regular examination by, the FRB as its primary federal regulator. The Company is also subject to the jurisdiction of the SEC, and is subject to the disclosure and other regulatory requirements of the Securities Act of 1933, as amended, and the Securities

Exchange Act of 1934, as amended (the “Exchange Act”), as administered by the SEC. The Company’s common stock is listed on the NASDAQ Global Select market under the ticker symbol, “NBTB,” and the Company is subject to the NASDAQ rules.

The Bank is chartered as a national banking association under the National Bank Act. The Bank is subject to the supervision of, and to regular examination by, the OCC as its chartering authority and primary federal regulator. The Bank is also subject to the supervision and regulation, to a limited extent, of the FDIC as its deposit insurer. Financial products and services offered by the Company and the Bank are subject to federal consumer protection laws and implementing regulations promulgated by the Consumer Financial Protection Bureau (“CFPB”). The Company and the Bank are also subject to oversight by state attorneys general for compliance with state consumer protection laws. The Bank’s deposits are insured by the FDIC up to the applicable deposit insurance limits in accordance with FDIC laws and regulations. The non-bank subsidiaries of the Company and the Bank are subject to federal and state laws and regulations, including regulations of the FRB and the OCC, respectively.

Since the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “Dodd-Frank Act”), U.S. banks and financial services firms have been subject to enhanced regulation and oversight. It is not clear at this time what the effects on the Company and the Bank will be of any legislation or regulatory changes that may be enacted or implemented by the current administration or otherwise in the future.

Federal Bank Holding Company Regulation

The Company is a bank holding company as defined by the BHC Act. The BHC Act generally limits the business of the Company to banking, managing or controlling banks and other activities that the FRB has determined to be so closely related to banking “as to be a proper incident thereto.” The Company has also qualified for and elected to be a financial holding company. Financial holding companies may engage in any activity, or acquire and retain the shares of a company engaged in any activity, that is either (1) financial in nature or incidental to such financial activity (as determined by the FRB in consultation with the Secretary of the Treasury), or (2) complementary to a financial activity and that does not pose a substantial risk to the safety and soundness of depository institutions or the financial system (as solely determined by the FRB). If a bank holding company seeks to engage in the broader range of activities permitted under the BHC Act for financial holding companies, (1) the bank holding company and all of its depository institution subsidiaries must be “well capitalized” and “well managed,” as defined in the FRB’s Regulation Y and (2) it must file a declaration with the FRB that it elects to be a “financial holding company.” In order for a financial holding company to commence any activity that is financial in nature, incidental thereto, or complementary to a financial activity, or to acquire a company engaged in any such activity permitted by the BHC Act, each insured depository institution subsidiary of the financial holding company must have received a rating of at least “satisfactory” in its most recent examination under the Community Reinvestment Act of 1977 (the “CRA”). See the section captioned “Community Reinvestment Act of 1977” for further information relating to the CRA. The FRB has the power to order any bank holding company or its subsidiaries to terminate any activity or to terminate its ownership or control of any subsidiary when the FRB has reasonable grounds to believe that continuation of such activity or such ownership or control constitutes a serious risk to the financial soundness, safety or stability of any bank subsidiary of the bank holding company.

Regulation of Mergers and Acquisitions

The BHC Act, the Bank Merger Act and other federal and state statutes regulate acquisitions of depository institutions and their holding companies. The BHC Act requires prior FRB approval for a bank holding company to acquire, directly or indirectly, 5% or more of any class of voting securities of a commercial bank or its parent holding company and for a company, other than a bank holding company, to acquire 25% or more of any class of voting securities of a bank or bank holding company (and sometimes a lower percentage if there are other

indications of control). Under the Change in Bank Control Act, any person, including a company, may not acquire, directly or indirectly, control of a bank without providing 60 days' prior notice and receiving a non-objection from the appropriate federal banking agency.

Under the Bank Merger Act, prior approval of the OCC is required for a national bank to merge with another bank where the national bank is the surviving bank or to purchase the assets or assume the deposits of another bank. In reviewing applications seeking approval of merger and acquisition transactions, the federal banking agencies will consider, among other criteria, the competitive effect and public benefits of the transactions, the capital position of the combined banking organization, the applicant's performance record under the CRA and the effectiveness of the subject organizations in combating money laundering activities.

As a financial holding company, the Company is permitted to acquire control of non-depository institutions engaged in activities that are financial in nature and in activities that are incidental to financial activities without prior FRB approval. However, the BHC Act, as amended by the Dodd-Frank Act, requires prior written approval from the FRB or prior written notice to the FRB before a financial holding company may acquire control of a company with consolidated assets of \$10 billion or more.

Capital Distributions

The principal source of the Company's liquidity is dividends from the Bank. The OCC oversees the ability of the Bank to make capital distributions, including dividends. The OCC generally prohibits a depository institution from making any capital distributions (including payment of a dividend) or paying any management fee to its parent holding company if the bank would thereafter be undercapitalized. The OCC's prior approval is required if the total of all dividends declared by a national bank in any calendar year would exceed the sum of the bank's net income for that year and its undistributed net income for the preceding two calendar years, less any required transfers to surplus. The National Bank Act also prohibits national banks from paying dividends that would be greater than the bank's undivided profits after deducting statutory bad debt in excess of the bank's allowance for loan losses.

The federal banking agencies have indicated that paying dividends that deplete a bank's capital base to an inadequate level would be an unsafe and unsound banking practice and that banking organizations should generally pay dividends only out of current operating earnings. The appropriate federal regulatory authority is authorized to determine, based on the financial condition of a bank holding company or a bank, that the payment of dividends would be an unsafe or unsound practice and to prohibit such payment.

Affiliate and Insider Transactions

Transactions between the Bank and its affiliates, including the Company, are governed by Sections 23A and 23B of the Federal Reserve Act (the "FRA") and the FRB's implementation of Regulation W. An "affiliate" of a bank includes any company or entity that controls, is controlled by or is under common control with such bank. In a bank holding company context, at a minimum, the parent holding company of a bank and companies that are controlled by such parent holding company, are affiliates of the bank. Generally, Sections 23A and 23B of the FRA are intended to protect insured depository institutions from losses in transactions with affiliates. These sections place quantitative and qualitative limitations on covered transactions between the Bank and its affiliates and require that all transactions between a bank and its affiliates occur on market terms that are consistent with safe and sound banking practices.

Section 22(h) of the FRA and its implementation of Regulation O restricts loans to the Bank's and its affiliates' directors, executive officers and principal stockholders ("Insiders"). Under Section 22(h), loans to Insiders and their related interests may not exceed, together with all other outstanding loans to such persons and affiliated entities, the Bank's loan-to-one borrower limit. Loans to Insiders above specified amounts must receive the prior approval of the Bank's Board of Directors. Further, under Section 22(h) of the FRA, loans to directors,

executive officers and principal stockholders must be made on terms substantially the same as offered in comparable transactions to other persons, except that such Insiders may receive preferential loans made under a benefit or compensation program that is widely available to the Bank's employees and does not give preference to the Insider over the employees. Section 22(g) of the FRA places additional limitations on loans to the Bank's and its affiliates' executive officers.

Federal Deposit Insurance and Brokered Deposits

The FDIC's deposit insurance limit is \$250,000 per depositor, per insured bank, for each account ownership category, in accordance with applicable FDIC regulations. The Bank's deposit accounts are fully insured by the FDIC Deposit Insurance Fund (the "DIF") up to the deposit insurance limits in accordance with applicable laws and regulations.

The FDIC uses a risk-based assessment system that imposes insurance premiums based upon a risk matrix that takes into account a bank's capital level and supervisory rating ("CAMELS rating"). The risk matrix uses different risk categories distinguished by capital levels and supervisory ratings. As a result of the Dodd-Frank Act, the base for deposit insurance assessments is the consolidated average assets less average tangible equity. Assessment rates are calculated using formulas that take into account the risk of the institution being assessed.

Under FDIC laws and regulations, no FDIC-insured depository institution can accept brokered deposits unless it is well capitalized or unless it is adequately capitalized and receives a waiver from the FDIC. Applicable laws and regulations also limit the interest rate that any depository institution that is not well capitalized may pay on brokered deposits.

Under the Federal Deposit Insurance Act ("FDIA"), the FDIC may terminate deposit insurance upon a finding that the institution has engaged in unsafe and unsound practices, is in an unsafe or unsound condition to continue operations or has violated any applicable law, regulation, rule, order or condition imposed by the FDIC. The Bank's management is not aware of any practice, condition or violation that might lead to the termination of its deposit insurance.

Federal Home Loan Bank System

The Bank is also a member of the FHLB of New York, which provides a central credit facility primarily for member institutions for home mortgage and neighborhood lending. The Bank is subject to the rules and requirements of the FHLB, including the requirement to acquire and hold shares of capital stock in the FHLB in an amount at least equal to the sum of 0.125% of mortgage related assets at the beginning of each year. The Bank was in compliance with FHLB rules and requirements as of December 31, 2025.

Debit Card Interchange Fees

The Dodd-Frank Act requires that any interchange transaction fee charged for a debit transaction be reasonable and proportional to the cost incurred by the issuer for the transaction. FRB regulations mandated by the Dodd-Frank Act limit interchange fees on debit cards to a maximum of 21 cents per transaction plus 5 bps of the transaction amount. The rule also permits a fraud-prevention adjustment of 1 cent per transaction conditioned upon an issuer developing, implementing and updating reasonably designed fraud-prevention policies and procedures. Issuers that, together with their affiliates, have less than \$10 billion of assets, are exempt from the debit card interchange fee standards. In addition, FRB regulations prohibit all issuers, including the Company and the Bank, from restricting the number of networks over which electronic debit transactions may be processed to less than two unaffiliated networks.

In October 2023, the FRB issued a proposal under which the maximum permissible interchange fee for an electronic debit transaction would be the sum of 14.4 cents per transaction and 4 bps multiplied by the value of the transaction. Furthermore, the fraud-prevention adjustment would increase from a maximum of 1 cent to 1.3 cents per debit

card transaction. The proposal would adopt an approach for future adjustments to the interchange fee cap, which would occur every other year based on issuer cost data gathered by the FRB from large debit card issuers. The comment period for this proposal ended in May 2024 but no final rule has been published to date. In December 2025, nine major financial trade organizations urged the Fed to withdraw this proposal given the passage of time, arguing that the 2021 data upon which the 2023 proposed rule was based does not support informed decision-making, and there is still uncertainty with respect to the outcome of litigation challenging these FRB regulations. The extent to which any such proposed changes in permissible interchange fees will impact our future revenues is currently uncertain.

Source of Strength Doctrine

FRB policy requires bank holding companies to act as a source of financial and managerial strength to their subsidiary banks. Section 616 of the Dodd-Frank Act codifies the requirement that bank holding companies serve as a source of financial strength to their subsidiary depository institutions. A bank holding company's failure to meet its obligations to serve as a source of strength to its subsidiary banks will generally be considered by the FRB to be an unsafe and unsound banking practice or a violation of FRB regulations or both. As a result, the Company is expected to commit resources to support the Bank, including at times when the Company may not be in a financial position to provide such resources. Any capital loan by the Company to the Bank is subordinate in right of payment to deposits and to certain other indebtedness of such subsidiary banks. The U.S. Bankruptcy Code provides that, in the event of a bank holding company's bankruptcy, any commitment by the bank holding company to a federal bank regulatory agency to maintain the capital of a subsidiary bank will be assumed by the bankruptcy trustee and entitled to priority of payment.

In addition, under the National Bank Act, if the Bank's capital stock is impaired by losses or otherwise, the OCC is authorized to require payment of the deficiency by assessment upon the Company. If the assessment is not paid within three months, the OCC could order a sale of Bank stock held by the Company to cover any deficiency.

Capital Adequacy

In July 2013, the FRB, the OCC and the FDIC approved final rules (the "Capital Rules") that established a new capital framework for U.S. banking organizations. The Capital Rules generally implement the Basel Committee on Banking Supervision's (the "Basel Committee") December 2010 final capital framework referred to as "Basel III" for strengthening international capital standards. The Capital Rules revised the definitions and the components of regulatory capital, as well as addressed other issues affecting the numerator in banking institutions' regulatory capital ratios. The Capital Rules also addressed asset risk weights and other matters affecting the denominator in banking institutions' regulatory capital ratios and replace the existing general risk-weighting approach with a more risk-sensitive approach.

The Capital Rules: (1) require a capital measure called "Common Equity Tier 1" ("CET1") and related regulatory capital ratio of CET1 to risk-weighted assets; (2) specify that Tier 1 capital consists of CET1 and "Additional Tier 1 capital" instruments meeting certain revised requirements; (3) mandate that most deductions/adjustments to regulatory capital measures be made to CET1 and not to the other components of capital; and (4) expand the scope of the deductions from and adjustments to capital as compared to existing regulations. Under the Capital Rules, for most banking organizations, including the Company, the most common form of Additional Tier 1 capital is non-cumulative perpetual preferred stock and the most common forms of Tier 2 capital are subordinated notes and a portion of the allocation for loan losses, in each case, subject to the Capital Rules' specific requirements.

Pursuant to the Capital Rules, the minimum capital ratios are:

- 4.5% CET1 to risk-weighted assets;
- 6.0% Tier 1 capital (CET1 plus Additional Tier 1 capital) to risk-weighted assets;

- 8.0% Total capital (Tier 1 capital plus Tier 2 capital) to risk-weighted assets; and
- 4.0% Tier 1 capital to average consolidated assets as reported on consolidated financial statements (known as the “leverage ratio”).

The Capital Rules also require a “capital conservation buffer,” composed entirely of CET1, on top of these minimum risk-weighted asset ratios. The capital conservation buffer is designed to absorb losses during periods of economic stress. Banking institutions with a ratio of CET1 to risk-weighted assets above the minimum but below the capital conservation buffer will face constraints on dividends, equity and other capital instrument repurchases and compensation based on the amount of the shortfall. The additional capital conservation buffer applicable to the Company and the Bank is 2.5% of CET1, and effectively results in minimum ratios inclusive of the capital conservation buffer of (1) CET1 to risk-weighted assets of at least 7%, (2) Tier 1 capital to risk-weighted assets of at least 8.5% and (3) Total capital to risk-weighted assets of at least 10.5%. The risk-weighting categories in the Capital Rules are standardized and include a risk-sensitive number of categories, depending on the nature of the assets, generally ranging from 0% for U.S. government and agency securities, to 600% for certain equity exposures and resulting in higher risk weights for a variety of asset classes. The Capital Rules provide for a number of deductions from and adjustments to CET1.

In addition, under the prior general risk-based capital rules, the effects of AOCI items included in stockholders’ equity (for example, marks-to-market of securities held in the AFS portfolio) under GAAP were excluded for the purposes of determining regulatory capital ratios. Under the Capital Rules, the effects of certain AOCI items are not excluded; however, banking organizations not using the advanced approaches, including the Company and the Bank, were permitted to make a one-time permanent election to continue to exclude these items in January 2015. The Capital Rules also preclude certain hybrid securities, such as trust preferred securities issued after May 19, 2010, from inclusion in bank holding companies’ Tier 1 capital.

Management believes that the Company is in compliance with the targeted capital ratios.

Prompt Corrective Action and Safety and Soundness

Pursuant to Section 38 of the FDIA, federal banking agencies are required to take “prompt corrective action” (“PCA”) should an insured depository institution fail to meet certain capital adequacy standards. At each successive lower capital category, an insured depository institution is subject to more restrictions and prohibitions, including restrictions on growth, restrictions on interest rates paid on deposits, restrictions or prohibitions on payment of dividends and restrictions on the acceptance of brokered deposits. Furthermore, if an insured depository institution is classified in one of the undercapitalized categories, it is required to submit a capital restoration plan to the appropriate federal banking agency and the holding company must guarantee the performance of that plan. Based upon its capital levels, a bank that is classified as well capitalized, adequately capitalized or undercapitalized, may be treated as though it were in the next lower capital category if the appropriate federal banking agency, after notice and opportunity for hearing, determines that an unsafe or unsound condition or an unsafe or unsound practice, warrants such treatment.

For purposes of PCA, to be: (1) well capitalized, an insured depository institution must have a total risk based capital ratio of at least 10%, a Tier 1 risk based capital ratio of at least 8%, a CET1 risk based capital ratio of at least 6.5%, and a Tier 1 leverage ratio of at least 5%; (2) adequately capitalized, an insured depository institution must have a total risk based capital ratio of at least 8%, a Tier 1 risk based capital ratio of at least 6%, a CET1 risk based capital ratio of at least 4.5%, and a Tier 1 leverage ratio of at least 4%; (3) undercapitalized, an insured depository institution would have a total risk based capital ratio of less than 8%, a Tier 1 risk based capital ratio of less than 6%, a CET1 risk based capital ratio of less than 4.5%, and a Tier 1 leverage ratio of less than 4%; (4) significantly undercapitalized, an insured depository institution would have a total risk based capital ratio of less than 6%, a Tier 1 risk based capital ratio of less than 4%, a CET1 risk based capital ratio of less than 3%, and a Tier 1 leverage ratio of less than 3%; (5) critically undercapitalized, an insured depository institution would have a

ratio of tangible equity to total assets that is less than or equal to 2%. At December 31, 2025, the Bank qualified as “well capitalized” under applicable regulatory capital standards.

Bank holding companies and insured depository institutions may also be subject to potential enforcement actions of varying levels of severity by the federal banking agencies for unsafe or unsound practices in conducting their business or for violation of any law, rule, regulation, condition imposed in writing by the agency or term of a written agreement with the agency. In more serious cases, enforcement actions may include the issuance of directives to increase capital; the issuance of formal and informal agreements; the imposition of civil monetary penalties; the issuance of a cease and desist order that can be judicially enforced; the issuance of removal and prohibition orders against officers, directors and other institution-affiliated parties; the termination of the insured depository institution’s deposit insurance; the appointment of a conservator or receiver for the insured depository institution; and the enforcement of such actions through injunctions or restraining orders based upon a judicial determination that the FDIC, as receiver, would be harmed if such equitable relief was not granted.

Volcker Rule

Section 619 of the Dodd-Frank Act, commonly known as the Volcker Rule, restricts the ability of banking entities from: (1) engaging in “proprietary trading” and (2) investing in or sponsoring certain covered funds, subject to certain limited exceptions.

Depositor Preference

The FDIA provides that, in the event of the “liquidation or other resolution” of an insured depository institution, the claims of depositors of the institution, including the claims of the FDIC as subrogee of insured depositors and certain claims for administrative expenses of the FDIC as a receiver, will have priority over other general unsecured claims against the institution. If an insured depository institution fails, insured and uninsured depositors, along with the FDIC, will have priority in payment ahead of unsecured, non-deposit creditors, including the parent bank holding company, with respect to any extensions of credit they have made to such insured depository institution.

Consumer Protection and CFPB Supervision

The Dodd-Frank Act centralized responsibility for consumer financial protection by creating the CFPB, an independent agency charged with responsibility for implementing, enforcing and examining compliance with federal consumer financial laws. The Company grew its asset base in excess of \$10 billion in 2020. The Company is now subject to the CFPB’s examination authority with regard to compliance with federal consumer financial laws and regulations, in addition to the OCC as the primary regulatory of the Bank. Under the Dodd-Frank Act, state attorneys general are also empowered to enforce rules issued by the CFPB.

The Company is subject to federal consumer financial statutes and the regulations promulgated thereunder including, but not limited to:

- the Truth-In-Lending Act, governing disclosures of credit terms to consumer borrowers;
- the Equal Credit Opportunity Act (“ECOA”), prohibiting discrimination in connection with the extension of credit;
- the Home Mortgage Disclosure Act (“HMDA”), requiring home mortgage lenders, including the Bank, to make available to the public expanded information regarding the pricing of home mortgage loans, including the “rate spread” between the annual percentage rate and the average prime offer rate for mortgage loans of a comparable type;

- the Fair Credit Reporting Act (“FCRA”), governing the provision of consumer information to credit reporting agencies and the use of consumer information; and
- the Fair Debt Collection Practices Act, governing the manner in which consumer debts may be collected by collection agencies.

The Bank’s failure to comply with any of the consumer financial laws can result in civil actions, regulatory enforcement action by the federal banking agencies and the U.S. Department of Justice.

USA PATRIOT Act

The Bank Secrecy Act (“BSA”), as amended by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (“USA PATRIOT Act”), imposes obligations on U.S. financial institutions, including banks and broker-dealer subsidiaries, to implement policies, procedures and controls which are reasonably designed to detect and report instances of money laundering and the financing of terrorism. Financial institutions also are required to respond to requests for information from federal banking agencies and law enforcement agencies. Information sharing among financial institutions for the above purposes is encouraged by an exemption granted to complying financial institutions from the privacy provisions of the GLBA and other privacy laws. Financial institutions that hold correspondent accounts for foreign banks or provide private banking services to foreign individuals are required to take measures to avoid dealing with certain foreign individuals or entities, including foreign banks with profiles that raise money laundering concerns and are prohibited from dealing with foreign “shell banks” and persons from jurisdictions of particular concern. The primary federal banking agencies and the Secretary of the Treasury have adopted regulations to implement several of these provisions. Since May 11, 2018, the Bank has been required to comply with the Customer Due Diligence Rule, which clarified and strengthened the existing obligations for identifying new and existing customers and explicitly included risk-based procedures for conducting ongoing customer due diligence. All financial institutions also are required to establish internal anti-money laundering programs. The effectiveness of a financial institution in combating money laundering activities is a factor to be considered in any application submitted by the financial institution under the Bank Merger Act. The Company has a BSA and USA PATRIOT Act Board-approved compliance program commensurate with its risk profile.

Identity Theft Prevention

The FCRA’s Red Flags Rule requires financial institutions with covered accounts (e.g., consumer bank accounts and loans) to develop, implement and administer an identity theft prevention program. Our program includes policies and procedures to detect suspicious patterns or practices, such as inconsistencies in personal information or unusual account activity, that may indicate identity theft.

Office of Foreign Assets Control Regulation

The United States government has imposed economic sanctions that affect transactions with designated foreign countries, nationals and others. These are typically known as the “OFAC” rules based on their administration by the U.S. Treasury Department Office of Foreign Assets Control (“OFAC”). The OFAC-administered sanctions targeting countries take many different forms. Generally, they contain one or more of the following elements: (1) restrictions on trade with or investment in a sanctioned country, including prohibitions against direct or indirect imports from and exports to a sanctioned country and prohibitions on “U.S. persons” engaging in financial transactions relating to making investments in or providing investment-related advice or assistance to a sanctioned country; and (2) a blocking of assets in which the government or specially designated nationals of the sanctioned country have an interest, by prohibiting transfers of property subject to U.S. jurisdiction (including property in

the possession or control of U.S. persons). Blocked assets (property and bank deposits) cannot be paid out, withdrawn, set off or transferred in any manner without a license from OFAC. Failure to comply with these sanctions could have serious legal and reputational consequences.

Financial Privacy and Data Security

The Company and the Bank are subject to federal laws, including the GLBA and certain state laws containing consumer privacy protection provisions. These provisions limit the ability of banks and other financial institutions to disclose nonpublic information about consumers to affiliated and non-affiliated third parties and limit the reuse of certain consumer information received from nonaffiliated financial institutions. These provisions require notice of privacy policies to clients and, in some circumstances, allow consumers to prevent disclosure of certain nonpublic personal information to affiliates or non-affiliated third parties by means of “opt out” or “opt in” authorizations.

The GLBA requires that financial institutions implement comprehensive written information security programs that include administrative, technical and physical safeguards to protect consumer information. Further, pursuant to interpretive guidance issued under the GLBA and certain state laws, financial institutions are required to notify clients of security breaches resulting in unauthorized access to their personal information. The Bank follows all GLBA obligations.

The Bank is also subject to data security standards, privacy and data breach notice requirements, primarily those issued by the OCC. The federal banking agencies, through the Federal Financial Institutions Examination Council, have adopted guidelines to encourage financial institutions to address cybersecurity risks and identify, assess and mitigate these risks, both internally and at critical third party services providers.

The Company continues to invest in advanced technologies and partnerships to strengthen its cybersecurity posture and mitigate emerging threats.

Community Reinvestment Act of 1977

The Bank has a responsibility under the CRA, as implemented by OCC regulations, to help meet the credit needs of the communities it serves, including low- and moderate-income neighborhoods. The CRA does not establish specific lending requirements or programs for financial institutions nor does it limit an institution’s discretion to develop the types of products and services that it believes are best suited to its particular community, consistent with the CRA. Regulators periodically assess the Bank’s record of compliance with the CRA. The Bank’s failure to comply with the CRA could, at a minimum, result in regulatory restrictions on its activities and the activities of the Company. The Bank’s most current CRA rating was “Satisfactory.”

Future Legislative and Regulatory Initiatives

Congress, state legislatures and financial regulatory agencies may introduce various legislative and regulatory initiatives that could affect the financial services industry, generally. Such initiatives may include proposals to expand or contract the powers of bank holding companies and/or depository institutions or proposals to substantially change the financial institution regulatory system. This includes changes in priorities and operations of regulatory agencies in connection with new leadership or otherwise. Such legislation or regulatory changes could change banking statutes and the regulatory and operating environment of the Company in substantial and unpredictable ways. If enacted or implemented, such legislation or regulatory changes could increase or decrease the cost of doing business, limit or expand permissible activities or affect the competitive balance among banks, savings associations, credit unions and other financial institutions. The Company cannot predict whether any such legislation will be enacted, and, if enacted, the effect that it or any implementing regulations would have on

the financial condition or results of operations of the Company. A change in statutes, regulations or regulatory policies applicable to the Company or any of its subsidiaries could have a material effect on the business of the Company.

Available Information

The Company's website is www.nbtbankcorp.com. The Company makes available free of charge through its website its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports as soon as reasonably practicable after such material is electronically filed with or furnished to the SEC pursuant to Section 13(a) or 15(d) of the Exchange Act. We also make available through our website other reports filed with or furnished to the SEC under the Exchange Act, including our proxy statements and reports filed by officers and directors under Section 16(a) of that Act, as well as our Code of Business Conduct and Ethics and other codes/committee charters. The references to our website do not constitute incorporation by reference of the information contained in the website and such information should not be considered part of this document.

This Annual Report on Form 10-K and other reports filed with the SEC are available on the SEC's website, which contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. The SEC's website address is www.sec.gov.

ITEM 1A. RISK FACTORS

There are risks inherent to the Company's business. The material risks and uncertainties that management believes affect the Company are described below. Any of the following risks could affect the Company's financial condition and results of operations and could be material and/or adverse in nature. You should consider all of the following risks together with all of the other information in this Annual Report on Form 10-K.

Risks Related to our Business and Industry

The Company may be adversely affected by conditions in the financial markets and economic conditions generally.

Key macroeconomic conditions historically have affected the Company's business, results of operations and financial condition and are likely to affect them in the future. Consumer confidence, unemployment and other economic indicators are among the factors that often impact consumer spending and payment behavior and demand for credit. The Company relies primarily on interest and fees on our loan receivables to generate net earnings. The economy in the United States and globally has experienced volatility in recent years and may continue to do so for the foreseeable future. There can be no assurance that economic conditions will not worsen. Unfavorable or uncertain economic conditions can be caused by declines in economic growth, business activity or investor or business confidence, limitations on the availability or increases in the cost of credit and capital, trade wars or tariffs, inflation, changes in interest rates, the timing and impact of geopolitical uncertainties, natural disasters, epidemics and pandemics, terrorist attacks, acts of war or a combination of these or other factors. Federal budget deficit concerns and the potential for political conflict over legislation to fund U.S. government operations and raise the U.S. government's debt limit may increase the possibility of a default by the U.S. government on its debt obligations, related credit-rating downgrades, or an economic recession in the United States. A worsening of business and economic conditions could have adverse effects on our business, including the following:

- investors may have less confidence in the equity markets in general and in financial services industry stocks in particular, which could place downward pressure on the Company's stock price and resulting market valuation;
- consumer and business confidence levels could be lowered and cause declines in credit usage and adverse changes in payment patterns, causing increases in delinquencies and default rates;
- the Company's ability to assess the creditworthiness of its customers may be impaired if the models and approaches the Company uses to select, manage and underwrite its customers become less predictive of future behaviors;
- the Company could suffer decreases in demand for loans or other financial products and services or decreased deposits or other investments in accounts with the Company;
- demand for and income received from the Company's fee-based services could decline;
- customers of the Company's trust and benefit plan administration business may liquidate investments, which together with lower asset values, may reduce the level of assets under management and administration and thereby decrease the Company's investment management and administration revenues;
- competition in the financial services industry could intensify as a result of the increasing consolidation of financial services companies in connection with current market conditions or otherwise; and
- the value of loans and other assets or collateral securing loans may decrease.

Deterioration in local economic conditions may negatively impact our financial performance.

The Company's success depends primarily on the general economic conditions in upstate New York, northeastern Pennsylvania, southern New Hampshire, western Massachusetts, Vermont, southern Maine, central and northwestern Connecticut and the specific local markets in which the Company operates. Unlike larger national or other regional banks that are more geographically diversified, the Company provides banking and financial services to customers primarily in the upstate New York areas of Norwich, Albany, Amsterdam-Gloversville, Binghamton, Buffalo, Glens Falls, Hudson Valley, Ogdensburg-Massena, Oneonta, Plattsburgh, Rochester, Syracuse and Utica-Rome, the northeastern Pennsylvania areas of Scranton and Wilkes-Barre, Berkshire County, Massachusetts, southern New Hampshire, Vermont, southern Maine and central and northwestern Connecticut. The local economic conditions in these areas have a significant impact on the demand for the Company's products and services as well as the ability of the Company's customers to repay loans, the value of the collateral securing loans and the stability of the Company's deposit funding sources.

A downturn in our local economies could cause significant increases in nonperforming loans, which could negatively impact our earnings. Declines in real estate values in our market areas could cause any of our loans to become inadequately collateralized, which would expose us to greater risk of loss. Additionally, a decline in real estate values could result in the decline of originations of such loans, as most of our loans and the collateral securing our loans are located in those areas.

Severe weather, flooding and other effects of climate change and other natural disasters could adversely affect our financial condition, results of operations or liquidity.

Our branch locations and our customers' properties may be adversely impacted by flooding, wildfires, high winds and other effects of severe weather conditions. These events can force property closures, result in property damage and/or result in delays in expansion, development or renovation of our properties and those of our customers. Even if these events do not directly impact our properties or our customers' properties, they may impact us and our customers through increased insurance, energy or other costs. In addition, changes in laws or regulations, including federal, state or city laws, relating to climate change could result in increased capital expenditures to improve the energy efficiency of our branch locations and/or our customers' properties.

Ongoing legislative or regulatory uncertainties and changes regarding climate risk management and practices may result in higher regulatory, compliance, credit and reputational risks and costs.

Variations in interest rates could adversely affect our results of operations and financial condition.

The Company's earnings and financial condition, like that of most financial institutions, are largely dependent upon net interest income, which is the difference between interest and dividend income earned from loans and securities and interest expense paid on deposits and borrowings. The narrowing of interest rate spreads could adversely affect the Company's earnings and financial condition. Interest rates remain elevated compared to recent years and may increase. The Company cannot predict with certainty, or control, changes in interest rates. Regional and local economic conditions and the policies of regulatory authorities, including monetary policies of the FRB, affect rates and, therefore, interest income and interest expense. High interest rates could also affect the amount of loans that the Company can originate because higher rates could cause customers to apply for fewer mortgages or cause depositors to shift funds from accounts that have a comparatively lower cost to accounts with a higher cost. The Company may also experience customer attrition due to competitor pricing on both deposits and loans. If the cost of interest-bearing deposits increases at a rate greater than the yields on interest-earning assets increase, net interest

income will be negatively affected. Changes in the asset and liability mix may also affect net interest income. Similarly, lower interest rates cause higher yielding assets to prepay and floating or adjustable rate assets to reset to lower rates. If the Company is not able to reduce its funding costs sufficiently, due to either competitive factors or the maturity schedule of existing liabilities, then the Company's NIM will decline.

Any substantial or unexpected change in, or prolonged change in market interest rates could have a material adverse effect on the Company's financial condition and results of operations. See the section captioned "Net Interest Income" in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and Item 7A. Quantitative and Qualitative Disclosure About Market Risk located elsewhere in this report for further discussion related to the Company's management of interest rate risk.

Our lending, and particularly our emphasis on commercial lending, exposes us to the risk of losses upon borrower default.

As of December 31, 2025, approximately 56% of the Company's loan portfolio consisted of commercial and industrial, agricultural, commercial construction and CRE loans. These types of loans generally expose a lender to greater risk of non-payment and loss than residential mortgage loans because repayment of the loans often depends on the successful operation of the property, the income stream of the borrowers and, for construction loans, the accuracy of the estimate of the property's value at completion of construction and the estimated cost of construction. Such loans typically involve larger loan balances to single borrowers or groups of related borrowers compared to residential mortgage loans. Because the Company's loan portfolio contains a significant number of commercial and industrial, agricultural, construction and CRE loans with relatively large balances, the deterioration of one or a few of these loans could cause a significant increase in nonperforming loans. An increase in nonperforming loans could result in a net loss of earnings from these loans, an increase in the provision for loan losses and/or an increase in loan charge-offs, all of which could have a material adverse effect on the Company's financial condition and results of operations. See the section captioned "Loans" in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations located elsewhere in this report for further discussion related to our commercial and industrial, agricultural, construction and CRE loans.

Our allowance for credit losses may not be sufficient to cover actual loan losses, which could have a material adverse effect on our business, financial condition and results of operations.

The Company maintains an allowance for credit losses, which is an allowance established through a provision for loan losses charged to expense, that represents management's best estimate of expected credit losses within the existing portfolio of loans. The allowance, in the judgment of management, is necessary to reserve for estimated loan losses and risks inherent in the loan portfolio. The determination of the appropriate level of the allowance for credit losses inherently involves a high degree of subjectivity and requires the Company to make significant estimates of current credit risks, forecast economic conditions and future trends, all of which may undergo material changes. Changes in economic conditions affecting borrowers, new information regarding existing loans, identification of additional problem loans and other factors, both within and outside of the Company's control, may require an increase in the allowance for credit losses. Bank regulatory agencies periodically review the Company's allowance for credit losses and may require an increase in the provision for credit losses or the recognition of further loan charge-offs, based on judgments different from those of management. In addition, if charge-offs in future periods exceed the allowance for credit losses, the Company may need additional provisions to increase the allowance for credit losses. These potential increases in the allowance for credit losses would result in a decrease in net income and, possibly, capital and may have a material adverse effect on the Company's financial condition and results of operations. See the section captioned "Risk Management - Credit Risk" in Item 7. Management's Discussion and Analysis of Financial Condition and

Results of Operations located elsewhere in this report for further discussion related to the Company's process for determining the appropriate level of the allowance for loan losses. Management expects that the CECL model may create more volatility in the level of our allowance for credit losses from quarter to quarter as changes in the level of allowance for credit losses will be dependent upon, among other things, macroeconomic forecasts and conditions, loan portfolio volumes and credit quality.

Strong competition within our industry and market area could adversely affect our performance and slow our growth.

The Company faces substantial competition in all areas of its operations from a variety of different competitors, many of which are larger and may have more financial resources. Such competitors primarily include national, regional and community banks within the various markets in which the Company operates. Additionally, various banks continue to enter or have announced plans to enter the market areas in which the Company currently operates. The Company also faces competition from many other types of financial institutions, including, without limitation, savings and loans, credit unions, finance companies, brokerage firms, insurance companies and other financial intermediaries. The financial services industry could continue to become even more competitive as a result of legislative, regulatory and technological changes and continued consolidation. Technology has lowered barriers to entry and made it possible for non-banks to offer products and services traditionally provided by banks, such as automatic transfer and automatic payment systems. Many of the Company's competitors have fewer regulatory constraints and may have lower cost structures. Additionally, due to their size, many competitors may be able to achieve economies of scale and, as a result, may offer a broader range of products and services as well as better pricing for those products and services than the Company can.

The Company's ability to compete successfully depends on a number of factors, including, among other things:

- the ability to develop, maintain and build upon long-term customer relationships based on top-quality service, high ethical standards and safe, sound assets;
- the ability to expand the Company's market position;
- the scope, relevance and pricing of products and services offered to meet customer needs and demands;
- the rate at which the Company introduces new products, services and technologies relative to its competitors;
- customer satisfaction with the Company's level of service;
- industry and general economic trends; and
- the ability to attract and retain talented employees.

Failure to perform in any of these areas could significantly weaken the Company's competitive position, which could adversely affect the Company's growth and profitability, which, in turn, could have a material adverse effect on the Company's financial condition and results of operations.

The Company is subject to liquidity risk, which could adversely affect net interest income and earnings.

The purpose of the Company's liquidity management is to meet the cash flow obligations of its customers for both deposits and loans. Regulators are increasingly focused on liquidity risk after the bank failures of 2023. The primary liquidity measurement the Company utilizes is called basic surplus, which captures the adequacy of the Company's access to reliable sources of cash relative to the stability of its funding mix of average liabilities. This approach recognizes the importance of balancing levels of cash flow liquidity from short and long-term

securities with the availability of dependable borrowing sources, which can be accessed when necessary. However, competitive pressure on deposit pricing could result in a decrease in the Company's deposit base or an increase in funding costs. In addition, liquidity will come under additional pressure if loan growth exceeds deposit growth. These scenarios could lead to a decrease in the Company's basic surplus measure to an amount below the minimum policy level of 5%. To manage this risk, the Company has the ability to purchase brokered time deposits, borrow against established borrowing facilities with other banks (federal funds) and enter into repurchase agreements with investment companies. Depending on the level of interest rates applicable to these alternatives, the Company's net interest income, and therefore earnings, could be adversely affected. See the section captioned "Liquidity Risk" in Item 7.

Our ability to service our debt, pay dividends and otherwise pay our obligations as they come due is substantially dependent on capital distributions from our subsidiaries.

The Company is a separate and distinct legal entity from its subsidiaries. It receives substantially all of its revenue from dividends from its subsidiaries. These dividends are the principal source of funds to pay dividends on the Company's common stock and interest and principal on the Company's debt. Various federal and/or state laws and regulations limit the amount of dividends that the Bank may pay to the Company. In addition, the Company's right to participate in a distribution of assets upon a subsidiary's liquidation or reorganization is subject to the prior claims of the subsidiary's creditors. In the event the Bank is unable to pay dividends to the Company, the Company may not be able to service debt, pay obligations or pay dividends on the Company's common stock. The inability to receive dividends from the Bank could have a material adverse effect on the Company's business, financial condition and results of operations.

A reduction in the Company's credit rating could adversely affect our business and/or the holders of our securities.

The credit rating agency rating our indebtedness regularly evaluates the Company and the Bank. Credit ratings are based on a number of factors, including our financial strength and ability to generate earnings, as well as factors not entirely within our control, including conditions affecting the financial services industry generally and the economy and changes in rating methodologies. There can be no assurance that the Company will maintain our current credit ratings. A downgrade of the credit ratings of the Company or the Bank could adversely affect our access to liquidity and capital, significantly increase our cost of funds, and decrease the number of investors and counterparties willing to lend to the Company or purchase our securities. This could affect our growth, profitability, and financial condition, including liquidity.

The Company relies on third parties to provide key components of its business infrastructure.

The Company relies on third parties to provide key components for its business operations, such as data processing and storage, recording and monitoring transactions, online banking interfaces and services, internet connections and network access. While the Company selects these third party vendors carefully, it does not control their actions. Any problems caused by these third parties, including those resulting from breakdowns or other disruptions in communication services provided by a vendor, failure of a vendor to handle current or higher volumes, cyber-attacks and security breaches at a vendor, failure of a vendor to provide services for any reason or poor performance of services by a vendor, could adversely affect the Company's ability to deliver products and services to its customers and otherwise conduct its business. Financial or operational difficulties of a third party vendor could also hurt the Company's operations if those difficulties interfere with the vendor's ability to serve the Company. Replacing these third party vendors also could create significant delays and expense that adversely affect the Company's business and performance.

There are substantial risks and uncertainties associated with the introduction or expansion of lines of business or new products and services within existing lines of business.

From time to time, the Company may implement new lines of business or offer new products and services within existing lines of business. There are substantial risks and uncertainties associated with these efforts, particularly in instances where the markets are not fully developed. In developing and marketing new lines of business and/or new products and services, the Company may invest significant time and resources. Initial timetables for the introduction and development of new lines of business and/or new products or services may not be achieved and price and profitability targets may not prove attainable. External factors, such as compliance with regulations, competitive alternatives and shifting market preferences, may also impact the successful implementation of a new line of business or a new product or service. Furthermore, any new line of business and/or new product or service could have a significant impact on the effectiveness of the Company's system of internal controls. Failure to successfully manage these risks in the development and implementation of new lines of business or new products or services could have a material adverse effect on the Company's business, results of operations and financial condition.

Risks Related to Legal, Governmental and Regulatory Changes

We are subject to extensive government regulation and supervision, which may interfere with our ability to conduct our business and may negatively impact our financial results.

We are subject to extensive federal and state regulation and supervision. Banking regulations are primarily intended to protect depositors' funds, the DIF and the safety and soundness of the banking system as a whole, not stockholders. These regulations affect the Company's lending practices, capital structure, investment practices, dividend policy and growth, among other things. Congress and federal regulatory agencies continually review banking laws, regulations and policies for possible changes. Furthermore, political and policy goals of elected officials may change over time, which could impact the rulemaking, supervision, examination and enforcement priorities of federal banking agencies. Changes to statutes, regulations or regulatory policies, including changes in interpretation or implementation of statutes, regulations or policies, could affect the Company in substantial and unpredictable ways. Such changes could subject the Company to additional costs, limit the types of financial services and products the Company may offer and/or limit the pricing the Company may charge on certain banking services, among other things. Compliance personnel and resources may increase our costs of operations and adversely impact our earnings.

Failure to comply with laws, regulations or policies could result in sanctions by regulatory agencies, civil money penalties and/or reputation damage, which could have a material adverse effect on our business, financial condition and results of operations. While the Company has policies and procedures designed to prevent any such violations, there can be no assurance that such violations will not occur. See the section captioned "Supervision and Regulation" in Item 1. Business of this report for further information.

We are subject to heightened regulatory requirements because we exceed \$10 billion in total consolidated assets.

As of December 31, 2025, we had total assets of approximately \$16.00 billion. The Dodd-Frank Act, including the Durbin Amendment, and its implementing regulations impose enhanced supervisory requirements on bank holding companies with more than \$10 billion in total consolidated assets. For bank holding companies with more than \$10 billion in total consolidated assets, such requirements include, among other things:

- applicability of Volcker Rule requirements and restrictions;
- increased capital, leverage, liquidity and risk management standards;
- examinations by the CFPB for compliance with federal consumer financial protection laws and regulations; and

- limits on interchange fees from debit card transactions.

The Economic Growth, Regulatory Reform and Consumer Protection Act (“EGRRCPA”), which was enacted in 2018, amended the Dodd-Frank Act to raise the \$10 billion stress testing threshold to \$250 billion, among other things. The federal financial regulators issued final rules in 2019 to increase the threshold for these stress testing requirements from \$10 billion to \$250 billion, consistent with the EGRRCPA.

Our regulators will consider our compliance with these regulatory requirements that apply to us (in addition to regulatory requirements that applied to us previously) when examining our operations or considering any request for regulatory approval. We may, therefore, incur associated compliance costs and may be required to maintain compliance procedures.

Failure to comply with these requirements may negatively impact the results of our operations and financial condition. To ensure compliance, we will be required to invest significant resources, which may necessitate hiring additional personnel and implementing additional internal controls. These additional compliance costs may have a material adverse effect on our business, results of operations and financial condition.

Our controls and procedures may fail or be circumvented, which may result in a material adverse effect on our business.

Management regularly reviews and updates our internal controls, disclosure controls and procedures and corporate governance policies and procedures. Any system of controls, however well designed and operated, is based in part on certain assumptions and can provide only reasonable, not absolute, assurances that the objectives of the system are met. Any failure or circumvention of the controls and procedures or failure to comply with regulations related to controls and procedures could have a material adverse effect on our business, results of operations and financial condition.

We may be held responsible for environmental liabilities with respect to properties to which we obtain title, resulting in significant financial loss.

A significant portion of our loan portfolio at December 31, 2025 was secured by real estate. In the course of our business, we may foreclose and take title to real estate and could be subject to environmental liabilities with respect to these properties. We may be held liable to a government entity or to third parties for property damage, personal injury, investigation and clean-up costs incurred by these parties in connection with environmental contamination or may be required to clean up hazardous or toxic substances, or chemical releases at a property. The costs associated with investigation and remediation activities could be substantial. In addition, if we are the owner or former owner of a contaminated site, we may be subject to common law claims by third parties based on damages and costs resulting from environmental contamination emanating from the property. These costs and claims could adversely affect our business, results of operations, financial condition and liquidity.

We may be adversely affected by the soundness of other financial institutions including the FHLB of New York.

Our ability to engage in routine funding transactions could be adversely affected by the actions and commercial soundness of other financial institutions. Financial services companies are interrelated as a result of trading, clearing, counterparty or other relationships. We have exposure to many different industries and counterparties and we routinely execute transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds and other institutional clients. As a result, defaults by, or even rumors or questions about, one or more financial services companies, or the financial services industry generally, have led to market-wide liquidity problems and could lead to losses or defaults by us or by other institutions. Many of these transactions expose us to credit risk in the event of default of our counterparty or client. In addition, our credit risk may be exacerbated if the collateral held by us cannot be realized

or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due us. There is no assurance that any such losses would not materially and adversely affect our business, financial condition or results of operations.

The Company owns common stock of FHLB of New York in order to qualify for membership in the FHLB system, which enables it to borrow funds under the FHLB of New York's advance program. The carrying value and fair value of our FHLB of New York common stock was \$13.6 million as of December 31, 2025. There are 11 branches of the FHLB, including New York, which are jointly liable for the consolidated obligations of the FHLB system. To the extent that one FHLB branch cannot meet its obligations to pay its share of the system's debt, other FHLB branches can be called upon to make the payment. Any adverse effects on the FHLB of New York could adversely affect the value of our investment in its common stock and negatively impact our results of operations.

Provisions of our certificate of incorporation and bylaws, as well as Delaware law and certain banking laws, could delay or prevent a takeover of us by a third party.

Provisions of the Company's certificate of incorporation and bylaws, the corporate law of the State of Delaware and state and federal banking laws, including regulatory approval requirements, could delay, defer or prevent a third party from acquiring the Company, despite the possible benefit to the Company's stockholders, or otherwise adversely affect the market price of the Company's common stock. These provisions include supermajority voting requirements for certain business combinations and advance notice requirements for nominations for election to the Board and for proposing matters that stockholders may act on at stockholder meetings. In addition, the Company is subject to Delaware law, which among other things prohibits the Company from engaging in a business combination with any interested stockholder for a period of three years from the date the person became an interested stockholder unless certain conditions are met. These provisions may discourage potential takeover attempts, discourage bids for the Company's common stock at a premium over market price or adversely affect the market price of and the voting and other rights of the holders of the Company's common stock. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors other than candidates nominated by the Board.

The Company has risk related to legal proceedings.

The Company is involved in judicial, regulatory, and arbitration proceedings concerning matters arising from our business activities and fiduciary responsibilities. The Company establishes reserves for legal claims when payments associated with the claims become probable and the costs can be reasonably estimated. We may still incur legal costs for a matter even if a reserve is not established. In addition, the actual cost of resolving a legal claim may be substantially higher than any amounts reserved for that matter. The ultimate resolution of a pending or future legal proceeding, depending on the remedy sought and granted, could materially adversely affect our results of operations and financial condition.

Risks Related to Information Technology, Cybersecurity and Data Privacy

The Company faces operational risks and cybersecurity risks associated with incidents which have the potential to disrupt our operations, cause material harm to our financial condition, result in misappropriation of assets, compromise confidential information and/or damage our business relationships and cannot guarantee that the steps we and our service providers take in response to these risks will be effective.

We depend upon data processing, communication systems, and information exchange on a variety of platforms and networks and over the internet to conduct business operations. In addition, we rely on the services of a variety of vendors to meet our data processing and communication needs. Although we require third party providers to maintain certain levels of security, such providers remain vulnerable to breaches, security incidents, system unavailability or other malicious attacks that could compromise sensitive information. Further,

new technologies such as AI may be more capable of evading safeguard measures. The risk of experiencing security incidents and disruptions, particularly through cyber-attacks or cyber intrusions, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions by organized crime, hackers, terrorists, nation-states, activists and other external parties has increased. These security incidents may result in disruption of our operations; material harm to our financial condition, cash flows and the market price of our common stock; misappropriation of assets; compromise or corruption of confidential information; liability for information or assets stolen during the incident; remediation costs; increased cybersecurity and insurance costs; regulatory enforcement; litigation; and damage to our stakeholder and customer relationships.

Moreover, in the normal course of business, we and our service providers collect and retain certain personal information provided by our customers, employees and vendors. If this information gets mishandled, misused, improperly accessed, lost or stolen, we could suffer significant financial, business, reputational, regulatory or other harm. These risks may increase as we continue to increase and expand our usage of web-based products and applications.

These risks require continuous and likely increasing attention and resources from us to, among other actions, identify and quantify potential cybersecurity risks, and upgrade and expand our technologies, systems and processes to adequately address the risk. We provide on-going training for our employees to assist them in detecting phishing, malware and other malicious schemes. Such attention diverts time and resources from other activities and, while we have implemented policies and procedures designed to maintain the security and integrity of the information we and our service providers collect on our and their computer systems, there can be no assurance that our efforts will be effective. Likewise, while we have implemented security measures to prevent unauthorized access to personal information and prevent or limit the effect of possible incidents, we can provide no assurance that a security breach or disruption will not be successful or damaging, or, if any such breach or disruption does occur, that it can be sufficiently or timely remediated.

Even the most well protected information, networks, systems and facilities remain potentially vulnerable because the techniques used in such attempted security breaches evolve and generally are not recognized until launched against a target, and in some cases are designed not to be detected and, in fact, may not be detected. Accordingly, we may be unable to anticipate these techniques or to implement adequate security barriers or other preventative measures, and thus it is impossible for us to entirely mitigate this risk.

The Company may be adversely affected by fraud.

As a financial institution, the Company is inherently exposed to operational risk in the form of theft and other fraudulent activity by employees, customers and other third parties targeting the Company and/or the Company's customers or data. Such activity may take many forms, including check fraud, electronic fraud, wire fraud, phishing, social engineering and other dishonest acts. Although the Company devotes substantial resources to maintaining effective policies and internal controls to identify and prevent such incidents, given the increasing sophistication of possible perpetrators, the Company may experience financial losses or reputational harm as a result of fraud.

We continually encounter technological change and the failure to understand and adapt to these changes could have a material adverse impact on our business.

The financial services industry is continually undergoing rapid technological change with frequent introductions of new technology-driven products and services (including those related to or involving AI, machine learning, blockchain and other technologies). The effective use of technology increases efficiency and enables financial institutions to serve customers better and to reduce costs. The Company's future success depends, in part, upon its ability to address the needs of its customers by using technology to provide products and services that will satisfy customer demands, as well as to create additional efficiencies in the Company's

operations. Many of the Company's competitors have substantially greater resources to invest in technological improvements. The Company may not be able to effectively implement new technology-driven products and services or be successful in marketing these products and services to its customers. Failure to successfully keep pace with technological changes affecting the financial services industry could have a material adverse impact on the Company's business and, in turn, the Company's financial condition and results of operations.

The development and use of AI exposes us to risks that may adversely impact our business.

We or our third-party providers may develop or incorporate AI technology in certain business processes, services, or products. The development and use of AI poses a number of risks and challenges to our business. The legal and regulatory environment relating to AI is uncertain and rapidly evolving, and we may be subject to increasing regulations related to our use of these technologies, including regulations related to privacy, data security, and intellectual property rights, which could expose us to legal risks. AI models, particularly generative AI models, may produce incorrect, biased, or misleading results, expose confidential information, or infringe on intellectual property rights. Further, we may rely on AI models developed by third parties, and, to that extent, would be subject to additional risks, including limited oversight of how these models are developed and trained and potential exposure to unauthorized data usage. If our AI models, or those developed by third parties, produce inaccurate or controversial results, we could face legal liability, regulatory scrutiny, reputational harm, or operational inefficiencies. These risks could negatively impact our business, financial results, and the perception of our security measures. The Company's use of AI currently varies across platforms, with certain third party systems incorporating AI capabilities into routine business operations. As our adoption and internal development of AI enabled tools continues to evolve, we evaluate these technologies through our established Solutions Development Lifecycle (SDLC), which includes model validation and other risk management controls.

Risks Related to an Investment in the Company's Securities

There may be future sales or other dilution of the Company's equity, which may adversely affect the market price of the Company's stock.

The Company is not restricted from issuing additional common stock, including any securities that are convertible into or exchangeable for, or that represent the right to receive, common stock. The Company also grants shares of common stock to employees and directors under the Company's incentive plan each year. The issuance of any additional shares of the Company's common stock or preferred stock or securities convertible into, exchangeable for or that represent the right to receive common stock or the exercise of such securities could be substantially dilutive to stockholders of the Company's common stock. Holders of the Company's common stock have no preemptive rights that entitle such holders to purchase their pro rata share of any offering of shares of any class or series. Because the Company's decision to issue securities in any future offering will depend on market conditions, its acquisition activity and other factors, the Company cannot predict or estimate the amount, timing or nature of its future offerings. Thus, the Company's stockholders bear the risk of the Company's future offerings reducing the market price of the Company's common stock and diluting their stock holdings in the Company.

General Risks

The risks presented by acquisitions could adversely affect our financial condition and results of operations.

The business strategy of the Company has included and may continue to include growth through acquisition. Any acquisitions will be accompanied by the risks commonly encountered in acquisitions. These risks may include, among other things:

- exposure to potential asset quality issues of the acquired business;
- potential exposure to unknown or contingent liabilities of the acquired business;

- our ability to realize anticipated cost savings;
- the difficulty of integrating operations and personnel and the potential loss of key employees;
- the potential disruption of our or the acquired company's ongoing business in such a way that could result in decreased revenues or the inability of our management to maximize our financial and strategic position;
- the inability to maintain uniform standards, controls, procedures and policies; and
- the impairment of relationships with the acquired company's employees and customers as a result of changes in ownership and management.

We cannot provide any assurance that we will be successful in overcoming these risks or any other problems encountered in connection with acquisitions. Our inability to overcome these risks could have an adverse effect on the achievement of our business strategy and results of operations.

We rely on our management and other key personnel, and the loss of any of them may adversely affect our operations.

We are and will continue to be dependent upon the services of our executive management team. In addition, we will continue to depend on our ability to retain and recruit key client relationship managers. The unexpected loss of services of any key management personnel, or the inability to recruit and retain qualified personnel in the future, could have an adverse effect on our business and financial condition.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

In line with our commitment to strong corporate governance and operational resilience, we continuously assess and mitigate cybersecurity risks that could impact our business, stakeholders, and the integrity of our systems. Cybersecurity risk management is integrated into our broader enterprise risk management framework and supports the continuity of our operations.

We assess cybersecurity risks across our information systems, including systems and data maintained by third-party service providers, using a risk-based approach that incorporates periodic risk assessments, vulnerability scanning, penetration testing, and monitoring of emerging threats. We also consider industry-specific risks and participate in industry information-sharing initiatives to enhance our awareness of evolving threat intelligence and best practices.

Our cybersecurity program emphasizes prevention, detection, and response. We provide continuous training for our employees to promote awareness of cybersecurity risks and invest in appropriate technologies, personnel and processes to support our information security objectives. Additionally, we assess cybersecurity risks associated with third-party service providers using a risk-based approach that considers the nature and scope of their services. Our comprehensive policies and procedures are designed to safeguard the integrity and security of information collected by us and our service providers. We have also implemented security measures to prevent unauthorized access to personal data and mitigate potential incidents. Furthermore, we incorporate lessons learned from any past incidents and near misses to enhance the effectiveness of our controls.

NBT collaborates with external experts to conduct audits, assessments, and validations of our cybersecurity controls, aligning them with established frameworks such as the National Institute of Standards and Technology (“NIST”) Cybersecurity Framework. We adapt our cybersecurity policies, standards, processes, and practices based on insights from these reviews.

Governance

The Board oversees cybersecurity risk as part of its broader oversight of business strategy and enterprise risk management. It is the responsibility of the Risk Management Committee (“RMC”), a committee of the Board, to oversee efforts to develop and formally approve the written Information Security Program (“ISP”), implement, maintain and monitor the program, and review management reports and policies related to cyber incidents. The RMC is led by our Chief Risk Officer and comprised of Board members as well as the Chief Executive Officer. Cybersecurity risks are reported to the RMC at least quarterly, and those reports include key performance indicators, test results, recent threats and how the Company is managing those threats, along with the effectiveness of the ISP. The RMC receives briefings from executive management on activities, including those related to cybersecurity risk oversight. The Board reviews the overall ISP at least annually.

NBT has appointed the Senior Director of Information Security (“DISO”) to oversee the implementation, coordination, and maintenance of the ISP. The DISO’s responsibilities include:

- Leading the initial implementation of the ISP, including assessing internal and external risks to institutional data and documenting findings through risk assessment reports and remediation plans;
- Coordinating the development, distribution, and maintenance of information security policies and procedures;
- Designing and implementing administrative, technical, and physical safeguards to protect institutional data across the company.

The DISO reports to the Chief Risk Officer and has over 17 years of experience in information security, including extensive responsibility for developing, implementing and overseeing the Company’s information security program. The DISO’s experience includes cybersecurity risk management, cybercrime prevention, incident response, social engineering, identity theft, and fraud prevention, gained through long-term leadership in information security roles within the organization.

The DISO also supervises the Incident Response Team (“IRT”), which consists of senior executives, including the Chief Audit Officer, Chief Risk Officer, General Counsel, and representatives from Information Security, Enterprise Technology, Operations, Accounting, and Communications. Upon detecting an incident, the IRT promptly convenes to assess its severity, categorizing it as low, medium, or high. The response protocol follows the Cybersecurity and Infrastructure Security Agency (“CISA”) Cybersecurity Incident and Vulnerability Response Playbook (November 2021) and incorporates generally recognized cybersecurity incident response practices. The IRT has procedures and escalation protocols to escalate significant cybersecurity matters to the Executive Committee, the RMC and/or full Board, as deemed necessary.

During the incident review process, senior management, in collaboration with relevant personnel from information technology, data security, and external cybersecurity firms specializing in forensic investigations, when necessary, assesses the materiality of the breach alongside the severity scale. This evaluation aims to accurately identify risks and potential operational and business impacts. Materiality determination involves an objective analysis of both quantitative and qualitative factors, including an evaluation of impact and reasonably likely impacts.

We maintain cybersecurity insurance; however, such coverage may not be sufficient to cover all potential losses. As of December 31, 2025 we have not had any known instances of material cybersecurity incidents, including third-party incidents during any of the prior three fiscal years. However, cybersecurity threats continue to evolve, and there can be no assurance that future incidents will not occur.

For further discussion of such risks, see the section captioned “Risks Related to Information Technology, Cybersecurity and Data Privacy” in Item 1A. Risk Factors of this Form 10-K.

ITEM 2. PROPERTIES

The Company owns its headquarters located at 52 South Broad Street, Norwich, New York 13815. In addition, as of December 31, 2025 the Company has 175 branch locations, of which 84 are leased from third parties. The Company owns all other banking premises.

The Company believes that its offices are sufficient for its present operations and that all properties are adequately covered by insurance.

ITEM 3. LEGAL PROCEEDINGS

There are no material legal proceedings, other than ordinary litigation incidental to the business, to which the Company or any of its subsidiaries is a party or of which any of their property is subject.

ITEM 4. MINE SAFETY DISCLOSURES

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information and Holders

The common stock of the Company, par value \$0.01 per share (the "Common Stock"), is quoted on the NASDAQ Global Select Market under the symbol "NBTB." The closing price of the Common Stock on January 31, 2026 was \$44.43. As of January 31, 2026, there were 5,897 stockholders of record of Common Stock. No unregistered securities were sold by the Company during the year ended December 31, 2025.

Dividends

The Company depends primarily upon dividends from subsidiaries for a substantial part of its revenue. Accordingly, the ability to pay dividends to stockholders depends primarily upon the receipt of dividends or other capital distributions from the subsidiaries. Payment of dividends to the Company from the Bank is subject to certain regulatory and other restrictions. Under OCC regulations, the Bank may pay dividends to the Company without prior regulatory approval so long as it meets its applicable regulatory capital requirements before and after payment of such dividends and its total dividends do not exceed its net income to date over the calendar year plus retained net income over the preceding two years. At December 31, 2025, the Bank was in compliance with all applicable minimum capital requirements and had the ability to pay dividends of \$115.9 million to the Company without the prior approval of the OCC.

If the capital of the Company is diminished by depreciation in the value of its property or by losses, or otherwise, to an amount less than the aggregate amount of the capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets, no dividends may be paid out of net profits until the deficiency in the amount of capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets has been repaired. See the section captioned "Supervision and Regulation" in Item 1. Business and Note 15 to the consolidated financial statements included in Item 8. Financial Statements and Supplementary Data, which are included elsewhere in this report.

Issuer Purchases of Equity Securities

On October 27, 2025, the Company's Board of Directors authorized and approved an amendment to the Company's stock repurchase program. Pursuant to the amended stock repurchase program, the Company may repurchase up to 2,000,000 shares of the Company's common stock with all repurchases under the stock repurchase program to be made by December 31, 2027. The Company may repurchase shares of its common stock from time to time to mitigate the potential dilutive effects of stock-based incentive plans and other potential uses of common stock for corporate purposes.

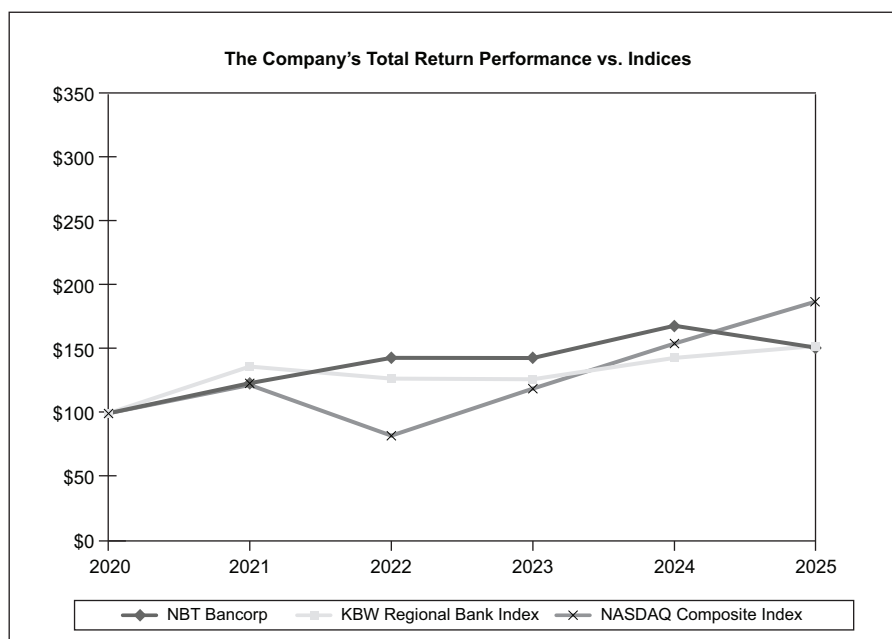
The Company purchased 250,000 shares of its common stock during year ended December 31, 2025 at an average price of \$40.74 per share under its previously announced share repurchase program. As of December 31, 2025, there were 1,750,000 shares available for repurchase under this plan authorized on October 27, 2025, which is set to expire on December 31, 2027.

The following table presents stock purchases made during the fourth quarter of 2025:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet be Purchased Under the Plans or Programs
October 1-31, 2025	133,461	\$40.75	133,461	1,866,539
November 1-30, 2025	116,539	40.73	116,539	1,750,000
December 1-31, 2025	—	—	—	1,750,000
Total	<u>250,000</u>	<u>\$40.74</u>	<u>250,000</u>	<u>1,750,000</u>

Stock Performance Graph

The following stock performance graph compares the cumulative total stockholder return (i.e., price change, reinvestment of cash dividends and stock dividends received) on our Common Stock against the cumulative total return of the NASDAQ Stock Market (U.S. Companies) Index and the KBW Regional Bank Index (Peer Group). The stock performance graph assumes that \$100 was invested on December 31, 2020. The graph further assumes the reinvestment of dividends into additional shares of the same class of equity securities at the frequency with which dividends are paid on such securities during the relevant fiscal year. The yearly points marked on the horizontal axis correspond to December 31 of that year. We calculate each of the referenced indices in the same manner. All are market-capitalization-weighted indices, so companies judged by the market to be more important (i.e., more valuable) count for more in all indices.



Index	Period Ending					
	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/25
NBT Bancorp	\$100.00	\$123.63	\$143.46	\$143.33	\$168.62	\$151.44
KBW Regional Bank Index	\$100.00	\$136.65	\$ 127.19	\$126.69	\$143.42	\$152.74
NASDAQ Composite Index	\$100.00	\$ 122.21	\$ 82.48	\$ 119.35	\$154.67	\$187.42

Source: Bloomberg, L.P.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The purpose of this discussion and analysis is to provide a concise description of the consolidated financial condition and results of operations of NBT Bancorp Inc. ("NBT") and its wholly-owned subsidiaries, including NBT Bank, National Association (the "Bank"), NBT Financial Services, Inc. ("NBT Financial") and NBT Holdings, Inc. ("NBT Holdings") (collectively referred to herein as the "Company"). When references to "NBT," "we," "our," "us," and "the Company" are made in this report, we mean NBT Bancorp Inc. and our consolidated subsidiaries, unless the context indicates that we refer only to the parent company, NBT Bancorp Inc. When we refer to the "Bank" in this report, we mean our only bank subsidiary, NBT Bank, National Association, and its subsidiaries. This discussion will focus on results of operations for the fiscal years ended December 31, 2025, 2024 and 2023 and financial condition as of December 31, 2025 and 2024, including capital resources and asset/liability management. This discussion and analysis should be read in conjunction with the Company's consolidated financial statements and related notes.

Forward-Looking Statements

Certain statements in this filing and future filings by the Company with the SEC, in the Company's press releases or other public or stockholder communications or in oral statements made with the approval of an authorized executive officer, contain forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. These statements may be identified by the use of phrases such as "anticipate," "believe," "expect," "forecasts," "projects," "will," "can," "would," "should," "could," "may," or other similar terms. There are a number of factors, many of which are beyond the Company's control, that could cause actual results to differ materially from those contemplated by the forward-looking statements. The discussion in Item 1A. Risk Factors lists some of the factors that may cause actual results to differ materially from those contemplated by any forward-looking statements, and such discussion is incorporated into this discussion by reference.

The Company cautions readers not to place undue reliance on any forward-looking statements, which speak only as of the date on which they are made, and advises readers that various factors, including, but not limited to, those described above and other factors discussed in the Company's annual and quarterly reports previously filed with the SEC, could affect the Company's financial performance and could cause the Company's actual results or circumstances for future periods to differ materially from those anticipated or projected.

Unless required by law, the Company does not undertake, and specifically disclaims any obligations to, publicly release any revisions that may be made to any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements.

General

NBT Bancorp Inc. is a registered financial holding company headquartered in Norwich, NY, with total assets of \$16.00 billion at December 31, 2025. The Company's business, primarily conducted through the Bank and its full-service retirement plan administration and recordkeeping subsidiary and full-service regional insurance agency subsidiary, consists of providing commercial banking, retail banking and wealth management services primarily to customers in its market area, which includes upstate New York, northeastern Pennsylvania, southern New Hampshire, western Massachusetts, Vermont, southern Maine and central and northwestern Connecticut. The Company has been, and intends to continue to be, a community-oriented financial institution offering a variety of financial services. The Company's business philosophy is to operate as a community bank with local decision-making, providing a broad array of banking and financial services to retail, commercial and municipal customers. The financial review that follows focuses on the factors

affecting the consolidated financial condition and results of operations of the Company and its wholly-owned subsidiaries, the Bank, NBT Financial and NBT Holdings during 2025 and, in summary form, the preceding two years. NIM is presented in this discussion on an FTE basis. Average balances discussed are daily averages unless otherwise described. The audited consolidated financial statements and related notes as of December 31, 2025 and 2024 and for each of the years in the three-year period ended December 31, 2025 should be read in conjunction with this review.

Critical Accounting Policies

The SEC defines critical accounting policies as accounting policies that are most important to a company's financial results and condition. These policies are often subjective and require management to make estimates about uncertain matters. The accounting and reporting policies followed by the Company conform, in all material respects, to accounting principles in accordance with GAAP and to general practices within the financial services industry. In the course of normal business activity, management must select and apply many accounting policies and methodologies and make estimates and assumptions that lead to the financial results presented in the Company's consolidated financial statements and accompanying notes. There are uncertainties inherent in making these estimates and assumptions, which could materially affect the Company's results of operations and financial position.

Management considers accounting estimates to be critical to reported financial results if (i) the accounting estimates require management to make assumptions about matters that are highly uncertain, and (ii) different estimates that management reasonably could have used for the accounting estimate in the current period, or changes in the accounting estimate that are reasonably likely to occur from period to period, could have a material impact on the Company's financial statements. Management considers the accounting policies relating to the allowance for credit losses ("allowance", or "ACL") and the determination of fair values for acquired assets and assumed liabilities in a business combination, including intangible assets such as goodwill, to be critical accounting policies because of the uncertainty and subjectivity involved in these policies and the material effect that estimates related to these areas can have on the Company's results of operations.

The Company's methodology for estimating the allowance considers available relevant information about the collectability of cash flows, including information about past events, current conditions, and reasonable and supportable forecasts. Refer to Note 1 and Note 6 to the consolidated financial statements included elsewhere in this report.

Goodwill represents the cost of the acquired business in excess of the fair value of the related net assets acquired. Following a merger, the determination of fair values for acquired assets and assumed liabilities, including intangible assets such as goodwill, becomes critical. All acquired assets, including goodwill and other intangible assets, and assumed liabilities in purchase acquisitions are recorded at fair value as of the acquisition date. The Company expenses all acquisition-related costs as incurred as required by ASC Topic 805, "Business Combinations."

The determination of fair values for acquired loans in a business combination is a significant aspect of our financial reporting process. The valuation of acquired loans relied on a discounted cash flow approach applied on a pooled basis, utilizing a forecast of principal and interest payments. This methodology segmented the acquired loan portfolio by loan type, term, interest rate, payment frequency and payment, and incorporated specific key valuation assumptions, encompassing prepayment speeds, PD, LGD, and the discount rate to ascertain the fair value of these assets. Given the inherent subjectivity and reliance on future cash flows and market conditions, this process involves considerable judgment and estimation uncertainty.

The Company conducts an annual review of goodwill impairment and conducts quarterly analyses to identify any events that may necessitate an interim assessment. The Company initially undertakes a qualitative evaluation of goodwill to ascertain whether certain events or

circumstances indicate a likelihood that the fair value of a reporting unit is less than its carrying amount. This qualitative evaluation demands considerable managerial discretion, and if it suggests that the fair value of a reporting unit is unlikely to be less than the carrying value, no quantitative analysis is required. Inputs for this qualitative analysis requiring managerial judgment encompass macroeconomic conditions, industry and market conditions, the financial performance of the reporting unit, and other pertinent events influencing the fair value of the reporting unit.

For information on the Company's significant accounting policies and to gain a greater understanding of how the Company's financial performance is reported, refer to Note 1 to the consolidated financial statements included elsewhere in this report.

Critical Accounting Estimates

SEC guidance requires disclosure of "critical accounting estimates." The SEC defines "critical accounting estimates" as those estimates made in accordance with GAAP that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on the financial condition or results of operations of the registrant. The Company follows financial accounting and reporting policies that are in accordance with GAAP. Management has reviewed the application of these estimates with the Audit Committee of NBT's Board of Directors. The allowance for credit losses and unfunded commitments policies are deemed to meet the SEC's definition of a critical accounting estimate.

Allowance for Credit Losses and Unfunded Commitments

The allowance for credit losses consists of the allowance for credit losses and the allowance for losses on unfunded commitments. The measurement of CECL on financial instruments requires an estimate of the credit losses expected over the life of an exposure (or pool of exposures). The estimate of expected credit losses under the CECL methodology is based on relevant information about past events, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts. Historical loss experience is generally the starting point for estimating expected credit losses. The Company then considers whether the historical loss experience should be adjusted for asset-specific risk characteristics or current conditions at the reporting date that did not exist over the period from which historical experience was used. Finally, the Company considers forecasts about future economic conditions that are reasonable and supportable. The allowance for credit losses for loans, as reported in our consolidated statements of financial condition, is adjusted by an expense for credit losses, which is recognized in earnings, and reduced by the charge-off of loan amounts, net of recoveries. The allowance for losses on unfunded commitments represents the expected credit losses on off-balance sheet commitments such as unfunded commitments to extend credit and standby letters of credit. However, a liability is not recognized for commitments unconditionally cancellable by the Company. The allowance for losses on unfunded commitments is determined by estimating future draws and applying the expected loss rates on those draws.

Management of the Company considers the accounting policy relating to the allowance for credit losses to be a critical accounting estimate given the uncertainty in evaluating the level of the allowance required to cover management's estimate of all expected credit losses over the expected contractual life of our loan portfolio. Determining the appropriateness of the allowance is complex and requires judgment by management about the effect of matters that are inherently uncertain. Subsequent evaluations of the then-existing loan portfolio, in light of the factors then prevailing, may result in significant changes in the allowance for credit losses in those future periods. While management's current evaluation of the allowance for credit losses indicates that the allowance is appropriate, the allowance may need to be increased under adversely different conditions or assumptions. The impact of utilizing the CECL methodology to calculate the reserve for credit losses will be significantly influenced by the

composition, characteristics and quality of our loan portfolio, as well as the prevailing economic conditions and forecasts utilized. Material changes to these and other relevant factors may result in greater volatility to the reserve for credit losses, and therefore, greater volatility to our reported earnings.

One of the most significant judgments involved in estimating the Company's allowance for credit losses relates to the macroeconomic forecasts used to estimate expected credit losses over the forecast period. As of December 31, 2025, the quantitative model incorporated a baseline economic outlook along with an alternative upside scenario and two equally weighted downside scenarios, recessionary conditions and stagflation, sourced from a reputable third-party to accommodate other potential economic conditions in the model. At December 31, 2025, the weightings were 65%, 5% and 30% for the baseline, upside and downside economic forecast scenarios, respectively. The baseline outlook reflected an economic environment where the northeast unemployment rate increases from 4.5% in the first quarter of 2026 to 4.8% by the end of the forecast period, with a peak northeast unemployment rate of 4.9% in the fourth quarter of 2026. National GDP annualized growth (on a quarterly basis) is expected to start the first quarter of 2026 at approximately 2.55% and decrease to 1.8% by the end of the forecast period. Key assumptions in the baseline economic outlook included the Federal Reserve cutting rates with one 25 basis point cut at the December meeting and the economy remaining at full employment. The alternative upside scenario assumes improved economic conditions from the baseline outlook. Under this scenario, northeast unemployment falls from 4.4% in the fourth quarter of 2025 to 4.0% in the second quarter of 2026 and eventually settles at 4.1% by the end of the forecast period. The alternative downside scenario with recessionary conditions assumes deteriorated economic conditions from the baseline outlook. Under this scenario, northeast unemployment rises from 4.4% in the fourth quarter of 2025 to a peak of 7.8% in the first quarter of 2027. The alternative downside stagflation scenario assumes deteriorated economic conditions from the baseline outlook. Under this scenario, northeast unemployment rises from 4.4% in the fourth quarter of 2025 to 6% by the end of the forecast period in the second quarter of 2027, with a peak northeast unemployment rate of 8.2% in the first quarter of 2028. These scenarios and their respective weightings are evaluated at each measurement date and reflect management's expectations as of December 31, 2025. Additional qualitative adjustments were made for factors not incorporated in the forecasts or the model, such as loss rate expectations for certain loan pools, reversion adjustments for the stagflation scenario and recent trends in asset value indices. Additional monitoring for industry concentrations, loan growth and policy exceptions was also conducted.

To demonstrate the sensitivity of the allowance for credit losses estimate to macroeconomic forecast weightings assumptions as of December 31, 2025, the Company changed the scenario weightings, with a 10% increase to the downside scenarios, equally weighted, and a 10% decrease to the baseline scenario causing a 4% increase in the overall estimated allowance for credit losses. If instead the upside scenario was increased 10% and the baseline scenario was decreased 10%, the overall estimated allowance for credit losses decreased 1%. To further demonstrate the sensitivity of the allowance for credit losses estimate to macroeconomic forecast weightings assumptions as of December 31, 2025, the Company increased the downside scenarios, equally weighted, to 100% which resulted in a 24% increase in the overall estimated allowance for credit losses.

Non-GAAP Measures

This Annual Report on Form 10-K contains financial information determined by methods other than in accordance with GAAP. Where non-GAAP disclosures are used in this Annual Report on Form 10-K, the comparable GAAP measure, as well as a reconciliation to the comparable GAAP measure, is provided in the accompanying tables. Management believes that these non-GAAP measures provide useful information that is important to an understanding of the results of the Company's core business as well as provide information standard in the financial institution industry. Non-GAAP measures should not be considered a substitute for financial

measures determined in accordance with GAAP and investors should consider the Company's performance and financial condition as reported under GAAP and all other relevant information when assessing the performance or financial condition of the Company. Amounts previously reported in the consolidated financial statements are reclassified whenever necessary to conform to current period presentation.

Evans Bancorp, Inc. Merger

On May 2, 2025, the Company completed the acquisition of Evans, through the merger of Evans with and into the Company, with the Company surviving the merger. Total consideration for the acquisition was \$221.8 million in common stock. Evans, with assets of \$2.19 billion at December 31, 2024, was headquartered in Williamsville, New York. Its primary subsidiary, Evans Bank, was a federally-chartered national banking association operating 18 banking locations in Western New York. The acquisition enhances the Company's presence in Western New York, including the Buffalo and Rochester communities. In connection with the acquisition, the Company issued 5.1 million shares of common stock and acquired approximately \$131.2 million of identifiable net assets, including \$1.67 billion of loans, \$255.5 million in AFS investment securities, which were sold during the second quarter of 2025, \$33.2 million of core deposit intangibles and \$1.86 billion in deposits. As of the acquisition date, the fair value discount was \$95.2 million for loans, net of the reclassification of the PCD allowance and \$0.6 million net discount related to long-term debt.

The Company incurred acquisition expenses related to the merger with Evans of \$19.5 million and \$1.5 million for the years ended December 31, 2025 and 2024, respectively.

Salisbury Bancorp, Inc. Merger

On August 11, 2023, NBT completed its acquisition of Salisbury. Salisbury Bank was a Connecticut-chartered commercial bank headquartered in Lakeville, Connecticut, operating 13 banking offices in northwestern Connecticut, the Hudson Valley region of New York, and southwestern Massachusetts. In connection with the acquisition, the Company issued 4.32 million shares of common stock and acquired approximately \$1.46 billion of identifiable assets, including \$1.18 billion of loans, \$122.7 million in investment securities which were sold immediately after the merger, \$31.2 million of core deposit intangibles and \$4.7 million in a wealth management customer intangible, as well as \$1.31 billion in deposits. As of the acquisition date, the fair value discount was \$78.7 million for loans, net of the reclassification of the purchase credit deteriorated allowance, and was \$3.0 million for subordinated debt. The Company established a \$14.5 million allowance for acquired Salisbury loans which included both the \$5.8 million allowance for PCD loans reclassified from loans and the \$8.8 million allowance for non-PCD loans recognized through the provision for loan losses.

The Company incurred acquisition expenses related to the merger with Salisbury of \$10.0 million for the year ended December 31, 2023.

Executive Summary

Significant factors management reviews to evaluate the Company's operating results and financial condition include, but are not limited to, net income and EPS, return on average assets and equity, NIM, noninterest income, operating expenses, asset quality indicators, loan and deposit growth, capital management, liquidity and interest rate sensitivity, enhancements to customer products and services, technology advancements, market share and peer comparisons.

Net income for the year ended December 31, 2025 was \$169.2 million, or \$3.33 per diluted common share, up \$28.6 million from \$140.6 million, or \$2.97 per diluted common share, for the year ended December 31, 2024.

Operating net income⁽¹⁾, a non-GAAP measure, was \$194.5 million, or \$3.82 per diluted common share, for the year ended December 31, 2025, compared to \$139.7 million, or \$2.94 per diluted common share for the year ended December 31, 2024.

The following information should be considered in connection with the Company's results as of and for the year ended December 31, 2025:

- The acquisition of Evans was completed on May 2, 2025.
- Net interest income for the year ended December 31, 2025 was \$501.5 million, up \$101.4 million, or 25.3%, from 2024.
- The Company recorded a provision for loan losses of \$32.3 million for the year ended December 31, 2025, compared to \$19.6 million in 2024. Included in the provision expense for the year ended December 31, 2025 was \$13.0 million of acquisition-related provision for loan losses.
- Excluding securities gains (losses), noninterest income represented 28% of total revenues and was \$195.3 million for the year ended December 31, 2025, up \$21.3 million, or 12.2%, from the prior year.
- Noninterest expense, excluding acquisition expenses, was \$425.8 million for the year ended December 31, 2025, up \$49.5 million, or 13.1%, from the prior year.
- Period end total loans were \$11.60 billion, up \$1.63 billion, or 16.3% from December 31, 2024, including \$1.67 billion of loans acquired from Evans.
- Credit quality metrics including net charge-offs to average loans were 0.16% and allowance for loan losses to total loans was 1.19%.
- Period end total deposits were \$13.50 billion, up \$1.95 billion, or 16.9%, from December 31, 2024, including \$1.86 billion in deposits acquired from Evans. The loan to deposit ratio was 85.9% as of December 31, 2025 and 86.3% as of December 31, 2024.
- In July of 2025, the Company redeemed \$118 million of subordinated debt that had a weighted average rate of 5.45% using existing liquidity sources. The \$118 million of subordinated debt would have converted to a weighted average floating rate above 9%.

(1) Non-GAAP measure - Refer to non-GAAP reconciliation below.

Results of Operations

The following table sets forth certain financial highlights:

	Years Ended December 31,		
	2025	2024	2023
Performance:			
Diluted earnings per share.....	\$ 3.33	\$ 2.97	\$ 2.65
Return on average assets.....	1.11%	1.04%	0.95%
Return on average equity.....	9.75%	9.57%	9.34%
Return on average tangible common equity ⁽¹⁾	14.14%	13.75%	13.02%
Net interest margin (FTE) ⁽¹⁾	3.59%	3.23%	3.29%
Capital:			
Equity to assets.....	11.85%	11.07%	10.71%
Tangible equity ratio ⁽¹⁾	8.95%	8.42%	7.93%
Book value per share.....	\$36.32	\$32.34	\$30.26
Tangible book value per share ⁽¹⁾	\$26.54	\$23.88	\$ 21.72
Leverage ratio.....	9.48%	10.24%	9.71%
Common equity tier 1 capital ratio.....	12.07%	11.93%	11.57%
Tier 1 capital ratio.....	12.07%	12.83%	12.50%
Total risk-based capital ratio.....	14.24%	15.03%	14.75%

The following tables provide non-GAAP reconciliations:

(In thousands, except per share data)	Years Ended December 31,		
	2025	2024	2023
Return on average tangible common equity:			
Net income	\$ 169,235	\$ 140,641	\$ 118,782
Amortization of intangible assets (net of tax)	8,958	6,332	3,551
Net income, excluding intangible amortization	\$ 178,193	\$ 146,973	\$ 122,333
Average stockholders' equity	\$ 1,735,364	\$ 1,468,861	\$ 1,272,333
Less: average goodwill and other intangibles	475,530	399,989	332,667
Average tangible common equity	\$ 1,259,834	\$ 1,068,872	\$ 939,666
Return on average tangible common equity	14.14%	13.75%	13.02%
Tangible equity ratio:			
Stockholders' equity	\$ 1,896,216	\$ 1,526,141	\$ 1,425,691
Intangibles	510,934	399,023	402,294
Assets	\$ 15,995,121	\$ 13,786,666	\$ 13,309,040
Tangible equity ratio	8.95%	8.42%	7.93%
Tangible book value per share:			
Stockholders' equity	\$ 1,896,216	\$ 1,526,141	\$ 1,425,691
Intangibles	510,934	399,023	402,294
Tangible equity	\$ 1,385,282	\$ 1,127,118	\$ 1,023,397
Diluted common shares outstanding	52,203	47,195	47,110
Tangible book value per share	\$ 26.54	\$ 23.88	\$ 21.72
Operating net income:			
Net income	\$ 169,235	\$ 140,641	\$ 118,782
Acquisition expenses	19,526	1,531	9,978
Acquisition-related provision for credit losses	13,022	—	8,750
Acquisition-related reserve for unfunded loan commitments	532	—	836
Impairment of a minority interest equity investment ..	—	—	4,750
Securities (gains) losses	(148)	(2,789)	9,315
Adjustment to net income	\$ 32,932	\$ (1,258)	\$ 33,629
Adjustment to net income (net of tax)	\$ 25,295	\$ (984)	\$ 25,965
Operating net income	\$ 194,530	\$ 139,657	\$ 144,747
Operating diluted earnings per share	\$ 3.82	\$ 2.94	\$ 3.23
FTE adjustment:			
Net interest income	\$ 501,546	\$ 400,122	\$ 378,219
FTE adjustment	2,466	2,574	2,034
Net interest income (FTE)	\$ 504,012	\$ 402,696	\$ 380,253
Average earning assets	\$14,025,247	\$12,449,064	\$ 11,570,283
Net interest margin (FTE)	3.59%	3.23%	3.29%

2026 Outlook

The Company's 2025 earnings reflected its continued ability to invest in the future while managing continued volatility in the current interest rate environment and overall economic conditions, which have presented challenges across the financial services industry. 2025 was marked by resilient economic growth and while improving modestly, persistent inflation.

In 2025, the FOMC continued the easing cycle, which commenced in 2024, cutting the federal funds rate three times (September, October and December) by 25 bps each. Bringing the target range down from 4.25%-4.50% towards a more neutral stance of 3.50%-3.75% as

inflation pressures eased but growth softened. Actions included rate cuts, open market operations to manage liquidity and adjustments to reinvestment policies for Treasury and mortgage-backed securities. The FOMC remained committed to its 2% inflation target and maximum employment goals, adjusting policy as economic data evolved. The cuts responded to a softening labor market and slowing economic growth, with rising tariffs posing inflationary risks that the FOMC aimed to manage.

Deposit costs declined in 2025, but inversion in the midpoint of the yield curve continues to challenge interest rates for 2- to 5-year Treasuries and bank net interest margins. The good news is the long end of the Treasury maturities is currently higher than short-term rates. It is hoped that further monetary policy easing will cut short-term interest rates further. This is an encouraging sign that the interest rate environment may be finally returning to a “normal,” positively sloped yield curve.

The rate environment in 2026 is expected to improve but remain challenging. The monetary policy pivot has begun and should continue throughout the year. Interest rates continue to normalize, and the return to a positively sloped yield curve is an encouraging sign. Deposit competition will remain fierce. The risk of recession is low. Overall, the rate environment is improving and is expected to benefit the banking industry. Future decreases in rates by the Fed will be determined by labor market conditions and the levels of inflation.

The economic outlook for 2026 is generally positive with GDP growth in 2026 expected to be in the 2%-2.5% range driven by AI investment, strong consumer spending and potential tailwinds from loosened monetary policy. Continued heavy investment in AI and related infrastructure is expected to be a primary driver of business investment and overall growth. Despite previous headwinds, consumer spending remains strong, supported by a healthy labor market.

The Company continues to focus on long-term strategies including growth in its markets, diversification of revenue sources, improving operating efficiencies and investing in technology.

The Company’s 2026 outlook is subject to factors in addition to those identified above and those risks and uncertainties that could impact the Company’s future results are explained in Item 1A. Risk Factors.

Asset/Liability Management

The Company attempts to maximize net interest income and net income, while actively managing its liquidity and interest rate sensitivity through the mix of various core deposit products and other sources of funds, which in turn fund an appropriate mix of earning assets. The changes in the Company’s asset mix and sources of funds, and the resulting impact on net interest income, on an FTE basis, are discussed below. The following table includes the condensed consolidated average balance sheet, an analysis of interest income/expense and average yield/rate for each major category of earning assets and interest-bearing liabilities on a taxable equivalent basis.

Average Balances and Net Interest Income

	2025			2024			2023		
	Average Balances	Net Interest Income	Yield/ Rate	Average Balances	Net Interest Income	Yield/ Rate	Average Balances	Net Interest Income	Yield/ Rate
<i>(Dollars in thousands)</i>									
Assets:									
Short-term interest-bearing accounts	\$ 251,174	\$ 10,779	4.29%	\$ 86,213	\$ 4,412	5.12%	\$ 126,765	\$ 6,259	4.94%
Securities taxable ⁽¹⁾	2,467,011	59,944	2.43%	2,285,725	45,588	1.99%	2,377,596	45,176	1.90%
Securities tax-exempt ^{(1) (3)}	208,125	7,403	3.56%	221,273	7,788	3.52%	214,053	6,730	3.14%
FRB and FHLB stock	40,055	2,110	5.27%	37,789	2,672	7.07%	48,641	3,368	6.92%
Loans ^{(2) (3)}	11,058,882	633,222	5.73%	9,818,064	553,784	5.64%	8,803,228	463,290	5.26%
Total interest-earning assets	\$14,025,247	\$ 713,458	5.09%	\$12,449,064	\$ 614,244	4.93%	\$11,570,283	\$ 524,823	4.54%
Other assets	1,249,225			1,071,455			923,850		
Total assets	\$15,274,472			\$ 13,520,519			\$12,494,133		
Liabilities and stockholders' equity:									
Money market deposits	\$ 3,903,585	\$ 115,197	2.95%	\$ 3,308,433	\$ 116,982	3.54%	\$ 2,418,450	\$ 62,475	2.58%
Interest-bearing checking deposits	1,935,912	19,840	1.02%	1,617,456	13,442	0.83%	1,555,414	8,298	0.53%
Savings deposits	1,823,884	5,942	0.33%	1,580,517	734	0.05%	1,715,749	650	0.04%
Time deposits	1,555,058	51,355	3.30%	1,408,410	55,790	3.96%	1,006,867	33,218	3.30%
Total interest-bearing deposits . . .	\$ 9,218,439	\$ 192,334	2.09%	\$ 7,914,816	\$ 186,948	2.36%	\$6,696,480	\$ 104,641	1.56%
Federal funds purchased	4,110	185	4.50%	13,016	721	5.54%	24,575	1,269	5.16%
Repurchase agreements	114,822	3,057	2.66%	95,879	2,255	2.35%	70,251	747	1.06%
Short-term borrowings	8,679	401	4.62%	103,963	5,693	5.48%	450,377	23,592	5.24%
Long-term debt	36,916	1,463	3.96%	29,715	1,166	3.92%	24,247	925	3.81%
Subordinated debt, net	76,458	4,875	6.38%	120,420	7,232	6.01%	105,756	6,076	5.75%
Junior subordinated debt	108,145	7,131	6.59%	101,196	7,533	7.44%	101,196	7,320	7.23%
Total interest-bearing liabilities . . .	\$ 9,567,569	\$209,446	2.19%	\$ 8,379,005	\$ 211,548	2.52%	\$ 7,472,882	\$ 144,570	1.93%
Demand deposits	3,681,113			3,377,352			3,463,608		
Other liabilities	290,426			295,301			285,310		
Stockholders' equity	1,735,364			1,468,861			1,272,333		
Total liabilities and stockholders' equity	\$15,274,472			\$ 13,520,519			\$12,494,133		
Net interest income (FTE)		\$ 504,012			\$402,696			\$ 380,253	
Interest rate spread			2.90%			2.41%			2.61%
Net interest margin (FTE)			3.59%			3.23%			3.29%
Taxable equivalent adjustment . . .		\$ 2,466			\$ 2,574			\$ 2,034	
Net interest income		\$ 501,546			\$ 400,122			\$ 378,219	

(1) Securities are shown at average amortized cost.

(2) For purposes of these computations, nonaccrual loans and loans held for sale are included in the average loan balances outstanding.

(3) Interest income for tax-exempt securities and loans have been adjusted to an FTE basis using the statutory Federal income tax rate of 21%.

2025 OPERATING RESULTS AS COMPARED TO 2024 OPERATING RESULTS

Net Interest Income

Net interest income for the year ended December 31, 2025 was \$501.5 million, up \$101.4 million, or 25.3%, from 2024. The FTE NIM was 3.59% for the year ended December 31, 2025, an increase of 36 bps from 2024. Interest income increased \$99.3 million, or 16.2%, as the yield on average interest-earning assets increased 16 bps from 2024 to 5.09%. Average interest-earning assets of \$14.03 billion increased \$1.58 billion primarily due to the addition of \$1.95 billion in interest-earning assets in May 2025 from the Evans acquisition and organic earning asset growth. Interest expense decreased \$2.1 million, or 1.0%, for the year ended December 31, 2025 as compared to the year ended December 31, 2024 driven by

interest-bearing deposit costs decreasing 27 bps, lower average balances of short-term borrowings and lower average balances of subordinated debt. The decrease in interest expense was partially offset by the addition of \$1.62 billion in interest-bearing liabilities in May 2025 from the Evans acquisition and organic growth. Included in net interest income was \$21.0 million and \$10.4 million for the years ended December 31, 2025 and 2024, respectively, of acquisition-related net accretion.

Analysis of Changes in FTE Net Interest Income

(In thousands)	Increase (Decrease) 2025 over 2024			Increase (Decrease) 2024 over 2023		
	Volume	Rate	Total	Volume	Rate	Total
Short-term interest-bearing accounts.....	\$ 7,185	\$ (818)	\$ 6,367	\$ (2,068)	\$ 221	\$ (1,847)
Securities taxable	3,826	10,530	14,356	(1,784)	2,196	412
Securities tax-exempt	(467)	82	(385)	233	825	1,058
FRB and FHLB stock	152	(714)	(562)	(766)	70	(696)
Loans.....	70,935	8,503	79,438	55,771	34,723	90,494
Total FTE interest income	<u>\$ 81,631</u>	<u>\$ 17,583</u>	<u>\$ 99,214</u>	<u>\$ 51,386</u>	<u>\$38,035</u>	<u>\$ 89,421</u>
Money market deposits	19,230	(21,015)	(1,785)	27,225	27,282	54,507
Interest-bearing checking deposits	2,929	3,469	6,398	343	4,801	5,144
Savings deposits	130	5,078	5,208	(54)	138	84
Time deposits	5,437	(9,872)	(4,435)	15,016	7,556	22,572
Federal funds purchased	(421)	(115)	(536)	(634)	86	(548)
Repurchase agreements.....	481	321	802	349	1,159	1,508
Short-term borrowings.....	(4,521)	(771)	(5,292)	(18,924)	1,025	(17,899)
Long-term debt.....	285	12	297	214	27	241
Subordinated debt, net.....	(2,780)	423	(2,357)	871	285	1,156
Junior subordinated debt	495	(897)	(402)	—	213	213
Total FTE interest expense	<u>\$ 21,265</u>	<u>\$(23,367)</u>	<u>\$ (2,102)</u>	<u>\$24,406</u>	<u>\$42,572</u>	<u>\$ 66,978</u>
Change in FTE net interest income	<u>\$60,366</u>	<u>\$40,950</u>	<u>\$101,316</u>	<u>\$26,980</u>	<u>\$ (4,537)</u>	<u>\$ 22,443</u>

Loans and Corresponding Interest and Fees on Loans

The average balance of loans increased by approximately \$1.24 billion, or 12.6%, from 2024 to 2025 driven by the Evans acquisition. Excluding the loans acquired from Evans, the increases in C&I and indirect auto were offset by a reduction in the average balance of residential solar and other consumer loans. The yield on average loans increased from 5.64% in 2024 to 5.73% in 2025, as loans re-priced upward due to the interest rate environment in 2025. FTE interest income from loans increased 14.3%, from \$553.8 million in 2024 to \$633.2 million in 2025. This increase was due to the improvement in asset yields and an increase in the average balance of earning assets.

Composition of Loan Portfolio

A summary of the loan portfolio by major categories⁽¹⁾, net of deferred fees and origination costs, for the periods indicated is as follows:

(In thousands)	December 31,				
	2025	2024	2023	2022	2021
Commercial & industrial	\$ 1,671,949	\$ 1,426,358	\$ 1,353,725	\$ 1,265,082	\$ 1,155,240
Commercial real estate	4,798,957	3,876,698	3,626,910	2,807,941	2,655,367
Paycheck protection program	25	124	523	949	101,222
Residential mortgage	2,537,593	2,142,249	2,125,804	1,649,870	1,571,232
Home equity	448,113	334,268	337,214	314,124	330,357
Indirect auto	1,340,524	1,273,253	1,130,132	989,587	859,454
Residential solar	736,970	820,079	917,755	856,798	440,016
Other consumer	63,983	96,881	158,650	265,796	385,571
Total loans	<u>\$ 11,598,114</u>	<u>\$ 9,969,910</u>	<u>\$ 9,650,713</u>	<u>\$ 8,150,147</u>	<u>\$ 7,498,459</u>

(1) Loans are summarized by business line which do not align to how the Company assesses credit risk in the allowance for credit losses under CECL.

Total loans were \$11.60 billion and \$9.97 billion at December 31, 2025 and 2024, respectively. Period end loans increased by \$1.63 billion from December 31, 2024 to December 31, 2025, which included \$1.67 billion of loans acquired from Evans. Excluding the other consumer and residential solar portfolios, which are in a planned run-off status and the loans acquired from Evans, period end loans increased \$68.1 million, or 0.7%, from December 31, 2024. From December 31, 2024 to December 31, 2025 C&I loans increased \$245.5 million to \$1.67 billion; CRE loans increased \$922.3 million to \$4.80 billion; and total consumer loans increased \$460.5 million to \$5.13 billion. Total loans represent approximately 72.5% of assets as of December 31, 2025, as compared to 72.3% as of December 31, 2024.

Loans in the C&I and CRE portfolios consist primarily of loans extended to small and medium-sized entities. The Company offers a variety of loan products tailored to meet the needs of commercial customers including term loans, time notes and lines of credit. Such loans are made available to businesses for working capital needs such as inventory and receivables, business expansion, equipment purchases, livestock purchases and seasonal crop expenses. These loans are typically collateralized by business assets such as equipment, accounts receivable and perishable agricultural products, which are inherently subject to industry price volatility. The Company extends CRE loans to support real estate transactions, including acquisitions, refinancings, expansions and property improvements to both commercial and agricultural properties. These loans are secured by liens on real estate assets, covering a spectrum of properties including apartments, commercial structures, healthcare facilities and others, whether occupied by owners or non-owners. Risks associated with the CRE portfolio pertain to the borrowers' ability to meet interest and principal payments over the life of the loan, as well as their ability to secure financing upon the loan's maturity. The Company has a risk management framework that includes rigorous underwriting standards, targeted portfolio stress testing, interest rate sensitivities on commercial borrowers and comprehensive credit risk monitoring mechanisms. The Company remains vigilant in monitoring market trends, economic indicators and regulatory developments to promptly adapt our risk management strategies as needed.

Within the CRE portfolio, approximately 78% are comprised of Non-Owner Occupied CRE, with the remaining 22% being Owner-Occupied CRE. Non-Owner Occupied CRE includes diverse sectors across the Company's markets such as residential rental properties (45%) and office spaces (13%), along with retail, manufacturing, mixed use, hotels and others. As of December 31, 2025 and December 31, 2024, the total CRE construction and development loans amounted to \$405.3 million and \$314.8 million, respectively.

Residential mortgage loans consist primarily of loans secured by a first or second mortgage on primary residences. The Company originates both adjustable-rate and fixed-rate, one-to-four-family residential loans for the construction or purchase of a residential property or refinancing of a mortgage. These loans are collateralized by properties located in the Company's market area. The Company has never actively participated in subprime mortgage lending, which has historically been one of the riskiest sectors in the residential housing market. Given the absence of a universally accepted definition of what constitutes "subprime" lending, the Company follows guidance from the Office of Thrift Supervision and other federal bank regulators (the "Agencies"), as outlined in the "Expanded Guidance for Subprime Lending Programs," or the Expanded Guidance, issued by the Agencies by press release dated January 31, 2001. As of December 31, 2025, there were \$34.1 million in residential construction and development loans included in total loans.

The Company participated in the Small Business Administration's ("SBA") Paycheck Protection Program ("PPP"), a guaranteed, forgivable loan program created under the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") and the Consolidated Appropriation Act targeted to provide small businesses with support to cover payroll and certain other expenses. Loans made under the PPP are fully guaranteed by the SBA, the guarantee is backed by the full faith and credit of the United States government. PPP covered loans also afford borrowers forgiveness up to the principal amount of the PPP covered loan, plus accrued interest, if the loan proceeds are used to retain workers and maintain payroll or to make certain mortgage interest, lease and utility payments, and certain other criteria are satisfied. The SBA will reimburse PPP lenders for any amount of a PPP covered loan that is forgiven, and PPP lenders will not be held liable for any representations made by PPP borrowers in connection with their requests for loan forgiveness. Lenders receive pre-determined fees for processing and servicing PPP loans. In addition, PPP loans are risk-weighted at zero percent under the generally applicable Standardized Approach used to calculate risk-weighted assets for regulatory capital purposes.

In 2017, the Company partnered with Sungage Financial, LLC. to offer financing to consumers for solar ownership with the program tailored for delivery through solar installers. Advances of credit through this business line are to prime borrowers and are subject to the Company's underwriting standards. Typically, the Company collects fees at origination that are deferred and recognized into interest income over the estimated life of the loan. Residential solar loans are in a planned-run off status.

The Company offers a variety of consumer loan products including indirect auto, home equity and other consumer loans. Indirect auto loans include indirect installment loans to individuals, which are primarily secured by automobiles. Although automobile loans have generally been originated through dealers, all applications submitted through dealers are subject to the Company's normal underwriting and loan approval procedures. Other consumer loans consist of direct installment loans to individuals most secured by automobiles and other personal property and unsecured consumer loans across a national footprint originated through our relationship with national technology-driven consumer lending companies that began over 10 years ago beginning with our investment in Springstone Financial LLC ("Springstone") which was subsequently acquired by LendingClub in 2014. Springstone and LendingClub loans are in a planned run-off status. In addition to installment loans, the Company also offers personal lines of credit, overdraft protection, home equity lines of credit and second mortgage loans (loans secured by a lien position on one-to-four family residential mortgage) to finance home improvements, debt consolidation, education and other uses. For home equity loans, consumers are able to borrow up to 85% of the equity in their homes, and are generally tied to Prime with a ten year draw followed by a fifteen year amortization.

Loans by Maturity and Interest Rate Sensitivity

The following table presents the maturity distribution and an analysis of loans that have predetermined and floating interest rates. Scheduled repayments are reported in the maturity category in which the contractual maturity is due. For loans without contractual maturities, classification of maturity is consistent with the policy elections to measure the allowance for credit losses. Specifically, C&I and CRE lines of credit assume one year maturity for relationships over \$1.0 million and five year maturity for relationships under \$1.0 million, while home equity line of credits maturities are classified based on their fixed rate conversion date plus five years. C&I includes PPP and other consumer includes home equity and other consumer loans.

(In thousands)	Remaining Maturity at December 31, 2025						
	C&I	CRE	Indirect Auto	Residential Solar	Other Consumer	Residential	Total
Within one year	\$ 412,824	\$ 365,777	\$ 9,165	\$ 215	\$ 15,844	\$ 1,187	\$ 805,012
From one to five years	746,652	1,709,153	807,880	21,188	59,675	42,170	3,386,718
From five to fifteen years . . .	377,015	2,386,749	523,479	231,170	420,084	391,754	4,330,251
After fifteen years	135,483	337,278	—	484,397	16,493	2,102,482	3,076,133
Total	<u>\$1,671,974</u>	<u>\$4,798,957</u>	<u>\$1,340,524</u>	<u>\$736,970</u>	<u>\$ 512,096</u>	<u>\$2,537,593</u>	<u>\$11,598,114</u>

Interest rate terms on amounts due after one year:

Fixed	\$ 819,261	\$ 1,472,132	\$ 1,331,359	\$ 736,755	\$ 155,754	\$ 2,194,570	\$ 6,709,831
Variable	\$ 439,889	\$ 2,961,048	\$ —	\$ —	\$ 340,498	\$ 341,836	\$ 4,083,271

Securities and Corresponding Interest and Dividend Income

The average balance of taxable securities AFS and HTM increased \$181.3 million, or 7.9%, from 2024 to 2025. The yield on average taxable securities was 2.43% for 2025 compared to 1.99% in 2024. The average balance of tax-exempt securities AFS and HTM decreased from \$221.3 million in 2024 to \$208.1 million in 2025. The FTE yield on tax-exempt securities increased from 3.52% in 2024 to 3.56% in 2025.

The average balance of FRB and FHLB stock increased to \$40.1 million in 2025 from \$37.8 million in 2024. The yield on investments in FRB and FHLB stock decreased from 7.07% in 2024 to 5.27% in 2025.

Securities Portfolio

(In thousands)	As of December 31,					
	2025		2024		2023	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value
AFS securities:						
U.S. treasury	\$ 79,330	\$ 76,822	\$ 108,838	\$ 102,790	\$ 133,302	\$ 125,024
Federal agency	248,312	231,276	248,348	218,517	248,384	214,740
State & municipal	90,654	86,727	95,457	87,490	96,251	86,306
Mortgage-backed	616,442	591,562	512,353	464,365	473,813	422,268
Collateralized mortgage obligations	901,420	855,486	725,821	656,488	614,886	541,544
Corporate	22,500	20,965	48,482	45,014	48,442	40,976
Total AFS securities	<u>\$1,958,658</u>	<u>\$1,862,838</u>	<u>\$1,739,299</u>	<u>\$1,574,664</u>	<u>\$1,615,078</u>	<u>\$1,430,858</u>
HTM securities:						
Federal agency	\$ 100,000	\$ 89,295	\$ 100,000	\$ 83,344	\$ 100,000	\$ 82,216
Mortgage-backed	202,601	179,223	224,190	189,326	245,806	213,630
Collateralized mortgage obligations	193,773	179,199	228,924	206,125	251,335	228,463
State & municipal	266,382	254,860	289,807	271,150	308,126	290,215
Total HTM securities	<u>\$ 762,756</u>	<u>\$ 702,577</u>	<u>\$ 842,921</u>	<u>\$ 749,945</u>	<u>\$ 905,267</u>	<u>\$ 814,524</u>

The Company's mortgage-backed securities, U.S. agency notes and collateralized mortgage obligations are all guaranteed by Fannie Mae, Freddie Mac, FHLB, Federal Farm Credit Banks or Ginnie Mae ("GNMA"). GNMA securities are considered similar in credit quality to U.S. Treasury securities, as they are backed by the full faith and credit of the U.S. government. Currently, there are no subprime mortgages in the investment portfolio.

The following table sets forth information with regard to contractual maturities of debt securities shown in amortized cost (\$) and weighted average yield (%) at December 31, 2025. Weighted-average yields are an arithmetic computation of income (not FTE adjusted) divided by amortized cost. Maturities of mortgage-backed, collateralized mortgage obligations and asset-backed securities are stated based on their estimated average lives. Actual maturities may differ from estimated average lives or contractual maturities because, in certain cases, borrowers have the right to call or prepay obligations with or without call or prepayment penalties.

	Less than 1 Year		1 Year to 5 Years		5 Years to 10 Years		Over 10 Years		Total	
(Dollars in thousands)	\$	%	\$	%	\$	%	\$	%	\$	%
AFS securities:										
U.S. treasury	\$29,975	1.85%	\$ 49,355	1.65%	\$ —	—	\$ —	—	\$ 79,330	1.72%
Federal agency	—	—	245,594	1.03%	2,718	1.39%	—	—	248,312	1.04%
State & municipal	13,968	1.05%	74,139	1.43%	2,547	1.28%	—	—	90,654	1.37%
Mortgage-backed	953	1.71%	104,169	1.45%	177,438	2.70%	333,882	3.42%	616,442	2.88%
Collateralized mortgage obligations	37,605	3.62%	200,590	3.43%	22,635	1.64%	640,590	3.21%	901,420	3.24%
Corporate	—	—	1,000	7.91%	21,500	3.07%	—	—	22,500	3.29%
Total AFS securities	<u>\$ 82,501</u>	<u>2.52%</u>	<u>\$ 674,847</u>	<u>1.91%</u>	<u>\$ 226,838</u>	<u>2.60%</u>	<u>\$ 974,472</u>	<u>3.28%</u>	<u>\$1,958,658</u>	<u>2.70%</u>
HTM securities:										
Federal agency	\$ —	—	\$100,000	1.11%	\$ —	—	\$ —	—	\$ 100,000	1.11%
Mortgage-backed	—	—	2,816	3.46%	11,733	4.10%	188,052	2.00%	202,601	2.14%
Collateralized mortgage obligations	—	—	59,122	3.14%	20,884	2.74%	113,767	2.66%	193,773	2.81%
State & municipal	91,538	3.42%	61,814	2.58%	75,628	2.02%	37,402	1.78%	266,382	2.60%
Total HTM securities	<u>\$ 91,538</u>	<u>3.42%</u>	<u>\$ 223,752</u>	<u>2.08%</u>	<u>\$108,245</u>	<u>2.38%</u>	<u>\$ 339,221</u>	<u>2.20%</u>	<u>\$ 762,756</u>	<u>2.33%</u>

Funding Sources and Corresponding Interest Expense

The Company utilizes traditional deposit products such as time, savings, interest-bearing checking, money market and demand deposits as its primary source for funding. Other sources, such as short-term FHLB advances, federal funds purchased, securities sold under agreements to repurchase, brokered time deposits and long-term FHLB borrowings are utilized as necessary to support the Company's growth in assets and to achieve interest rate sensitivity objectives. The average balance of interest-bearing liabilities totaled \$9.57 billion in 2025 and increased \$1.19 billion from 2024. The increase was primarily driven by the interest-bearing deposits acquired from Evans partially offset by a decrease in short-term borrowings and subordinated debt. The rate paid on interest-bearing liabilities decreased from 2.52% in 2024 to 2.19% in 2025. This decrease in rates caused a decrease in interest expense of \$2.1 million, or 1.0%, from \$211.5 million in 2024 to \$209.4 million in 2025.

Deposits

Average interest-bearing deposits increased \$1.30 billion, or 16.5%, from 2024 to 2025. Average money market deposits increased \$595.2 million, or 18.0%, during 2025 compared to 2024. Average interest-bearing checking deposits increased \$318.5 million, or 19.7%, during 2025 as compared to 2024. The average balance of savings accounts increased \$243.4 million, or 15.4%, during 2025 compared to 2024. The average balance of time deposits increased \$146.6 million, or 10.4%, from 2024 to 2025. The average balance of demand deposits increased \$303.8 million, or 9.0%, during 2025 compared to 2024. The

increase in average balances was primarily due to the \$1.86 billion in deposits acquired from Evans in the second quarter of 2025. The Company's composition of total deposits is diverse and granular with over 613,000 accounts with an average per account balance of \$22,014 as of December 31, 2025.

The rate paid on average interest-bearing deposits was down 27 bps to 2.09% for 2025. The rate paid for MMDA decreased 59 bps to 2.95% from 2024 to 2025. The rate paid for interest-bearing checking deposits increased from 0.83% in 2024 to 1.02% in 2025. The rate paid for savings deposits increased from 0.05% in 2024 to 0.33% in 2025. The rate paid for time deposits decreased from 3.96% during 2024 to 3.30% during 2025.

	Years Ended December 31,					
	2025		2024		2023	
	Average Balance	Yield/Rate	Average Balance	Yield/Rate	Average Balance	Yield/Rate
<i>(In thousands)</i>						
Demand deposits	\$ 3,681,113		\$ 3,377,352		\$ 3,463,608	
Money market deposits	3,903,585	2.95%	3,308,433	3.54%	2,418,450	2.58%
Interest-bearing checking deposits	1,935,912	1.02%	1,617,456	0.83%	1,555,414	0.53%
Savings deposits	1,823,884	0.33%	1,580,517	0.05%	1,715,749	0.04%
Time deposits	1,555,058	3.30%	1,408,410	3.96%	1,006,867	3.30%
Total interest-bearing deposits . .	\$ 9,218,439	2.09%	\$ 7,914,816	2.36%	\$ 6,696,480	1.56%

The following table presents the estimated amounts of uninsured deposits based on the same methodologies and assumptions used for the bank regulatory reporting:

<i>(In thousands)</i>	As of December 31,		
	2025	2024	2023
Estimated amount of uninsured deposits	\$5,862,417	\$4,731,363	\$4,077,186

The following table presents the maturity distribution of time deposits of \$250,000 or more:

<i>(In thousands)</i>	December 31, 2025
Portion of time deposits in excess of insurance limit	\$332,936
Time deposits otherwise uninsured with a maturity of:	
Within three months	\$ 183,739
After three but within six months	103,200
After six but within twelve months	20,854
Over twelve months	25,143

Borrowings

Average federal funds purchased decreased to \$4.1 million in 2025. The rate paid on federal funds purchased was 4.50% in 2025. Average repurchase agreements increased to \$114.8 million in 2025 from \$95.9 million in 2024. The average rate paid on repurchase agreements increased from 2.35% in 2024 to 2.66% in 2025. Average short-term borrowings decreased to \$8.7 million in 2025 from \$104.0 million in 2024. The average rate paid on short-term borrowings decreased from 5.48% in 2024 to 4.62% in 2025. Average long-term debt increased from \$29.7 million in 2024 to \$36.9 million in 2025. The average balance of junior subordinated debt increased from \$101.2 million in 2024 to \$108.1 million in 2025. The average rate paid for junior subordinated debt in 2025 was 6.59%, down from 7.44% in 2024.

Total short-term borrowings consist of federal funds purchased, securities sold under repurchase agreements, which generally represent overnight borrowing transactions and other short-term borrowings, primarily FHLB advances, with original maturities of one year or less. The Company has unused lines of credit with the FHLB and access to brokered deposits available for short-term financing. Those sources totaled approximately \$4.38 billion and \$3.46 billion at December 31, 2025 and 2024, respectively. Securities collateralizing

repurchase agreements are held in safekeeping by nonaffiliated financial institutions and are under the Company's control. Long-term debt, which is comprised primarily of FHLB advances, are collateralized by the FHLB stock owned by the Company, certain of its mortgage-backed securities and a blanket lien on its residential mortgage loans.

On June 23, 2020, the Company issued \$100.0 million of 5.00% fixed-to-floating rate subordinated notes due 2030. The subordinated notes, which qualified as Tier 2 capital, bore interest at an annual rate of 5.00%, payable semi-annually in arrears commencing on January 1, 2021, and a floating rate of interest equivalent to the three-month SOFR plus a spread of 4.85%, payable quarterly in arrears commencing on October 1, 2025. The subordinated notes issuance costs of \$2.2 million were amortized on a straight-line basis into interest expense over five years. The Company repurchased \$2.0 million of the subordinated notes in 2022 at a discount of \$0.1 million. On July 1, 2025, the Company redeemed these subordinated notes in full using existing liquidity sources.

The subordinated notes assumed in connection with the Salisbury acquisition included \$25.0 million of 3.50% fixed-to-floating rate subordinated notes due 2031. The subordinated notes, which qualified as Tier 2 capital, bore interest at an annual rate of 3.50%, payable quarterly in arrears commencing on June 30, 2021, and a floating rate of interest equivalent to the three-month SOFR plus a spread of 2.80%, payable quarterly in arrears commencing on June 30, 2026. As of the acquisition date, the fair value discount was \$3.0 million, which will be amortized into interest expense over the expected call or maturity date.

Subordinated notes assumed in connection with the Evans acquisition included \$20.0 million of 6.00% fixed-to-floating rate subordinated notes due 2030. The subordinated notes, which qualified as Tier 2 capital, bore interest at an annual rate of 6.00%, payable semi-annually in arrears commencing on January 15, 2021, and a floating rate of interest equivalent to the three-month SOFR plus a spread of 5.90%, payable quarterly in arrears commencing on July 15, 2025. On July 15, 2025, the Company redeemed these subordinated notes in full using existing liquidity sources.

As of December 31, 2025 and December 31, 2024 the subordinated debt net of unamortized issuance costs and fair value discount was \$24.5 million and \$121.2 million, respectively.

Noninterest Income

Noninterest income is a significant source of revenue for the Company and an important factor in the Company's results of operations. The following table sets forth information by category of noninterest income for the years indicated:

<i>(In thousands)</i>	Years Ended December 31,		
	2025	2024	2023
Service charges on deposit account	\$ 19,067	\$ 17,087	\$ 15,425
Card services income.....	23,988	22,331	20,829
Retirement plan administration fees	61,585	56,587	47,221
Wealth management	44,755	41,641	34,763
Insurance services.....	18,035	17,032	15,667
Bank owned life insurance income	12,393	8,325	6,750
Net securities gains (losses)	148	2,789	(9,315)
Other	15,522	11,032	10,838
Total noninterest income	<u>\$195,493</u>	<u>\$176,824</u>	<u>\$142,178</u>

Noninterest income for the year ended December 31, 2025 was \$195.5 million, up \$18.7 million, or 10.6%, from the year ended December 31, 2024. Excluding net securities gains (losses), noninterest income for the year ended December 31, 2025 was \$195.3 million, up \$21.3 million, or 12.2%, from the year ended December 31, 2024. The increase from the prior year was primarily due to an increase in retirement plan administration fees, wealth management fees

and bank owned life insurance income. The increase in retirement plan administration fees was driven by higher market values of assets under administration, organic growth and the acquisition of a small TPA business in the fourth quarter of 2024. The increase in wealth management fees was driven by market performance and growth in new customer accounts. Bank owned life insurance income increased due to \$2.7 million in additional gains recognized in 2025. Service charges on deposit accounts, card services income and other noninterest income increased from 2024 primarily due to the Evans acquisition. Included in other noninterest income for the year ended December 31, 2025 was a \$0.6 million gain related to the finalization of a third-party contractual arrangement.

In the first quarter of 2023, the Company incurred a \$5.0 million securities loss on the write-off of an AFS subordinated debt investment of a failed financial institution. In the first quarter of 2024, the Company sold the previously written-off subordinated debt security and recognized a gain of \$2.3 million. In the second quarter of 2023, the Company incurred a \$4.5 million securities loss on the sale of two subordinated debt securities held in the AFS portfolio. In the fourth quarter of 2023 the Company recorded a full \$4.8 million impairment of its minority interest equity investment in a provider of financial and technology services to residential solar equipment installers due to the uncertainty in the realizability of the investment in other noninterest expense in the consolidated statements of income.

Noninterest Expense

Noninterest expenses are also an important factor in the Company's results of operations. The following table sets forth the major components of noninterest expense for the years indicated:

<i>(In thousands)</i>	Years Ended December 31,		
	2025	2024	2023
Salaries and employee benefits	\$257,478	\$232,487	\$194,250
Technology and data services	44,025	39,139	38,163
Occupancy	36,385	31,309	28,408
Professional fees and outside services	21,740	19,132	17,601
Office supplies and postage	8,095	7,525	6,917
FDIC assessment	7,889	6,765	6,257
Marketing	4,013	3,386	3,054
Amortization of intangible assets	11,944	8,443	4,734
Loan collection and other real estate owned, net	2,648	2,505	2,618
Acquisition expenses	19,526	1,531	9,978
Other	31,598	25,659	29,684
Total noninterest expense	<u>\$445,341</u>	<u>\$ 377,881</u>	<u>\$341,664</u>

Noninterest expense for the year ended December 31, 2025 was \$445.3 million, up \$67.5 million, or 17.9%, from the year ended December 31, 2024. Excluding acquisition expenses, noninterest expense for the year ended December 31, 2025 was \$425.8 million, up \$49.5 million, or 13.1%, from the year ended December 31, 2024. The increase from the prior year was driven by higher salaries and employee benefits due to the Evans acquisition, merit pay increases, higher incentive compensation expenses and higher medical expenses and other benefit costs. The increase in technology and data services was driven by the Evans acquisition and ongoing investment in enterprise technology initiatives. Occupancy expense was impacted by additional expenses from the Evans acquisition, higher utilities and higher facilities costs related to new branch banking locations. Professional fees and outside services increased from the prior year primarily due to the Evans acquisition. In addition, the increase in amortization of intangible assets was due to the amortization of the core deposit intangible asset related to the Evans acquisition.

Income Taxes

We calculate our current and deferred tax provision based on estimates and assumptions that could differ from the actual results reflected in income tax returns filed during the subsequent year. Adjustments based on filed returns are recorded when identified, which is generally in the fourth quarter of the subsequent year for U.S. federal and state provisions.

The amount of income taxes the Company pays is subject at times to ongoing audits by U.S. federal and state tax authorities, which may result in proposed assessments. Future results may include favorable or unfavorable adjustments to the estimated tax liabilities in the period the assessments are proposed or resolved or when statutes of limitations on potential assessments expire. As a result, the Company's effective tax rate may fluctuate significantly on a quarterly or annual basis.

Income tax expense for the year ended December 31, 2025 was \$50.2 million, up \$11.4 million, or 29.3%, from the year ended December 31, 2024. The effective tax rate was 22.9% in 2025 and was 21.6% in 2024. The increase in the effective tax rate from 2024 was primarily due to the higher level of pretax income and the impact of certain nondeductible acquisition expenses related to the Evans acquisition.

On July 4, 2025, the One Big Beautiful Bill Act (the "Bill") was enacted into law. The significant provisions of the Bill include the permanent extension and modification of certain provisions of the Tax Cuts and Jobs Act, including international tax provisions. The Bill also imposes a floor on tax deductions taken on charitable contributions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented in later years. The provisions of the Bill are not expected to have a material impact on our consolidated financial statements.

Risk Management – Credit Risk

Credit risk is managed through a network of loan officers, credit committees, loan policies and oversight from senior credit officers and the Board. Management follows a policy of continually identifying, analyzing and grading credit risk inherent in each loan portfolio. An ongoing independent review of individual credits in the commercial loan portfolio is performed by the independent loan review function. These components of the Company's underwriting and monitoring functions are critical to the timely identification, classification and resolution of problem credits.

Allowance for Credit Losses

Management considers the accounting policy relating to the allowance for credit losses to be a critical estimate given the degree of judgment exercised in evaluating the level of the allowance required to estimate expected credit losses over the expected contractual life of our loan portfolio and the material effect that such judgments can have on the consolidated results of operations.

The CECL methodology requires an estimate of the credit losses expected over the life of a loan (or pool of loans). The allowance for credit losses is a valuation account that is deducted from, or added to, the loans' amortized cost basis to present the net, lifetime amount expected to be collected on the loans. Loan losses are charged off against the allowance when management believes a loan balance is confirmed to be uncollectible. Expected recoveries do not exceed the aggregate of amounts previously charged-off and expected to be charged-off.

Required additions or reductions to the allowance for credit losses are made periodically by charges or credits to the provision for loan losses. These are necessary to maintain the allowance at a level which management believes is reasonably reflective of the overall loss expected over the contractual life of the loan portfolio, adjusted for expected prepayments and curtailments. While management uses available information to recognize losses on loans, additions or reductions to the allowance may fluctuate from one reporting period to another.

These fluctuations are reflective of changes in risk associated with portfolio content and/or changes in management's assessment of any or all of the determining factors discussed above. Management considers the allowance for credit losses to be appropriate based on evaluation and analysis of the loan portfolio.

Management estimates the allowance for credit losses using relevant available information, from internal and external sources, related to past events, current conditions, and reasonable and supportable forecasts. Historical credit loss experience provides the basis for the estimation of expected credit losses. Company historical loss experience was supplemented with peer information when there was insufficient loss data for the Company. Significant management judgment is required at each point in the measurement process.

The allowance for credit losses is measured on a collective (pool) basis, with both a quantitative and qualitative analysis that is applied on a quarterly basis, when similar risk characteristics exist. The respective quantitative allowance for each segment is measured using an econometric, discounted PD and LGD modeling methodology in which distinct, segment-specific multi-variate regression models are applied to multiple, probabilistically weighted external economic forecasts. Under the discounted cash flows methodology, expected credit losses are estimated over the effective life of the loans by measuring the difference between the net present value of modeled cash flows and amortized cost basis. After quantitative considerations, management applies additional qualitative adjustments so that the allowance for credit loss is reflective of the estimate of lifetime losses that exist in the loan portfolio as of the balance sheet date.

Portfolio segment is defined as the level at which an entity develops and documents a systematic methodology to determine its allowance for credit losses. Consistent with CECL guidance, management has pooled loans with similar risk characteristics and identified segments for estimating loss based on type of borrower and collateral which is generally based upon federal call report segmentation and have been combined or subsegmented as needed to ensure loans of similar risk profiles are appropriately pooled.

During the first quarter of 2025, the Company performed an annual update to its econometric, PD/LGD models. Segment specific, multi-variate regression model inputs and assumptions were updated and recent period observed losses and behavior were incorporated into the models ("model refreshment"). The incorporation of recent observations did not have a material impact on most loan class segments except for the Auto class segment which resulted in an improvement in PD/LGD outcomes. The total allowance decreased by approximately 3% as of March 31, 2025 due to the model refreshment. Starting in the second quarter of 2025, the Company included an additional downside scenario with stagflation conditions, which is characterized as an economic environment where inflation rises alongside unemployment. Stagflation was identified as an emerging risk as tariff policies impacted the economy.

Additional information about our Allowance for Credit Losses is included in Notes 1 and 6 to the consolidated financial statements as well as in the "Critical Accounting Estimates" section of the Management's Discussion and Analysis of Financial Condition and Results of Operations. The Company's management considers the allowance for credit losses to be appropriate based on evaluation and analysis of the loan portfolio.

Beginning January 1, 2023, the Company adopted ASU 2022-02 Financial Instruments - CECL Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures ("ASU 2022-02"), which resulted in an insignificant change to the Company's methodology for estimating the allowance for credit losses on TDRs since December 31, 2022. The January 1, 2023 decrease in allowance for credit loss on TDR loans relating to adoption of ASU 2022-02 was \$0.6 million, which increased retained earnings by \$0.5 million and decreased the deferred tax asset by \$0.1 million.

The allowance for credit losses totaled \$138.0 million at December 31, 2025, compared to \$116.0 million at December 31, 2024. The allowance for credit losses as a percentage of loans was 1.19% at December 31, 2025, compared to 1.16% at December 31, 2024. The increase in the

allowance for credit losses from December 31, 2024 to December 31, 2025 was primarily due to the recording of \$20.7 million of allowance for acquired Evans loans as of the acquisition date, which included both \$13.0 million of non-PCD allowance recognized through the provision for loan losses and the \$7.7 million of PCD allowance reclassified from loans. In addition, the allowance for credit losses increased due to deterioration in the economic forecast including the change in the forecast scenarios and weightings, partially offset by the shift in loan composition driven by other consumer and residential solar portfolios that are in a planned run-off status.

The allowance for credit losses as of December 31, 2023 incorporates the recording of \$14.5 million of allowance for acquired Salisbury loans as of the acquisition date, which included both the \$8.8 million of non-PCD allowance recognized through the provision for loan losses and the \$5.8 million of PCD allowance reclassified from loans.

The allowance for credit losses was 266.81% of nonperforming loans at December 31, 2025 as compared to 224.73% at December 31, 2024.

The provision for loan losses was \$32.3 million for the year ended December 31, 2025, compared to \$19.6 million for the year ended December 31, 2024. Provision expense increased from the prior year primarily due to the \$13.0 million of acquisition-related provision for loan losses for non-PCD loans acquired from Evans and a deterioration in economic forecasts. Net charge-offs totaled \$18.0 million for 2025 and 2024. Net charge-offs to average loans was 16 bps for 2025 compared to 18 bps for 2024.

<i>(Dollars in thousands)</i>	2025	2024	2023	2022	2021
Balance at January 1 ⁽¹⁾	\$ 116,000	\$ 114,400	\$ 100,152	\$ 92,000	\$ 110,000
Loans charged-off:					
Commercial	4,801	5,042	4,154	1,870	4,638
Residential	916	211	517	633	979
Consumer ⁽²⁾	19,492	20,475	22,107	16,140	14,489
Total loans charged-off	\$ 25,209	\$ 25,728	\$ 26,778	\$ 18,643	\$ 20,106
Recoveries:					
Commercial	\$ 893	\$ 839	\$ 3,625	\$ 2,430	\$ 723
Residential	345	415	496	852	1,069
Consumer ⁽²⁾	5,991	6,467	5,859	7,014	8,571
Total recoveries	\$ 7,229	\$ 7,721	\$ 9,980	\$ 10,296	\$ 10,363
Net loans charged-off	\$ 17,980	\$ 18,007	\$ 16,798	\$ 8,347	\$ 9,743
Allowance for credit loss on PCD					
acquired loans	\$ 7,726	\$ —	\$ 5,772	\$ —	\$ —
Provision for loan losses	32,254	19,607	25,274	17,147	(8,257)
Balance at December 31	<u>\$138,000</u>	<u>\$116,000</u>	<u>\$114,400</u>	<u>\$100,800</u>	<u>\$ 92,000</u>
Allowance for loan losses to loans					
outstanding at end of year	1.19%	1.16%	1.19%	1.24%	1.23%
Net charge-offs to average loans					
outstanding	0.16%	0.18%	0.19%	0.11%	0.13%
Commercial net charge-offs to average loans outstanding	0.04%	0.04%	0.01%	(0.01)%	0.05%
Residential net charge-offs to average loans outstanding	0.01%	—	—	—	—
Consumer net charge-offs to average loans outstanding	0.12%	0.14%	0.18%	0.12%	0.08%

(1) 2023 includes an adjustment of \$0.6 million as a result of the January 1, 2023, adoption of ASU 2022-02.

(2) Consumer charge-off and recoveries include consumer and home equity.

Nonperforming Assets

Nonperforming assets consist of nonaccrual loans, loans over 90 days past due and still accruing, troubled loans modifications, OREO and nonperforming securities. Loans are generally placed on nonaccrual when principal or interest payments become 90 days past due, unless the loan is well secured and in the process of collection. Loans may also be placed on nonaccrual when circumstances indicate that the borrower may be unable to meet the contractual principal or interest payments. The threshold for evaluating commercial loans risk graded substandard or doubtful, and nonperforming loans specifically evaluated for individual credit loss is \$1.0 million. OREO represents property acquired through foreclosure and is valued at the lower of the carrying amount or fair value, less any estimated disposal costs.

(Dollars in thousands)	As of December 31,									
	2025	%	2024	%	2023	%	2022	%	2021	%
Nonaccrual loans:										
Commercial	\$ 19,934	45%	\$ 32,144	70%	\$ 21,567	63%	\$ 7,664	44%	\$ 15,942	53%
Residential	21,264	47%	10,464	23%	9,632	28%	4,835	28%	8,862	29%
Consumer	3,093	7%	2,529	6%	2,566	8%	1,667	10%	1,511	5%
Troubled loan modifications ⁽¹⁾	301	1%	682	1%	448	1%	3,067	18%	3,970	13%
Total nonaccrual loans . . .	\$44,592	100%	\$ 45,819	100%	\$ 34,213	100%	\$ 17,233	100%	\$30,285	100%
Loans over 90 days past due and still accruing:										
Commercial	\$ 2,220	31%	\$ —	—	\$ 1	—	\$ 4	—	\$ —	—
Residential	2,366	33%	2,411	42%	554	15%	771	20%	808	33%
Consumer	2,545	36%	3,387	58%	3,106	85%	3,048	80%	1,650	67%
Total loans over 90 days past due and still accruing	\$ 7,131	100%	\$ 5,798	100%	\$ 3,661	100%	\$ 3,823	100%	\$ 2,458	100%
Total nonperforming loans.	\$ 51,723		\$ 51,617		\$ 37,874		\$ 21,056		\$ 32,743	
OREO	402		182		—		105		167	
Total nonperforming assets	\$ 52,125		\$ 51,799		\$ 37,874		\$ 21,161		\$ 32,910	
Total nonaccrual loans to total loans	0.38%		0.46%		0.35%		0.21%		0.40%	
Total nonperforming loans to total loans	0.45%		0.52%		0.39%		0.26%		0.44%	
Total nonperforming assets to total assets . . .	0.33%		0.38%		0.28%		0.18%		0.27%	
Total allowance for loan losses to nonperforming loans	266.81%		224.73%		302.05%		478.72%		280.98%	
Total allowance for loan losses to nonaccrual loans	309.47%		253.17%		334.38%		584.92%		303.78%	

(1) TDRs prior to adoption of ASU 2022-02.

Total nonperforming assets were \$52.1 million at December 31, 2025, compared to \$51.8 million at December 31, 2024. Nonperforming loans at December 31, 2025 were \$51.7 million or 0.45% of total loans, compared with \$51.6 million or 0.52% of total loans at December 31, 2024. The increase in nonperforming assets from the prior year was primarily attributable to the addition of nonperforming loans acquired from the Evans acquisition, an increase in loans 90 days or more past due and an increase in OREO, partially offset by a decrease in nonaccrual loans. Total nonaccrual loans were \$44.6 million or 0.38% of total loans at December 31, 2025, compared to \$45.8 million or 0.46% of total loans at December 31, 2024. Past due loans as a percentage of total loans was 0.38% at December 31, 2025, up from 0.34% of total loans at December 31, 2024.

In addition to nonperforming loans discussed above, the Company has also identified approximately \$271.8 million in potential problem loans at December 31, 2025, as compared to \$116.1 million at December 31, 2024. Potential problem loans are loans that are currently performing, with a possibility of loss if weaknesses are not corrected. Such loans may need to be disclosed as nonperforming at some time in the future. Potential problem loans are classified by the Company's loan rating system as "substandard." The increase in potential problem loans at December 31, 2025, compared to December 31, 2024 is primarily due to the addition of \$60.5 million in acquired commercial loans from Evans during the second quarter of 2025 and the net migration of commercial loan balances to substandard, the majority of which are adequately secured by the underlying real estate collateral. The increase in potential problem loans is due to a convergence of macroeconomic pressures, post-pandemic credit normalization, higher interest rate repricing, and structural shifts in key industries. Management cannot predict the extent to which economic conditions may worsen or other factors, which may impact borrowers and the potential problem loans. Accordingly, there can be no assurance that other loans will not become over 90 days past due, be placed on nonaccrual, become troubled loans modifications or require increased allowance coverage and provision for loan losses. To mitigate this risk the Company maintains a diversified loan portfolio, has no significant concentration in any particular industry and originates loans primarily within its footprint.

Allocation of the Allowance for Loan Losses

(Dollars in thousands)	December 31,									
	2025		2024		2023		2022		2021	
	Allowance	Category Percent of Loans	Allowance	Category Percent of Loans	Allowance	Category Percent of Loans	Allowance	Category Percent of Loans	Allowance	Category Percent of Loans
Commercial . . .	\$ 61,725	54%	\$ 45,453	51%	\$ 45,903	50%	\$ 34,722	48%	\$ 28,941	51%
Residential . . .	33,692	28%	26,560	27%	22,070	27%	15,127	26%	18,806	27%
Consumer	42,583	18%	43,987	22%	46,427	23%	50,951	26%	44,253	22%
Total	<u>\$138,000</u>	<u>100%</u>	<u>\$116,000</u>	<u>100%</u>	<u>\$114,400</u>	<u>100%</u>	<u>\$100,800</u>	<u>100%</u>	<u>\$92,000</u>	<u>100%</u>

Allowance for Credit Losses on Off-Balance Sheet Credit Exposures

The Company estimates expected credit losses over the contractual period in which the Company has exposure to credit risk via a contractual obligation to extend credit, unless that obligation is unconditionally cancellable by the Company. The allowance for losses on off-balance sheet credit exposures is adjusted as an expense in other noninterest expense. The estimate includes consideration of the likelihood that funding will occur and an estimate of expected credit losses on commitments expected to be funded over their estimated lives. The allowance for credit losses on unfunded commitments totaled \$5.8 million as of December 31, 2025, compared to \$4.4 million as of December 31, 2024. December 31, 2025 included \$0.5 million of acquisition-related provision for unfunded loan commitments. The increase from prior year was primarily related to increases in pipeline exposure and the Evans acquisition.

Liquidity Risk

Liquidity risk arises from the possibility that the Company may not be able to satisfy current or future financial commitments or may become unduly reliant on alternate funding sources. The objective of liquidity management is to ensure the Company can fund balance sheet growth, meet the cash flow requirements of depositors wanting to withdraw funds or borrowers needing assurance that sufficient funds will be available to meet their credit needs. ALCO is responsible for liquidity management and has developed guidelines, which cover all assets and liabilities, as well as off-balance sheet items that are potential sources or uses of liquidity. Liquidity policies must also provide the flexibility to implement appropriate strategies, along with regular monitoring of liquidity and testing of the contingent liquidity

plan. Requirements change as loans grow, deposits and securities mature and payments on borrowings are made. Liquidity management includes a focus on interest rate sensitivity management with a goal of avoiding widely fluctuating net interest margins through periods of changing economic conditions. Loan repayments and maturing investment securities are a relatively predictable source of funds. However, deposit flows, calls of investment securities and prepayments of loans and mortgage-related securities are strongly influenced by interest rates, the housing market, general and local economic conditions, and competition in the marketplace. Management continually monitors marketplace trends to identify patterns that might improve the predictability of the timing of deposit flows or asset prepayments.

The primary liquidity measurement the Company utilizes is called “Basic Surplus,” which captures the adequacy of its access to reliable sources of cash relative to the stability of its funding mix of average liabilities. This approach recognizes the importance of balancing levels of cash flow liquidity from short and long-term securities with the availability of dependable borrowing sources, which can be accessed when necessary. At December 31, 2025, the Company’s Basic Surplus measurement was 18.7% of total assets, or \$2.98 billion, as compared to the December 31, 2024 Basic Surplus of 17.0%, or \$2.34 billion, and was above the Company’s minimum of 5% (calculated at \$799.8 million and \$689.3 million of period end total assets as of December 31, 2025 and December 31, 2024, respectively) set forth in its liquidity policies.

At December 31, 2025 and 2024, FHLB advances outstanding totaled \$43.0 million and \$45.6 million, respectively. At December 31, 2025 and 2024, the Bank had \$353.0 million and \$199.0 million, respectively, of collateral encumbered by municipal letters of credit. The Bank is a member of the FHLB system and had additional borrowing capacity from the FHLB of approximately \$2.10 billion at December 31, 2025 and \$1.71 billion at December 31, 2024. In addition, unpledged securities could have been used to increase borrowing capacity at the FHLB by an additional \$1.11 billion and \$957.3 million at December 31, 2025 and 2024, respectively, or used to collateralize other borrowings, such as repurchase agreements. The Company also has the ability to issue brokered time deposits and to borrow against established borrowing facilities with other banks (federal funds), which could provide additional liquidity of \$2.53 billion and \$2.01 billion at December 31, 2025 and December 31, 2024, respectively. In addition, the Bank has a “Borrower-in-Custody” program with the FRB with the addition of the ability to pledge automobile and residential solar loans as collateral. At December 31, 2025 and 2024, the Bank had the capacity to borrow \$1.18 billion and \$1.13 billion, respectively, from this program. The Company’s internal policies authorize borrowing up to 25% of assets. Under this policy, remaining available borrowing capacity totaled \$3.94 billion at December 31, 2025 and \$3.38 billion at December 31, 2024.

This Basic Surplus approach enables the Company to appropriately manage liquidity from both operational and contingency perspectives. By tempering the need for cash flow liquidity with reliable borrowing facilities, the Company is able to operate with a more fully invested and, therefore, higher interest income generating securities portfolio. The makeup and term structure of the securities portfolio is, in part, impacted by the overall interest rate sensitivity of the balance sheet. Investment decisions and deposit pricing strategies are impacted by the liquidity position. The Company considers its Basic Surplus position to be strong. However, certain events may adversely impact the Company’s liquidity position in 2026. While short-term interest rates have declined, they remain elevated relative to recent history, which could result in deposit declines as depositors have alternative opportunities for yield on their excess funds. In the current economic environment, draws against lines of credit could drive asset growth higher. Disruptions in wholesale funding markets could spark increased competition for deposits. These scenarios could lead to a decrease in the Company’s Basic Surplus measure below the minimum policy level of 5%. Note, enhanced liquidity monitoring was put in place to quickly respond to the changing environment during the pandemic including increasing the frequency of monitoring and adding additional sources of liquidity. While the pandemic has come to an end, this enhanced monitoring continues as elevated interest rates and the bank failures of 2023 have led to a deposit decline in the banking system and increased volatility to liquidity risk.

At December 31, 2025, a portion of the Company's loans and securities were pledged as collateral on borrowings. Therefore, once on-balance sheet liquidity is reduced, future growth of earning assets will depend upon the Company's ability to obtain additional funding, through growth of core deposits and collateral management and may require further use of brokered time deposits or other higher cost borrowing arrangements.

Net cash flows provided by operating activities totaled \$235.2 million and \$188.6 million in 2025 and 2024, respectively. The critical elements of net operating cash flows include net income, adjusted for non-cash income and expense items such as the provision for loan losses, deferred income tax expense, depreciation and amortization and cash flows generated through changes in other assets and liabilities.

Net cash flows provided by investing activities totaled \$169.1 million in 2025 and net cash flows used in investing activities totaled \$399.2 million in 2024. Critical elements of investing activities are loan and investment securities transactions.

Net cash flows used in financing activities totaled \$201.2 million in 2025 and net cash flows provided by financing activities totaled \$289.5 million in 2024. The critical elements of financing activities are proceeds from deposits, borrowings and stock issuance. In addition, financing activities are impacted by dividends and treasury stock transactions.

Commitments to Extend Credit

The Company makes contractual commitments to extend credit, which include unused lines of credit, which are subject to the Company's credit approval and monitoring procedures. At December 31, 2025 and 2024, commitments to extend credit in the form of loans, including unused lines of credit, amounted to \$3.40 billion and \$2.84 billion, respectively. In the opinion of management, there are no material commitments to extend credit, including unused lines of credit that represent unusual risks. All commitments to extend credit in the form of loans, including unused lines of credit, expire within one year.

Standby Letters of Credit

The Company does not issue any guarantees that would require liability-recognition or disclosure, other than its standby letters of credit. The Company guarantees the obligations or performance of customers by issuing standby letters of credit to third-parties. These standby letters of credit are generally issued in support of third-party debt, such as corporate debt issuances, industrial revenue bonds and municipal securities. The risk involved in issuing standby letters of credit is essentially the same as the credit risk involved in extending loan facilities to customers and letters of credit are subject to the same credit origination, portfolio maintenance and management procedures in effect to monitor other credit and off-balance sheet products. Typically, these instruments have one year expirations with an option to renew upon annual review; therefore, the total amounts do not necessarily represent future cash requirements. At December 31, 2025 and 2024, standby letters of credit were \$58.5 million and \$50.8 million, respectively. As of December 31, 2025 and 2024, the fair value of the Company's standby letters of credit was not significant. The following table sets forth the commitment expiration period for standby letters of credit at:

<i>(In thousands)</i>	December 31, 2025
Within one year	\$44,187
After one but within three years	12,592
After three but within five years	1,398
After five years	323
Total	<u>\$58,500</u>

Interest Rate Swaps

The Company records all derivatives on the consolidated balance sheet at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether the Company has elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting.

When the Company purchases or sells a portion of a commercial loan that has an existing interest rate swap, it may enter into a risk participation agreement to provide credit protection to the financial institution that originated the swap transaction should the borrower fail to perform on its obligation. The Company enters into both risk participation agreements in which it purchases credit protection from other financial institutions and those in which it provides credit protection to other financial institutions. Any fee paid to the Company under a risk participation agreement is in consideration of the credit risk of the counterparties and is recognized in the income statement. Credit risk on the risk participation agreements is determined after considering the risk rating, PD and LGD of the counterparties.

Derivatives designated and qualifying as a hedge of the exposure to changes in the fair value of an asset, liability or firm commitment attributable to a particular risk, such as interest rate risk, are considered fair value hedges. The Company may enter into derivative contracts that are intended to economically hedge certain of its risks, even though hedge accounting does not apply or if the Company elects not to apply hedge accounting.

For derivatives designated as fair value hedges, changes in the fair value of the derivative and the hedged item related to the hedged risk are recognized in earnings.

Loans Serviced for Others and Loans Sold with Recourse

The total amount of loans serviced by the Company for unrelated third parties was \$1.28 billion and \$982.5 million at December 31, 2025 and 2024, respectively. At December 31, 2025 and 2024, the Company had \$2.1 million and \$0.9 million, respectively, of mortgage servicing rights.

At December 31, 2025 and 2024, the Company serviced \$23.2 million and \$24.7 million, respectively, of agricultural loans sold with recourse. Due to sufficient collateral on these loans and government guarantees, no reserve is considered necessary at December 31, 2025 and 2024.

Capital Resources

Consistent with its goal to operate a sound and profitable financial institution, the Company actively seeks to maintain a “well capitalized” institution in accordance with regulatory standards. The principal source of capital to the Company is earnings retention. Capital measurements are well in excess of regulatory minimum guidelines and meet the requirements to be considered well capitalized.

The Company’s primary source of funds is dividends from its subsidiaries. Various laws and regulations restrict the ability of banks to pay dividends to their stockholders. Generally, the payment of dividends by the Company in the future as well as the payment of interest on the capital securities will require the generation of sufficient future earnings by its subsidiaries.

Certain restrictions exist regarding the ability of the Bank to transfer funds to the Company in the form of cash dividends. The approval of the OCC is required to pay dividends when a bank fails to meet certain minimum regulatory capital standards or when such dividends are in excess of a subsidiary bank’s earnings retained in the current year plus retained net profits for the preceding two years as specified in applicable OCC regulations. At December 31, 2025 and 2024, approximately \$115.9 million and \$107.6 million, respectively, of the total stockholders’ equity of the Bank was available for payment of dividends to the Company without approval by the OCC. The Bank’s ability to pay dividends is also subject to the Bank

being in compliance with regulatory capital requirements. The Bank is currently in compliance with these requirements. Under the State of Delaware General Corporation Law, the Company may declare and pay dividends either out of accumulated net retained earnings or capital surplus.

Stock Repurchase Plan

On October 27, 2025, the Company's Board of Directors authorized and approved an amendment to the Company's stock repurchase program. Pursuant to the amended stock repurchase program, the Company may repurchase up to 2,000,000 shares of the Company's common stock with all repurchases under the stock repurchase program to be made by December 31, 2027. The Company may repurchase shares of its common stock from time to time to mitigate the potential dilutive effects of stock-based incentive plans and other potential uses of common stock for corporate purposes.

The Company purchased 250,000 shares of its common stock during the year ended December 31, 2025, for a total of \$10.2 million at an average price of \$40.74 per share under its previously announced share repurchase program. As of December 31, 2025, there were 1,750,000 shares available for repurchase under this plan authorized on October 27, 2025 which is set to expire on December 31, 2027.

Recent Accounting Updates

See Note 2 to the consolidated financial statements for a detailed discussion of new accounting pronouncements.

2024 OPERATING RESULTS AS COMPARED TO 2023 OPERATING RESULTS

For similar operating and financial data and discussion of our results for the year ended December 31, 2024 compared to our results for the year ended December 31, 2023, refer to Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" under Part II of our annual report on Form 10-K for the year ended December 31, 2024, which was filed with the SEC on February 28, 2025 and is incorporated herein by reference.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Interest rate risk is the most significant market risk affecting the Company. Other types of market risk, such as foreign currency exchange rate risk and commodity price risk, do not arise in the normal course of the Company's business activities or are immaterial to the results of operations.

Interest rate risk is defined as an exposure to a movement in interest rates that could have an adverse effect on the Company's net interest income. Net interest income is susceptible to interest rate risk to the degree that interest-bearing liabilities mature or reprice on a different basis than earning assets. When interest-bearing liabilities mature or reprice more quickly than earning assets in a given period, a significant increase in market rates of interest could adversely affect net interest income. Similarly, when earning assets mature or reprice more quickly than interest-bearing liabilities, falling interest rates could result in a decrease in net interest income.

To manage the Company's exposure to changes in interest rates, management monitors the Company's interest rate risk. Management's Asset Liability Committee ("ALCO") meets monthly to review the Company's interest rate risk position and profitability and to recommend strategies for consideration by the Board of Directors (the "Board"). Management also reviews loan and deposit pricing and the Company's securities portfolio, formulates investment and funding strategies and oversees the timing and implementation of

transactions to assure attainment of the Board's objectives in the most effective manner. Notwithstanding the Company's interest rate risk management activities, the potential for changing interest rates is an uncertainty that can have an adverse effect on net income.

In managing the Company's asset/liability position, the Board and management aim to manage the Company's interest rate risk while minimizing NIM compression. At times, depending on the level of general interest rates, the relationship between long and short-term interest rates, market conditions and competitive factors, the Board and management may determine to increase the Company's interest rate risk position somewhat in order to increase its NIM. The Company's results of operations and net portfolio values remain vulnerable to changes in interest rates and fluctuations in the difference between long and short-term interest rates.

The primary tool utilized by the ALCO to manage interest rate risk is earnings at risk modeling (interest rate sensitivity analysis). Information, such as principal balance, interest rate, maturity date, cash flows, next repricing date (if needed) and current rates are uploaded into the model to create an ending balance sheet. In addition, the ALCO makes certain assumptions regarding prepayment speeds for loans and mortgage related investment securities along with any optionality within the deposits and borrowings. The model is first run under an assumption of a flat rate scenario (e.g., no change in current interest rates) with a static balance sheet. Six additional models are run in which gradual increases of 300 bps, 200 bps and 100 bps, and gradual decreases of 100 bps, 200 bps and 300 bps takes place over a 12-month period with a static balance sheet. Under these scenarios, assets subject to prepayments are adjusted to account for faster or slower prepayment assumptions. Any investment securities or borrowings that have callable options embedded in them are handled accordingly based on the interest rate scenario. The resulting changes in net interest income are then measured against the flat rate scenario. The Company also runs other interest rate scenarios to highlight potential interest rate risk.

The Company's Interest Rate Sensitivity has remained in a near neutral position. In the declining rate scenarios, net interest income is projected to modestly decrease when compared to the forecasted net interest income in the flat rate scenario through the simulation period. The decrease in net interest income is a result of earning assets repricing and rolling over at lower yields at a faster pace than interest-bearing liabilities decline and/or reach their floors. Conversely in the rising rate scenarios, net interest income increases modestly, impacted by slowing prepayments speeds and increased deposit reactivity; the magnitude of potential impact on earnings may be affected by the ability to lag deposit repricing on interest-bearing checking, savings, MMDA and time accounts. Net interest income for the next twelve months in the +300/+200/+100/-100/-200/-300 bps scenarios, as described above, is within the internal policy risk limits of not more than a 5.0% reduction in net interest income in the +100/-100 bps scenarios, of not more than a 7.5% reduction in net interest income in the +200/-200 bps scenarios and of not more than a 12.0% reduction in net interest income in the +300/-300 bps scenarios. The following table summarizes the percentage change in net interest income in the rising and declining rate scenarios over a 12-month period from the forecasted net interest income in the flat rate scenario using the December 31, 2025 balance sheet position:

Interest Rate Sensitivity Analysis

Change in interest rates <i>(in bps)</i>	Percent change in net interest income
+300	0.96%
+200	1.01 %
+100	0.78 %
-100	(0.73)%
-200	(0.94)%
-300	(1.08)%

The Company anticipates that the trajectory of net interest income will continue to depend significantly on the timing and path of short to mid-term interest rates which are heavily driven by inflationary pressures, employment stability and FOMC monetary policy. Post-pandemic, inflationary pressures resulted in a higher overall yield curve with federal funds increases of 425 bps in 2022 with an additional 100 bps of increases in 2023. However, the tightening cycle ended in September of 2024, when the FRB lowered the federal funds rate by 50 bps, followed by consecutive 25 bps reductions in November and December of 2024 for a total of 100 bps of federal funds rate reductions by the end of 2024. Additionally, three rate cuts of 25 bps occurred in September, October and December of 2025, signaling a continuation of the cutting cycle. While deposit rates increased meaningfully in 2023 and continued to increase in early 2024 in conjunction with elevated short-term interest rates, the federal funds rate reductions of 2024 and 2025, as well as expectations for continued reductions in 2026 have provided the catalyst for the Company to continue reducing deposit rates. The Company remains focused on managing deposit expense in this environment of still elevated but declining short-term interest rates in an effort to offset the roughly \$3 billion of assets that will decline in conjunction with anticipated federal funds reductions.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
NBT Bancorp Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of NBT Bancorp Inc. and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income (loss), changes in stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 27, 2026 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Allowance for credit losses – loans evaluated on a collective basis

As discussed in Notes 1 and 6 to the consolidated financial statements, the Company's allowance for credit losses on loans evaluated on a collective basis (the collective ACL on loans) was \$138.0 million of a total allowance for credit losses of \$138.0 million as of December 31, 2025. The collective ACL on loans includes the measure of expected credit losses on a collective (pooled) basis for class segments of loans that share similar risk characteristics. The Company uses a discounted cash flow methodology where the respective quantitative allowance for each segment is measured by comparing the amortized cost to the present value of expected principal, interest and recovery cash flows projected using an econometric, probability of default (PD) and loss given default (LGD) modeling methodology. The Company uses PD regression models to develop the PD, and LGD models to develop the LGD, using historical credit loss experience over the observation period for both the Company and segment-specific selected peers. The application of these models incorporates multiple weighted external economic forecasts for the economic variables over the reasonable and supportable forecast period. After the reasonable and supportable forecast period, the Company reverts to long-term average economic variables over a reversion period on a straight-line basis. Contractual cash flows over the contractual life of the loans are the basis for expected principal, interest and recovery cash flows, adjusted for modeled defaults, expected prepayments and curtailments, and discounted at the loan-level effective interest rate. After quantitative considerations, the Company applies additional qualitative adjustments, giving consideration to the effects of limitations inherent in the quantitative model, so that the collective ACL on loans is reflective of the estimate of lifetime losses that exist in the loan portfolio at the balance sheet date.

We identified the assessment of the collective ACL on loans as a critical audit matter. A high degree of audit effort, including specialized skills and knowledge, and subjective and complex auditor judgment was involved in the assessment of the collective ACL on loans due to significant measurement uncertainty. Specifically, the assessment encompassed the evaluation of the collective ACL on loans methodology, including the methods and models used to estimate (1) the PD and LGD and their significant assumptions including the external economic forecasts and economic variables, and the related weighting of the forecasts, the reasonable and supportable forecast periods, the composition of the peer group, and the observation period from which historical Company and peer experience was used, and (2) the qualitative adjustments and the significant assumptions, including the effects of limitations inherent in the quantitative model. The assessment also included an evaluation of the conceptual soundness and performance of the PD regression and LGD models. In addition, auditor judgment was required to evaluate the sufficiency of audit evidence obtained.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's measurement of the collective ACL on loans estimate, including controls over the:

- development of the collective ACL on loans methodology
- continued use and appropriateness of the PD regression and LGD models
- performance monitoring of the PD regression and LGD models
- identification and determination of the significant assumptions used in the PD regression and LGD models
- development of the qualitative methodology and related adjustments, including the significant assumptions used in the measurement of select qualitative adjustments
- analysis of the collective ACL on loans results, trends, and ratios.

We evaluated the Company's process to develop the collective ACL on loans estimate by testing certain sources of data, factors, and assumptions that the Company used, and considered the relevance and reliability of such data, factors, and assumptions. In addition, we involved credit risk professionals with specialized skills and knowledge, who assisted in:

- evaluating the Company's collective ACL on loans methodology for compliance with U.S. generally accepted accounting principles
- evaluating judgments made by the Company relative to the performance monitoring of the PD regression and LGD models, by comparing them to relevant Company-specific metrics and trends and the applicable industry and regulatory practices
- assessing the conceptual soundness and performance testing of the PD regression and LGD models, by inspecting the model documentation to determine whether the models are suitable for their intended use
- evaluating the selection of economic forecasts and economic variables, including weighting of the forecasts, and underlying assumptions by comparing to the Company's business environment and relevant industry practices
- evaluating the length of the observation period from which historical Company and peer experience was used and the reasonable and supportable forecast period by comparing them to specific portfolio risk characteristics and trends
- assessing the composition of the peer group by comparing to Company and specific portfolio risk characteristics
- evaluating the methodology used to develop the qualitative adjustments and the effect of those adjustments on the collective ACL on loans by comparing to relevant credit risk factors, the current economic environment and consistency with credit trends and identified limitations of the underlying quantitative models.

We also assessed the sufficiency of the audit evidence obtained related to the collective ACL on loans estimate by evaluating the:

- cumulative results of the audit procedures
- qualitative aspects of the Company's accounting practices
- potential bias in the accounting estimate.

Fair value measurement of the acquired loans

As discussed in Note 3 to the consolidated financial statements, the Company acquired Evans Bancorp, Inc. (Evans) on May 2, 2025. The transaction was accounted for as a business combination using the acquisition method of accounting. Accordingly, assets acquired, liabilities assumed, and consideration paid for Evans were recorded at their fair values at the acquisition date, including the fair value of acquired loans of \$1.67 billion. The fair value of acquired loans was determined using a discounted cash flow methodology applied on a pooled basis based on certain key valuation assumptions including prepayment speeds, probability of default (PD), loss given default (LGD), and discount rate.

We identified the assessment of the fair value measurement of the acquired loans as a critical audit matter. A high degree of audit effort, including specialized skills and knowledge, and subjective and complex auditor judgment was involved in the assessment due to significant measurement uncertainty. Specifically, the assessment of the fair value measurement encompassed the evaluation of certain key valuation assumptions including prepayment speeds, PD, LGD, and discount rate.

The following are the primary procedures we performed to address the critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's fair value measurement process for acquired loans, including controls

related to the determination of certain key valuation assumptions including prepayment speeds, PD, LGD, and discount rate. We involved valuation professionals with specialized skills and knowledge who assisted in developing an independent estimate of the fair value of the acquired loan portfolio, including developing independent assumptions utilizing market data for the prepayment speeds, PD, LGD, and discount rate and comparing the results to the Company's fair value estimate.

/s/ KPMG LLP

We have served as the Company's auditor since 1987.

Albany, New York
February 27, 2026

NBT Bancorp Inc. and Subsidiaries
Consolidated Balance Sheets

	December 31,	
	2025	2024
<i>(In thousands except share and per share data)</i>		
Assets		
Cash and due from banks	\$ 185,158	\$ 205,083
Short-term interest-bearing accounts	301,958	78,973
Equity securities, at fair value	48,760	42,372
Securities available for sale, at fair value	1,862,838	1,574,664
Securities held to maturity (fair value \$702,577 and \$749,945, respectively)	762,756	842,921
Federal Reserve and Federal Home Loan Bank stock	44,575	33,957
Loans held for sale	1,108	9,744
Loans	11,598,114	9,969,910
Less allowance for loan losses	138,000	116,000
Net loans	\$ 11,460,114	\$ 9,853,910
Premises and equipment, net	99,277	80,840
Goodwill	453,278	362,663
Intangible assets, net	57,656	36,360
Bank owned life insurance	317,733	272,657
Other assets	399,910	392,522
Total assets	<u>\$ 15,995,121</u>	<u>\$13,786,666</u>
Liabilities		
Demand (noninterest bearing)	\$ 3,800,209	\$ 3,446,068
Savings, interest-bearing checking and money market	8,206,539	6,658,188
Time	1,492,445	1,442,505
Total deposits	\$ 13,499,193	\$ 11,546,761
Short-term borrowings	148,069	162,942
Long-term debt	43,176	29,644
Subordinated debt, net	24,509	121,201
Junior subordinated debt	111,668	101,196
Other liabilities	272,290	298,781
Total liabilities	<u>\$14,098,905</u>	<u>\$12,260,525</u>
Stockholders' equity		
Preferred stock, \$0.01 par value, 2,500,000 shares authorized . . .	\$ —	\$ —
Common stock, \$0.01 par value, 100,000,000 shares authorized; 59,083,155 and 53,974,492 shares issued, respectively	591	540
Additional paid-in-capital	964,778	742,810
Retained earnings	1,196,850	1,100,209
Accumulated other comprehensive loss	(82,596)	(142,098)
Common stock in treasury, at cost, 6,880,200 and 6,779,975 shares, respectively	(183,407)	(175,320)
Total stockholders' equity	<u>\$ 1,896,216</u>	<u>\$ 1,526,141</u>
Total liabilities and stockholders' equity	<u>\$ 15,995,121</u>	<u>\$13,786,666</u>

See accompanying notes to consolidated financial statements.

NBT Bancorp Inc. and Subsidiaries
Consolidated Statements of Income

(In thousands, except per share data)

	Years Ended December 31,		
	2025	2024	2023
Interest, fee and dividend income			
Interest and fees on loans	\$ 632,311	\$552,846	\$462,669
Securities available for sale	47,015	31,274	29,812
Securities held to maturity	18,777	20,466	20,681
Other	12,889	7,084	9,627
Total interest, fee and dividend income	<u>\$ 710,992</u>	<u>\$ 611,670</u>	<u>\$ 522,789</u>
Interest expense			
Deposits	\$ 192,334	\$186,948	\$ 104,641
Short-term borrowings	3,643	8,669	25,608
Long-term debt	1,463	1,166	925
Subordinated debt	4,875	7,232	6,076
Junior subordinated debt	7,131	7,533	7,320
Total interest expense	<u>\$209,446</u>	<u>\$ 211,548</u>	<u>\$ 144,570</u>
Net interest income	<u>\$ 501,546</u>	<u>\$ 400,122</u>	<u>\$ 378,219</u>
Provision for loan losses	32,254	19,607	25,274
Net interest income after provision for loan losses	<u>\$ 469,292</u>	<u>\$ 380,515</u>	<u>\$ 352,945</u>
Noninterest income			
Service charges on deposit accounts	\$ 19,067	\$ 17,087	\$ 15,425
Card services income	23,988	22,331	20,829
Retirement plan administration fees	61,585	56,587	47,221
Wealth management	44,755	41,641	34,763
Insurance services	18,035	17,032	15,667
Bank owned life insurance income	12,393	8,325	6,750
Net securities gains (losses)	148	2,789	(9,315)
Other	15,522	11,032	10,838
Total noninterest income	<u>\$ 195,493</u>	<u>\$ 176,824</u>	<u>\$ 142,178</u>
Noninterest expense			
Salaries and employee benefits	\$ 257,478	\$232,487	\$ 194,250
Technology and data services	44,025	39,139	38,163
Occupancy	36,385	31,309	28,408
Professional fees and outside services	21,740	19,132	17,601
Office supplies and postage	8,095	7,525	6,917
FDIC assessment	7,889	6,765	6,257
Marketing	4,013	3,386	3,054
Amortization of intangible assets	11,944	8,443	4,734
Loan collection and other real estate owned, net	2,648	2,505	2,618
Acquisition expenses	19,526	1,531	9,978
Other	31,598	25,659	29,684
Total noninterest expense	<u>\$ 445,341</u>	<u>\$ 377,881</u>	<u>\$ 341,664</u>
Income before income tax expense	<u>\$ 219,444</u>	<u>\$ 179,458</u>	<u>\$ 153,459</u>
Income tax expense	50,209	38,817	34,677
Net income	<u>\$ 169,235</u>	<u>\$ 140,641</u>	<u>\$ 118,782</u>
Earnings per share			
Basic	\$ 3.34	\$ 2.98	\$ 2.67
Diluted	\$ 3.33	\$ 2.97	\$ 2.65

See accompanying notes to consolidated financial statements.

NBT Bancorp Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income (Loss)

<i>(In thousands)</i>	Years Ended December 31,		
	2025	2024	2023
Net income	\$169,235	\$140,641	\$ 118,782
Other comprehensive income (loss), net of tax:			
<i>Securities available for sale:</i>			
Unrealized net holding gains arising during the period,			
gross	\$ 68,815	\$ 19,585	\$ 22,987
Tax effect	(17,204)	(4,896)	(5,746)
Unrealized net holding gains arising during the period,			
net	\$ 51,611	\$ 14,689	\$ 17,241
Reclassification adjustment for net losses in net income,			
gross	\$ —	\$ —	\$ 9,450
Tax effect	—	—	(2,363)
Reclassification adjustment for net losses in net income,			
net	\$ —	\$ —	\$ 7,087
Amortization of unrealized net gains for the			
reclassification of available for sale securities to held to			
maturity, gross	\$ 277	\$ 356	\$ 427
Tax effect	(69)	(89)	(107)
Amortization of unrealized net gains for the			
reclassification of available for sale securities to held to			
maturity, net	\$ 208	\$ 267	\$ 320
Total securities available for sale, net	\$ 51,819	\$ 14,956	\$ 24,648
<i>Pension and other benefits:</i>			
Amortization of prior service cost and actuarial losses,			
gross	\$ 1,185	\$ 2,881	\$ 2,640
Tax effect	(297)	(720)	(660)
Amortization of prior service cost and actuarial losses,			
net	\$ 888	\$ 2,161	\$ 1,980
Decrease in unrecognized actuarial loss, gross	\$ 9,060	\$ 2,292	\$ 3,296
Tax effect	(2,265)	(573)	(824)
Decrease in unrecognized actuarial loss, net	\$ 6,795	\$ 1,719	\$ 2,472
Total pension and other benefits, net	\$ 7,683	\$ 3,880	\$ 4,452
Total other comprehensive income	\$ 59,502	\$ 18,836	\$ 29,100
Comprehensive income	\$228,737	\$159,477	\$147,882

See accompanying notes to consolidated financial statements.

NBT Bancorp Inc. and Subsidiaries
Consolidated Statements of Changes in Stockholders' Equity

<i>(In thousands, except share and per share data)</i>	Common Stock	Additional Paid-in- Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Common Stock in Treasury	Total
Balance at December 31, 2022	\$497	\$ 577,853	\$ 958,433	\$(190,034)	\$ (173,195)	\$1,173,554
Cumulative effect adjustment for ASU 2022-02 implementation as of January 1, 2023	—	—	502	—	—	502
Net income	—	—	118,782	—	—	118,782
Cash dividends - \$1.24 per share	—	—	(55,886)	—	—	(55,886)
Issuance of 4,322,999 shares of common stock for acquisition	43	161,680	—	—	—	161,723
Purchase of 155,500 treasury shares	—	—	—	—	(4,944)	(4,944)
Net issuance of 84,577 shares to employee and other stock plans	—	(3,692)	—	—	1,450	(2,242)
Stock-based compensation	—	5,102	—	—	—	5,102
Other comprehensive income	—	—	—	29,100	—	29,100
Balance at December 31, 2023	\$540	\$740,943	\$ 1,021,831	\$(160,934)	\$(176,689)	\$1,425,691
Net income	—	—	140,641	—	—	140,641
Cash dividends - \$1.32 per share	—	—	(62,263)	—	—	(62,263)
Purchase of 7,600 treasury shares	—	—	—	—	(251)	(251)
Net issuance of 92,218 shares to employee and other stock plans	—	(4,125)	—	—	1,620	(2,505)
Stock-based compensation	—	5,992	—	—	—	5,992
Other comprehensive income	—	—	—	18,836	—	18,836
Balance at December 31, 2024	\$540	\$ 742,810	\$1,100,209	\$(142,098)	\$(175,320)	\$ 1,526,141
Net income	—	—	169,235	—	—	169,235
Cash dividends - \$1.42 per share	—	—	(72,594)	—	—	(72,594)
Issuance of 5,108,663 shares of common stock for acquisition	51	221,716	—	—	—	221,767
Purchase of 250,000 treasury shares	—	—	—	—	(10,185)	(10,185)
Net issuance of 149,775 shares to employee and other stock plans	—	(5,029)	—	—	2,098	(2,931)
Stock-based compensation	—	5,281	—	—	—	5,281
Other comprehensive income	—	—	—	59,502	—	59,502
Balance at December 31, 2025	\$ 591	\$ 964,778	\$1,196,850	\$ (82,596)	\$(183,407)	\$1,896,216

See accompanying notes to consolidated financial statements.

NBT Bancorp Inc. and Subsidiaries
Consolidated Statements of Cash Flows

<i>(In thousands)</i>	Years Ended December 31,		
	2025	2024	2023
Operating activities			
Net income	\$ 169,235	\$ 140,641	\$ 118,782
Adjustments to reconcile net income to net cash provided by operating activities			
Provision for loan losses	32,254	19,607	25,274
Depreciation and amortization of premises and equipment	12,999	11,525	10,695
Net amortization on securities	1,494	2,500	2,736
Amortization of intangible assets	11,944	8,443	4,734
Amortization of operating lease right-of-use assets	8,589	7,527	6,843
Excess tax benefit on stock-based compensation	(674)	(295)	(296)
Stock-based compensation expense	5,281	5,992	5,102
Bank owned life insurance income	(12,393)	(8,325)	(6,750)
Amortization of subordinated debt issuance costs	199	437	437
Proceeds from sale of loans held for sale	219,242	153,973	53,969
Originations of loans held for sale	(211,089)	(159,943)	(55,960)
Net gain on sale of loans held for sale	(637)	(202)	(156)
Net security (gains) losses	(148)	(2,789)	9,315
Net gains on sale of other real estate owned	(64)	(1)	(69)
Impairment of a minority interest equity investment	—	—	4,750
Net deferred income tax expense (benefit)	23,573	8,729	5,958
Net change in other assets and other liabilities	(24,587)	748	(27,907)
Net cash provided by operating activities	\$ 235,218	\$ 188,567	\$ 157,457
Investing activities			
Net cash provided by (used in) acquisitions	\$ 37,944	\$ (1,383)	\$ 44,564
<i>Securities available for sale:</i>			
Proceeds from maturities, calls and principal paydowns ...	256,498	167,903	116,453
Proceeds from sales	254,468	2,284	124,577
Purchases	(474,865)	(292,941)	—
<i>Securities held to maturity:</i>			
Proceeds from maturities, calls and principal paydowns ...	174,206	144,301	100,954
Purchases	(91,737)	(83,282)	(88,022)
<i>Equity securities:</i>			
Proceeds from sales	491	—	—
Purchases	—	(18)	(11)
<i>Other:</i>			
Net decrease (increase) in loans	17,141	(337,661)	(338,111)
Proceeds from Federal Home Loan Bank stock redemption	30,492	74,675	91,535
Purchases of Federal Reserve Bank and Federal Home Loan Bank stock	(31,029)	(62,771)	(90,945)
Proceeds from settlement of bank owned life insurance ...	11,417	1,400	3,766
Purchases of premises and equipment, net	(16,302)	(11,742)	(9,254)
Proceeds from sales of other real estate owned	348	75	268
Net cash provided by (used in) investing activities	\$ 169,072	\$ (399,160)	\$ (44,226)

See accompanying notes to consolidated financial statements.

NBT Bancorp Inc. and Subsidiaries
Consolidated Statements of Cash Flows (continued)

<i>(In thousands)</i>	Years Ended December 31,		
	2025	2024	2023
Financing activities			
Net increase in deposits	\$ 88,383	\$ 577,767	\$ 164,085
Net decrease in short-term borrowings	(57,873)	(223,709)	(231,743)
Redemption of subordinated debt	(118,000)	—	—
Proceeds from long-term debt	—	—	25,000
Repayments of long-term debt	(26,664)	(152)	(118)
Proceeds from the issuance of shares to employee and other stock plans	117	61	91
Cash paid by employer for tax-withholding on stock issuance	(4,414)	(1,993)	(1,877)
Purchase of treasury stock	(10,185)	(251)	(4,944)
Cash dividends	(72,594)	(62,263)	(55,886)
Net cash (used in) provided by financing activities	\$ (201,230)	\$ 289,460	\$ (105,392)
Net increase in cash and cash equivalents	\$ 203,060	\$ 78,867	\$ 7,839
Cash and cash equivalents at beginning of year	284,056	205,189	197,350
Cash and cash equivalents at end of year	\$ 487,116	\$ 284,056	\$ 205,189
Supplemental disclosure of cash flow information:			
<i>Cash paid during the year for:</i>			
Interest expense	\$ 215,590	\$ 215,154	\$ 130,180
Income taxes paid, net of refund	24,570	23,317	27,636
<i>Noncash investing activities:</i>			
Loans transferred to other real estate owned	\$ 504	\$ 256	\$ 94
<i>Acquisitions:</i>			
Fair value of assets acquired, excluding acquired cash and goodwill	\$2,088,233	\$ 4,360	\$ 1,415,712
Fair value of liabilities assumed	1,997,253	—	1,380,386
Common stock issued	221,767	—	161,723

See accompanying notes to consolidated financial statements.

NBT Bancorp Inc. and Subsidiaries
Notes to Consolidated Financial Statements
December 31, 2025 and 2024

1. Summary of Significant Accounting Policies

The accounting and reporting policies of NBT Bancorp Inc. and its subsidiaries, NBT Bank, National Association (“NBT Bank” or the “Bank”), NBT Financial Services, Inc. and NBT Holdings, Inc., conform, in all material respects, with U.S. generally accepted accounting principles (“GAAP”) and to general practices within the banking industry. Collectively, NBT Bancorp Inc. and its subsidiaries are referred to herein as (the “Company”).

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results may differ from those estimates and such differences could be material to the financial statements.

Estimates associated with the allowance for credit losses are particularly susceptible to material change in the near term.

The following is a description of significant policies and practices:

Consolidation

The accompanying consolidated financial statements include the accounts of NBT Bancorp Inc. and its wholly-owned subsidiaries mentioned above. All material intercompany transactions have been eliminated in consolidation. Amounts previously reported in the consolidated financial statements are reclassified whenever necessary to conform to the current year’s presentation. In the “Parent Company Financial Information,” the investment in subsidiaries is recorded using the equity method of accounting.

The Company determines whether it has a controlling financial interest in an entity by first evaluating whether the entity is a voting interest entity or a variable interest entity under GAAP. Voting interest entities are entities in which the total equity investment at risk is sufficient to enable the entity to finance itself independently and provides the equity holders with the obligation to absorb losses, the right to receive residual returns and the right to make decisions about the entity’s activities. The Company consolidates voting interest entities in which it has all, or at least a majority of, the voting interest. As defined in applicable accounting standards, variable interest entities (“VIEs”) are entities that lack one or more of the characteristics of a voting interest entity. A controlling financial interest in a VIE is present when the Company has both the power and ability to direct the activities of the VIE that most significantly impact the VIE’s economic performance and an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE. The Company’s wholly-owned subsidiaries CNBF Capital Trust I, NBT Statutory Trust I, NBT Statutory Trust II, Alliance Financial Capital Trust I, Alliance Financial Capital Trust II and Evans Capital Trust I are VIEs for which the Company is not the primary beneficiary. Accordingly, the accounts of these entities are not included in the Company’s consolidated financial statements.

Segment Reporting

The Company’s operations are primarily in the community banking industry and include the provision of traditional banking services. The Company also provides other services through its subsidiaries such as insurance, retirement plan administration and wealth management. The Company operates in the geographical regions of upstate New York, northeastern Pennsylvania, southern New Hampshire, western Massachusetts, Vermont, southern Maine and central and northwestern Connecticut.

The Company manages its operations under the segments of Banking, including Wealth Management, Retirement Plan Administration and Insurance. Prior to the fourth quarter of 2024, the Company disclosed a single reportable segment, as revenue from individual

segments were below the disclosure threshold relative to consolidated revenue, total assets and operating profit or loss. Each year the Company evaluates its business activities, financial results and operational data to determine whether segment disclosure is required.

In accordance with Accounting Standards Update (“ASU”) 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, management assesses its operating segment structure to enhance transparency in how financial performance is evaluated and resources are allocated by the chief operating decision maker (“CODM”). The Company has determined that it operates through two reportable segments: Banking and Retirement Plan Administration, as they meet both the quantitative threshold and qualitative criteria for disclosure. Wealth Management is combined with our Banking segment in accordance with the similarity test outlined in ASC 280. Insurance does not meet materiality requirements for disclosure and is included in the “All Other” category.

Cash Equivalents

The Company considers amounts due from correspondent banks, cash items in process of collection and institutional money market mutual funds to be cash equivalents for purposes of the consolidated statements of cash flows.

Securities

The Company classifies its securities at date of purchase as either held to maturity (“HTM”), available for sale (“AFS”) or equity. HTM debt securities are those that the Company has the ability and intent to hold until maturity. AFS debt securities are securities that are not classified as HTM. AFS securities are recorded at fair value. Unrealized holding gains and losses, net of the related tax effect, on AFS securities are excluded from earnings and are reported in the consolidated statements of changes in stockholders’ equity and the consolidated statements of comprehensive income (loss) as a component of accumulated other comprehensive income (loss) (“AOCI”). HTM securities are recorded at amortized cost. Transfers of securities between categories are recorded at fair value at the date of transfer. Non-marketable equity securities and equity securities without readily determinable fair values are carried at cost. The Company performs a qualitative assessment on equity securities to determine whether the investments are impaired and downward or upward adjustments are recognized through the income statement. All other equity securities are recorded at fair value, with net unrealized gains and losses recognized in income.

Premiums and discounts are amortized or accreted over the life of the related security as an adjustment to yield using the interest method. Dividend and interest income are recognized when earned. Realized gains and losses on securities sold are derived using the specific identification method for determining the cost of securities sold.

Investments in Federal Reserve Board (“FRB”) and Federal Home Loan Bank (“FHLB”) stock are required for membership in those organizations and are carried at cost since there is no market value available. The FHLB New York continues to pay dividends and repurchase stock. As such, the Company has not recognized any impairment on its holdings of FRB and FHLB stock.

Allowance for Credit Losses – HTM Debt Securities

With respect to its HTM debt securities, the Company is required to utilize the Financial Accounting Standards Board (“FASB”) ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* methodology to estimate expected credit losses. Management measures expected credit losses on HTM debt securities on a collective basis by major security types that share similar risk characteristics, such as (as applicable): internal or external (third-party) credit score or credit ratings, risk ratings or classification, financial asset type, collateral type, size, effective interest rate, term, geographical location, industry of the borrower, vintage, historical or expected credit loss

patterns, and reasonable and supportable forecast periods. Management classifies the HTM portfolio into the following major security types: U.S. government agency or U.S. government-sponsored mortgage-backed and collateralized mortgage obligations securities, and state and municipal debt securities.

The HTM mortgage-backed and collateralized mortgage obligations securities are issued by U.S. government agencies or U.S. government-sponsored enterprises. These securities are either explicitly and/or implicitly guaranteed by the U.S. government as to timely repayment of principal and interest, are highly rated by major rating agencies, and have a long history of zero credit losses. Therefore, the Company did not record an allowance for credit loss for these securities.

State and municipal bonds generally carry a Moody's rating of A to AAA. In addition, the Company has a limited amount of New York state local municipal bonds that are not rated. The estimate of expected credit losses on the HTM portfolio is based on the expected cash flows of each individual bond over its contractual life and considers historical credit loss information, current conditions and reasonable and supportable forecasts. Given the rarity of municipal defaults and losses, the Company utilized Moody's Municipal Loss Forecast Model as the sole source of municipal default and loss rates which provides decades of data across all municipal sectors and geographies. As with the loan portfolio, cash flows are forecast over a 6-quarter period under various weighted economic conditions, with a reversion to long-term average economic conditions over a 4-quarter period on a straight-line basis. Management may exercise discretion to make adjustments based on environmental factors. The Company determined that the expected credit loss on its HTM municipal bond portfolio was deemed immaterial, therefore no allowance for credit losses was recorded.

Allowance for Credit Losses – AFS Debt Securities

The impairment model for AFS debt securities differs from the current expected credit losses ("CECL") methodology utilized for HTM debt securities because AFS debt securities are measured at fair value rather than amortized cost. For AFS debt securities in an unrealized loss position, the Company first assesses whether it intends to sell, or it is more likely than not that it will be required to sell the security before recovery of their amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security's amortized cost basis is written down to fair value through income. For AFS debt securities that do not meet the aforementioned criteria, in making this assessment, management considers the extent to which fair value is less than amortized cost, any changes to the rating of the security by a rating agency, adverse conditions specifically related to the security, failure of the issuer of the debt security to make scheduled interest or principal payments, among other factors. If this assessment indicates that a credit loss exists, the present value of cash flows expected to be collected from the security are compared to the amortized cost basis of the security. The cash flows should be estimated using information relevant to the collectability of the security, including information about past events, current conditions and reasonable and supportable forecasts. If the present value of cash flows expected to be collected is less than the amortized cost basis, a credit loss exists and an allowance for credit losses is recorded for the credit loss, limited by the amount that the fair value is less than the amortized cost basis. Any impairment that has not been recorded through an allowance for credit losses is recognized in other comprehensive income.

Loan Held for Sale and Loan Servicing

Loans held for sale are recorded at the lower of cost or fair value on an individual basis. Loan sales are recorded when the sales are funded. Gains and losses on sales of loans held for sale are included in other noninterest income in the consolidated statements of income. Mortgage loans held for sale are generally sold with servicing rights retained. Mortgage servicing rights are recorded at fair value upon sale of the loan, and are amortized in proportion to and over the period of estimated net servicing income.

Loans

Loans are recorded at their current unpaid principal balance, net of unearned income and unamortized loan fees and expenses, which are amortized under the effective interest method over the estimated lives of the loans. Interest income on loans is accrued based on the principal amount outstanding.

For all loan classes within the Company's loan portfolio, loans are placed on nonaccrual status when timely collection of principal and/or interest in accordance with contractual terms is in doubt. Loans are transferred to nonaccrual status generally when principal or interest payments become over ninety days delinquent, unless the loan is well secured and in the process of collection, or sooner when management concludes circumstances indicate that borrowers may be unable to meet contractual principal or interest payments. When a loan is transferred to a nonaccrual status, all interest previously accrued in the current period but not collected is reversed against interest income in that period. Interest accrued in a prior period and not collected is charged-off against the allowance for credit losses.

If ultimate repayment of a nonaccrual loan is expected, any payments received are applied in accordance with contractual terms. If ultimate repayment of principal is not expected, any payment received on a nonaccrual loan is applied to principal until ultimate repayment becomes expected. For all loan classes within the Company's loan portfolio, nonaccrual loans are returned to accrual status when they become current as to principal and interest and demonstrate a period of performance under the contractual terms and, in the opinion of management, are fully collectible as to principal and interest. For loans in all portfolios, the principal amount is charged off in full or in part as soon as management determines, based on available facts, that the collection of principal in full or in part is improbable. For Commercial loans, management considers specific facts and circumstances relative to individual credits in making such a determination. For Consumer and Residential loan classes, management uses specific guidance and thresholds from the Federal Financial Institutions Examination Council's Uniform Retail Credit Classification and Account Management Policy.

Beginning in 2023, with the Company's adoption of ASU 2022-02, *Financial Instruments - CECL Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures* ("ASU 2022-02"), the recognition of a troubled debt restructuring ("TDR") was eliminated and instead the Company evaluates borrowers who are experiencing financial difficulty or loan modifications to borrowers experiencing financial difficulties. When a borrower is experiencing financial difficulties and the Company modifies a loan, such modifications generally include one or a combination of the following: an extension of the maturity date at a stated rate of interest lower than the current market rate for new debt with similar risk; a change in scheduled payment amount; or principal forgiveness. Modifications to borrowers experiencing financial difficulty may be different from those previously disclosed in TDR disclosures since the Company is no longer required to determine if a concession has been granted, which was a requirement to determine whether a loan modification was considered to be a TDR. Historically, a TDR would generally include one or a combination of the following: an extension of the maturity date at a stated rate of interest lower than the current market rate for new debt with similar risk; a temporary reduction in the interest rate; or a change in scheduled payment amount. TDR loans were nonaccrual loans; however, they could be returned to accrual status after a period of performance, generally evidenced by six months of compliance with their modified terms.

Allowance for Credit Losses - Loans

The CECL methodology requires an estimate of the credit losses expected over the life of a loan (or pool of loans). The allowance for credit losses is a valuation account that is deducted from, or added to, the loans' amortized cost basis to present the net, lifetime amount

expected to be collected on the loans. Loan losses are charged off against the allowance when management believes a loan balance is confirmed to be uncollectible. Expected recoveries do not exceed the aggregate of amounts previously charged-off and expected to be charged-off.

Management estimates the allowance balance for credit losses using relevant information, from internal and external sources, related to past events, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts. Historical loss experience is generally the starting point for estimating expected credit losses. The Company then considers whether the historical loss experience should be adjusted for asset-specific risk characteristics or current conditions at the reporting date that did not exist over the period from which historical experience is used. Adjustments to historical loss information is made for differences in current loan-specific risk characteristics such as differences in underwriting standards, portfolio mix, delinquency level or term as well as changes in environmental conditions, such as changes in unemployment rates, production metrics, property values, or other relevant factors. Company historical loss experience is supplemented with peer information when there is insufficient loss data for the Company. Peer selection is based on a review of institutions with comparable loss experience as well as loan yield, bank size, portfolio concentration and geography. Finally, the Company considers forecasts about future economic conditions that are reasonable and supportable. Significant management judgment is required at various points in the measurement process.

Portfolio segment is defined as the level at which an entity develops and documents a systematic methodology to determine its allowance for credit losses. Upon adoption of CECL, management revised the manner in which loans were pooled for similar risk characteristics. Management developed segments for estimating loss based on type of borrower and collateral which is generally based upon federal call report segmentation and have been combined or subsegmented as needed to ensure loans of similar risk profiles are appropriately pooled.

The following table illustrates the portfolio and class segments for the Company's loan portfolio:

Portfolio Segment	Class
Commercial Loans	Commercial & Industrial Commercial Real Estate
Consumer Loans	Auto Residential Solar Other Consumer

Residential Loans

Commercial Loans

The Company offers a variety of commercial loan products. The Company's underwriting analysis for commercial loans typically includes credit verification, independent appraisals, a review of the borrower's financial condition and a detailed analysis of the borrower's underlying cash flows.

Commercial and Industrial ("C&I") – The Company offers a variety of loan options to meet the specific needs of our C&I customers including term loans, time notes and lines of credit. Such loans are made available to businesses for working capital needs and are typically collateralized by business assets such as equipment, accounts receivable and perishable agricultural products, which are exposed to industry price volatility. To reduce these risks, management also attempts to obtain personal guarantees of the owners or to obtain government loan guarantees to provide further support.

Commercial Real Estate ("CRE") – The Company offers CRE loans to finance real estate purchases, refinancing's, expansions and improvements to commercial and agricultural properties. CRE loans are loans that are secured by liens on real estate, which may include both owner-occupied and nonowner-occupied properties, such as apartments, commercial structures, health care facilities and other facilities. The Company's underwriting analysis includes credit verification, independent appraisals, a review of the borrower's financial condition and a detailed analysis of the borrower's underlying cash flows. These loans are typically originated in amounts of no more than 80% of the appraised value of the property. Government loan guarantees may be obtained to provide further support for agricultural property.

Consumer Loans

The Company offers a variety of Consumer loan products including Auto, Residential Solar and Other Consumer loans.

Auto – The Company provides both direct and indirect financing of automobiles ("Auto"). The Company maintains relationships with a wide network of dealers throughout the areas we serve across the northeastern United States. Through these relationships, the Company primarily finances the purchases of automobiles indirectly through dealer relationships. Auto loans are secured with collateral consisting of a perfected lien on the vehicle being purchased. Most of these loans carry a fixed rate of interest with principal repayment terms typically ranging from three to seven years, based upon the nature of the collateral and the size of the loan.

Residential Solar – The Company previously offered loans across a national footprint originated through our relationships with national technology-driven consumer lending companies to finance the purchase and installation of residential solar energy. Advances of credit through this business line are subject to the Company's underwriting standards including criteria such as FICO score and debt to income thresholds. In 2017, the Company partnered with Sungage Financial, LLC. to offer financing to consumers for solar ownership with the program tailored for delivery through solar installers. Advances of credit through this business line are to prime borrowers and are subject to the Company's underwriting standards. Residential solar loans carry a fixed rate of interest with principal repayment terms typically ranging from five to twenty-five years. Typically, the Company collects origination fees that are deferred and recognized into interest income over the estimated life of the loan.

Other Consumer – The Other Consumer loan segment consists primarily of unsecured consumer loans and direct consumer loans. The Company offers a variety of direct consumer installment loans to finance various personal expenditures. In addition to installment loans, the Company also offers personal lines of credit, overdraft protection, debt consolidation, education and other uses. Direct consumer installment loans carry a fixed rate of interest with principal repayment terms typically ranging from one to fifteen years, based upon the nature of the collateral and the size of the loan. Consumer installment loans are often secured with collateral consisting of a perfected lien on the asset being purchased or a perfected lien on a consumer's deposit account. Risk is reduced through underwriting criteria, which include credit verification, appraisals, a review of the borrower's financial condition and personal cash flows. A security interest, with title insurance when necessary, is taken in the underlying real estate. The Company previously offered unsecured consumer loans across a national footprint originated through our relationships with national technology-driven consumer lending companies to finance such things as dental and medical procedures, K-12 tuition and other consumer purpose loans. Advances of credit through this business line were subject to the Company's underwriting standards including criteria such as FICO score and debt to income thresholds. Advances of credit through this business line were to prime borrowers and are subject to the Company's underwriting standards. Typically, the Company collects origination fees that are deferred and recognized into interest income over the estimated life of the loan.

Residential

Residential loans consist primarily of loans secured by a first or second mortgage on primary residences, home equity loans and lines of credit in first and second lien positions and residential construction loans. We originate adjustable-rate and fixed rate, one-to-four-family residential loans for the construction or purchase of a residential property or the refinancing of a mortgage. These loans are collateralized by properties located in the Company's market area. Loans on one-to-four-family residential are generally originated in amounts of no more than 85% of the purchase price or appraised value (whichever is lower) or have private mortgage insurance. Mortgage title insurance and hazard insurance are normally required. Construction loans have a unique risk because they are secured by an incomplete dwelling. This risk is reduced through periodic site inspections, including one at each loan draw period. For home equity loans, consumers are able to borrow up to 85% of the equity in their homes and are generally tied to Prime with a ten-year draw followed by a fifteen-year amortization. These loans carry a higher risk than first mortgage residential loans as they are often in a second position with respect to collateral.

Historical credit loss experience over the observation period for both the Company and segment-specific peers provides the basis for the estimation of expected credit losses, where observed credit losses are converted using models to probability of default ("PD") rate curves through the use of segment-specific loss given default ("LGD") risk factors that convert default rates to loss severity based on industry-level, observed relationships between the two variables for each asset class, primarily due to the nature of the underlying collateral. These risk factors were assessed for reasonableness against the Company's own loss experience and adjusted in certain cases when the relationship between the Company's historical default and loss severity deviated from that of the wider industry. The historical PD curves, together with corresponding economic conditions, establish a quantitative relationship between economic conditions and loan performance through an economic cycle.

Using the historical relationship between economic conditions and loan performance, management's expectation of future loan performance is incorporated using externally developed economic forecasts which are probabilistically weighted to reflect potential forecast inaccuracy and model limitations. These forecasts are applied over a period that management has determined to be reasonable and supportable. Beyond the period over which management can develop or source a reasonable and supportable forecast, the model will revert to long-term average economic conditions using a straight-line, time-based methodology.

The allowance for credit losses is measured on a collective (pool) basis, with both a quantitative and qualitative analysis that is applied on a quarterly basis, when similar risk characteristics exist. The respective quantitative allowance for each segment is measured using an econometric, PD/LGD modeling methodology in which distinct, segment-specific multi-variate regression models are applied to multiple, probabilistically weighted external economic forecasts of economic variables. Under the discounted cash flows methodology, expected credit losses are estimated over the effective life of the loans by measuring the difference between the net present value of modeled cash flows and amortized cost basis. Contractual cash flows over the contractual life of the loans are the basis for modeled cash flows, adjusted for modeled defaults, expected prepayments and curtailments and discounted at the loan-level stated interest rate. The contractual term excludes expected extensions, renewals, and modifications unless the extension or renewal options are included in the original or modified contract at the reporting date and are not unconditionally cancellable by the Company.

After quantitative considerations, management applies additional qualitative adjustments so that the allowance for credit losses is reflective of the estimate of lifetime losses that exist in the loan portfolio at the balance sheet date. Qualitative considerations include limitations inherent in the quantitative model; trends experienced in nonperforming and delinquent loans; changes in value of underlying collateral; changes in lending policies and procedures; nature

and composition of loans; portfolio concentrations that may affect loss experience across one or more components of the portfolio; the experience, ability and depth of lending management and staff; the Company's credit review system; and the effect of external factors; such as competition, legal and regulatory requirements.

The threshold for evaluating commercial loans risk graded substandard or doubtful, and nonperforming loans specifically evaluated for individual credit loss is \$1.0 million. When management determines that foreclosure is probable, expected credit losses are based on the fair value of the collateral at the reporting date, adjusted for selling costs as appropriate. If the loan is not collateral dependent, the allowance for credit losses related to individually assessed loans is based on discounted expected cash flows using the loan's initial effective interest rate. Generally, individually assessed loans are collateral dependent.

Allowance for Credit Losses on Off-Balance Sheet Credit Exposures

The Company estimates expected credit losses over the contractual period in which the Company has exposure to credit risk via a contractual obligation to extend credit, unless that obligation is unconditionally cancellable by the Company. The allowance for credit losses on off-balance sheet credit exposures is adjusted as an expense in other noninterest expense. The estimate includes consideration of the likelihood that funding will occur and an estimate of expected credit losses on commitments expected to be funded over their estimated lives. Estimating credit losses on unfunded commitments requires the Bank to consider the following categories of off-balance sheet credit exposure: unfunded commitments to extend credit, unfunded lines of credit and standby letters of credit. Each of these unfunded commitments is then analyzed for a probability of funding to calculate a probable funding amount. The life of loan loss factor by related portfolio segment from the loan allowance for credit loss calculation is then applied to the probable funding amount to calculate a reserve on unfunded commitments.

Accrued Interest Receivable

Accrued interest receivable ("AIR") balances are included in other assets on the consolidated balance sheets. The Company has excluded interest receivable that is included in amortized cost of financing receivables from related disclosure requirements and AIR is written off by reversing interest income. For loans, write off typically occurs upon becoming over 90 to 120 days past due and therefore the amount of such write offs are immaterial. Historically, the Company has not experienced uncollectible AIR on investment securities.

Premises and Equipment

Premises and equipment are stated at cost, less accumulated depreciation. Depreciation of premises and equipment is determined using the straight-line method over the estimated useful lives of the respective assets. Expenditures for maintenance, repairs and minor replacements are charged to expense as incurred.

Leases

The Company determines if a lease is present at the inception of an agreement. Right-of-use ("ROU") assets and lease liabilities are recognized at lease commencement based on the present value of the remaining lease payments using a discount rate that represents the Company's incremental borrowing rate at the lease commencement date. ROU assets and operating lease liabilities, are included in other assets and other liabilities, respectively, on the consolidated balance sheets. Leases with original terms of 12 months or less are recognized in profit or loss on a straight-line basis over the lease term.

Operating lease ROU assets represent the Company's right to use an underlying asset during the lease term and operating lease liabilities represent our obligation to make lease payments arising from the lease. ROU assets are further adjusted for lease incentives. Operating lease

expense, which is comprised of amortization of the ROU asset and the implicit interest accreted on the operating lease liability, is recognized on a straight-line basis over the lease term, and is recorded in occupancy expense in the consolidated statements of income.

The Company has lease agreements with lease and non-lease components, which are generally accounted for separately. For real estate leases, non-lease components and other non-components, such as common area maintenance charges, real estate taxes and insurance are not included in the measurement of the lease liability since they are generally able to be segregated. Our leases relate primarily to office space and bank branches, and some contain options to renew the lease. These options to renew are generally not considered reasonably certain to exercise, and are therefore not included in the lease term until such time that the option to renew is reasonably certain.

Other Real Estate Owned

Other real estate owned ("OREO") consists of properties acquired through foreclosure or by acceptance of a deed in lieu of foreclosure. These assets are recorded at the lower of fair value of the asset acquired less estimated costs to sell or "cost" (defined as the fair value at initial foreclosure). At the time of foreclosure, or when foreclosure occurs in-substance, any excess loan balance over fair market value of the acquired asset, less estimated selling costs, is charged to the allowance for loan losses. Any subsequent valuation write-downs are recorded as other expense. In connection with the determination of the allowance for loan losses and the valuation of OREO, management obtains appraisals for properties. Operating costs associated with the properties are expensed as incurred. Gains on the sale of OREO are recognized as income when title has passed and the sale has met the minimum down payment requirements prescribed by GAAP. The balance of OREO is recorded in other assets on the consolidated balance sheets.

Goodwill and Other Intangible Assets

Goodwill represents the cost of acquired business in excess of the fair value of the related net assets acquired. Goodwill is not amortized but tested at the reporting unit level for impairment on an annual basis and on an interim basis or when events or circumstances dictate. The Company has elected June 30 as the annual impairment testing date for the insurance and retirement services reporting units and December 31 for the Bank reporting unit.

The Company has the option to first assess qualitative factors, by performing a qualitative analysis, to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the events or circumstances, the Company determines it is more likely than not that the fair value of a reporting unit is greater than its carrying amount, the impairment test is not required. If the Company concludes otherwise, the Company is required to perform a quantitative impairment test. In the quantitative impairment test, the estimated fair value of a reporting unit is compared to the carrying amount in order to determine if impairment is indicated. If the estimated fair value exceeds the carrying amount, the reporting unit is not deemed to be impaired. If the estimated fair value is below the carrying value of the reporting unit, the difference is the amount of impairment.

Intangible assets that have indefinite useful lives are not amortized, but are tested at least annually for impairment. Intangible assets that have finite useful lives are amortized over their useful lives. Core deposit intangibles and trust intangibles at the Company are amortized using the sum-of-the-years'-digits method. Covenants not to compete are amortized on a straight-line basis. Customer lists are amortized using an accelerated method. When facts and circumstances indicate potential impairment of amortizable intangible assets, the Company evaluates the recoverability of the asset carrying value, using estimates of undiscounted future cash flows over the remaining asset life. Any impairment loss is measured by the excess of carrying value over fair value.

Determining the fair value of a reporting unit under the goodwill impairment tests and determining the fair value of other intangible assets are judgmental and often involve the use of significant estimates and assumptions. Estimates of fair value are primarily determined using the discounted cash flows method, which uses significant estimates and assumptions including projected future cash flows, discount rates reflecting the market rate of return and projected growth rates. Future events may impact such estimates and assumptions and could cause the Company to conclude that our goodwill or intangible assets have become impaired, which would result in recording an impairment loss.

Bank Owned Life Insurance

The Bank has purchased life insurance policies on certain employees, key executives and directors. Bank owned life insurance is recorded at the amount that can be realized under the insurance contract at the balance sheet date, which is the cash surrender value adjusted for other charges or other amounts due that are probable at settlement.

Treasury Stock

Treasury stock acquisitions are recorded at cost. Subsequent sales of treasury stock are recorded on an average cost basis. Gains on the sale of treasury stock are credited to additional paid-in-capital. Losses on the sale of treasury stock are charged to additional paid-in-capital to the extent of previous gains, otherwise charged to retained earnings.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred income taxes are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance, if needed, reduces deferred tax assets to the amount expected to be realized. The realization of deferred tax assets is primarily dependent upon the generation of adequate future taxable income. The Company recognizes interest accrued and penalties related to unrecognized tax benefits in income tax expense.

Tax positions are recognized as a benefit only if it is “more likely than not” that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50 percent likely of being realized on examination. For tax positions not meeting the “more likely than not” test, no tax benefit is recorded.

Pension Costs

The Company has a qualified, noncontributory, defined benefit pension plan covering substantially all of its employees, as well as supplemental employee retirement plans to certain current and former executives and a defined benefit postretirement healthcare plan that covers certain employees. Costs associated with these plans, based on actuarial computations of current and future benefits for employees, are charged to current operating expenses.

Stock-Based Compensation

The Company maintains various long-term incentive stock benefit plans under which restricted stock units are granted to certain directors and key employees. Compensation expense is recognized in the consolidated statements of income over the requisite service period, based on the grant-date fair value of the award. For restricted stock units, compensation expense is recognized ratably over the vesting period for the fair value of the award, measured at the grant date.

Earnings Per Share

Basic earnings per share ("EPS") excludes dilution and is computed by dividing income available to common stockholders by the weighted average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the entity (such as the Company's dilutive restricted stock units).

Comprehensive Income (Loss)

At the Company, comprehensive income (loss) represents net income plus OCI, which consists primarily of the net change in unrealized gains (losses) on AFS debt securities for the period, changes in the funded status of employee benefit plans and unrealized gains (losses) on derivatives designated as hedging instruments. AOCI represents the net unrealized gains (losses) on AFS debt securities, the previously unrecognized portion of the funded status of employee benefit plans and the fair value of instruments designated as hedging instruments, net of income taxes, as of the consolidated balance sheet dates.

Derivative Instruments and Hedging Activities

The Company records all derivatives on the consolidated balance sheet at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether the Company has elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting.

When the Company purchases or sells a portion of a commercial loan that has an existing interest rate swap, it may enter into a risk participation agreement to provide credit protection to the financial institution that originated the swap transaction should the borrower fail to perform on its obligation. The Company enters into both risk participation agreements in which it purchases credit protection from other financial institutions and those in which it provides credit protection to other financial institutions. Any fee paid to the Company under a risk participation agreement is in consideration of the credit risk of the counterparties and is recognized in the income statement. Credit risk on the risk participation agreements is determined after considering the risk rating, PD and LGD of the counterparties.

Derivatives designated and qualifying as a hedge of the exposure to changes in the fair value of an asset, liability or firm commitment attributable to a particular risk, such as interest rate risk, are considered fair value hedges. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk in a fair value hedge or the earnings effect of the hedged forecasted transactions in a cash flow hedge. The Company may enter into derivative contracts that are intended to economically hedge certain of its risks, even though hedge accounting does not apply or the Company elects not to apply hedge accounting.

For derivatives designated as fair value hedges, changes in the fair value of the derivative and the hedged item related to the hedged risk are recognized in earnings.

Business Combinations

Business combinations are accounted for under the acquisition method of accounting. Acquired assets, including separately identifiable intangible assets, and assumed liabilities are recorded at their acquisition date estimated fair values. The excess of the cost of acquisition over these fair values is recognized as goodwill. During the measurement period, which cannot exceed one year from the acquisition date, changes to estimated fair values are recognized as an adjustment to goodwill. Certain transaction costs are expensed as incurred. See Note 3 for additional information.

Fair Value Measurements

GAAP states that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Fair value measurements are not adjusted for transaction costs. A fair value hierarchy exists within GAAP that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 - Quoted prices for similar assets or liabilities in active markets, quoted prices in markets that are not active or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3 - Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

A financial instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The types of instruments valued based on quoted market prices in active markets include most U.S. government and agency securities, many other sovereign government obligations, liquid mortgage products, active listed equities and most money market securities. Such instruments are generally classified within Level 1 or Level 2 of the fair value hierarchy. The Company does not adjust the quoted prices for such instruments.

The types of instruments valued based on quoted prices in markets that are not active, broker or dealer quotations or quotes from alternative pricing sources with reasonable levels of price transparency include most investment-grade and high-yield corporate bonds, less liquid mortgage products, less liquid agency securities, less liquid listed equities, state, municipal and provincial obligations and certain physical commodities. Such instruments are generally classified within Level 2 of the fair value hierarchy. Certain common equity securities are reported at fair value utilizing Level 1 inputs (exchange quoted prices). Other investment securities are reported at fair value utilizing Level 1 and Level 2 inputs. The prices for Level 2 instruments are obtained through an independent pricing service or dealer market participants with whom the Company has historically transacted both purchases and sales of investment securities. Prices obtained from these sources include prices derived from market quotations and matrix pricing. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the bond's terms and conditions, among other things. Management reviews the methodologies used by its third-party providers in pricing the securities.

Level 3 is for positions that are not traded in active markets or are subject to transfer restrictions. Valuations are adjusted to reflect illiquidity and/or non-transferability and such adjustments are generally based on available market evidence. In the absence of such evidence, management's best estimate will be used. Management's best estimate consists of both internal and external support on certain Level 3 investments. Subsequent to inception, management only changes Level 3 inputs and assumptions when corroborated by evidence such as transactions in similar instruments, completed or pending third-party transactions in the underlying investment or comparable entities, subsequent rounds of financing, recapitalizations and other transactions across the capital structure, offerings in the equity or debt markets and changes in financial ratios or cash flows.

Other Financial Instruments

The Company is a party to certain financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit, unused lines of credit, standby letters of credit and certain agricultural real estate loans sold to investors with recourse, with the sold portion having a government guarantee that is assignable back to the Company upon repurchase of the loan in the event of default. The Company's policy is to record such instruments when funded.

Standby letters of credit are conditional commitments issued to guarantee the performance of a customer to a third-party. The risk involved in issuing standby letters of credit is essentially the same as the credit risk involved in extending loan facilities to customers and letters of credit are subject to the same credit origination, portfolio maintenance and management procedures in effect to monitor other credit and off-balance sheet products. Under the standby letters of credit, the Company is required to make payments to the beneficiary of the letters of credit upon request by the beneficiary contingent upon the customer's failure to perform under the terms of the underlying contract with the beneficiary. Standby letters of credit typically have one year expirations with an option to renew upon annual review. The Company typically receives a fee for these transactions. The fair value of standby letters of credit is recorded upon inception.

Repurchase Agreements

Repurchase agreements are accounted for as secured financing transactions since the Company maintains effective control over the transferred securities and the transfer meets the other criteria for such accounting. Obligations to repurchase securities sold are reflected as a liability in the consolidated balance sheets. The securities underlying the agreements are delivered to a custodial account for the benefit of the counterparties with whom each transaction is executed. The counterparties, who may sell, loan or otherwise dispose of such securities to other parties in the normal course of their operations, agree to resell to the Company the same securities at the maturities of the agreements.

Revenue from Contracts with Customers

The Company recognizes revenue in accordance with ASU 2014-09, *Revenue from Contracts with Customers* (Accounting Standards Codification ("ASC") Topic 606) ("ASC 606"), and all subsequent ASUs that modified ASC 606. ASC 606 does not apply to revenue associated with financial instruments, including revenue from loans and securities and certain noninterest income streams such as fees associated with mortgage servicing rights, financial guarantees, derivatives and certain credit card fees are also not in scope. ASC 606 is applicable to noninterest revenue streams such as retirement plan administration fees, trust and asset management income, deposit related fees and annuity and insurance commissions. Noninterest revenue streams in-scope of ASC 606 are discussed below.

Service Charges on Deposit Accounts

Service charges on deposit accounts consist of overdraft fees, monthly service fees, check orders and other deposit account related fees. Overdraft, monthly service, check orders and other deposit account related fees are transactional based, and therefore, the Company's performance obligation is satisfied, and related revenue recognized, at a point in time. Payment for service charges on deposit accounts is primarily received immediately or in the following month through a direct charge to customers' accounts.

Card Services Income

ATM fees are primarily generated when a Company cardholder uses a non-Company ATM or a non-Company cardholder uses a Company ATM. Debit card income is primarily comprised of interchange fees earned whenever the Company's debit cards are processed through card payment networks. The Company's performance obligations for these revenue streams are satisfied, and related revenue recognized, when the services are rendered or upon completion. Payment is typically received immediately or in the following month.

Retirement Plan Administration Fees

Retirement plan administration fees are primarily generated for services related to the recordkeeping, administration and plan design solutions of defined benefit, defined contribution and revenue sharing plans. Revenue is recognized in arrears for services already provided in accordance with fees established in contracts with customers or based on rates agreed to with investment trade platforms based on ending investment balances held. The Company's performance obligation is satisfied, and related revenue recognized based on services completed or ending investment balances, for which receivables are recorded at the time of revenue recognition.

Wealth Management

Wealth Management revenue primarily is comprised of trust and other financial services revenue. Trust and asset management income is primarily comprised of fees earned from the management and administration of trusts, pensions and other customer assets. The Company's performance obligation is generally satisfied with the resulting fees recognized monthly, based upon services completed or the month-end market value of the assets under management and the applicable fee rate. Payment is generally received shortly after services are rendered or a few days after month end through a direct charge to customers' accounts. The Company does not earn performance-based incentives. Financial services revenue primarily consists of commissions received on brokered investment product sales. For other financial services revenue, the Company's performance obligation is generally satisfied upon the issuance of the annuity policy. Shortly after the policy is issued, the carrier remits the commission payment to the Company, and the Company recognizes the revenue. The Company does not earn a significant amount of trailing commission fees on brokered investment product sales. The majority of the trailing commission fees are calculated based on a percentage of market value of a period end and revenue is recognized when an investment product's market value can be determined.

Insurance Revenue

Insurance and other financial services revenue primarily consists of commissions received on insurance. The Company acts as an intermediary between the Company's customer and the insurance carrier. The Company's performance obligation related to insurance sales for both property and casualty insurance and employee benefit plans is generally satisfied upon the later of the issuance or effective date of the policy. The Company earns performance based incentives, commonly known as contingent payments, which usually are based on certain criteria established by the insurance carrier such as premium volume, growth and insured loss ratios. Contingent payments are accrued for based upon management's expectations for the

year. Commission expense associated with sales of insurance products is expensed as incurred. The Company does not earn a significant amount of trailing commission fees on insurance product sales. The majority of the trailing commission fees are calculated based on a percentage of market value of a period end and revenue is recognized when an investment product's market value can be determined.

Other

Other noninterest income consists of other recurring revenue streams such as account and loan fees, interest rate swap fees, safe deposit box rental fees and other miscellaneous revenue streams. These revenue streams are primarily transactional based and payment is received immediately or in the following month, and therefore, the Company's performance obligation is satisfied, and the related revenue is recognized, at a point in time.

The following table presents noninterest income, segregated by revenue streams in-scope and out-of-scope of ASC 606:

<i>(In thousands)</i>	Years Ended December 31,		
	2025	2024	2023
Noninterest income			
<i>In-Scope of ASC 606:</i>			
Service charges on deposit accounts	\$ 19,067	\$ 17,087	\$ 15,425
Card services income	23,988	22,331	20,829
Retirement plan administration fees	61,585	56,587	47,221
Wealth management	44,755	41,641	34,763
Insurance services	18,035	17,032	15,667
Other	15,522	11,032	10,838
Total noninterest income in-scope of ASC 606	<u>\$182,952</u>	<u>\$ 165,710</u>	<u>\$144,743</u>
Total noninterest income out-of-scope of ASC 606	\$ 12,541	\$ 11,114	\$ (2,565)
Total noninterest income	<u>\$195,493</u>	<u>\$176,824</u>	<u>\$ 142,178</u>

Contract Balances

A contract asset balance occurs when an entity performs a service for a customer before the customer pays consideration or before payment is due, which would result in contract receivables or assets, respectively. A contract liability balance is an entity's obligation to transfer a service to a customer for which the entity has already received payment or for which payment is due from the customer. The Company's noninterest revenue streams are largely based on transactional activity, or standard month-end revenue accruals such as asset management fees based on month-end market values. Consideration is often received immediately or shortly after the Company satisfies its performance obligation and revenue is recognized. The Company does not typically enter into long-term revenue contracts with customers, and therefore, does not experience significant contract balances.

Contract Acquisition Costs

ASC 606 requires the capitalization, and subsequently amortization into expense, of certain incremental costs of obtaining a contract with a customer if these costs are expected to be recovered. The incremental costs of obtaining a contract are those costs that an entity incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. The Company elected the practical expedient, which allows immediate expensing of contract acquisition costs when the asset that would have resulted from capitalizing these costs would have been amortized in one year or less, and did not capitalize any contract acquisition costs as of or during the year ended December 31, 2025, 2024 and 2023.

Trust Operations

Assets held by the Company in a fiduciary or agency capacity for its customers are not included in the accompanying consolidated balance sheets, since such assets are not assets of the Company.

Subsequent Events

The Company has evaluated subsequent events for potential recognition and/or disclosure and none were identified.

2. Recent Accounting Pronouncements

Recently Adopted Accounting Standards

In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures*, in response to requests from investors, lenders, creditors and other allocators of capital for enhanced income tax disclosures to support capital allocation decisions. The ASU requires enhanced disclosures primarily related to existing rate reconciliation and income taxes paid information to help investors better assess how the Company's operations and related tax risks and tax planning and operational opportunities affect the Company's tax rate and prospects for future cash flows. The ASU 2023-09 improves the transparency of income tax disclosures. The amendments in this ASU are effective for the Company for annual periods beginning after December 15, 2024, and should be applied on a prospective basis. The Company adopted ASU 2023-09 on December 31, 2025 and applied the new disclosure requirements. See Note 11 for additional information.

Accounting Standards Issued Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, that addresses longstanding investor requests for more information of expenses included in the expense captions presented on the face of the income statement. The ASU will require a tabular disclosure that disaggregates certain income statement expenses including employee compensation, depreciation and intangible asset amortization. In January 2025, the FASB issued ASU 2025-01, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date*, which revises the effective date of ASU 2024-03. The ASU will become effective in the annual reporting periods beginning after December 15, 2026, and early adoption is permitted. Aside from complying with the new disclosure requirements, the adoption is not expected to have a material impact on the consolidated financial statements.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, which clarifies the guidance in Topic 270 to improve the consistency of interim financial reporting. The ASU provides a comprehensive list of required interim disclosures and introduces a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for fiscal years beginning after December 15, 2027, including interim periods within those fiscal years, with early adoption permitted. Aside from complying with the new disclosure requirements, the adoption is not expected to have a material impact on the consolidated financial statements.

3. Acquisitions

Current and Prior Period Acquisitions

On May 2, 2025, the Company completed the acquisition of Evans Bancorp, Inc. (“Evans”) through the merger of Evans with and into the Company, with the Company surviving the merger. Total consideration for the acquisition was \$221.8 million in common stock. Evans, with assets of \$2.19 billion at December 31, 2024, was headquartered in Williamsville, New York. Its primary subsidiary, Evans Bank, National Association (“Evans Bank”), was a federally-chartered national banking association operating 18 banking locations in Western New York. The acquisition enhances the Company’s presence in Western New York, including the Buffalo and Rochester communities. In connection with the acquisition, the Company issued 5.1 million shares of common stock and acquired approximately \$131.2 million of identifiable net assets. Goodwill of \$90.6 million was recognized as a result of the merger and is not amortizable or deductible for tax purposes. During the fourth quarter of 2025, the Company revised the accrued income taxes and deferred taxes associated with the Evans acquisition, which resulted in a \$0.8 million decrease in goodwill. The effects of the acquired assets and liabilities have been included in the consolidated financial statements since May 2, 2025. As a result of the full integration of the operations of Evans, it is not practicable to determine all revenue or net income included in the Company’s operating results relating to Evans since the date of acquisition as Evans results cannot be separately identified.

On August 11, 2023, the Company completed the acquisition of Salisbury Bancorp, Inc. (“Salisbury”) through the merger of Salisbury with and into the Company, with the Company surviving the merger, for \$161.7 million in stock. Salisbury Bank and Trust Company, Salisbury’s subsidiary, was a Connecticut-chartered commercial bank headquartered in Lakeville, Connecticut, operating 13 banking offices. The acquisition enhances the Company’s presence in Massachusetts’ Berkshire county, and extends its footprint into New York’s Dutchess, Orange and Ulster counties and Connecticut’s Litchfield county. In connection with the acquisition, the Company issued 4.32 million shares of common stock and acquired approximately \$1.46 billion of identifiable assets. Goodwill of \$79.7 million was recognized as a result of the merger and is not amortizable or deductible for tax purposes. During the fourth quarter of 2023, the Company revised the estimated fair value of premises and equipment, net and related deferred income taxes based upon receipt of land and building appraisals, which resulted in a \$1.7 million increase in goodwill. The effects of the acquired assets and liabilities have been included in the consolidated financial statements since that date. As a result of the full integration of the operations of Salisbury, it is not practicable to determine all revenue or net income included in the Company’s operating results relating to Salisbury since the date of acquisition as Salisbury results cannot be separately identified.

The acquisitions of Evans and Salisbury are being accounted for as business combinations in accordance with ASC 805, “Business Combinations” (“ASC 805”), using the acquisition method of accounting. Accordingly, as of the date of the acquisition, the Company recorded the assets acquired, liabilities assumed and consideration paid at fair value based on management’s best estimates using information available at the date of the acquisition. These estimates were subject to adjustment based on updated information not available at the time of the acquisition and all amounts have now been finalized. The amount of goodwill arising from the acquisition consists largely of the synergies and economies of scale expected from combining the operations of the Company with Evans and Salisbury.

The following table summarizes the estimated fair value of the assets acquired and liabilities assumed:

<i>(In thousands)</i>	May 2, 2025	August 11, 2023
	Evans Bancorp, Inc.	Salisbury Bancorp, Inc.
Consideration:		
Cash paid to shareholders (fractional shares)	\$ 25	\$ 15
Common stock issuance	221,767	161,723
Total net consideration	\$ 221,792	\$ 161,738
Recognized amounts of identifiable assets acquired and (liabilities) assumed:		
Cash and cash equivalents	\$ 40,197	\$ 48,665
Securities available for sale	255,487	122,667
Securities held to maturity	3,494	—
Loans, net of allowance for credit losses on purchased credit deteriorated loans	1,665,712	1,174,237
Premises and equipment, net	15,069	13,026
Core deposit intangibles	33,240	31,188
Wealth management customer intangible	—	4,654
Bank owned life insurance	44,100	30,315
Other assets	71,131	37,631
Total identifiable assets acquired	\$ 2,128,430	\$ 1,462,383
Deposits	\$(1,864,049)	\$(1,308,976)
Borrowings	(113,712)	(55,461)
Other liabilities	(19,492)	(15,949)
Total liabilities assumed	\$ (1,997,253)	\$(1,380,386)
Total identifiable assets, net	\$ 131,177	\$ 81,997
Goodwill	\$ 90,615	\$ 79,741

The following is a description of the valuation methodologies used to estimate the fair values of major categories of assets acquired and liabilities assumed. The Company used an independent valuation specialist to assist with the determination of fair values for certain acquired assets and assumed liabilities.

Cash and due from banks - The estimated fair value was determined to approximate the carrying amount of these assets.

Securities available for sale - The estimated fair value of the AFS investment portfolio was primarily determined using quoted market prices and dealer quotes. The investment securities were sold immediately after the merger and no gains or losses were recorded.

Securities held to maturity - The estimated fair value of the HTM investment portfolio, which consisted of local municipal securities, was retained at par, which is estimated to be equal to fair value.

Loans - The estimated fair value of loans were based on a discounted cash flow methodology applied on a pooled basis. Loans were first segmented by purchased credit deteriorated ("PCD") or non-purchased credit deteriorated ("non-PCD") status, and then further grouped according to Federal Deposit Insurance Corporation ("FDIC") call report segmentation. The valuation considered key loan characteristics including loan type, term, rate, payment schedule and loan performance attributes. Certain key assumptions related to prepayment speeds, PD, LGD and discount rate were also considered. The discount rates applied were based on a build-up approach factoring in the funding mix, servicing costs, liquidity premium and factors related to performance risk.

Core deposit intangible - The core deposit intangible was valued utilizing the cost savings method approach, which recognizes the cost savings represented by the expense of maintaining the core deposit base versus the cost of an alternative funding source. The valuation incorporated assumptions related to account retention, discount rates, deposit interest rates, deposit maintenance costs and alternative funding rates.

Wealth management customer intangible - The wealth management customer intangible was valued utilizing the income approach, which employs a present value analysis, which calculates the expected after-tax cash flow benefits of the net revenues generated by the acquired customers over the expected lives of the acquired customers, discounted at a long-term market-oriented after-tax rate of return on investment. The value assigned to the acquired customers represents the future economic benefit from acquiring the customers (net of operating expenses).

Deposits - The fair value of noninterest bearing demand deposits, interest-bearing checking, money market and savings deposit accounts were assumed to approximate the carrying value as these accounts have no stated maturity and are payable on demand. Certificate of deposit ("CD") (time deposit accounts) were valued at the present value of the certificates' expected contractual payments discounted at market rates for similar certificates which approximates carrying value.

Borrowings - The estimated fair value of short-term borrowings was determined to approximate stated value. Long-term debt, subordinated debt and junior subordinated debt were valued using a discounted cash flow approach incorporating a discount rate that incorporated similar terms, maturity and credit rating.

Accounting for Acquired Loans - Acquired loans are classified into two categories: PCD loans and non-PCD loans. PCD loans are defined as a loan or group of loans that have experienced more than insignificant credit deterioration since origination. Non-PCD loans had an allowance established on acquisition date, which is recognized as an expense through the provision for credit losses. For PCD loans, an allowance is recognized by adding it to the fair value of the loan, which is the amortized cost. There is no provision for credit loss expense recognized on PCD loans because the initial allowance is established by grossing-up the amortized cost of the PCD loan. The allowance for credit losses on non-PCD loans of \$13.0 million for Evans and \$8.8 million for Salisbury was recorded through the provision for loan losses within the consolidated statements of income. The following table provides details related to the fair value of acquired PCD loans.

	May 2, 2025	August 11, 2023
	Evans Bancorp, Inc.	Salisbury Bancorp, Inc.
(In thousands)	PCD Loans	PCD Loans
Par value of PCD loans at acquisition	\$ 336,398	\$ 219,076
Allowance for credit losses at acquisition	7,726	5,772
Discount at acquisition	(36,584)	(24,512)
Fair value of PCD loans at acquisition	<u>\$307,540</u>	<u>\$200,336</u>

The non-PCD loans acquired from Evans had an acquisition date fair value of \$1.37 billion, compared to \$1.43 billion in gross contractual amounts receivable. At the acquisition date, the Company estimated that \$13.0 million of the contractual cash flows were not expected to be collected.

Direct costs related to the acquisitions were expensed as incurred. Acquisition integration-related expenses were \$19.5 million, \$1.5 million and \$10.0 million during the years ended 2025, 2024 and 2023, respectively. These amounts have been separately stated in the consolidated statements of income and are included in operating activities in the consolidated statements of cash flows.

Supplemental Pro Forma Financial Information (Unaudited)

The following table presents certain unaudited pro forma financial information for illustrative purposes only, for the years ended December 31, 2025 and 2024, as if Evans had been acquired on January 1, 2024. This unaudited pro forma information combines the historical results of Evans with the Company's consolidated historical results and includes certain adjustments reflecting the estimated impact of certain fair value adjustments for the respective periods. The pro forma information is not indicative of what would have occurred had the acquisition taken place at the beginning of the year prior to the acquisition. The unaudited pro forma information does not consider any changes to the provision expense resulting from recording loan assets at fair value, cost savings or business synergies. As a result, actual amounts would have differed from the unaudited pro forma information presented and the differences could be significant.

<i>(In thousands,)</i>	Pro Forma (Unaudited) Years Ended December 31,	
	2025	2024
Total revenue, net of interest expense	\$720,578	\$659,483
Net income	162,748	158,549

Other Acquisitions

In November 2024, the Company, through its subsidiary, NBT Bank, National Association, completed its acquisition of certain assets of PACO, Inc., a third-party administration business based in West Des Moines, Iowa for a total consideration of \$3.3 million. As part of the acquisition, the Company recorded goodwill of \$0.7 million and a \$2.9 million contingent consideration recorded in other liabilities on the consolidated balance sheets as of December 31, 2024.

In July 2024, the Company, through its subsidiary, NBT Insurance Agency, LLC, a full-service regional insurance agency, completed the acquisition of substantially all of the assets of Karl W. Reynard, Inc. located in Stamford, NY for a total consideration of \$1.2 million. Karl W. Reynard, Inc. was a long-established property and casualty agency offering personal and commercial lines. This strategic acquisition expands the presence of NBT Insurance Agency, LLC in the Catskills, where the agency and the Bank are well established. As part of the acquisition, the Company recorded goodwill of \$0.2 million and a \$1.0 million contingent consideration recorded in other liabilities on the consolidated balance sheets as of December 31, 2024.

In July 2023, the Company, through its subsidiary, EPIC Advisors Inc., completed its acquisition of certain assets of Retirement Direct, LLC, a retirement plan administration business based near Charlotte, North Carolina for a total consideration of \$2.8 million. As part of the acquisition, the Company recorded goodwill of \$0.9 million and a \$1.0 million contingent consideration recorded in other liabilities on the consolidated balance sheets as of December 31, 2023.

The operating results of the acquired company is included in the consolidated results after the date of acquisition.

4. Securities

The amortized cost, estimated fair value and unrealized gains (losses) of AFS securities are as follows:

<i>(In thousands)</i>	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
As of December 31, 2025				
U.S. treasury	\$ 79,330	\$ 25	\$ (2,533)	\$ 76,822
Federal agency	248,312	—	(17,036)	231,276
State & municipal	90,654	4	(3,931)	86,727
Mortgage-backed:				
Government-sponsored enterprises	470,606	1,651	(23,532)	448,725
U.S. government agency securities	145,836	660	(3,659)	142,837
Collateralized mortgage obligations:				
Government-sponsored enterprises	653,512	2,137	(26,214)	629,435
U.S. government agency securities	247,908	335	(22,192)	226,051
Corporate	22,500	—	(1,535)	20,965
Total AFS securities	<u>\$1,958,658</u>	<u>\$4,812</u>	<u>\$(100,632)</u>	<u>\$1,862,838</u>
As of December 31, 2024				
U.S. treasury	\$ 108,838	\$ 59	\$ (6,107)	\$ 102,790
Federal agency	248,348	—	(29,831)	218,517
State & municipal	95,457	—	(7,967)	87,490
Mortgage-backed:				
Government-sponsored enterprises	435,825	2	(41,528)	394,299
U.S. government agency securities	76,528	9	(6,471)	70,066
Collateralized mortgage obligations:				
Government-sponsored enterprises	546,685	142	(42,831)	503,996
U.S. government agency securities	179,136	39	(26,683)	152,492
Corporate	48,482	—	(3,468)	45,014
Total AFS securities	<u>\$ 1,739,299</u>	<u>\$ 251</u>	<u>\$(164,886)</u>	<u>\$1,574,664</u>

There was no allowance for credit losses on AFS securities as of December 31, 2025 and 2024.

During the year ended December 31, 2023, there were \$4.5 million of gross realized losses reclassified out of AOCI and into earnings and the Company incurred a \$5.0 million loss on the write-off of an AFS corporate debt security from a subordinated debt investment of a financial institution that failed. These losses were reclassified out of AOCI and into earnings in net securities gains (losses) in the consolidated statements of income. During the year ended December 31, 2024, the Company sold the previously written-off security and recognized a gain of \$2.3 million into earnings in net securities gains (losses) in the consolidated statements of income. During the year ended December 31, 2025, there were no gains or losses reclassified out of AOCI and into earnings.

The amortized cost, estimated fair value and unrealized gains (losses) of HTM securities are as follows:

<i>(In thousands)</i>	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
As of December 31, 2025				
Federal agency	\$100,000	\$ —	\$(10,705)	\$ 89,295
Mortgage-backed:				
Government-sponsored enterprises	188,942	—	(23,273)	165,669
U.S. government agency securities	13,659	1	(106)	13,554
Collateralized mortgage obligations:				
Government-sponsored enterprises	136,464	115	(5,293)	131,286
U.S. government agency securities	57,309	—	(9,396)	47,913
State & municipal	266,382	76	(11,598)	254,860
Total HTM securities	<u>\$ 762,756</u>	<u>\$192</u>	<u>\$(60,371)</u>	<u>\$ 702,577</u>
As of December 31, 2024				
Federal agency	\$ 100,000	\$ —	\$ (16,656)	\$ 83,344
Mortgage-backed:				
Government-sponsored enterprises	208,579	—	(34,349)	174,230
U.S. government agency securities	15,611	1	(516)	15,096
Collateralized mortgage obligations:				
Government-sponsored enterprises	168,018	—	(11,554)	156,464
U.S. government agency securities	60,906	—	(11,245)	49,661
State & municipal	289,807	41	(18,698)	271,150
Total HTM securities	<u>\$ 842,921</u>	<u>\$ 42</u>	<u>\$(93,018)</u>	<u>\$ 749,945</u>

At December 31, 2025 and 2024, all of the mortgage-backed HTM securities were comprised of U.S. government agency and government-sponsored enterprises securities.

The Company recorded no gains from calls on HTM securities for the years ended December 31, 2025, 2024 and 2023.

AFS and HTM securities with amortized costs totaling \$1.87 billion at December 31, 2025 and \$1.60 billion at December 31, 2024, were pledged to secure public deposits and for other purposes required or permitted by law. Additionally, at December 31, 2025 and 2024, AFS and HTM securities with an amortized cost of \$207.6 million and \$234.2 million, respectively, were pledged as collateral for securities sold under repurchase agreements.

The following table sets forth information with regard to gains and (losses) on equity securities:

<i>(In thousands)</i>	Years Ended December 31,		
	2025	2024	2023
Net gains recognized on equity securities	\$148	\$505	\$135
Less: Net (losses) recognized on equity securities sold during the period	(35)	—	—
Unrealized gains recognized on equity securities still held	<u>\$183</u>	<u>\$505</u>	<u>\$135</u>

As of December 31, 2025 and 2024 the carrying value of equity securities without readily determinable fair values was \$1.0 million. The Company performed a qualitative assessment to determine whether the investments were impaired and identified no areas of concern as of December 31, 2025 and 2024. There were no impairments, or downward or upward adjustments recognized for equity securities without readily determinable fair values during the years ended December 31, 2025 and 2024.

The following table sets forth information with regard to contractual maturities of debt securities at December 31, 2025:

<i>(In thousands)</i>	Amortized Cost	Estimated Fair Value
AFS debt securities:		
Within one year	\$ 82,501	\$ 81,728
From one to five years	674,847	645,314
From five to ten years	226,838	214,837
After ten years	974,472	920,959
Total AFS debt securities	<u>\$1,958,658</u>	<u>\$1,862,838</u>
HTM debt securities:		
Within one year	\$ 91,538	\$ 91,476
From one to five years	223,752	210,025
From five to ten years	108,245	100,278
After ten years	339,221	300,798
Total HTM debt securities	<u>\$ 762,756</u>	<u>\$ 702,577</u>

Maturities of mortgage-backed, collateralized mortgage obligations and asset-backed securities are stated based on their estimated average lives. Actual maturities may differ from estimated average lives or contractual maturities because, in certain cases, borrowers have the right to call or prepay obligations, with or without call or prepayment penalties.

Except for U.S. government securities and government-sponsored enterprises securities, there were no holdings, when taken in the aggregate, of any single issuer that exceeded 10% of consolidated stockholders' equity at December 31, 2025, 2024 and 2023.

The following table sets forth information with regard to investment securities with unrealized losses, for which an allowance for credit losses has not been recorded, segregated according to the length of time the securities were in a continuous unrealized loss position:

(In thousands)	Less Than 12 Months			12 Months or Longer			Total		
	Fair Value	Unrealized Losses	Number of Positions	Fair Value	Unrealized Losses	Number of Positions	Fair Value	Unrealized Losses	Number of Positions
As of December 31, 2025									
AFS securities:									
U.S. treasury	\$ —	\$ —	—	\$ 71,796	\$ (2,533)	4	\$ 71,796	\$ (2,533)	4
Federal agency	—	—	—	231,276	(17,036)	16	231,276	(17,036)	16
State & municipal	—	—	—	85,965	(3,931)	64	85,965	(3,931)	64
Mortgage-backed	49,543	(161)	7	338,370	(27,030)	135	387,913	(27,191)	142
Collateralized mortgage obligations	80,781	(131)	12	418,983	(48,275)	105	499,764	(48,406)	117
Corporate	—	—	—	20,965	(1,535)	7	20,965	(1,535)	7
Total securities with unrealized losses	<u>\$130,324</u>	<u>\$ (292)</u>	<u>19</u>	<u>\$1,167,355</u>	<u>\$ (100,340)</u>	<u>331</u>	<u>\$1,297,679</u>	<u>\$ (100,632)</u>	<u>350</u>
HTM securities:									
Federal agency	\$ —	\$ —	—	\$ 89,295	\$ (10,705)	4	\$ 89,295	\$ (10,705)	4
Mortgage-backed	10,771	(71)	1	168,422	(23,308)	33	179,193	(23,379)	34
Collateralized mortgage obligations	—	—	—	173,333	(14,689)	47	173,333	(14,689)	47
State & municipal	4,381	(245)	7	142,139	(11,353)	146	146,520	(11,598)	153
Total securities with unrealized losses	<u>\$ 15,152</u>	<u>\$ (316)</u>	<u>8</u>	<u>\$ 573,189</u>	<u>\$ (60,055)</u>	<u>230</u>	<u>\$ 588,341</u>	<u>\$ (60,371)</u>	<u>238</u>
As of December 31, 2024									
AFS securities:									
U.S. treasury	\$ —	\$ —	—	\$ 92,737	\$ (6,107)	5	\$ 92,737	\$ (6,107)	5
Federal agency	—	—	—	218,517	(29,831)	16	218,517	(29,831)	16
State & municipal	759	(4)	1	86,731	(7,963)	66	87,490	(7,967)	67
Mortgage-backed	95,153	(1,374)	16	368,589	(46,625)	152	463,742	(47,999)	168
Collateralized mortgage obligations	98,494	(1,128)	14	480,891	(68,386)	116	579,385	(69,514)	130
Corporate	1,478	(9)	1	43,536	(3,459)	14	45,014	(3,468)	15
Total securities with unrealized losses	<u>\$ 195,884</u>	<u>\$ (2,515)</u>	<u>32</u>	<u>\$ 1,291,001</u>	<u>\$ (162,371)</u>	<u>369</u>	<u>\$ 1,486,885</u>	<u>\$ (164,886)</u>	<u>401</u>
HTM securities:									
Federal agency	\$ —	\$ —	—	\$ 83,344	\$ (16,656)	4	\$ 83,344	\$ (16,656)	4
Mortgage-backed	—	—	—	189,271	(34,865)	34	189,271	(34,865)	34
Collateralized mortgage obligations	7,147	(7)	1	198,978	(22,792)	52	206,125	(22,799)	53
State & municipal	9,458	(107)	12	168,945	(18,591)	186	178,403	(18,698)	198
Total securities with unrealized losses	<u>\$ 16,605</u>	<u>\$ (114)</u>	<u>13</u>	<u>\$ 640,538</u>	<u>\$ (92,904)</u>	<u>276</u>	<u>\$ 657,143</u>	<u>\$ (93,018)</u>	<u>289</u>

The Company does not believe the AFS securities that were in an unrealized loss position as of December 31, 2025 and 2024, which consisted of 350 and 401 individual securities, respectively, represented a credit loss impairment. AFS debt securities in unrealized loss positions are evaluated for impairment related to credit losses at least quarterly. As of December 31, 2025 and 2024, the majority of the AFS securities in an unrealized loss position consisted of debt securities issued by U.S. government agencies or U.S. government-sponsored enterprises that carry the explicit and/or implicit guarantee of the U.S. government, which are widely recognized as “risk-free” and have a long history of zero credit

losses. Total gross unrealized losses were primarily attributable to changes in interest rates, relative to when the investment securities were purchased, and not due to the credit quality of the investment securities. The Company does not intend to sell, nor is it more likely than not that the Company will be required to sell the securities before recovery of their amortized cost basis, which may be at maturity. The Company elected to exclude AIR from the amortized cost basis of debt securities. AIR on AFS debt securities totaled \$5.6 million and \$4.4 million at December 31, 2025 and 2024, respectively, and is excluded from the estimate of credit losses and reported in the other assets financial statement line.

None of the Bank's HTM debt securities were past due or on nonaccrual status as of December 31, 2025 and 2024. There was no accrued interest reversed against interest income for the years ended December 31, 2025 and 2024 as all securities remained in accrual status. In addition, there were no collateral-dependent HTM debt securities as of December 31, 2025 and 2024. There was no allowance for credit losses on HTM securities as of December 31, 2025 and 2024. As of December 31, 2025 and 2024, 65% and 66%, respectively, of the Company's HTM debt securities were issued by U.S. government agencies or U.S. government-sponsored enterprises with bond ratings of A to AAA. These securities carry the explicit and/or implicit guarantee of the U.S. government, which are widely recognized as "risk free," and have a long history of zero credit losses. Therefore, the Company did not record an allowance for credit losses for these securities as of December 31, 2025 and 2024. The remaining HTM debt securities at December 31, 2025 and 2024 were comprised of state and municipal obligations with bond ratings of A to AAA excluding the \$85.7 million and \$84.7 million, respectively, of local municipal bonds which are not rated. Based on the Company's CECL methodology, the expected credit loss on the HTM municipal bond portfolio was deemed immaterial, therefore no allowance for credit loss was recorded as of December 31, 2025 and 2024. AIR on HTM debt securities totaled \$3.9 million and \$4.4 million at December 31, 2025 and 2024, respectively, and is excluded from the estimate of credit losses and reported in the other assets financial statement line.

5. Loans

A summary of loans, net of deferred fees and origination costs, by category⁽¹⁾ is as follows:

<i>(In thousands)</i>	At December 31,	
	2025	2024
Commercial & industrial	\$ 1,671,974	\$ 1,426,482
Commercial real estate	4,798,957	3,876,698
Residential mortgage	2,537,593	2,142,249
Home equity	448,113	334,268
Indirect auto	1,340,524	1,273,253
Residential solar	736,970	820,079
Other consumer	63,983	96,881
Total loans	<u>\$ 11,598,114</u>	<u>\$ 9,969,910</u>

(1) Loans are summarized by business line which does not align to how the Company assesses credit risk in the allowance for credit losses under CECL.

Included in the above loans are net deferred loan origination (fees) costs totaling \$(37.9) million and \$(64.7) million at December 31, 2025 and 2024, respectively. The Company had \$1.1 million and \$2.4 million of residential mortgage loans held for sale as of December 31, 2025 and 2024, respectively. There were no residential solar loans held for sale as of December 31, 2025. The Company had \$7.3 million of residential solar loans held for sale as of December 31, 2024.

The total amount of loans serviced by the Company for unrelated third parties was \$1.28 billion and \$982.5 million at December 31, 2025 and 2024, respectively. At December 31, 2025 and 2024, the Company had \$2.1 million and \$0.9 million, respectively, of mortgage servicing rights.

At December 31, 2025 and 2024, the Company serviced \$23.2 million and \$24.7 million, respectively, of agricultural loans sold with recourse. Due to sufficient collateral on these loans and government guarantees, no reserve is considered necessary at December 31, 2025 and 2024.

FHLB advances are collateralized by a blanket lien on the Company's residential mortgages.

In the ordinary course of business, the Company has made loans at prevailing rates and terms to directors, officers and other related parties. Such loans, in management's opinion, do not present more than the normal risk of collectability or incorporate other unfavorable features. The aggregate amount of loans outstanding to qualifying related parties and changes during the years are summarized as follows:

<i>(In thousands)</i>	2025	2024
Balance at January 1	\$ 998	\$1,087
New loans	—	412
Repayments	(103)	(501)
Balance at December 31	<u>\$ 895</u>	<u>\$ 998</u>

6. Allowance for Credit Losses and Credit Quality of Loans

The allowance for credit losses totaled \$138.0 million at December 31, 2025, compared to \$116.0 million at December 31, 2024. The allowance for credit losses as a percentage of loans was 1.19% at December 31, 2025, compared to 1.16% at December 31, 2024.

The allowance for credit losses calculation incorporated a 6-quarter forecast period to account for forecast economic conditions under each scenario utilized in the measurement. For periods beyond the 6-quarter forecast, the model reverts to long-term economic conditions over a 4-quarter reversion period on a straight-line basis. The Company considers a baseline, upside and downside economic forecast in measuring the allowance. Starting in the second quarter of 2025, the Company included an additional downside scenario with stagflation conditions, which is characterized as an economic environment where inflation rises alongside unemployment. Stagflation was identified as an emerging risk as tariff policies impacted the economy.

The quantitative model as of December 31, 2025 incorporated a baseline economic outlook along with an alternative upside scenario and two equally weighted downside scenarios, recessionary conditions and stagflation, sourced from a reputable third-party to accommodate other potential economic conditions in the model. At December 31, 2025, the weightings were 65%, 5% and 30% for the baseline, upside and downside economic forecast scenarios, respectively. The baseline outlook reflected an economic environment where the northeast unemployment rate increases from 4.5% in the first quarter of 2026 to 4.8% by the end of the forecast period, with a peak northeast unemployment rate of 4.9% in the fourth quarter of 2026. National Gross Domestic Product ("GDP") annualized growth (on a quarterly basis) is expected to start the first quarter of 2026 at approximately 2.55% and decrease to 1.8% by the end of the forecast period. Key assumptions in the baseline economic outlook included the Federal Reserve cutting rates with one 25 basis point cut at the December meeting and the economy remaining at full employment. The alternative upside scenario assumes improved economic conditions from the baseline outlook. Under this scenario, northeast unemployment falls from 4.4% in the fourth quarter of 2025 to 4.0% in the second quarter of 2026 and eventually settles at 4.1% by the end of the forecast period. The alternative downside scenario with recessionary conditions assumes deteriorated economic conditions from the baseline outlook. Under this scenario, northeast unemployment rises from

4.4% in the fourth quarter of 2025 to a peak of 7.8% in the first quarter of 2027. The alternative downside stagflation scenario assumes deteriorated economic conditions from the baseline outlook. Under this scenario, northeast unemployment rises from 4.4% in the fourth quarter of 2025 to 6% by the end of the forecast period in the second quarter of 2027, with a peak northeast unemployment rate of 8.2% in the first quarter of 2028. These scenarios and their respective weightings are evaluated at each measurement date and reflect management's expectations as of December 31, 2025. Additional qualitative adjustments were made for factors not incorporated in the forecasts or the model, such as loss rate expectations for certain loan pools, reversion adjustments for the stagflation scenario and recent trends in asset value indices. Additional monitoring for industry concentrations, loan growth and policy exceptions was also conducted.

The quantitative model as of December 31, 2024 incorporated a baseline economic outlook along with an alternative downside scenario sourced from a reputable third-party to accommodate other potential economic conditions in the model. At December 31, 2024, the weightings were 80% and 20% for the baseline and downside economic forecasts, respectively. The baseline outlook reflected a northeast unemployment rate environment starting at 4.1% and increasing slightly during the forecast period to 4.2%. Northeast GDP annualized growth (on a quarterly basis) is expected to start the first quarter of 2025 at approximately 3.8% before decreasing to a low of 2.6% in the third quarter of 2025 and then increasing to 3.9% by the end of the forecast period. Key assumptions in the baseline economic outlook included two 25 basis point federal funds rate cuts in 2025, quantitative tightening ending in early 2025, a post-election fiscal outlook with lower spending, lower taxes, and higher tariffs, and the economy currently being near full employment. The alternative downside scenario assumed deteriorated economic conditions from the baseline outlook. Under this scenario, northeast unemployment increases to a peak of 7.5% in the first quarter of 2026. These scenarios and their respective weightings are evaluated at each measurement date and reflect management's expectations as of December 31, 2024. Additional qualitative adjustments were made for factors not incorporated in the forecasts or the model, such as loss rate expectations for certain loan pools, considerations for inflation and recent trends in asset value indices. Additional monitoring for industry concentrations, loan growth and policy exceptions was also conducted.

The quantitative model as of December 31, 2023 incorporated a baseline economic outlook along with an alternative downside scenario sourced from a reputable third-party to accommodate other potential economic conditions in the model. At December 31, 2023, the weightings were 70% and 30% for the baseline and downside economic forecasts, respectively. The baseline outlook reflected an unemployment rate environment starting at 3.8% and increasing slightly during the forecast period to 4.1%. Northeast GDP annualized growth (on a quarterly basis) was expected to start the first quarter of 2024 at approximately 3.7% before decreasing to a low of 2.9% in the third quarter of 2024 and then increasing to 3.8% by the end of the forecast period. Other utilized economic variable forecasts are mixed compared to the prior year, with retail sales improving, business output mixed and housing starts down. Key assumptions in the baseline economic outlook included currently being in a full employment economy, continued tapering of the Federal Reserve balance sheet and the Federal Open Market Committee beginning to cut rates in the second quarter of 2024. The alternative downside scenario assumed deteriorated economic conditions from the baseline outlook. Under this scenario, northeast unemployment increases to a peak of 7.0% in the first quarter of 2025. These scenarios and their respective weightings are evaluated at each measurement date and reflect management's expectations as of December 31, 2023. Additional qualitative adjustments were made for factors not incorporated in the forecasts or the model, such as loss rate expectations for certain loan pools, considerations for inflation and recent trends in asset value indices. Additional monitoring for industry concentrations, loan growth and policy exceptions was also conducted.

There were \$336.4 million of PCD loans acquired from Evans during the year ended December 31, 2025 which resulted in an allowance for credit losses at acquisition of \$7.7 million. There were no

loans purchased with credit deterioration during the year ended December 31, 2024. During 2025, the Company purchased \$21.3 million of residential loans at a 4.5% premium with a \$234 thousand allowance for credit losses recorded for these loans. During 2024, the Company purchased \$3.0 million of residential loans at a 7.0% premium with a \$31 thousand allowance for credit losses recorded for these loans.

The Company made a policy election to report AIR in the other assets line item on the consolidated balance sheets. AIR on loans totaled \$42.5 million at December 31, 2025 and \$34.8 million at December 31, 2024 and with no estimated allowance for credit losses related to AIR at December 31, 2025 and 2024 as it is excluded from amortized cost.

The Company's January 1, 2023 adoption of ASU 2022-02, *Financial Instruments - CECL Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures* resulted in an insignificant change to its methodology for estimating the allowance for credit losses on TDRs. The ASU eliminated the guidance on TDRs and requires an evaluation on all loan modifications to determine if they result in a new loan or a continuation of the existing loan. The decrease in allowance for credit loss on TDR loans relating to the adoption of ASU 2022-02 was \$0.6 million.

The following tables present the activity in the allowance for credit losses by our portfolio segment:

<i>(In thousands)</i>	Commercial Loans	Consumer Loans	Residential	Total
Balance as of December 31, 2024	\$45,453	\$ 43,987	\$26,560	\$ 116,000
Allowance for credit loss on PCD acquired loans	7,355	—	371	7,726
Charge-offs	(4,801)	(19,492)	(916)	(25,209)
Recoveries	893	5,991	345	7,229
Provision	12,825	12,097	7,332	32,254
Ending Balance as of December 31, 2025	\$ 61,725	\$ 42,583	\$ 33,692	\$138,000
Balance as of December 31, 2023	\$45,903	\$ 46,427	\$ 22,070	\$ 114,400
Charge-offs	(5,042)	(20,475)	(211)	(25,728)
Recoveries	839	6,467	415	7,721
Provision	3,753	11,568	4,286	19,607
Ending Balance as of December 31, 2024	\$45,453	\$ 43,987	\$ 26,560	\$ 116,000
Balance as of January 1, 2023 (after adoption of ASU 2022-02)	\$ 34,662	\$ 50,951	\$ 14,539	\$ 100,152
Allowance for credit loss on PCD acquired loans	5,300	19	453	5,772
Charge-offs	(4,154)	(22,107)	(517)	(26,778)
Recoveries	3,625	5,859	496	9,980
Provision	6,470	11,705	7,099	25,274
Ending Balance as of December 31, 2023	\$45,903	\$ 46,427	\$ 22,070	\$ 114,400

The allowance for credit losses as of December 31, 2025 increased compared to December 31, 2024 primarily due to the recording of \$20.7 million of allowance for acquired Evans loans as of the acquisition date, which included both the \$13.0 million of non-PCD allowance recognized through the provision for loan losses and the \$7.7 million of PCD allowance reclassified from loans. In addition, the allowance for credit losses increased due to deterioration in the economic forecast including the change in the forecast scenarios and weightings, partially offset by the shift in loan composition driven by other consumer and residential solar portfolios that are in a planned run-off status. The allowance for credit losses

as of December 31, 2024 increased compared to December 31, 2023 primarily due to providing for current year loan growth, the slowing of prepayment speed assumptions, including the changes in prepayment model assumptions. These increases to the allowance for credit losses were partially offset by the change in forecast scenario weightings from 70% baseline and 30% downside to 80% baseline and 20% downside, and the shift in loan composition driven by other consumer and residential solar portfolios that are in a planned run-off status. The increase in the allowance for credit losses from December 31, 2022 to December 31, 2023 was primarily due to the recording of \$14.5 million of allowance for acquired Salisbury loans as of the acquisition date, which included both the \$8.8 million of non-PCD allowance recognized through the provision for loan losses and the \$5.8 million of PCD allowance reclassified from loans.

Individually Evaluated Loans

The threshold for evaluating commercial loans risk graded substandard or doubtful, and nonperforming loans specifically evaluated for individual credit loss is \$1.0 million. As of December 31, 2025, five relationships with an amortized cost basis of \$12.2 million were identified for individual credit loss evaluation. These relationships were in nonaccrual status with no allowance for credit loss as the fair value of the underlying collateral supported the amortized cost. As of December 31, 2024, three relationships were identified for individual credit loss evaluation, had an amortized cost basis of \$28.8 million and were in nonaccrual status with no allowance for credit loss.

The following table sets forth information with regard to past due and nonperforming loans by loan segment:

<i>(In thousands)</i>	31-60 Days Past Due Accruing	61-90 Days Past Due Accruing	Greater Than 90 Days Past Due Accruing	Total Past Due Accruing	Nonaccrual	Current	Recorded Total Loans
As of December 31, 2025							
Commercial loans:							
C&I.....	\$ 761	\$ 126	\$ 103	\$ 990	\$ 1,947	\$ 1,645,794	\$ 1,648,731
CRE.....	1,802	5,112	2,117	9,031	17,987	4,592,983	4,620,001
Total commercial loans.....	<u>\$ 2,563</u>	<u>\$ 5,238</u>	<u>\$ 2,220</u>	<u>\$ 10,021</u>	<u>\$ 19,934</u>	<u>\$ 6,238,777</u>	<u>\$ 6,268,732</u>
Consumer loans:							
Auto	\$ 12,884	\$ 2,106	\$ 965	\$ 15,955	\$ 2,940	\$ 1,298,470	\$ 1,317,365
Residential solar...	4,846	1,396	1,241	7,483	90	729,397	736,970
Other consumer ...	1,200	467	339	2,006	63	80,824	82,893
Total consumer loans.....	<u>\$ 18,930</u>	<u>\$ 3,969</u>	<u>\$ 2,545</u>	<u>\$ 25,444</u>	<u>\$ 3,093</u>	<u>\$ 2,108,691</u>	<u>\$ 2,137,228</u>
Residential	<u>\$ 5,203</u>	<u>\$ 666</u>	<u>\$ 2,366</u>	<u>\$ 8,235</u>	<u>\$ 21,565</u>	<u>\$ 3,162,354</u>	<u>\$ 3,192,154</u>
Total loans.....	<u>\$ 26,696</u>	<u>\$ 9,873</u>	<u>\$ 7,131</u>	<u>\$ 43,700</u>	<u>\$ 44,592</u>	<u>\$ 11,509,822</u>	<u>\$ 11,598,114</u>

<i>(In thousands)</i>	31-60 Days Past Due Accruing	61-90 Days Past Due Accruing	Greater Than 90 Days Past Due Accruing	Total Past Due Accruing	Nonaccrual	Current	Recorded Total Loans
As of December 31, 2024							
Commercial loans:							
C&I.....	\$ 398	\$ 452	\$ —	\$ 850	\$ 2,116	\$ 1,427,247	\$ 1,430,213
CRE.....	698	191	—	889	30,028	3,665,223	3,696,140
Total commercial loans.....	<u>\$ 1,096</u>	<u>\$ 643</u>	<u>\$ —</u>	<u>\$ 1,739</u>	<u>\$ 32,144</u>	<u>\$5,092,470</u>	<u>\$ 5,126,353</u>
Consumer loans:							
Auto	\$11,527	\$2,047	\$ 900	\$14,474	\$ 2,054	\$ 1,228,378	\$1,244,906
Residential solar ..	4,066	1,991	1,599	7,656	212	812,211	820,079
Other consumer ...	1,552	985	888	3,425	263	105,529	109,217
Total consumer loans.....	<u>\$17,145</u>	<u>\$5,023</u>	<u>\$3,387</u>	<u>\$25,555</u>	<u>\$ 2,529</u>	<u>\$ 2,146,118</u>	<u>\$ 2,174,202</u>
Residential	<u>\$3,360</u>	<u>\$ 467</u>	<u>\$ 2,411</u>	<u>\$ 6,238</u>	<u>\$ 11,146</u>	<u>\$ 2,651,971</u>	<u>\$2,669,355</u>
Total loans.....	<u>\$21,601</u>	<u>\$ 6,133</u>	<u>\$5,798</u>	<u>\$33,532</u>	<u>\$ 45,819</u>	<u>\$9,890,559</u>	<u>\$9,969,910</u>

Credit Quality Indicators

The Company has developed an internal loan grading system to evaluate and quantify the Company's loan portfolio with respect to quality and risk, focusing on, among other things, borrower's financial strength, experience and depth of borrower's management, primary and secondary sources of repayment, payment history, nature of the business and industry outlook. The internal grading system enables the Company to monitor the quality of the entire loan portfolio on a consistent basis and provide management with an early warning system, which facilitates recognition of and response to problem loans and potential problem loans.

Commercial Grading System

For C&I and CRE loans, the Company uses a grading system that relies on quantifiable and measurable characteristics when available. This includes comparison of financial strength to available industry averages, comparison of transaction factors (loan terms and conditions) to loan policy and comparison of credit history to stated repayment terms and industry averages. Some grading factors are necessarily more subjective such as economic and industry factors, regulatory environment and management. C&I and CRE loans are graded Doubtful, Substandard, Special Mention and Pass.

Doubtful - A Doubtful loan has a high probability of total or substantial loss, but because of specific pending events that may strengthen the asset, its classification as a loss is deferred. Doubtful borrowers are usually in default, lack adequate liquidity or capital and lack the resources necessary to remain an operating entity. Pending events can include mergers, acquisitions, liquidations, capital injections, the perfection of liens on additional collateral, the valuation of collateral and refinancing. Generally, pending events should be resolved within a relatively short period and the ratings will be adjusted based on the new information. Nonaccrual treatment is required for Doubtful assets because of the high probability of loss.

Substandard - Substandard loans have a high probability of payment default or they have other well-defined weaknesses. They require more intensive supervision by bank management. Substandard loans are generally characterized by current or expected unprofitable operations, inadequate debt service coverage, inadequate liquidity or marginal capitalization. Repayment may depend on collateral or other credit risk mitigants. For some Substandard loans, the likelihood of full collection of interest and principal may be in doubt

and those loans should be placed on nonaccrual. Although Substandard assets in the aggregate will have a distinct potential for loss, an individual asset's loss potential does not have to be distinct for the asset to be rated Substandard.

Special Mention - Special Mention loans have potential weaknesses that may, if not checked or corrected, weaken the asset or inadequately protect the Company's position at some future date. These loans pose elevated risk, but their weakness does not yet justify a Substandard classification. Borrowers may be experiencing adverse operating trends (i.e., declining revenues or margins) or may be struggling with an ill-proportioned balance sheet (i.e., increasing inventory without an increase in sales, high leverage and/or tight liquidity). Adverse economic or market conditions, such as interest rate increases or the entry of a new competitor, may also support a Special Mention rating. Although a Special Mention loan has a higher PD than a Pass asset, its default is not imminent.

Pass - Loans graded as Pass encompass all loans not graded as Doubtful, Substandard or Special Mention. Pass loans are in compliance with loan covenants and payments are generally made as agreed. Pass loans range from superior quality to fair quality. Pass loans also include any portion of a government guaranteed loan, including Paycheck Protection Program loans.

Consumer and Residential Grading System - Consumer and Residential loans are graded as either Nonperforming or Performing.

Nonperforming - Nonperforming loans are loans that are (1) over 90 days past due and interest is still accruing or (2) on nonaccrual status.

Performing - All loans not meeting any of the above criteria are considered Performing.

The following tables illustrate the Company's credit quality by loan class by vintage and includes gross charge-offs by loan class by vintage. Included in other consumer gross charge-offs for the year ended December 31, 2025, the Company recorded \$0.3 million in overdrawn deposit accounts reported as 2024 originations and \$0.8 million in overdrawn deposit accounts reported as 2025 originations. Included in other consumer gross charge-offs for the year ended December 31, 2024, the Company recorded \$0.2 million in overdrawn deposit accounts reported as 2023 originations and \$0.7 million in overdrawn deposit accounts reported as 2024 originations.

<i>(In thousands)</i>	2025	2024	2023	2022	2021	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term	Total
As of December 31, 2025									
C&I									
By internally assigned grade:									
Pass	\$ 264,031	\$ 212,997	\$ 147,722	\$ 147,300	\$ 127,598	\$ 166,819	\$ 475,710	\$ 6,820	\$ 1,548,997
Special mention	1,063	7,729	4,131	7,010	807	2,809	7,405	—	30,954
Substandard	722	3,150	5,122	7,322	11,744	2,208	37,794	611	68,673
Doubtful	—	—	58	33	16	—	—	—	107
Total C&I	<u>\$ 265,816</u>	<u>\$ 223,876</u>	<u>\$ 157,033</u>	<u>\$ 161,665</u>	<u>\$ 140,165</u>	<u>\$ 171,836</u>	<u>\$ 520,909</u>	<u>\$ 7,431</u>	<u>\$ 1,648,731</u>
Current-period gross charge-offs	\$ —	\$ (497)	\$ (477)	\$ (63)	\$ (263)	\$ (1,218)	\$ —	\$ —	\$ (2,518)
CRE									
By internally assigned grade:									
Pass	\$ 360,858	\$ 483,504	\$ 436,790	\$ 627,582	\$ 577,221	\$1,362,602	\$ 329,111	\$49,483	\$ 4,227,151
Special mention	5,509	7,351	22,545	50,020	15,226	62,542	7,053	—	170,246
Substandard	5,080	16,539	17,226	44,496	19,266	102,861	17,136	—	222,604
Total CRE	<u>\$ 371,447</u>	<u>\$ 507,394</u>	<u>\$ 476,561</u>	<u>\$ 722,098</u>	<u>\$ 611,713</u>	<u>\$1,528,005</u>	<u>\$ 353,300</u>	<u>\$49,483</u>	<u>\$4,620,001</u>
Current-period gross charge-offs	\$ —	\$ —	\$ (178)	\$ —	\$ —	\$ (2,105)	\$ —	\$ —	\$ (2,283)
Auto									
By payment activity:									
Performing	\$ 563,305	\$ 371,367	\$ 199,608	\$ 132,355	\$ 40,036	\$ 6,789	\$ —	\$ —	\$ 1,313,460
Nonperforming	547	1,185	982	738	375	78	—	—	3,905
Total auto	<u>\$ 563,852</u>	<u>\$ 372,552</u>	<u>\$ 200,590</u>	<u>\$ 133,093</u>	<u>\$ 40,411</u>	<u>\$ 6,867</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,317,365</u>
Current-period gross charge-offs	\$ (263)	\$ (1,526)	\$ (1,320)	\$ (1,494)	\$ (609)	\$ (262)	\$ —	\$ —	\$ (5,474)
Residential solar									
By payment activity:									
Performing	\$ 1,978	\$ 2,200	\$ 108,529	\$ 365,629	\$ 150,757	\$ 106,546	\$ —	\$ —	\$ 735,639
Nonperforming	—	—	58	761	384	128	—	—	1,331
Total residential solar	<u>\$ 1,978</u>	<u>\$ 2,200</u>	<u>\$ 108,587</u>	<u>\$ 366,390</u>	<u>\$ 151,141</u>	<u>\$ 106,674</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 736,970</u>
Current-period gross charge-offs	\$ —	\$ —	\$ (1,012)	\$ (5,153)	\$ (1,619)	\$ (844)	\$ —	\$ —	\$ (8,628)
Other consumer									
By payment activity:									
Performing	\$ 16,080	\$ 7,334	\$ 3,257	\$ 4,465	\$ 11,689	\$ 13,636	\$ 25,995	\$ 35	\$ 82,491
Nonperforming	—	29	26	37	135	126	15	34	402
Total other consumer	<u>\$ 16,080</u>	<u>\$ 7,363</u>	<u>\$ 3,283</u>	<u>\$ 4,502</u>	<u>\$ 11,824</u>	<u>\$ 13,762</u>	<u>\$ 26,010</u>	<u>\$ 69</u>	<u>\$ 82,893</u>
Current-period gross charge-offs	\$ (815)	\$ (404)	\$ (95)	\$ (941)	\$ (1,940)	\$ (1,195)	\$ —	\$ —	\$ (5,390)
Residential									
By payment activity:									
Performing	\$ 192,323	\$ 237,485	\$ 244,007	\$ 404,751	\$ 473,304	\$1,242,708	\$ 346,079	\$27,566	\$ 3,168,223
Nonperforming	—	1,629	2,419	3,126	3,238	13,278	76	165	23,931
Total residential	<u>\$ 192,323</u>	<u>\$ 239,114</u>	<u>\$ 246,426</u>	<u>\$ 407,877</u>	<u>\$ 476,542</u>	<u>\$1,255,986</u>	<u>\$ 346,155</u>	<u>\$ 27,731</u>	<u>\$ 3,192,154</u>
Current-period gross charge-offs	\$ —	\$ (16)	\$ (272)	\$ (574)	\$ —	\$ (54)	\$ —	\$ —	\$ (916)
Total loans	<u>\$1,411,496</u>	<u>\$1,352,499</u>	<u>\$1,192,480</u>	<u>\$1,795,625</u>	<u>\$1,431,796</u>	<u>\$3,083,130</u>	<u>\$1,246,374</u>	<u>\$ 84,714</u>	<u>\$ 11,598,114</u>
Current-period gross charge-offs	\$ (1,078)	\$ (2,443)	\$ (3,354)	\$ (8,225)	\$ (4,431)	\$ (5,678)	\$ —	\$ —	\$ (25,209)

<i>(In thousands)</i>	2024	2023	2022	2021	2020	Prior	Revolving Loans Amortized Cost Basis	Revolving Loans Converted to Term	Total
As of December 31, 2024									
C&I									
By internally assigned grade:									
Pass	\$ 255,824	\$ 166,780	\$ 180,095	\$ 177,839	\$ 118,826	\$ 101,755	\$349,443	\$ 3,588	\$ 1,354,150
Special mention	272	3,265	3,461	1,639	307	1,008	22,582	4,374	36,908
Substandard	2,419	3,895	2,183	1,555	173	3,878	23,231	1,751	39,085
Doubtful	—	67	2	1	—	—	—	—	70
Total C&I	<u>\$ 258,515</u>	<u>\$ 174,007</u>	<u>\$ 185,741</u>	<u>\$ 181,034</u>	<u>\$ 119,306</u>	<u>\$ 106,641</u>	<u>\$ 395,256</u>	<u>\$ 9,713</u>	<u>\$ 1,430,213</u>
Current-period gross charge-offs	\$ —	\$ (99)	\$ (1,063)	\$ (162)	\$ —	\$ (1,352)	\$ —	\$ —	\$ (2,676)
CRE									
By internally assigned grade:									
Pass	\$ 414,835	\$ 352,834	\$ 550,682	\$ 514,134	\$ 414,737	\$ 912,693	\$ 314,574	\$45,940	\$3,520,429
Special mention	2,573	14,406	23,747	7,440	4,310	16,888	2,044	1,222	72,630
Substandard	—	1,743	19,182	18,111	2,362	61,029	654	—	103,081
Total CRE	<u>\$ 417,408</u>	<u>\$ 368,983</u>	<u>\$ 593,611</u>	<u>\$ 539,685</u>	<u>\$ 421,409</u>	<u>\$ 990,610</u>	<u>\$ 317,272</u>	<u>\$ 47,162</u>	<u>\$ 3,696,140</u>
Current-period gross charge-offs	\$ —	\$ —	\$ —	\$ (2,366)	\$ —	\$ —	\$ —	\$ —	\$ (2,366)
Auto									
By payment activity:									
Performing	\$ 557,817	\$ 321,545	\$ 238,232	\$ 90,143	\$ 19,931	\$ 14,284	\$ —	\$ —	\$ 1,241,952
Nonperforming	594	983	710	459	107	101	—	—	2,954
Total auto	<u>\$ 558,411</u>	<u>\$ 322,528</u>	<u>\$ 238,942</u>	<u>\$ 90,602</u>	<u>\$ 20,038</u>	<u>\$ 14,385</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,244,906</u>
Current-period gross charge-offs	\$ (141)	\$ (1,478)	\$ (1,610)	\$ (837)	\$ (116)	\$ (347)	\$ —	\$ —	\$ (4,529)
Residential solar									
By payment activity:									
Performing	\$ 4,381	\$ 121,755	\$ 398,030	\$ 166,018	\$ 56,612	\$ 71,472	\$ —	\$ —	\$ 818,268
Nonperforming	—	213	869	488	80	161	—	—	1,811
Total residential solar . .	<u>\$ 4,381</u>	<u>\$ 121,968</u>	<u>\$ 398,899</u>	<u>\$ 166,506</u>	<u>\$ 56,692</u>	<u>\$ 71,633</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 820,079</u>
Current-period gross charge-offs	\$ —	\$ (530)	\$ (4,441)	\$ (716)	\$ (201)	\$ (694)	\$ —	\$ —	\$ (6,582)
Other consumer									
By payment activity:									
Performing	\$ 16,426	\$ 6,685	\$ 11,792	\$ 27,045	\$ 10,718	\$ 15,881	\$ 19,507	\$ 12	\$ 108,066
Nonperforming	12	43	207	433	209	202	15	30	1,151
Total other consumer . .	<u>\$ 16,438</u>	<u>\$ 6,728</u>	<u>\$ 11,999</u>	<u>\$ 27,478</u>	<u>\$ 10,927</u>	<u>\$ 16,083</u>	<u>\$ 19,522</u>	<u>\$ 42</u>	<u>\$ 109,217</u>
Current-period gross charge-offs	\$ (735)	\$ (330)	\$ (2,080)	\$ (4,271)	\$ (1,036)	\$ (912)	\$ —	\$ —	\$ (9,364)
Residential									
By payment activity:									
Performing	\$ 188,657	\$ 222,593	\$ 369,473	\$ 419,053	\$ 246,867	\$ 924,869	\$ 265,351	\$ 18,935	\$ 2,655,798
Nonperforming	580	765	766	2,507	160	8,779	—	—	13,557
Total residential	<u>\$ 189,237</u>	<u>\$ 223,358</u>	<u>\$ 370,239</u>	<u>\$ 421,560</u>	<u>\$ 247,027</u>	<u>\$ 933,648</u>	<u>\$ 265,351</u>	<u>\$ 18,935</u>	<u>\$ 2,669,355</u>
Current-period gross charge-offs	\$ —	\$ (34)	\$ —	\$ —	\$ —	\$ (177)	\$ —	\$ —	\$ (211)
Total loans	<u>\$1,444,390</u>	<u>\$1,217,572</u>	<u>\$1,799,431</u>	<u>\$1,426,865</u>	<u>\$875,399</u>	<u>\$2,133,000</u>	<u>\$ 997,401</u>	<u>\$ 75,852</u>	<u>\$9,969,910</u>
Current-period gross charge-offs	\$ (876)	\$ (2,471)	\$ (9,194)	\$ (8,352)	\$ (1,353)	\$ (3,482)	\$ —	\$ —	\$ (25,728)

Allowance for Credit Losses on Off-Balance Sheet Credit Exposures

The allowance for losses on unfunded commitments totaled \$5.8 million as of December 31, 2025, compared to \$4.4 million as of December 31, 2024. The reserve for unfunded loan commitments was \$1.4 million for the year ended December 31, 2025, compared to \$(0.7) million for the year ended December 31, 2024 and compared to less than \$0.1 million for the year ended December 31, 2023 and was recorded within other noninterest expense in the consolidated statements of income. Included in the reserve for unfunded loan commitments for the year ended December 31, 2025, was \$0.5 million of acquisition-related provision for

unfunded loan commitments due to the Evans acquisition. Included in the reserve for unfunded loan commitments for the year ended December 31, 2023, was \$0.8 million of acquisition-related provision for unfunded loan commitments due to the Salisbury acquisition.

Loan Modifications to Borrowers Experiencing Financial Difficulties

The Company's January 1, 2023 adoption of ASU 2022-02 eliminates the recognition and measurement of TDRs. Upon adoption of this guidance, the Company no longer recognizes an allowance for credit losses for the economic concession granted to a borrower for changes in the timing and amount of contractual cash flows when a loan is restructured. The adoption of ASU 2022-02 resulted in a change to reporting for loan modifications to borrowers experiencing financial difficulties. With the adoption of ASU 2022-02 these modifications required enhanced reporting on the type of modifications granted and the financial magnitude of the concessions granted.

When the Company modifies a loan with financial difficulty, such modifications generally include one or a combination of the following: an extension of the maturity date; a stated rate of interest lower than the current market rate for new debt with similar risk; a change in scheduled payment amount; or principal forgiveness.

The following table shows the amortized cost basis at the end of the reporting period of the loans modified to borrowers experiencing financial difficulty, disaggregated by class of financing receivable and type of concession granted:

Year Ended December 31, 2025						
(Dollars in thousands)	Interest Rate Reduction		Term Extension		Combination - Term Extension and Interest Rate Reduction	
	Amortized Cost	% of Total Class of Financing Receivables	Amortized Cost	% of Total Class of Financing Receivables	Amortized Cost	% of Total Class of Financing Receivables
Residential	\$—	—	\$1,572	0.049%	\$125	0.004%
Total	<u>\$—</u>		<u>\$1,572</u>		<u>\$125</u>	
Year Ended December 31, 2024						
(Dollars in thousands)	Interest Rate Reduction		Term Extension		Combination - Term Extension and Interest Rate Reduction	
	Amortized Cost	% of Total Class of Financing Receivables	Amortized Cost	% of Total Class of Financing Receivables	Amortized Cost	% of Total Class of Financing Receivables
Residential	\$—	—	\$1,200	0.045%	\$282	0.011%
Total	<u>\$—</u>		<u>\$1,200</u>		<u>\$282</u>	
Year Ended December 31, 2023						
(Dollars in thousands)	Interest Rate Reduction		Term Extension		Combination - Term Extension and Interest Rate Reduction	
	Amortized Cost	% of Total Class of Financing Receivables	Amortized Cost	% of Total Class of Financing Receivables	Amortized Cost	% of Total Class of Financing Receivables
Residential	\$174	0.007%	\$311	0.012%	\$160	0.006%
Total	<u>\$174</u>		<u>\$311</u>		<u>\$160</u>	

The following table describes the financial effect of the modifications made to borrowers experiencing financial difficulties:

Year Ended December 31, 2025		
Loan Type	Term Extension	Interest Rate Reduction
Residential	Added a weighted-average 6.0 years to the life of loans, which reduced monthly payment amounts for the borrowers	Interest Rates were reduced by an average of 0.81%

Year Ended December 31, 2024		
Loan Type	Term Extension	Interest Rate Reduction
Residential	Added a weighted-average 7.8 years to the life of loans, which reduced monthly payment amounts for the borrowers	Interest Rates were reduced by an average of 0.63%

Year Ended December 31, 2023		
Loan Type	Term Extension	Interest Rate Reduction
Residential	Added a weighted-average 12.1 years to the life of loans, which reduced monthly payment amounts for the borrowers	Interest Rates were reduced by an average of 1.50%

The following table shows the amortized cost basis at the end of the reporting periods of loans modified in the prior twelve months of the reporting periods to borrowers experiencing financial difficulty, disaggregated by class of financing receivable and type of concession granted that had payment defaults during the reporting periods:

(In thousands)	Year Ended December 31, 2025		Year Ended December 31, 2024		Year Ended December 31, 2023	
	Term Extension	Interest Rate Reduction	Term Extension	Interest Rate Reduction	Term Extension	Interest Rate Reduction
Residential	<u>\$28</u>	<u>\$—</u>	<u>\$—</u>	<u>\$—</u>	<u>\$124</u>	<u>\$31</u>
Total	<u>\$28</u>	<u>\$—</u>	<u>\$—</u>	<u>\$—</u>	<u>\$124</u>	<u>\$31</u>

The following table depicts the performance of loans that have been modified to borrowers experiencing financial difficulty that were modified in the prior twelve months:

(In thousands)	Payment Status (Amortized Cost Basis)			
	Current	31-60 Days Past Due	61-90 Days Past Due	Greater than 90 Days Past Due
As of December 31, 2025				
Residential.....	<u>\$1,669</u>	<u>\$—</u>	<u>\$—</u>	<u>\$28</u>
Total.....	<u>\$1,669</u>	<u>\$—</u>	<u>\$—</u>	<u>\$28</u>

(In thousands)	Payment Status (Amortized Cost Basis)			
	Current	31-60 Days Past Due	61-90 Days Past Due	Greater than 90 Days Past Due
As of December 31, 2024				
Residential.....	<u>\$1,369</u>	<u>\$—</u>	<u>\$—</u>	<u>\$113</u>
Total.....	<u>\$1,369</u>	<u>\$—</u>	<u>\$—</u>	<u>\$113</u>

7. Premises, Equipment and Leases

A summary of premises and equipment follows:

<i>(In thousands)</i>	December 31,	
	2025	2024
Land, buildings and improvements	\$ 168,130	\$ 151,421
Furniture and equipment	112,215	101,830
Premises and equipment before accumulated depreciation	\$280,345	\$253,251
Accumulated depreciation	(181,068)	(172,411)
Total premises and equipment	<u>\$ 99,277</u>	<u>\$80,840</u>

Buildings and improvements are depreciated based on useful lives of five to twenty years. Furniture and equipment is depreciated based on useful lives of three to ten years.

Operating leases in which the Company is the lessee are recorded as operating lease ROU assets and operating lease liabilities, included in other assets and other liabilities, respectively, on the consolidated balance sheets. The Company does not have any significant finance leases in which we are the lessee as of December 31, 2025 and December 31, 2024.

Operating lease ROU assets represent the Company's right to use an underlying asset during the lease term and operating lease liabilities represent our obligation to make lease payments arising from the lease. ROU assets and operating lease liabilities are recognized at lease commencement based on the present value of the remaining lease payments using a discount rate that represents the Company's incremental borrowing rate at the lease commencement date. ROU assets are further adjusted for lease incentives. Operating lease expense, which is comprised of amortization of the ROU asset and the implicit interest accreted on the operating lease liability, is recognized on a straight-line basis over the lease term and is recorded in occupancy expense in the consolidated statements of income.

The Company made a policy election to exclude the recognition requirements to all classes of leases with original terms of 12 months or less. Instead, the short-term lease payments are recognized in profit or loss on a straight-line basis over the lease term.

The Company has lease agreements with lease and non-lease components, which are generally accounted for separately. For real estate leases, non-lease components and other non-components, such as common area maintenance charges, real estate taxes and insurance are not included in the measurement of the lease liability since they are generally able to be segregated.

Our leases relate primarily to office space and bank branches, and some contain options to renew the lease. These options to renew are generally not considered reasonably certain to exercise, and are therefore not included in the lease term until such time that the option to renew is reasonably certain. As of December 31, 2025, operating lease ROU assets and liabilities were \$30.6 million and \$33.1 million, respectively. As of December 31, 2024, operating lease ROU assets and liabilities were \$27.6 million and \$30.3 million, respectively.

The table below summarizes net lease cost:

<i>(In thousands)</i>	December 31,	
	2025	2024
Operating lease cost	\$ 8,589	\$ 7,527
Variable lease cost	3,214	2,628
Short-term lease cost	422	365
Sublease income	(351)	(354)
Total operating lease cost	<u>\$11,874</u>	<u>\$10,166</u>

The table below shows future minimum rental commitments related to non-cancelable operating leases for the next five years and thereafter as of December 31, 2025:

(In thousands)

2026	\$ 9,097
2027.....	7,816
2028.....	6,109
2029	4,269
2030	2,669
Thereafter	7,378
Total lease payments.....	\$37,338
Less: interest.....	(4,206)
Present value of lease liabilities.....	\$ 33,132

The following table shows the weighted average remaining operating lease term, the weighted average discount rate and supplemental information on the consolidated statements of cash flows for operating leases:

<i>(In thousands except for percent and period data)</i>	December 31,	
	2025	2024
Weighted average remaining lease term, in years	5.70	6.23
Weighted average discount rate.....	4.08%	3.97%
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 7,571	\$6,585
ROU assets obtained in exchange for lease liabilities.....	10,336	7,411

As of December 31, 2025 there are no new significant leases that have not yet commenced.

Rental expense included in occupancy expense amounted to \$10.0 million in 2025, \$8.4 million in 2024 and \$7.9 million in 2023.

8. Goodwill and Other Intangible Assets

A summary of goodwill is as follows:

(In thousands)

January 1, 2025	\$362,663
Goodwill acquired.....	90,615
December 31, 2025.....	\$453,278
January 1, 2024	\$ 361,851
Goodwill acquired.....	812
December 31, 2024.....	\$ 362,663

There was no impairment of goodwill recorded during the years ended December 31, 2025, 2024 and 2023.

The Company has intangible assets with definite useful lives capitalized on its consolidated balance sheet in the form of core deposit and other identified intangible assets. These intangible assets are amortized over their estimated useful lives, which range primarily from one to twenty years.

A summary of core deposit and other intangible assets follows:

<i>(In thousands)</i>	December 31,	
	2025	2024
Core deposit intangibles:		
Gross carrying amount.....	\$64,428	\$ 31,188
Less: accumulated amortization.....	16,693	7,797
Net carrying amount.....	\$47,735	\$ 23,391
Identified intangible assets:		
Gross carrying amount.....	\$ 33,810	\$ 34,189
Less: accumulated amortization.....	23,889	21,220
Net carrying amount.....	\$ 9,921	\$ 12,969
Total intangibles:		
Gross carrying amount.....	\$98,238	\$ 65,377
Less: accumulated amortization.....	40,582	29,017
Net carrying amount.....	\$57,656	<u>\$36,360</u>

Amortization expense on intangible assets with definite useful lives totaled \$11.9 million for 2025, \$8.4 million for 2024 and \$4.7 million for 2023. Amortization expense on intangible assets with definite useful lives is expected to total \$12.5 million for 2026, \$10.8 million for 2027, \$9.2 million for 2028, \$7.6 million for 2029, \$6.1 million for 2030 and \$11.5 million thereafter. Other identified intangible assets include customer lists and non-compete agreements.

During the years ended December 31, 2025, 2024 and 2023, there was no impairment of intangible assets.

9. Deposits

The following table sets forth the maturity distribution of time deposits:

<i>(In thousands)</i>	December 31, 2025
Within one year	\$ 1,397,130
After one but within two years.....	38,673
After two but within three years	25,689
After three but within four years.....	23,608
After four but within five years	6,766
After five years.....	579
Total	<u>\$1,492,445</u>

Time deposits of \$250,000 or more aggregated \$332.9 million and \$251.6 million December 31, 2025 and 2024, respectively.

10. Borrowings

Short-Term Borrowings

In addition to the liquidity provided by balance sheet cash flows, liquidity must also be supplemented with additional sources such as credit lines from correspondent banks as well as borrowings from the FHLB and the Federal Reserve Bank. Other funding alternatives may also be appropriate from time to time, including wholesale and retail repurchase agreements and brokered CD accounts.

Short-term borrowings totaled \$148.1 million and \$162.9 million at December 31, 2025 and 2024, respectively, and consist of Federal funds purchased and securities sold under repurchase agreements, which generally represent overnight borrowing transactions and other short-term borrowings, primarily FHLB advances, with original maturities of one year or less.

The Company has unused lines of credit with the FHLB and access to brokered deposits available for short-term financing. Those sources totaled approximately \$4.38 billion and \$3.46 billion at December 31, 2025 and 2024, respectively. Borrowings on the FHLB lines are secured by FHLB stock, certain securities and one-to-four family first lien mortgage loans. Securities collateralizing repurchase agreements are held in safekeeping by nonaffiliated financial institutions and are under the Company's control.

Information related to short-term borrowings is summarized as follows:

<i>(Dollars in thousands)</i>	December 31,		
	2025	2024	2023
Federal funds purchased:			
Balance at year-end	\$ —	\$ —	\$ —
Average during the year	4,110	13,016	24,575
Maximum month end balance	80,000	78,000	60,000
Weighted average rate during the year	4.53%	5.47%	5.16%
Weighted average rate at year-end	4.50%	5.54%	5.63%
Securities sold under repurchase agreements:			
Balance at year-end	\$148,069	\$ 146,942	\$ 93,651
Average during the year	114,822	95,879	70,251
Maximum month end balance	152,246	146,942	96,195
Weighted average rate during the year	2.64%	2.26%	1.06%
Weighted average rate at year-end	2.66%	2.35%	1.49%
Other short-term borrowings:			
Balance at year-end	\$ —	\$ 16,000	\$293,000
Average during the year	8,679	103,963	450,377
Maximum month end balance	111,000	292,000	593,000
Weighted average rate during the year	4.60%	5.43%	5.24%
Weighted average rate at year-end	4.62%	5.48%	5.28%

See Note 4 for additional information regarding securities pledged as collateral for securities sold under the repurchase agreements.

Long-Term Debt

Long-term debt consists of obligations having an original maturity at issuance of more than one year. A majority of the Company's long-term debt is comprised of FHLB advances collateralized by the FHLB stock owned by the Company, and a blanket lien on its residential mortgage loans. As of December 31, 2025 the Company had no callable long-term debt. A summary is as follows:

<i>(Dollars in thousands)</i>	December 31, 2025		December 31, 2024	
	Amount	Weighted Average Rate	Amount	Weighted Average Rate
Maturity				
2026	\$ —	—	\$26,556	4.35%
2027	40,197	4.24%	—	—
2031	2,979	2.45%	3,088	2.45%
Total	<u>\$43,176</u>		<u>\$29,644</u>	

Subordinated Debt

On June 23, 2020, the Company issued \$100.0 million aggregate principal amount of 5.00% fixed-to-floating rate subordinated notes due 2030. The subordinated notes, which qualified as Tier 2 capital, bore interest at an annual rate of 5.00%, payable semi-annually in arrears commencing on January 1, 2021, and a floating rate of interest equivalent to the three-month Secured Overnight Financing Rate ("SOFR") plus a spread of 4.85%, payable quarterly in arrears commencing on October 1, 2025. The subordinated notes issuance costs of \$2.2 million were amortized on a straight-line basis into interest expense over five years.

The subordinated notes were redeemable (1) in whole or in part beginning with the interest payment date of July 1, 2025, and on any interest payment date thereafter or (2) in whole but not in part upon the occurrence of a "Tax Event", a "Tier 2 Capital Event" or in the event the Company was required to register as an investment company pursuant to the Investment Company Act of 1940, as amended. The redemption price for any redemption was 100% of the principal amount of the subordinated notes being redeemed, plus accrued and unpaid interest thereon to, but excluding, the date of redemption. Any redemption of the subordinated notes was subject to the receipt of the approval of the Board of Governors of the Federal Reserve System to the extent required under applicable laws or regulations, including capital regulations. The Company repurchased \$2.0 million of the subordinated notes during the year ended December 31, 2022 at a discount of \$0.1 million. On July 1, 2025, the Company redeemed these subordinated notes in full using existing liquidity sources.

The subordinated notes assumed in connection with the Salisbury acquisition included \$25.0 million of 3.50% fixed-to-floating rate subordinated notes due 2031. The subordinated notes, which qualified as Tier 2 capital, have a maturity date of March 31, 2031 and bore interest at an annual rate of 3.50%, payable quarterly in arrears commencing on June 30, 2021, and a floating rate of interest equivalent to the three-month SOFR plus a spread of 2.80%, payable quarterly in arrears commencing on June 30, 2026. The subordinated notes are redeemable, without penalty, on or after March 31, 2026 and, in certain limited circumstances, prior to that date. As of the acquisition date, the fair value discount was \$3.0 million.

Subordinated notes assumed in connection with the Evans acquisition included \$20.0 million of 6.00% fixed-to-floating rate subordinated notes due 2030. The subordinated notes, which qualified as Tier 2 capital, bore interest at an annual rate of 6.00%, payable semi-annually in arrears commencing on January 15, 2021, and a floating rate of interest equivalent to the three-month SOFR plus a spread of 5.90%, payable quarterly in arrears commencing on July 15, 2025. On July 15, 2025, the Company redeemed these subordinated notes in full using existing liquidity sources.

The following table summarizes the Company's subordinated debt:

<i>(Dollars in thousands)</i>	December 31, 2025	December 31, 2024
Subordinated notes issued June 2020 - fixed interest rate of 5.00% through June 2025 and a variable interest rate equivalent to three-month SOFR plus 4.85% thereafter, maturing July 1, 2030.....	\$ —	\$ 98,000
Subordinated notes issued March 2021 and acquired August 2023 - fixed interest rate of 3.50% through June 2026 and a variable interest rate equivalent to three-month SOFR plus 2.80% thereafter, maturing March 31, 2031.....	25,000	25,000
Subtotal subordinated notes.....	\$25,000	\$123,000
Unamortized debt issuance costs and unamortized fair value discount	(491)	(1,799)
Total subordinated debt, net.....	<u>\$24,509</u>	<u>\$ 121,201</u>

Junior Subordinated Debt

In connection with the Evans acquisition, the Company acquired Evans Capital Trust I, a statutory business trust wholly-owned by the Company, which issued \$11.0 million in aggregate principal amount of floating rate preferred capital securities due November 23, 2034 to various investors and \$0.3 million of common securities. As of the acquisition date, the fair value discount was \$0.9 million which is being amortized into interest expense over the life of the debt instrument.

The Company sponsors six business trusts, CNBF Capital Trust I, NBT Statutory Trust I, NBT Statutory Trust II, Alliance Financial Capital Trust I, Alliance Financial Capital Trust II and Evans Capital Trust I (collectively, the “Trusts”). The Company’s junior subordinated debentures include amounts related to the Company’s NBT Statutory Trust I and II as well as junior subordinated debentures associated with one statutory trust affiliate that was acquired from our merger with CNB Financial Corp., two statutory trusts that were acquired from our acquisition of Alliance Financial Corporation (“Alliance”) and one statutory trust that was acquired from our acquisition of Evans. The Trusts were formed for the purpose of issuing company-obligated mandatorily redeemable trust preferred securities to third-party investors and investing in the proceeds from the sale of such preferred securities solely in junior subordinated debt securities of the Company for general corporate purposes. The Company guarantees, on a limited basis, payments of distributions on the trust preferred securities and payments on redemption of the trust preferred securities. The Trusts are VIEs for which the Company is not the primary beneficiary, as defined by GAAP. In accordance with GAAP, the accounts of the Trusts are not included in the Company’s consolidated financial statements. See Note 1 for additional information about the Company’s consolidation policy.

The debentures held by each trust are the sole assets of that trust. The Trusts hold, as their sole assets, junior subordinated debentures of the Company with face amounts totaling \$109.0 million at December 31, 2025. The Company owns all of the common securities of the Trusts and has accordingly recorded \$3.5 million in equity method investments classified as other assets in our consolidated balance sheets at December 31, 2025. The Company owns all of the common stock of the Trusts, which have issued trust preferred securities in conjunction with the Company issuing trust preferred debentures to the Trusts. The terms of the trust preferred debentures are substantially the same as the terms of the trust preferred securities.

As of December 31, 2025, the Trusts had the following trust preferred securities outstanding and held the following junior subordinated debentures of the Company (dollars in thousands):

Description	Issuance Date	Trust Preferred Securities Outstanding	Interest Rate	Trust Preferred Debt Owed To Trust	Final Maturity Date
CNBF Capital Trust I . . .	August 1999	\$ 18,000	3-month Term SOFR + 0.26161% plus 2.75%	\$18,720	August 2029
NBT Statutory Trust I . .	November 2005	5,000	3-month Term SOFR + 0.26161% plus 1.40%	5,155	December 2035
NBT Statutory Trust II . .	February 2006	50,000	3-month Term SOFR + 0.26161% plus 1.40%	51,547	March 2036
Alliance Financial Capital Trust I	December 2003	10,000	3-month Term SOFR + 0.26161% plus 2.85%	10,310	January 2034
Alliance Financial Capital Trust II	September 1, 2006	15,000	3-month Term SOFR + 0.26161% plus 1.65%	15,464	September 2036
Evans Capital Trust I . . .	October 1, 2004	11,000	3-month Term SOFR + 0.26161% plus 2.65%	11,341	November 2034

The Company's junior subordinated debentures are redeemable prior to the maturity date at our option upon each trust's stated option repurchase dates and from time to time thereafter. These debentures are also redeemable in whole at any time upon the occurrence of specific events defined within the trust indenture. Our obligations under the debentures and related documents, taken together, constitute a full and unconditional guarantee by the Company of the issuers' obligations under the trust preferred securities. The Company owns all of the common stock of the Trusts, which have issued trust preferred securities in conjunction with the Company issuing trust preferred debentures to the Trusts. The terms of the trust preferred debentures are substantially the same as the terms of the trust preferred securities.

With respect to the Trusts, the Company has the right to defer payments of interest on the debentures issued to the Trusts at any time or from time to time for a period of up to ten consecutive semi-annual periods with respect to each deferral period. Under the terms of the debentures, if in certain circumstances there is an event of default under the debentures or the Company elects to defer interest on the debentures, the Company may not, with certain exceptions, declare or pay any dividends or distributions on its capital stock or purchase or acquire any of its capital stock.

Despite the fact that the Trusts are not included in the Company's consolidated financial statements, \$108 million of the \$112 million in trust preferred securities issued by these subsidiary trusts was included in the Tier 1 capital of the Company for regulatory capital purposes as allowed by the FRB (NBT Bank owns \$1.0 million of CNBF Trust I securities) through March 31, 2025. The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 requires bank holding companies with assets greater than \$500 million to be subject to the same capital requirements as insured depository institutions, meaning, for instance, that such bank holding companies will not be able to count trust preferred securities issued after May 19, 2010 as Tier 1 capital. The aforementioned Trusts are grandfathered with respect to this enactment based on their date of issuance. As of June 30, 2025 in connection with the completion of the Evans acquisition and the Company's assets exceeding \$15 billion, the Trusts are now included in the Company's Tier 2 capital for regulatory capital purposes.

11. Income Taxes

The Company's income from continuing operations before income tax expense totaled \$219.4 million, \$179.5 million and \$153.5 million for the years ended December 31, 2025, 2024 and 2023, respectively.

The significant components of income tax expense attributable to operations are as follows:

(In thousands)	Years Ended December 31,		
	2025	2024	2023
Current:			
Federal	\$20,098	\$23,049	\$22,829
State	6,538	7,039	5,890
Total current	\$ 26,636	\$30,088	\$ 28,719
Deferred:			
Federal	\$ 18,890	\$ 8,306	\$ 4,593
State	4,683	423	1,365
Total deferred	\$ 23,573	\$ 8,729	\$ 5,958
Total income tax expense:			
Federal	\$ 38,988	\$ 31,355	\$27,422
State	11,221	7,462	7,255
Total income tax expense	\$50,209	\$ 38,817	\$34,677

The Company had no income tax in foreign jurisdictions for the years ended December 31, 2025, 2024 and 2023, respectively.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

(In thousands)	December 31,	
	2025	2024
Deferred tax assets:		
Allowance for loan losses	\$ 34,773	\$ 29,229
Lease liability	8,349	7,646
Deferred compensation	13,148	10,581
Fair value adjustments on acquisitions	34,217	15,958
Loan fees	16,815	23,660
Stock-based compensation expense	2,872	3,375
Unrealized losses on securities	24,055	41,346
Other	10,712	6,382
Total deferred tax assets	<u>\$144,941</u>	<u>\$ 138,177</u>
Deferred tax liabilities:		
Pension benefits	\$ 19,847	\$ 16,705
Lease right-of-use asset	7,709	7,195
Amortization of intangible assets	29,004	22,476
Premises and equipment, primarily due to accelerated depreciation	6,220	1,510
Other	2,204	2,072
Total deferred tax liabilities	<u>\$ 64,984</u>	<u>\$ 49,958</u>
Net deferred tax asset at year-end	\$ 79,957	\$ 88,219
Net deferred tax asset at beginning of year	<u>88,219</u>	<u>103,211</u>
(Decrease) in net deferred tax asset	<u>\$ (8,262)</u>	<u>\$ (14,992)</u>

Realization of deferred tax assets is dependent upon the generation of future taxable income. A valuation allowance is recorded when it is more likely than not that some portion of the deferred tax asset will not be realized. Based on available evidence, gross deferred tax assets will ultimately be realized and a valuation allowance was not deemed necessary at December 31, 2025 and 2024.

The following is a reconciliation of the provision for income taxes which presents our effective tax rate reconciliation for the year ended December 31, 2025, in accordance with the new presentation and disclosure requirements of ASU 2023-09, *Improvements to Income Tax Disclosures* ("ASU 2023-09"). Consistent with ASC 740-10-50-12A, the table disaggregates both percentages and amounts across the required categories and items meeting the 5% threshold are further disaggregated as required.

(In thousands)	Year Ended December 31, 2025	
	Amount	Percentage
Federal income tax at statutory rate	\$46,083	21.00%
Tax credits - Federal	(1,127)	(0.51)%
State taxes, net of federal tax benefit ⁽¹⁾	8,911	4.06%
Nontaxable Items:		
Tax exempt income	(1,753)	(0.80)%
Net increase in cash surrender value of life insurance	(2,528)	(1.15)%
Other, net	623	0.28%
Income tax expense	<u>\$50,209</u>	<u>22.88%</u>

(1) State taxes in New York contributed to the majority (greater than 50%) of the tax effect in this category.

The following table presents our reconciliation of the provision for income taxes for the years ended December 31, 2024, and 2023, prepared in accordance with the disclosure requirements applicable prior to the adoption of ASU 2023-09. These amounts are presented under the previous guidance and therefore do not reflect the additional disaggregation required by ASU 2023-09.

<i>(In thousands)</i>	Years Ended December 31,	
	2024	2023
Federal income tax at statutory rate.....	\$37,686	\$32,226
Tax exempt income	(1,783)	(1,442)
Net increase in cash surrender value of life insurance	(1,866)	(1,367)
Federal tax credits.....	(1,171)	(1,297)
State taxes, net of federal tax benefit.....	6,008	5,732
Other, net	(57)	825
Income tax expense	<u>\$ 38,817</u>	<u>\$34,677</u>

The following table presents cash income taxes paid, net of refunds, for the year ended December 31, 2025, disaggregated by category and by individual jurisdictions that are equal to or greater than 5% of total income taxes paid, in accordance with ASU 2023-09.

<i>(In thousands)</i>	Year Ended December 31, 2025
Federal	\$20,000
New York	2,370
Other States	2,200
Total state taxes paid, net	4,570
Total income taxes paid, net	<u>\$ 24,570</u>

A reconciliation of the beginning and ending balance of Federal and State gross unrecognized tax benefits (“UTBs”) is as follows:

<i>(In thousands)</i>	2025	2024
Balance at January 1.....	\$ 2,914	\$2,879
Additions for tax positions of prior years.....	—	57
Reduction for tax positions of prior years	(295)	(265)
Current period tax positions	223	243
Balance at December 31	<u>\$2,842</u>	\$ 2,914
Amount that would affect the effective tax rate if recognized, gross of tax....	<u>\$2,245</u>	<u>\$2,302</u>

The Company recognizes interest and penalties on the income tax expense line in the accompanying consolidated statements of income. As of December 31, 2025, no significant changes to UTBs are projected; however, tax audit examinations are possible, but it is not reasonably possible to estimate when examinations in subsequent years will be completed. The Company recognized \$0.8 million and \$0.6 million of interest expense related to UTBs in the consolidated statements of income for the years ended December 31, 2025 and 2024, respectively. The tax years 2017 to 2019 are currently being audited by New York State. As of December 31, 2025, the Company is not under federal examination.

12. Employee Benefit Plans

Defined Benefit Post-Retirement Plans

The Company has a qualified, noncontributory, defined benefit pension plan (the “Plan”) covering substantially all of its employees at December 31, 2025. Benefits paid from the Plan are based on age, years of service, compensation and social security benefits and are

determined in accordance with defined formulas. The Company's policy is to fund the Plan in accordance with Employee Retirement Income Security Act of 1974 standards. Assets of the Plan are invested in publicly traded stocks, bonds and mutual funds. Prior to January 1, 2000, the Plan was a traditional defined benefit plan based on final average compensation. On January 1, 2000, the Plan was converted to a cash balance plan with grandfathering provisions for existing participants. Effective March 1, 2013, the Plan was amended. Benefit accruals for participants who, as of January 1, 2000, elected to continue participating in the traditional defined benefit plan design were frozen as of March 1, 2013. In addition to the Plan, the Company provides supplemental employee retirement plans to certain current and former executives. These supplemental employee retirement plans and the Plan are collectively referred to herein as "Pension Benefits."

In connection with the Evans acquisition, the Company assumed the non-contributory, qualified, defined benefit pension plan and the nonqualified supplemental executive retirement plans. Effective May 2, 2025, the Evans defined benefit pension plan was merged into the Plan. The merging of the plans required a valuation as of the merger date and resulted in a \$0.9 million adjustment to AOCI. The merging of the plans did not have a significant impact on the Company's financial statements and related footnotes.

In addition, the Company provides certain health care benefits for retired employees. Benefits were accrued over the employees' active service period. Only employees that were employed by the Company on or before January 1, 2000 are eligible to receive post-retirement health care benefits. The Plan is contributory for participating retirees, requiring participants to absorb certain deductibles and coinsurance amounts with contributions adjusted annually to reflect cost sharing provisions and benefit limitations called for in the Plan. Employees become eligible for these benefits if they reach normal retirement age while working for the Company. For eligible employees described above, the Company funds the cost of post-retirement health care as benefits are paid. The Company elected to recognize the transition obligation on a delayed basis over twenty years. These post-retirement benefits are referred to herein as "Other Benefits."

Accounting standards require an employer to: (1) recognize the overfunded or underfunded status of defined benefit post-retirement plans, which is measured as the difference between plan assets at fair value and the benefit obligation, as an asset or liability in its balance sheet; (2) recognize changes in that funded status in the year in which the changes occur through comprehensive income; and (3) measure the defined benefit plan assets and obligations as of the date of its year-end balance sheet.

The components of AOCI, which have not yet been recognized as components of net periodic benefit cost, related to pensions and other post-retirement benefits are summarized below:

<i>(In thousands)</i>	Pension Benefits		Other Benefits	
	2025	2024	2025	2024
Net actuarial loss (gain).....	\$13,284	\$ 23,922	\$ 210	\$ (196)
Prior service cost (credit).....	401	418	(2)	(6)
Total amounts recognized in AOCI (pre-tax).....	<u>\$13,685</u>	<u>\$24,340</u>	<u>\$208</u>	<u>\$(202)</u>

A December 31 measurement date is used for the pension, supplemental pension and post-retirement benefit plans. The following table sets forth changes in benefit obligations, changes in plan assets and the funded status of the pension plans and other post-retirement benefits:

<i>(In thousands)</i>	Pension Benefits		Other Benefits	
	2025	2024	2025	2024
Change in benefit obligation:				
Benefit obligation at beginning of year.....	\$ 75,025	\$ 76,994	\$ 4,460	\$ 4,715
Service cost.....	2,761	2,204	2	4
Interest cost.....	4,674	4,029	252	230
Plan participants' contributions.....	—	—	121	127
Actuarial loss (gain).....	165	(2,454)	406	(18)
Amendments.....	—	1,212	—	—
Acquisition.....	9,565	—	—	—
Benefits paid.....	(11,753)	(6,960)	(551)	(598)
Projected benefit obligation at end of year.....	\$ 80,437	\$ 75,025	\$ 4,690	\$ 4,460
Change in plan assets:				
Fair value of plan assets at beginning of year.....	\$125,028	\$ 121,169	\$ —	\$ —
Gain on plan assets.....	18,046	8,920	—	—
Acquisition.....	4,829	—	—	—
Employer contributions.....	5,122	1,899	430	471
Plan participants' contributions.....	—	—	121	127
Benefits paid.....	(11,753)	(6,960)	(551)	(598)
Fair value of plan assets at end of year.....	\$ 141,272	\$125,028	\$ —	\$ —
Funded (unfunded) status at year end.....	\$ 60,835	\$50,003	\$(4,690)	\$(4,460)

An asset is recognized for an overfunded plan and a liability is recognized for an underfunded plan. The accumulated benefit obligation for pension benefits was \$80.4 million and \$75.0 million at December 31, 2025 and 2024, respectively. The accumulated benefit obligation for other post-retirement benefits was \$4.7 million and \$4.5 million at December 31, 2025 and 2024, respectively. The funded status of the pension and other post-retirement benefit plans has been recognized as follows in the consolidated balance sheets at December 31, 2025 and 2024.

<i>(In thousands)</i>	Pension Benefits		Other Benefits	
	2025	2024	2025	2024
Other assets.....	\$ 77,869	\$ 65,316	\$ —	\$ —
Other liabilities.....	(17,034)	(15,313)	(4,690)	(4,460)
Funded status.....	\$ 60,835	\$50,003	\$(4,690)	\$(4,460)

The following assumptions were used to determine the benefit obligation and the net periodic pension cost for the years indicated:

	Years Ended December 31,		
	2025	2024	2023
Weighted average assumptions:			
The following assumptions were used to determine benefit obligations:			
Discount rate.....	5.19% - 6.24%	5.54% - 6.10%	4.91% - 5.66%
Expected long-term return on plan assets.....	6.70%	6.70%	6.70%
Rate of compensation increase	3.00%	3.00%	3.00%
Interest rate of credit for cash balance plan	4.70%	4.54%	4.66%
The following assumptions were used to determine net periodic pension cost:			
Discount rate.....	5.54% - 6.15%	4.91% - 6.10%	3.35% - 5.66%
Expected long-term return on plan assets.....	6.70%	6.70%	6.70%
Rate of compensation increase	3.00%	3.00%	3.00%
Interest rate of credit for cash balance plan	4.54%	4.66%	3.99%

Net periodic benefit cost and other amounts recognized in OCI for the years ended December 31 included the following components:

(In thousands)	Pension Benefits			Other Benefits		
	2025	2024	2023	2025	2024	2023
Components of net periodic cost (benefit):						
Service cost	\$ 2,761	\$ 2,204	\$ 1,904	\$ 2	\$ 4	\$ 4
Interest cost	4,674	4,029	4,002	252	230	240
Expected return on plan assets	(8,415)	(7,888)	(7,379)	—	—	—
Amortization of prior service cost (credit) ..	16	993	43	(4)	(4)	(4)
Amortization of unrecognized net loss (gain)	1,173	1,892	2,633	—	—	(32)
Net periodic pension cost (benefit)	\$ 209	\$ 1,230	\$ 1,203	\$250	\$230	\$208
Other changes in plan assets and benefit obligations recognized in OCI (pre-tax):						
Net (gain) loss.....	\$ (9,466)	\$(3,486)	\$(4,037)	\$406	\$ (18)	\$ 711
Prior service cost	—	1,212	30	—	—	—
Amortization of prior service (cost) credit ..	(16)	(993)	(43)	4	4	4
Amortization of unrecognized net (loss) gain	(1,173)	(1,892)	(2,633)	—	—	32
Total recognized in OCI	\$(10,655)	\$(5,159)	\$(6,683)	\$ 410	\$ (14)	\$ 747
Total recognized in net periodic (benefit) cost and OCI, pre-tax	\$(10,446)	\$(3,929)	\$(5,480)	\$660	\$ 216	\$ 955

The service cost component of the net periodic cost (benefit) is included in salaries and employee benefits and the interest cost, expected return on plan assets and net amortization components are included in other noninterest expense on the consolidated statements of income.

The following table sets forth estimated future benefit payments for the pension plans and other post-retirement benefit plans as of December 31, 2025:

<i>(In thousands)</i>	Pension Benefits	Other Benefits
2026	\$ 8,455	\$ 457
2027	8,300	448
2028	8,827	449
2029	8,824	444
2030	8,668	436
2031 - 2035	37,961	1,925

The Company made no voluntary contributions to the pension and other benefit plans during the years ended December 31, 2025 and 2024.

For measurement purposes, the annual rates of increase in the per capita cost of covered medical and prescription drug benefits for fiscal year 2025 were assumed to be 6.5% to 11.25%. The rates were assumed to decrease gradually to 4.5% for fiscal year 2034 and remain at that level thereafter. Assumed health care cost trend rates have a significant effect on amounts reported for health care plans.

Plan Investment Policy

The Company's key investment objectives in managing its defined benefit plan assets are to ensure that present and future benefit obligations to all participants and beneficiaries are met as they become due; to provide a total return that, over the long-term, maximizes the ratio of the plan assets to liabilities, while minimizing the present value of required Company contributions, at the appropriate levels of risk; to meet statutory requirements and regulatory agencies' requirements; and to satisfy applicable accounting standards. The Company periodically evaluates the asset allocations, funded status, rate of return assumption and contribution strategy for satisfaction of our investment objectives.

The target and actual allocations expressed as a percentage of the defined benefit pension plan's assets are as follows:

	Target 2025	2025	2024
Cash and cash equivalents	0- 15%	2%	2%
Fixed income securities	30-60%	43%	44%
Equities	40-70%	55%	54%
Total		<u>100%</u>	<u>100%</u>

Only high-quality bonds are to be included in the portfolio. All issues that are rated lower than A by Standard and Poor's are to be excluded. Equity securities at December 31, 2025 and 2024 do not include any Company common stock.

The following table presents the financial instruments recorded at fair value on a recurring basis by the Plan:

<i>(In thousands)</i>	Level 1	Level 2	December 31, 2025
Cash and cash equivalents	\$ 3,413	\$—	\$ 3,413
U.S. government bonds	—	3	3
Mutual funds	137,856	—	137,856
Total	<u>\$141,269</u>	<u>\$ 3</u>	<u>\$141,272</u>

<i>(In thousands)</i>	Level 1	Level 2	December 31, 2024
Cash and cash equivalents	\$ 2,611	\$—	\$ 2,611
U.S. government bonds	—	7	7
Mutual funds	122,410	—	122,410
Total	<u>\$125,021</u>	<u>\$ 7</u>	<u>\$125,028</u>

The plan had no financial instruments recorded at fair value on a non-recurring basis as of December 31, 2025 and 2024.

Determination of Assumed Rate of Return

The expected long-term rate-of-return on assets was 6.7% at December 31, 2025 and 2024, respectively. This assumption represents the rate of return on plan assets reflecting the average rate of earnings expected on the funds invested or to be invested to provide for the benefits included in the projected benefit obligation. The assumption has been determined by reflecting expectations regarding future rates of return for the portfolio considering the asset distribution and related historical rates of return. The appropriateness of the assumption is reviewed annually.

Employee 401(k) and Employee Stock Ownership Plans

The Company maintains a 401(k) and employee stock ownership plan (the “401(k) Plan”). The Company contributes to the 401(k) Plan based on employees’ contributions out of their annual salaries. In addition, the Company may also make discretionary contributions to the 401(k) Plan based on profitability. Participation in the 401(k) Plan is contingent upon certain age and service requirements. The employer contributions associated with the 401(k) Plan were \$5.4 million in 2025, \$4.9 million in 2024 and \$4.4 million in 2023.

Other Retirement Benefits

Included in other liabilities is \$0.8 million and \$0.6 million at December 31, 2025 and 2024, respectively, for supplemental retirement benefits for retired executives from legacy plans assumed in acquisitions. The Company recognized less than \$0.1 million in 2025, \$0.1 million in 2024 and \$0.2 million in 2023, related to these plans.

13. Stock-Based Compensation

In May 2024, the Company adopted the NBT Bancorp Inc. 2024 Omnibus Incentive Plan (the “Stock Plan”) replacing the 2018 Omnibus Incentive Plan. Under the terms of the Stock Plan, equity-based awards are granted to directors and employees to increase their direct proprietary interest in the operations and success of the Company. The Stock Plan assumed all prior equity-based incentive plans and any new equity-based awards are granted under the terms of the Stock Plan. Restricted shares granted under the Plan typically vest after three or five years for employees and one year for non-employee directors. Restricted stock units granted under the Stock Plan may have different terms and conditions. Performance shares and units granted under the Stock Plan for executives may have different terms and conditions. Since 2011, the Company primarily grants restricted stock unit awards. Stock option grants since that time were reloads of existing grants which terminate ten years from the date of the grant. Under terms of the Stock Plan, stock options are granted to purchase shares of the Company’s common stock at a price equal to the fair market value of the common stock on the date of the grant. Shares issued as a result of vesting of restricted stock unit awards and stock option exercises are funded from the Company’s treasury stock.

The Company has outstanding restricted stock granted from various plans at December 31, 2025. The Company recognized \$5.3 million, \$6.0 million and \$5.1 million in stock-based compensation expense related to these stock awards for the years ended December 31, 2025, 2024 and 2023, respectively. Tax benefits recognized with respect to restricted stock units

were \$2.7 million, \$1.5 million and \$1.3 million for the years ended December 31, 2025, 2024 and 2023, respectively. Unrecognized compensation cost related to restricted stock units totaled \$5.5 million at December 31, 2025 and will be recognized over 1.5 years on a weighted average basis. Shares issued are funded from the Company's treasury stock. The following table summarizes information for unvested restricted stock units outstanding as of December 31, 2025:

	Number of Shares	Weighted- Average Grant Date Fair Value
Unvested at January 1, 2025	583,478	\$ 33.32
Forfeited	(9,738)	34.24
Vested	(246,507)	33.15
Granted	148,847	40.97
Unvested at December 31, 2025	<u>476,080</u>	<u>\$ 35.78</u>

As of December 31, 2024, there were 3,850 options outstanding with a weighted average exercise price of \$30.36 which were fully exercised during 2025. There were no options outstanding at December 31, 2025. There was no stock-based compensation expense for stock option awards for the years ended December 31, 2025, 2024 and 2023.

Cash proceeds, tax benefits and intrinsic value related to total stock options exercised is as follows:

	Years Ended December 31,		
<i>(In thousands)</i>	2025	2024	2023
Proceeds from stock options exercised	\$117	\$61	\$ 91
Tax benefits related to stock options exercised	13	2	13
Intrinsic value of stock options exercised	52	8	50

The Company has 493,424 securities remaining available to be granted as part of the Plan at December 31, 2025.

14. Stockholders' Equity

In accordance with GAAP, unrecognized prior service costs and net actuarial gains or losses associated with the Company's pension and postretirement benefit plans and unrealized gains and losses on AFS securities are included in AOCI, net of tax. For the years ended December 31, components of AOCI are:

<i>(In thousands)</i>	2025	2024	2023
Unrecognized prior service cost and net actuarial (losses)			
on pension plans	\$(10,420)	\$ (18,103)	\$ (21,983)
Unrealized net holding (losses) on AFS securities	(72,176)	(123,995)	(138,951)
AOCI	<u>\$(82,596)</u>	<u>\$(142,098)</u>	<u>\$(160,934)</u>

Certain restrictions exist regarding the ability of the Bank to transfer funds to the Company in the form of cash dividends. The approval of the OCC is required to pay dividends when a bank fails to meet certain minimum regulatory capital standards or when such dividends are in excess of a subsidiary bank's earnings retained in the current year plus retained net profits for the preceding two years as specified in applicable OCC regulations. At December 31, 2025, approximately \$115.9 million of the total stockholders' equity of the Bank was available for payment of dividends to the Company without approval by the OCC. The Bank's ability to pay dividends also is subject to the Bank being in compliance with regulatory capital requirements. The Bank is currently in compliance with these requirements. Under the State of Delaware General Corporation Law, the Company may declare and pay dividends either out of accumulated net retained earnings or capital surplus.

On October 27, 2025, the Company's Board of Directors ("Board") authorized and approved an amendment to the Company's stock repurchase program. Pursuant to the amended stock repurchase program, the Company may repurchase up to 2,000,000 shares of the Company's common stock with all repurchases under the stock repurchase program to be made by December 31, 2027. The Company may repurchase shares of its common stock from time to time to mitigate the potential dilutive effects of stock-based incentive plans and other potential uses of common stock for corporate purposes.

The Company purchased 250,000 shares of its common stock during the year ended December 31, 2025, for a total of \$10.2 million at an average price of \$40.74 per share under its previously announced stock repurchase program. As of December 31, 2025, there were 1,750,000 shares available for repurchase under this plan authorized on October 27, 2025 which is set to expire on December 31, 2027.

15. Regulatory Capital Requirements

The Company and the Bank are subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the consolidated financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of NBT Bank's assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. The capital amounts and classifications are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Company and the Bank to maintain minimum amounts and ratios (set forth in the table below) of total and Tier 1 Capital to risk-weighted assets and of Tier 1 capital to average assets. In addition to maintaining minimum capital ratios, the Company is subject to a capital conservation buffer ("Buffer") of 2.50% above the minimum to avoid restriction on capital distributions and discretionary bonus paychecks to officers. At December 31, 2025 and 2024, the Company and the Bank meet all capital adequacy requirements to which they were subject.

Under their prompt corrective action regulations, regulatory authorities are required to take certain supervisory actions (and may take additional discretionary actions) with respect to an undercapitalized institution. Such actions could have a direct material effect on an institution's financial statements. The regulations establish a framework for the classification of banks into five categories: well-capitalized, adequately capitalized, undercapitalized, significantly undercapitalized and critically undercapitalized. As of December 31, 2025 and 2024, the most recent notifications from the Bank's regulators categorized the Bank as well-capitalized under the regulatory framework for prompt corrective action. To be categorized as well-capitalized the Bank must maintain minimum total risk-based, Tier 1 risk-based and Tier 1 Capital to Average Asset ratios as set forth in the table below. There are no conditions or events since that notification that management believes have changed the Bank's category.

The Company and NBT Bank's actual capital amounts and ratios are presented as follows:

	Actual		Regulatory Ratio Requirements		
	Amount	Ratio	Minimum Capital Adequacy	Minimum plus Buffer	For Classification as Well-Capitalized
<i>(Dollars in thousands)</i>					
As of December 31, 2025					
Tier 1 Capital (to average assets)					
Company	\$1,485,764	9.48%	4.00%		5.00%
NBT Bank	1,457,277	9.35%	4.00%		5.00%
Common Equity Tier 1 Capital					
Company	1,485,764	12.07%	4.50%	7.00%	6.50%
NBT Bank	1,457,277	11.92%	4.50%	7.00%	6.50%
Tier 1 Capital (to risk-weighted assets)					
Company	1,485,764	12.07%	6.00%	8.50%	8.00%
NBT Bank	1,457,277	11.92%	6.00%	8.50%	8.00%
Total Capital (to risk-weighted assets)					
Company	1,752,362	14.24%	8.00%	10.50%	10.00%
NBT Bank	1,590,875	13.02%	8.00%	10.50%	10.00%

As of December 31, 2024

Tier 1 Capital (to average assets)					
Company	\$ 1,385,269	10.24 %	4.00%		5.00%
NBT Bank	1,263,661	9.39 %	4.00%		5.00%
Common Equity Tier 1 Capital					
Company	1,288,269	11.93 %	4.50 %	7.00%	6.50 %
NBT Bank	1,263,661	11.79 %	4.50 %	7.00%	6.50 %
Tier 1 Capital (to risk-weighted assets)					
Company	1,385,269	12.83 %	6.00%	8.50 %	8.00%
NBT Bank	1,263,661	11.79 %	6.00%	8.50 %	8.00%
Total Capital (to risk-weighted assets)					
Company	1,622,476	15.03%	8.00%	10.50 %	10.00%
NBT Bank	1,377,868	12.86 %	8.00%	10.50 %	10.00%

16. Earnings Per Share

The following is a reconciliation of basic and diluted EPS for the years presented in the consolidated statements of income:

	Years Ended December 31,								
	2025			2024			2023		
<i>(In thousands except per share data)</i>	Net Income	Weighted Average Shares	Per Share Amount	Net Income	Weighted Average Shares	Per Share Amount	Net Income	Weighted Average Shares	Per Share Amount
Basic EPS	\$169,235	50,651	\$3.34	\$140,641	47,165	\$2.98	\$118,782	44,528	\$2.67
Effect of dilutive securities:									
Stock-based compensation ..		224			268			242	
Diluted EPS	\$169,235	50,875	\$3.33	\$140,641	47,433	\$2.97	\$118,782	44,770	\$2.65

There was a nominal number of weighted average stock options outstanding for the year ended December 31, 2023, that were not considered in the calculation of diluted EPS since the stock options' exercise prices were greater than the average market price during these periods.

17. Reclassification Adjustments Out of Other Comprehensive Income (Loss)

The following table summarizes the reclassification adjustments out of AOCI:

Detail About AOCI Components	Amount Reclassified from AOCI			Affected Line Item in the Consolidated Statements of Comprehensive Income (Loss)
	Years Ended December 31,			
	2025	2024	2023	
<i>(In thousands)</i>				
AFS securities:				
Losses on AFS securities	\$ —	\$ —	\$ 9,450	Net securities (gains) losses
Amortization of unrealized gains related to securities transfer . . .	<u>277</u>	<u>356</u>	<u>427</u>	Interest income
Tax effect	\$ (69)	\$ (89)	\$(2,470)	Income tax (benefit)
Net of tax	<u>\$ 208</u>	<u>\$ 267</u>	<u>\$ 7,407</u>	
Pension and other benefits:				
Amortization of net losses	\$ 1,173	\$ 1,892	\$ 2,601	Other noninterest expense
Amortization of prior service costs	<u>12</u>	<u>989</u>	<u>39</u>	Other noninterest expense
Tax effect	\$ (297)	\$ (720)	\$(660)	Income tax (benefit)
Net of tax	<u>\$ 888</u>	<u>\$ 2,161</u>	<u>\$ 1,980</u>	
Total reclassifications, net of tax . .	<u>\$1,096</u>	<u>\$2,428</u>	<u>\$ 9,387</u>	

18. Commitments and Contingent Liabilities

The Company's concentrations of credit risk are reflected in the consolidated balance sheets. The concentrations of credit risk with standby letters of credit, unused lines of credit, commitments to originate new loans and loans sold with recourse generally follow the loan classifications.

At December 31, 2025, approximately 67% of the Company's loans were secured by real estate located in upstate New York, northeastern Pennsylvania, southern New Hampshire, western Massachusetts, Vermont, southern Maine and central and northwestern Connecticut. Accordingly, the ultimate collectability of a substantial portion of the Company's portfolio is susceptible to changes in market conditions of those areas. Management is not aware of any material concentrations of credit to any industry or individual borrowers.

The Company is a party to certain financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit, unused lines of credit, standby letters of credit and certain agricultural real estate loans sold to investors with recourse, with the sold portion having a government guarantee that is assignable back to the Company upon repurchase of the loan in the event of default. The Company's exposure to credit loss in the event of nonperformance by the other party to the commitments to extend credit, unused lines of credit, standby letters of credit and loans sold with recourse is represented by the contractual amount of those instruments. The credit risk associated with commitments to extend credit and standby and commercial letters of credit is essentially the same as that involved with extending loans to customers and is subject to normal credit policies. Collateral may be obtained based on management's assessment of the customer's creditworthiness.

<i>(In thousands)</i>	At December 31,	
	2025	2024
Unused lines of credit	\$ 622,382	\$ 459,885
Commitments to extend credits, primarily variable rate	2,781,120	2,375,751
Standby letters of credit	58,500	50,832
Loans sold with recourse	23,246	24,670

Since many loan commitments, standby letters of credit and guarantees and indemnification contracts expire without being funded in whole or in part, the contract amounts are not necessarily indicative of future cash flows. The Company does not issue any guarantees that would require liability-recognition or disclosure, other than its standby letters of credit.

The Company guarantees the obligations or performance of customers by issuing standby letters of credit to third-parties. These standby letters of credit are generally issued in support of third-party debt, such as corporate debt issuances, industrial revenue bonds and municipal securities. The risk involved in issuing standby letters of credit is essentially the same as the credit risk involved in extending loan facilities to customers and letters of credit are subject to the same credit origination, portfolio maintenance and management procedures in effect to monitor other credit and off-balance sheet products. Typically, these instruments have one year expirations with an option to renew upon annual review; therefore, the total amounts do not necessarily represent future cash requirements. As of December 31, 2025 and 2024, the fair value of the Company's standby letters of credit was not significant.

In the normal course of business there are various outstanding legal proceedings. The Company accrues for material estimated losses from loss contingencies if the information available indicates that it is probable that a liability had been incurred at the date of the financial statements and the amount of loss can be reasonably estimated.

19. Derivative Instruments and Hedging Activities

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of business and operational risks through management of its core business activities. The Company manages economic risks, including interest rate risk, primarily by managing the amount, sources and duration of its assets and liabilities and through the use of derivative instruments. Specifically, the Company may enter into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which is determined by interest rates. Generally, the Company may use derivative financial instruments to manage differences in the amount, timing and duration of the Company's known or expected cash receipts and its known or expected cash payments. Currently, the Company has interest rate derivatives resulting from a service provided to certain qualifying customers and, therefore, are not used to manage interest rate risk in the Company's assets or liabilities. The Company manages a matched book with respect to its derivative instruments in order to minimize its net risk exposure resulting from such transactions.

Derivatives Not Designated as Hedging Instruments

The Company enters into interest rate swaps to facilitate customer transactions and meet their financing needs. These swaps are considered derivatives, but are not designated as hedging relationships. These instruments have interest rate and credit risk associated with them. To mitigate the interest rate risk, the Company enters into offsetting interest rate swaps with counterparties. The counterparty swaps are also considered derivatives and are also not designated as hedging relationships. Interest rate swaps are recorded within other assets or other liabilities on the consolidated balance sheets at their estimated fair value. Changes to the fair value of assets and liabilities arising from these derivatives are included, net, in other operating income in the consolidated statements of income.

The Company is subject to over-the-counter derivative clearing requirements, which require certain derivatives to be cleared through central clearing houses. Accordingly, the Company clears certain derivative transactions through the Chicago Mercantile Exchange Clearing House ("CME"). The CME requires the Company to post initial and variation margin payments to mitigate the risk of non-payment, the latter of which is received or paid daily based on the net asset or liability position of the contracts. A daily settlement occurs through the CME for

changes in the fair value of centrally cleared derivatives. Not all of the derivatives are required to be cleared through the daily clearing agent. As a result, the total fair values of loan level derivative assets and liabilities recognized on the Company's financial statements are not equal and offsetting.

As of December 31, 2025 and 2024, the Company had twenty-two and twenty risk participation agreements, respectively, with financial institution counterparties for interest rate swaps related to participated loans. Risk participation agreements provide credit protection to the financial institution that originated the swap transaction should the borrower fail to perform on its obligation. The Company enters into both risk participation agreements in which it purchases credit protection from other financial institutions and those in which it provides credit protection to other financial institutions.

The following table summarizes the derivatives outstanding:

<i>(In thousands)</i>	Notional Amount	Balance Sheet Location	Fair Value	Notional Amount	Balance Sheet Location	Fair Value
As of December 31, 2025						
Derivatives not designated as hedging instruments						
Interest rate derivatives	\$1,332,295	Other assets	\$ 68,061	\$1,332,295	Other liabilities	\$ 68,050
Risk participation agreements	97,319	Other assets	53	15,791	Other liabilities	16
Total derivatives not designated as hedging instruments			\$ 68,114			\$ 68,066
Netting adjustments ⁽¹⁾			16,010			—
Net derivatives in the balance sheet			\$ 52,104			\$ 68,066
Derivatives not offset on the balance sheet			\$ 5,722			\$ 5,722
Cash collateral ⁽²⁾			—			—
Net derivative amounts			\$ 46,382			\$ 62,344
As of December 31, 2024						
Derivatives not designated as hedging instruments						
Interest rate derivatives	\$1,374,800	Other assets	\$104,377	\$1,374,800	Other liabilities	\$ 104,371
Risk participation agreements	90,725	Other assets	62	18,811	Other liabilities	2
Total derivatives not designated as hedging instruments			\$104,439			\$104,373
Netting adjustments ⁽¹⁾			23,592			(26)
Net derivatives in the balance sheet			\$ 80,847			\$104,399
Derivatives not offset on the balance sheet			\$ 1,792			\$ 1,792
Cash collateral ⁽²⁾			—			—
Net derivative amounts			\$ 79,055			\$102,607

(1) Netting adjustments represent the amounts recorded to convert derivative assets and liabilities from a gross basis to a net basis in accordance with the applicable accounting guidance on the settle to market rules for cleared derivatives. The CME legally characterizes the variation margin posted between counterparties as settlements of the outstanding derivative contracts instead of cash collateral.

(2) Cash collateral represents the amount that cannot be used to offset our derivative assets and liabilities from a gross basis to a net basis in accordance with the applicable accounting guidance. The other collateral consists of securities and is exchanged under bilateral collateral and master netting agreements that allow us to offset the net derivative position with the related collateral. The application of the other collateral cannot reduce the net derivative position below zero. Therefore, excess other collateral, if any, is not reflected above.

The following table indicates the gain or loss recognized in income on derivatives not designated as a hedging relationship:

<i>(In thousands)</i>	Years Ended December 31,		
	2025	2024	2023
<i>Derivatives not designated as hedging instruments:</i>			
Increase (decrease) in other income.	\$183	\$106	\$(70)

20. Fair Value Measurements and Fair Values of Financial Instruments

GAAP states that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Fair value measurements are not adjusted for transaction costs. A fair value hierarchy exists within GAAP that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 - Quoted prices for similar assets or liabilities in active markets, quoted prices in markets that are not active or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3 - Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

A financial instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The types of instruments valued based on quoted market prices in active markets include most U.S. government and agency securities, many other sovereign government obligations, liquid mortgage products, active listed equities and most money market securities. Such instruments are generally classified within Level 1 or Level 2 of the fair value hierarchy. The Company does not adjust the quoted prices for such instruments. The types of instruments valued based on quoted prices in markets that are not active, broker or dealer quotations or quotes from alternative pricing sources with reasonable levels of price transparency include most investment-grade and high-yield corporate bonds, less liquid mortgage products, less liquid agency securities, less liquid listed equities, state, municipal and provincial obligations and certain physical commodities. Such instruments are generally classified within Level 2 of the fair value hierarchy. Certain common equity securities are reported at fair value utilizing Level 1 inputs (exchange quoted prices). Other investment securities are reported at fair value utilizing Level 1 and Level 2 inputs. The prices for Level 2 instruments are obtained through an independent pricing service or dealer market participants with whom the Company has historically transacted both purchases and sales of investment securities. Prices obtained from these sources include prices derived from market quotations and matrix pricing. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the bond's terms and conditions, among other things. Management reviews the methodologies used by its third-party providers in pricing the securities.

Level 3 is for positions that are not traded in active markets or are subject to transfer restrictions. Valuations are adjusted to reflect illiquidity and/or non-transferability and such adjustments are generally based on available market evidence. In the absence of such evidence, management's best estimate will be used. Management's best estimate consists of both internal and external support on certain Level 3 investments. Subsequent to inception,

management only changes Level 3 inputs and assumptions when corroborated by evidence such as transactions in similar instruments, completed or pending third-party transactions in the underlying investment or comparable entities, subsequent rounds of financing, recapitalizations and other transactions across the capital structure, offerings in the equity or debt markets and changes in financial ratios or cash flows.

The following tables set forth the Company's financial assets and liabilities measured on a recurring basis that were accounted for at fair value. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement:

<i>(In thousands)</i>	Level 1	Level 2	Level 3	December 31, 2025
Assets:				
AFS securities				
U.S. treasury.....	\$ 76,822	\$ —	\$—	\$ 76,822
Federal agency.....	—	231,276	—	231,276
State & municipal.....	—	86,727	—	86,727
Mortgage-backed.....	—	591,562	—	591,562
Collateralized mortgage obligations.....	—	855,486	—	855,486
Corporate.....	—	20,965	—	20,965
Total AFS securities.....	\$ 76,822	\$1,786,016	\$—	\$1,862,838
Equity securities.....	47,760	1,000	—	48,760
Derivatives.....	—	52,104	—	52,104
Total.....	<u>\$124,582</u>	<u>\$1,839,120</u>	<u>\$—</u>	<u>\$1,963,702</u>
Liabilities:				
Derivatives.....	\$ —	\$ 68,066	\$—	\$ 68,066
Total.....	<u>\$ —</u>	<u>\$ 68,066</u>	<u>\$—</u>	<u>\$ 68,066</u>

<i>(In thousands)</i>	Level 1	Level 2	Level 3	December 31, 2024
Assets:				
AFS securities				
U.S. treasury.....	\$102,790	\$ —	\$—	\$ 102,790
Federal agency.....	—	218,517	—	218,517
State & municipal.....	—	87,490	—	87,490
Mortgage-backed.....	—	464,365	—	464,365
Collateralized mortgage obligations.....	—	656,488	—	656,488
Corporate.....	—	45,014	—	45,014
Total AFS securities.....	\$102,790	\$1,471,874	\$—	\$1,574,664
Equity securities.....	41,372	1,000	—	42,372
Derivatives.....	—	80,847	—	80,847
Total.....	<u>\$ 144,162</u>	<u>\$1,553,721</u>	<u>\$—</u>	<u>\$1,697,883</u>
Liabilities:				
Derivatives.....	\$ —	\$ 104,399	\$—	\$ 104,399
Total.....	<u>\$ —</u>	<u>\$ 104,399</u>	<u>\$—</u>	<u>\$ 104,399</u>

GAAP requires disclosure of assets and liabilities measured and recorded at fair value on a non-recurring basis such as goodwill, loans held for sale, OREO, collateral-dependent loans individually evaluated for expected credit losses and HTM securities. Loans with fair value of \$12.2 million as of December 31, 2025 were individually evaluated for expected credit losses where the amortized cost was adjusted to fair value. Loans with fair value of \$28.8 million as of December 31, 2024 were individually evaluated for expected credit losses where the

amortized cost was adjusted to fair value. The Company uses the fair value of underlying collateral, less costs to sell, to estimate the allowance for credit losses for individually evaluated collateral dependent loans. The appraisals may be adjusted by management for qualitative factors such as economic conditions and estimated liquidation expenses ranging from 10% to 50%. Based on the valuation techniques used, the fair value measurements for collateral dependent individually evaluated loans are classified as Level 3.

The following table sets forth information with regard to estimated fair values of financial instruments. This table excludes financial instruments for which the carrying amount approximates fair value. Financial instruments for which the fair value approximates carrying value include cash and cash equivalents, AFS securities, equity securities, AIR, non-maturity deposits, short-term borrowings, accrued interest payable and derivatives.

(In thousands)	Fair Value Hierarchy	December 31, 2025		December 31, 2024	
		Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Financial assets:.....					
HTM securities	2	\$ 762,756	\$ 702,577	\$ 842,921	\$ 749,945
Net loans	3	11,461,222	11,337,753	9,863,654	9,458,786
Financial liabilities:					
Time deposits.....	2	\$1,492,445	\$ 1,484,165	\$ 1,442,505	\$ 1,431,942
Long-term debt.....	2	43,176	43,395	29,644	29,439
Subordinated debt.....	1	24,509	24,016	121,401	118,693
Junior subordinated debt	2	111,668	98,841	101,196	105,763

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates do not reflect any premium or discount that could result from offering for sale at one time the Company's entire holdings of a particular financial instrument. Because no market exists for a significant portion of the Company's financial instruments, fair value estimates are based on judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments and other factors. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Fair value estimates are based on existing on and off-balance sheet financial instruments without attempting to estimate the value of anticipated future business and the value of assets and liabilities that are not considered financial instruments. For example, the Company has a substantial wealth operation that contributes net fee income annually. The wealth management operation is not considered a financial instrument and its value has not been incorporated into the fair value estimates. Other significant assets and liabilities include the benefits resulting from the low-cost funding of deposit liabilities as compared to the cost of borrowing funds in the market and premises and equipment. In addition, the tax ramifications related to the realization of the unrealized gains and losses can have a significant effect on fair value estimates and have not been considered in the estimate of fair value.

HTM Securities - The fair value of the Company's HTM securities is primarily measured using information from a third-party pricing service. The fair value measurements consider observable data that may include dealer quotes, market spreads, cash flows, the U.S. Treasury yield curve, live trading levels, trade execution data, market consensus prepayment speeds, credit information and the bond's terms and conditions, among other things.

Net Loans - Net loans include portfolio loans and loans held for sale. Loans were first segregated by type and then further segmented into fixed and variable rate and loan quality categories. Expected future cash flows were projected based on contractual cash flows, adjusted for estimated prepayments, and those expected future cash flows also includes credit risk, illiquidity risk and other market factors to calculate the exit price fair value in accordance with ASC 820.

Time Deposits - The fair value of time deposits was estimated using a discounted cash flow approach that applies prevailing market interest rates for similar maturity instruments. The fair values of the Company's time deposit liabilities do not take into consideration the value of the Company's long-term relationships with depositors, which may have significant value.

Long-Term Debt - The fair value of long-term debt was estimated using a discounted cash flow approach that applies prevailing market interest rates for similar maturity instruments.

Subordinated Debt - The fair value of subordinated debt has been measured using the observable market price as of the period reported.

Junior Subordinated Debt - The fair value of junior subordinated debt has been estimated using a discounted cash flow analysis.

21. Parent Company Financial Information

Condensed Balance Sheets

(In thousands)	December 31,	
	2025	2024
Assets		
Cash and cash equivalents	\$ 85,839	\$ 185,451
Equity securities, at estimated fair value	37,400	33,922
Investment in subsidiaries, on equity basis	1,913,326	1,534,693
Other assets	52,166	49,694
Total assets	<u>\$2,088,731</u>	<u>\$1,803,760</u>
Liabilities and Stockholders' Equity		
Total liabilities	\$ 192,515	\$ 277,619
Stockholders' equity	1,896,216	1,526,141
Total liabilities and stockholders' equity	<u>\$2,088,731</u>	<u>\$1,803,760</u>

Condensed Statements of Income

(In thousands)	Years Ended December 31,		
	2025	2024	2023
Dividends from subsidiaries	\$117,000	\$100,000	\$ 116,250
Management fee from subsidiaries	5,898	5,797	7,093
Net securities (losses) gains	(18)	575	(82)
Interest, dividends and other income	1,714	726	715
Total revenue	<u>\$124,594</u>	<u>\$ 107,098</u>	<u>\$123,976</u>
Operating expenses	<u>22,326</u>	<u>25,491</u>	<u>22,930</u>
Income before income tax benefit and equity in undistributed income of subsidiaries	<u>\$102,268</u>	<u>\$ 81,607</u>	<u>\$101,046</u>
Income tax expense (benefit)	<u>(3,194)</u>	<u>(4,310)</u>	<u>(3,785)</u>
Equity in undistributed income of subsidiaries	<u>63,773</u>	<u>54,724</u>	<u>13,951</u>
Net income	<u>\$169,235</u>	<u>\$ 140,641</u>	<u>\$ 118,782</u>

Condensed Statements of Cash Flows

<i>(In thousands)</i>	Years Ended December 31,		
	2025	2024	2023
Operating activities			
Net income	\$ 169,235	\$ 140,641	\$ 118,782
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization of premises and equipment	316	336	353
Excess tax benefit on stock-based compensation	(674)	(295)	(296)
Stock-based compensation expense	5,281	5,992	5,102
Net securities losses (gains)	18	(575)	82
Equity in undistributed income of subsidiaries	(63,773)	(54,724)	(13,950)
Bank owned life insurance income	(292)	(281)	(271)
Amortization of subordinated debt issuance costs	199	437	437
Net change in other assets and other liabilities	(4,923)	(3,998)	(4,930)
Net cash provided by operating activities	\$ 105,387	\$ 87,533	\$105,309
Investing activities			
Net cash (used in) provided by acquisitions	\$ (414)	\$ —	\$ 3,542
Proceeds from sales of equity securities	491	—	—
Net cash provided by investing activities	\$ 77	\$ —	\$ 3,542
Financing activities			
Redemption of subordinated debt	\$ (118,000)	\$ —	\$ —
Proceeds from the issuance of shares to employee and other stock plans	117	61	91
Cash paid by employer for tax-withholding on stock issuance	(4,414)	(1,993)	(1,877)
Purchases of treasury shares	(10,185)	(251)	(4,944)
Cash dividends	(72,594)	(62,263)	(55,886)
Net cash (used in) financing activities	\$ (205,076)	\$ (64,446)	\$ (62,616)
Net (decrease) increase in cash and cash equivalents	\$ (99,612)	\$ 23,087	\$ 46,235
Cash and cash equivalents at beginning of year	185,451	162,364	116,129
Cash and cash equivalents at end of year	\$ 85,839	\$ 185,451	\$162,364

A statement of changes in stockholders' equity has not been presented since it is the same as the consolidated statement of changes in stockholders' equity previously presented.

22. Segment Reporting

In accordance with ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, management assesses its operating segment structure to enhance transparency in how financial performance is evaluated and resources are allocated by the CODM. Segments are components of an enterprise that are regularly evaluated by the CODM to allocate resources and assess performance. The Company's CODM is its Chief Executive Officer.

The Company has determined that it operates through two reportable segments:

Banking – Provides commercial banking, retail banking, and wealth management services primarily to customers in its market area, offering a broad array of banking and financial services to retail, commercial, and municipal customers. Included in Banking are the revenue and expenses from the wealth management business and the parent holding company. The parent company's principal activities include the direct and indirect ownership of banking and non-banking subsidiaries, as well as the issuance of debt and equity. The parent company's principal sources of revenue are the management fees and dividends it receives from its subsidiaries. Banking also includes corporate shared service costs such as the majority of equity compensation expense, as well as other general and administrative shared services costs including pension, retirement plan and supplemental retirement plan costs. Currently there is no allocation of these costs to other operating segments.

Retirement Plan Administration – Includes retirement plan and health savings account recordkeeping and administration, investment management, third-party administration, and actuarial services.

Our CODM reviews actual net income versus budgeted net income to assess segment performance and to make decisions about allocating capital and personnel to the segments. The CODM regularly receives expense information at a level consistent with that disclosed in the Company's consolidated statements of income.

Reported segments and their financial information are not necessarily comparable to similar information reported by other financial institutions. Additionally, due to interrelationships among the various segments, the information presented is not indicative of how the segments would perform as independent entities. Changes in management structure, allocation methodologies, or procedures may result in future revisions to previously reported segment financial data. The Company will continue to evaluate its segment disclosures in accordance with ASU 2023-07 and make necessary adjustments as business operations evolve.

Information about reportable segments and reconciliation of the information to the consolidated financial statements follows:

	Year Ended December 31, 2025			
		Retirement Plan Administration	All Other ⁽¹⁾	Consolidated
<i>(In thousands)</i>	Banking			
Net interest income	\$ 501,472	\$ 74	\$ —	\$ 501,546
Provision for loan losses	32,254	—	—	32,254
Net interest income after provision for loan losses	\$ 469,218	\$ 74	\$ —	\$ 469,292
<i>Noninterest income</i>				
Service charges on deposit accounts	\$ 19,067	\$ —	\$ —	\$ 19,067
Card services income	23,988	—	—	23,988
Retirement plan administration fees	—	63,220	(1,635)	61,585
Wealth management	42,534	2,195	26	44,755
Insurance services	1	—	18,034	18,035
Bank owned life insurance income	12,393	—	—	12,393
Net securities gains (losses)	148	—	—	148
Other	22,829	1,185	(8,492)	15,522
Total noninterest income	\$ 120,960	\$66,600	\$ 7,933	\$ 195,493
<i>Noninterest expense</i>				
Salaries and employee benefits	\$ 211,954	\$ 34,336	\$ 11,188	\$ 257,478
Technology and data services	42,267	1,109	649	44,025
Occupancy	35,079	1,021	285	36,385
Professional fees and outside services ...	21,061	2,136	(1,457)	21,740
Office supplies and postage	7,659	373	63	8,095
FDIC assessment	7,889	—	—	7,889
Marketing	3,926	64	23	4,013
Amortization of intangible assets	9,754	1,965	225	11,944
Loan collection and other real estate owned, net	2,648	—	—	2,648
Acquisition expenses	19,526	—	—	19,526
Other	38,616	1,124	(8,142)	31,598
Total noninterest expense	\$ 400,379	\$ 42,128	\$ 2,834	\$ 445,341
Income before income tax expense	\$ 189,799	\$ 24,546	\$ 5,099	\$ 219,444
Income tax expense	45,065	5,144	—	50,209
Net income	\$ 144,734	\$ 19,402	\$ 5,099	\$ 169,235
Goodwill	\$ 414,865	\$ 23,877	\$ 14,536	\$ 453,278
Intangible assets, net	51,039	5,568	1,049	57,656
Total assets	17,956,869	56,439	(2,018,187)	15,995,121

(1) Included in All Other is the revenue and expenses from certain other non-bank subsidiaries of the parent, including the insurance subsidiary, along with eliminating amounts that do not meet the definition of an operating segment.

	Year Ended December 31, 2024			
		Retirement Plan		
(In thousands)	Banking	Administration	All Other ⁽¹⁾	Consolidated
Net interest income.....	\$ 400,048	\$ 74	\$ —	\$ 400,122
Provision for loan losses	19,607	—	—	19,607
Net interest income after provision for loan losses	\$ 380,441	\$ 74	\$ —	\$ 380,515
<i>Noninterest income</i>				
Service charges on deposit accounts.....	\$ 17,087	\$ —	\$ —	\$ 17,087
Card services income	22,331	—	—	22,331
Retirement plan administration fees.....	—	58,099	(1,512)	56,587
Wealth management.....	39,502	2,092	47	41,641
Insurance services	1	—	17,031	17,032
Bank owned life insurance income.....	8,325	—	—	8,325
Net securities gains (losses).....	2,789	—	—	2,789
Other	19,091	527	(8,586)	11,032
Total noninterest income.....	\$ 109,126	\$ 60,718	\$ 6,980	\$ 176,824
<i>Noninterest expense</i>				
Salaries and employee benefits	\$ 188,157	\$ 33,405	\$ 10,925	\$ 232,487
Technology and data services.....	37,365	1,112	662	39,139
Occupancy	29,985	1,067	257	31,309
Professional fees and outside services.....	18,611	1,826	(1,305)	19,132
Office supplies and postage.....	7,020	437	68	7,525
FDIC assessment	6,765	—	—	6,765
Marketing	3,312	52	22	3,386
Amortization of intangible assets	6,419	1,871	153	8,443
Loan collection and other real estate owned, net	2,505	—	—	2,505
Acquisition expenses	1,531	—	—	1,531
Other	32,594	1,138	(8,073)	25,659
Total noninterest expense.....	\$ 334,264	\$ 40,908	\$ 2,709	\$ 377,881
Income before income tax expense.....	\$ 155,303	\$ 19,884	\$ 4,271	\$ 179,458
Income tax expense	34,117	4,293	407	38,817
Net income.....	\$ 121,186	\$ 15,591	\$ 3,864	\$ 140,641
Goodwill	\$ 324,250	\$ 23,877	\$ 14,536	\$ 362,663
Intangible assets, net	27,553	7,533	1,274	36,360
Total assets.....	15,475,117	53,584	(1,742,035)	13,786,666

(1) Included in All Other is the revenue and expenses from certain other non-bank subsidiaries of the parent, including the insurance subsidiary, along with eliminating amounts that do not meet the definition of an operating segment.

Year Ended December 31, 2023

<i>(In thousands)</i>	Banking	Retirement Plan Administration	All Other⁽¹⁾	Consolidated
Net interest income	\$ 378,165	\$ 54	\$ —	\$ 378,219
Provision for loan losses	25,274	—	—	25,274
Net interest income after provision for loan losses	\$ 352,891	\$ 54	\$ —	\$ 352,945
<i>Noninterest income</i>				
Service charges on deposit accounts	\$ 15,425	\$ —	\$ —	\$ 15,425
Card services income	20,829	—	—	20,829
Retirement plan administration fees	—	48,579	(1,358)	47,221
Wealth management	32,770	1,952	41	34,763
Insurance services	2	—	15,665	15,667
Bank owned life insurance income	6,750	—	—	6,750
Net securities gains (losses)	(9,315)	—	—	(9,315)
Other	19,882	657	(9,701)	10,838
Total noninterest income	\$ 86,343	\$ 51,188	\$ 4,647	\$ 142,178
<i>Noninterest expense</i>				
Salaries and employee benefits	\$ 154,972	\$ 29,377	\$ 9,901	\$ 194,250
Technology and data services	36,428	1,135	600	38,163
Occupancy	27,097	1,048	263	28,408
Professional fees and outside services ...	16,879	1,899	(1,177)	17,601
Office supplies and postage	6,460	372	85	6,917
FDIC assessment	6,257	—	—	6,257
Marketing	2,903	38	113	3,054
Amortization of intangible assets	3,053	1,603	78	4,734
Loan collection and other real estate owned, net	2,618	—	—	2,618
Acquisition expenses	9,978	—	—	9,978
Other	37,801	1,005	(9,122)	29,684
Total noninterest expense	\$ 304,446	\$ 36,477	\$ 741	\$ 341,664
Income before income tax expense	\$ 134,788	\$ 14,765	\$ 3,906	\$ 153,459
Income tax expense	31,038	3,065	574	34,677
Net income	\$ 103,750	\$ 11,700	\$ 3,332	\$ 118,782
Goodwill	\$ 324,250	\$ 23,224	\$ 14,377	\$ 361,851
Intangible assets, net	33,972	6,114	357	40,443
Total assets	14,905,900	36,553	(1,633,413)	13,309,040

(1) Included in All Other is the revenue and expenses from certain other non-bank subsidiaries of the parent, including the insurance subsidiary, along with eliminating amounts that do not meet the definition of an operating segment.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

As of the end of the period covered by this Annual Report on Form 10-K, an evaluation was carried out by the Company's management, with the participation of its Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures were effective as of the end of the period covered by this report. No changes were made to the Company's internal control over financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Management Report on Internal Control Over Financial Reporting

The management of NBT Bancorp Inc. and subsidiaries' (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed under the supervision of the Company's Chief Executive Officer and Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's consolidated financial statements for external purposes in accordance with generally accepted accounting principles.

As of December 31, 2025, management assessed the effectiveness of the Company's internal control over financial reporting based on the criteria for effective internal control over financial reporting established in "Internal Control - Integrated Framework (2013)," issued by the Committee of Sponsoring Organizations ("COSO") of the Treadway Commission. Based on the assessment, management determined that the Company's internal control over financial reporting as of December 31, 2025 was effective at the reasonable assurance level based on those criteria.

KPMG LLP, the independent registered public accounting firm that audited the consolidated financial statements of the Company included in this Annual Report on Form 10-K, has issued a report on the effectiveness of the Company's internal control over financial reporting as of December 31, 2025. The report, which expresses an unqualified opinion on the effectiveness of the Company's internal control over financial reporting as of December 31, 2025, is included in this Item under the heading "Report of Independent Registered Public Accounting Firm" on the following page.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
NBT Bancorp Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited NBT Bancorp Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income (loss), changes in stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements), and our report dated February 27, 2026 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Albany, New York
February 27, 2026

ITEM 9B. OTHER INFORMATION

During the three months ended December 31, 2025, there were no Rule 10b5-1 plans or non-Rule 10b5-1 trading arrangements adopted, modified or terminated by any director or officer of the Company.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The remaining information required by this item is incorporated herein by reference to the Company's definitive Proxy Statement for its Annual Meeting of stockholders to be held on May 19, 2026 (the "Proxy Statement"), which will be filed with the SEC within 120 days after the Company's 2025 fiscal year end.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated herein by reference to the Proxy Statement, which will be filed with the SEC within 120 days after the Company's 2025 fiscal year end.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table provides information with respect to shares of common stock that may be issued under the Company's existing equity compensation plans:

Plan Category	A. Number of securities to be issued upon exercise of outstanding options, warrants and rights	B. Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column A)
Equity compensation plans approved by stockholders.....	None	None	493,424
Equity compensation plans not approved by stockholders	None	None	None

The other information required by this item is incorporated herein by reference to the Proxy Statement, which will be filed with the SEC within 120 days of the Company's 2025 fiscal year end.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is incorporated herein by reference to the Proxy Statement, which will be filed with the SEC within 120 days of the Company's 2025 fiscal year end.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Our independent registered public accounting firm is KPMG, LLP, Albany, NY, Auditor Firm ID: 185.

The information required by this item is incorporated herein by reference to the Proxy Statement, which will be filed with the SEC within 120 days of the Company's 2025 fiscal year end.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) The following Consolidated Financial Statements are included in Part II, Item 8 hereof:
Report of Independent Registered Public Accounting Firm.

Consolidated Balance Sheets as of December 31, 2025 and 2024.

Consolidated Statements of Income for each of the three years ended December 31, 2025, 2024 and 2023.

Consolidated Statements of Comprehensive Income for each of the three years ended December 31, 2025, 2024 and 2023.

Consolidated Statements of Changes in Stockholders' Equity for each of the three years ended December 31, 2025, 2024 and 2023.

Consolidated Statements of Cash Flows for each of the three years ended December 31, 2025, 2024 and 2023.

Notes to the Consolidated Financial Statements.

(a)(2) There are no financial statement schedules that are required to be filed as part of this form since they are not applicable or the information is included in the consolidated financial statements.

(a)(3) See below for all exhibits filed herewith and the Exhibit Index.

- 2.1 Agreement and Plan of Merger, dated as of September 9, 2024, by and among NBT Bancorp Inc., NBT Bank, National Association, Evans Bancorp, Inc. and Evans Bank, National Association (filed as Exhibit 2.1 to Registrant's Form 8-K, filed on September 9, 2024, and incorporated herein by reference).
- 3.1 Restated Certificate of Incorporation of NBT Bancorp Inc. as amended through July 1, 2015 (filed as Exhibit 3.1 to Registrant's Form 10-Q, filed on August 10, 2015, and incorporated herein by reference).
- 3.2 Amended and Restated Bylaws of NBT Bancorp Inc. effective May 22, 2018 (filed as Exhibit 3.1 to Registrant's Form 8-K, filed on May 23, 2018 and incorporated herein by reference).
- 3.3 Certificate of Designation of the Series A Junior Participating Preferred Stock (filed as Exhibit A to Exhibit 4.1 of the Registrant's Form 8-K, filed on November 18, 2004, and incorporated herein by reference).
- 4.1 Specimen common stock certificate for NBT's Bancorp Inc. common stock (filed as Exhibit 4.3 to the Registrant's Amendment No. 1 to Registration Statement on Form S-4, filed on December 27, 2005, and incorporated herein by reference).
- 4.2 Description of Registrant's Securities (filed as Exhibit 4.2 to the Registrant's Form 10-K for the year ended December 31, 2019, filed on March 2, 2020, and incorporated herein by reference).
- 10.1 NBT Bancorp Inc. Non-employee Directors Restricted and Deferred Stock Plan (filed as Exhibit 10.5 to Registrant's Form 10-K for the year ended December 31, 2008, filed on March 2, 2009, and incorporated herein by reference).*
- 10.2 Supplemental Executive Retirement Agreement between NBT Bancorp Inc. and Martin A. Dietrich as amended and restated January 20, 2010 (filed as Exhibit 10.14 to Registrant's Form 10-K for the year ended December 31, 2009, filed on March 1, 2010, and incorporated herein by reference).*
- 10.3 Split-Dollar Agreement between NBT Bancorp Inc., NBT Bank, National Association and Martin A. Dietrich made November 10, 2008 (filed as Exhibit 10.1 to Registrant's Form 10-Q for the quarterly period ended September 30, 2008, filed on November 10, 2008, and incorporated herein by reference).*

- 10.4 First Amendment dated November 5, 2009 to Split-Dollar Agreement between NBT Bancorp Inc., NBT Bank, National Association and Martin A. Dietrich made November 10, 2008 (filed as Exhibit 10.6 to Registrant's Form 10-Q for the quarterly period ended September 30, 2009, filed on November 9, 2009, and incorporated herein by reference).*
- 10.5 Second Amendment dated July 28, 2014 to Split-Dollar Agreement between NBT Bancorp Inc., NBT Bank, National Association, and Martin A. Dietrich made November 10, 2008 (filed as Exhibit 10.1 to Registrant's Form 8-K, filed on August 1, 2014, and incorporated herein by reference).*
- 10.6 NBT Bancorp Inc. 2008 Omnibus Incentive Plan (filed as Appendix A of Registrant's Definitive Proxy Statement on Form 14A, filed on March 31, 2008, and incorporated herein by reference).*
- 10.7 NBT Bancorp Inc. 2018 Omnibus Incentive Plan (filed as Appendix A of Registrant's Definitive Proxy Statement on Form 14A, filed on April 6, 2018, and incorporated herein by reference).*
- 10.8 NBT Bancorp Inc. 2024 Omnibus Incentive Plan (filed as Exhibit 10.1 to Registrant's Form 8-K, filed on May 21, 2024, and incorporated herein by reference).*
- 10.9 Form of Restricted Stock Unit Award Agreement (filed as Exhibit 10.2 to Registrant's Form 8-K, filed on May 21, 2024, and incorporated herein by reference).**
- 10.10 Long-Term Incentive Compensation Plan for Named Executive Officers (filed as Exhibit 10.24 to Registrant's Form 10-K for the year ended December 31, 2011, filed on February 29, 2012, and incorporated herein by reference).*
- 10.11 Split-Dollar Agreement between NBT Bancorp Inc., NBT Bank, National Association and John H. Watt, Jr. dated May 9, 2017 (filed as Exhibit 10.1 to Registrant's Form 10-Q, filed on May 10, 2017, and incorporated herein by reference).*
- 10.12 Supplemental Executive Retirement Agreement, dated December 19, 2016 by and between NBT Bancorp Inc. and John H. Watt, Jr. (filed as Exhibit 10.2 to Registrant's Form 8-K, filed on December 20, 2016, and incorporated herein by reference).*
- 10.13 First Amendment to Split-Dollar Agreement, dated May 21, 2024, by and among NBT Bancorp Inc., NBT Bank, N.A. and John H. Watt, Jr. (filed as Exhibit 10.5 to Registrant's Form 8-K, filed on May 22, 2024, and incorporated herein by reference).*
- 10.14 Amendment to NBT Bancorp Inc. Supplemental Executive Retirement Plan and Supplemental Retirement Agreement for John H. Watt, Jr., dated May 21, 2024, between NBT Bancorp Inc. and John H. Watt, Jr. (filed as Exhibit 10.6 to Registrant's Form 8-K, filed on May 22, 2024, and incorporated herein by reference).*
- 10.15 Employment Agreement, dated May 21, 2024 by and between NBT Bancorp Inc. and Scott A. Kingsley (filed as Exhibit 10.1 to Registrant's Form 8-K, filed on May 22, 2024, and incorporated herein by reference).*
- 10.16 Employment Agreement, dated May 21, 2024 by and between NBT Bancorp Inc. and Annette L. Burns (filed as Exhibit 10.3 to Registrant's Form 8-K, filed on May 22, 2024, and incorporated herein by reference).*
- 10.17 Employment Agreement, dated May 21, 2024 by and between NBT Bancorp Inc. and Joseph R. Stagliano (filed as Exhibit 10.4 to Registrant's Form 8-K, filed on May 22, 2024, and incorporated herein by reference).*
- 10.18 Employment Agreement, dated November 1, 2021, by and between NBT Bancorp Inc. and Ruth H. Mahoney (filed as Exhibit 10.16 to Registrant's Form 10-K, filed on March 1, 2023, and incorporated herein by reference).*
- 10.19 Employment Agreement, dated January 1, 2018, by and between NBT Bancorp Inc. and Amy Wiles (filed as Exhibit 10.18 to Registrant's Form 10-K, filed on March 1, 2022, and incorporated herein by reference).*
- 10.20 Supplemental Retirement Agreement, dated May 21, 2024 by and between Scott A. Kingsley and NBT Bancorp Inc. (filed as Exhibit 10.2 to Registrant's Form 8-K, filed on May 22, 2024, and incorporated herein by reference).*

10.21	Amendment to NBT Bancorp Inc. Supplemental Executive Retirement Plan Supplemental Retirement Agreement for Scott A. Kingsley, dated March 24, 2025, between NBT Bancorp Inc. and Scott A. Kingsley (filed as Exhibit 10.1 to Registrant's Form 8-K, filed on March 24, 2025, and incorporate herein by reference).*
19	NBT Bancorp Inc. Policy Regarding Trading in Securities and Protection of Confidential Information (filed as Exhibit 19 to Registrant's Form 10-K, filed on February 28, 2025, and incorporate herein by reference).
21	A list of the subsidiaries of the Registrant.
23	Consent of KPMG LLP.
31.1	Certification by the Chief Executive Officer pursuant to Rules 13(a)-14(a)/15(d)-14(e) of the Securities and Exchange Act of 1934.
31.2	Certification by the Chief Financial Officer pursuant to Rules 13(a)-14(a)/15(d)-14(e) of the Securities and Exchange Act of 1934.
32.1	Certification by the Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97	Incentive Compensation Recovery Policy (filed as Exhibit 97 to the Registrant's Form 10-K for the year ended December 31, 2023, filed on February 29, 2024, and incorporated herein by reference).
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Management contract or compensatory plan or arrangement.

** Portions of the this exhibit have been omitted in compliance with Item 601 of Regulation S-K.

(b) Exhibits to this Form 10-K are attached or incorporated herein by reference as noted above.

(c) Not applicable.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, NBT Bancorp Inc. has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

/s/ Scott A. Kingsley

Scott A. Kingsley
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

/s/ Martin A. Dietrich

Martin A. Dietrich
Chairman and Director
Date: February 27, 2026

/s/ Timothy E. Delaney

Timothy E. Delaney, Director
Date: February 27, 2026

/s/ Scott A. Kingsley

Scott A. Kingsley
President, Chief Executive Officer and
Director
(Principal Executive Officer)
Date: February 27, 2026

/s/ Heidi M. Hoeller

Heidi M. Hoeller, Director
Date: February 27, 2026

/s/ Annette L. Burns

Annette L. Burns
Chief Financial Officer (Principal Financial
Officer and Principal Accounting Officer)
Date: February 27, 2026

/s/ Andrew S. Kowalczyk III

Andrew S. Kowalczyk III, Director
Date: February 27, 2026

/s/ John H. Watt, Jr.

John H. Watt, Jr.
Vice Chairman and Director
Date: February 27, 2026

/s/ David J. Nasca

David J. Nasca, Director
Date: February 27, 2026

/s/ Johanna R. Ames

Johanna R. Ames, Director
Date: February 27, 2026

/s/ V. Daniel Robinson II

V. Daniel Robinson II, Director
Date: February 27, 2026

/s/ J. David Brown

J. David Brown, Director
Date: February 27, 2026

/s/ Matthew J. Salanger

Matthew J. Salanger, Director
Date: February 27, 2026

/s/ Richard J. Cantele, Jr.

Richard J. Cantele, Jr., Director
Date: February 27, 2026