

2021  
REPORT

EMPOWERING OUR  
COMMUNITIES  
ONE RELATIONSHIP  
AT A TIME.

TOMPKINS   
FINANCIAL

Since our founding in 1836,  
Tompkins has focused on building strong,  
lasting relationships.

Every day, we make meaningful connections  
that allow us to create possibilities for the  
individuals, families, businesses and organizations  
that we serve.



As the world changes and customer needs  
evolve, our mission and promise as a local  
community bank remains true.

Through our dedication to trustworthiness,  
personal service, unwavering support and  
locally-focused decision making, our banking,  
insurance and wealth management teams will  
continue **empowering our communities,**  
**one relationship at a time.**

## FINANCIAL HIGHLIGHTS

IN THOUSANDS, EXCEPT PER SHARE DATA	2021	2020	% CHANGE
Total assets	<b>\$7,819,982</b>	\$7,622,171	2.60%
Net income attributable to Tompkins Financial Corporation	<b>89,264</b>	77,588	15.05%
Diluted earnings per share	<b>6.05</b>	5.20	16.35%
Cash dividends per share	<b>2.19</b>	2.10	4.29%


The following consolidated selected financial data is taken from the Company's audited financial statements as of and for the five years ended December 31, 2021. The following selected financial data should be read in conjunction with the consolidated financial statements and the notes thereto in Part II, Item 8. of this Report. All of the Company's acquisitions during the five year period were accounted for using the purchase method. Accordingly, the operating results of the acquired companies are included in the Company's results of operations since their respective acquisition dates.

## SELECTED FINANCIAL DATA

IN THOUSANDS, EXCEPT PER SHARE DATA	2021	2020	2019	2018	2017
<b>FINANCIAL STATEMENT HIGHLIGHTS</b>					
Assets	<b>\$7,819,982</b>	\$7,622,171	\$6,725,623	\$6,758,436	\$6,648,290
Total loans	<b>5,075,467</b>	5,260,327	4,917,550	4,833,939	4,669,120
Deposits	<b>6,791,435</b>	6,437,752	5,212,921	4,888,959	4,837,807
Other borrowings	<b>124,000</b>	265,000	658,100	1,076,075	1,071,742
Total equity	<b>728,941</b>	717,689	663,054	620,871	576,202
Interest and dividend income	<b>241,318</b>	254,330	261,378	251,592	226,764
Interest expense	<b>17,526</b>	28,991	50,750	39,792	25,460
Net interest income	<b>223,792</b>	225,339	210,628	211,800	201,304
(Credit) provision for credit loss expense	<b>(2,219)</b>	17,213	1,366	3,942	4,161
Net gains (losses) on securities transactions	<b>249</b>	443	645	(466)	(407)
Net income attributable to Tompkins Financial Corporation	<b>89,264</b>	77,588	81,718	82,308	52,494
<b>PER SHARE INFORMATION</b>					
Basic earnings per share	<b>6.08</b>	5.22	5.39	5.39	3.46
Diluted earnings per share	<b>6.05</b>	5.20	5.37	5.35	3.43
Cash dividends per share	<b>2.19</b>	2.10	2.02	1.94	1.82
Common equity per share	<b>49.62</b>	47.98	44.17	40.45	37.65
<b>SELECTED RATIOS</b>					
Return on average assets	<b>1.12 %</b>	1.05 %	1.22 %	1.23%	0.82 %
Return on average equity	<b>12.32 %</b>	11.09 %	12.55 %	13.93%	9.09 %
Average shareholders' equity to average assets	<b>9.09 %</b>	9.51 %	9.75 %	8.83%	9.04 %
Dividend payout ratio	<b>36.02 %</b>	40.23 %	37.48 %	35.99%	52.60 %
<b>OTHER SELECTED DATA</b>					
<i>IN WHOLE NUMBERS, UNLESS OTHERWISE NOTED</i>					
Employees (average full-time equivalent)	<b>1,032</b>	1,057	1,047	1,035	1,041
Banking offices	<b>63</b>	64	64	66	65
Bank access centers (ATMs)	<b>84</b>	85	87	83	84
Trust and investment services assets under management (in thousands)	<b>\$3,368,960</b>	\$3,291,585	\$3,102,690	\$2,759,558	\$2,980,461
Trust and investment services assets under custody (in thousands)	<b>\$1,683,042</b>	\$1,155,434	\$959,635	\$1,046,717	\$1,036,902
Total - Trust and investment services assets under management or custody (in thousands)	<b>\$5,052,002</b>	\$4,447,019	\$4,062,325	\$3,806,275	\$4,017,363

## A MESSAGE FROM

# Tom Rochon & Steve Romaine



Dr. Thomas R. Rochon  
CHAIR

Stephen S. Romaine  
PRESIDENT & CEO

Our commitment to empowering our communities is what drives us, through periods of prosperity as well as challenging times. Now entering the third year of the COVID pandemic, we have adapted to the current state of the world—working with the agility required to help customers navigate our rapidly changing economic landscape.

The past year brought with it low unemployment and rising interest rates, prices and inflation. In this environment, we are pleased to report record earnings per share of \$6.05 for the fiscal year ended December 31, 2021, up 16.4% from December 31, 2020. Net income for 2021 was \$89.3 million, an increase of \$11.7 million compared to 2020.

As the fiscal year came to a close, total loans were \$5.1 billion, compared to \$5.3 billion at year-end 2020—a change driven by a decline of loans under the U.S. Small Business Administration's Paycheck Protection Program (PPP). Total loans, exclusive of PPP loan balances, were up at year end. Credit quality remained strong.

Total revenue of \$302.6 million was up 1.2% over the same period last year, benefiting from growth in fee income from business lines including insurance, wealth management and card services.

The importance of a community bank with a strong local presence has been clearer than ever over the last two years. Fintechs and national players cannot provide the same level of personalized, knowledgeable, locally-focused service and support that we can—with our deep roots and even deeper commitment to the communities we serve.

As we look to the future of local banking, our evolution to a more efficient community bank—made possible by the consolidation of our legal bank charters across New York State and Pennsylvania—and to a single Tompkins brand, is well underway. Together as one, Tompkins remains well positioned to serve our customers and communities for generations to come.

Our alignment of bank names not only reflects the consistent community banking experience customers enjoy at our branches—it also supports sustainability and scalability related to capital, liquidity and enhanced technology that continue to improve the customer experience.

While we will be refreshing our brand, our business model, level of service and locally-focused teams remain the same. Most existing banking products and services are unchanged and will continue to be offered in all markets under the Tompkins brand, with the same local leadership and local boards in place.

The need for enhanced technology was highlighted in recent years, as the pandemic drove greater use of mobile banking, digital wallet and online banking. In response to our customers' growing needs for remote services, we have continued our shift toward a digital environment. We introduced enhanced online account opening and eSign capabilities and launched innovative platforms for both mortgage and Lightning Loan applications—providing customers with intuitive, efficient ways to interact with us or self-serve from anywhere.

The Tompkins Financial Advisors<sup>†</sup> team has also been focused on delivering an improved client experience with its new upgraded system, TotalWealth. This system provides advanced functionality, more robust reporting capabilities and enhanced security and support in order to better serve client needs.

Tompkins Insurance Agencies continued to perfect its new digital technologies to meet client needs, as well, including their desire to interact virtually and self-serve where possible. These efforts were publicly recognized with the receipt of the 2021

Reader Rankings Award for “Best Insurance Company” from the Rochester Business Journal, in addition to once again being named a Best Practices Agency for Operational Excellence by the Big “I.” Tompkins Insurance Agencies was also recognized by its own team of dedicated employees, whose votes placed their workplace on Buffalo Business First’s list of the 2021 Best Places to Work.

With more customers and clients across our lines of business taking advantage of remote ways to connect, fraud risk has been on the rise. In response to this growing issue, we put new authentication systems in place to help us better identify our customers and clients and keep them secure. We continue to stay on top of the latest trends to protect our clients.

As the pandemic has changed the way many businesses work, we have recognized that people have more opportunities to work remotely. In order to meet our employees’ desire for greater flexibility and accessibility—while continuing to attract and retain top talent—we have offered hybrid working schedules for those who are able to work remotely.

Our people remain our greatest asset, and as the labor pool shrinks and the “Great Resignation” continues across the country, we remain focused on both internal succession planning—to elevate our incredible employees who are ready for greater challenges and responsibilities—as well as recruitment of outside talent who can bring fresh thinking and innovative strategies to our banking, insurance and wealth management teams.

In leadership news, Gerald Klein retired as President and CEO of Tompkins Mahopac Bank in the Hudson Valley, and David DeMilia assumed the role of President. In his most recent role as Senior Commercial Lending Division Manager, Mr. DeMilia directed and co-directed multiple important corporate initiatives that have helped Tompkins provide superior service for our customers and communities. He also lives Tompkins’ values each day through service in the community—making an especially positive impact in his position as trustee of the WMCHHealth organization.

In Pennsylvania, Scott Gruber announced his retirement as President and CEO of Tompkins VIST Bank, effective 2nd quarter, 2022, with Ginger Kunkel joining the Company as his successor. Ms. Kunkel most recently served as SEVP, Chief Operating Officer for Riverview Bank & Riverview Financial Corporation, headquartered in Harrisburg, Pennsylvania and is known throughout the financial services community as a digital innovator and agile problem solver. With experience driving a full spectrum of revenue generating businesses—and a deep commitment to local nonprofits and community organizations—she is an ideal fit to lead our PA market well into the future.

While the year brought these wonderful additions to our leadership team, we also experienced a profound loss. We are deeply saddened by the passing of our Chief Risk Officer, Steve Cribbs. Mr. Cribbs’ contributions to the Company were nothing short of outstanding, and he will be greatly missed.

As we look to the future, we continuously strive to build an inclusive workforce that reflects the diversity and strength of the communities we serve. Our Diversity, Inclusion and Belonging Initiative has brought together minds and ideas from across the company to implement educational sessions and cultural celebrations, which included Unconscious Bias Training classes, monthly highlights on various topics of difference, inequality, history and culture, and a podcast featuring relevant diversity topics. Our Human Resources teams have adopted an increased focus on diversity, inclusion and belonging in their recruitment, onboarding and mentoring.

As people are becoming more and more discerning about the companies they choose to support and do business with, we have been more transparent about our ESG (Environmental Social Governance) activities—investing in companies that adhere to the principles of socially responsible investing while delivering long-term capital growth. We have offered a specific internally managed ESG portfolio for more than 10 years, which is quite uncommon in our industry, and our portfolio performance has remained strong over time.

When we reflect on everything we accomplished in 2021, we recognize that it is all possible thanks to our committed Tompkins teams, our loyal customers and, of course, our dedicated shareholders. Our **Annual Meeting of Shareholders** will be held on **May 10, 2022 at 5:30 p.m.** Information about how to participate and vote will be sent to shareholders in early spring.

Throughout another unique year, one thing that remains consistent is the incredible dedication and commitment of our teams. Through close collaboration, colleagues from each line of business have come together to help our customers and communities make it through the year with confidence and strength. Our community banking promise is made possible because of all you do.





At Tompkins, we are wholly committed to our purpose and mission as a community-based financial services company. We provide our customers with so much more than products and services. We are their trusted partner, playing a critical role in advising them through every phase of their lives. We keep their money secure, help them grow their businesses, manage their wealth and insure what matters most to them. As we empower our customers to reach their goals, we strengthen the communities that we all call home.

### **Enhancing Our Digital Capabilities**


To ensure that we can continue to provide this superior level of support for our customers and communities as their needs change and technologies advance, we have focused on prioritizing and improving our remote capabilities. Digital transactions increased in 2021 as our teams continued their pivot to connecting with customers who wish to conduct their banking virtually.

For more complex transactions, customers have appreciated these more convenient conversations with our banking, insurance and wealth management teams, without the barriers that may arise when trying to schedule in-person meetings. In addition, the ability to invite colleagues from other teams to join a call within moments has helped us deliver on even more customer needs quickly and efficiently.

For customers who prefer the in-person, in-branch Tompkins experience they have come to know and love, we have focused on making our lobbies exceptionally safe and welcoming—following strict protocols to help both our customers and our employees stay healthy and well.

### **Innovating Our Products**

As the home has become a more central part of many customers' lives, we saw them increasingly invest in their homes through a high volume of mortgage loans and refinances. We continued to guide and inform our customers who are new to the home buying process during First Time Homebuyer seminars, where we also introduced attendees to our online lending platform.



ITHACA COMMUNITY  
CHILDCARE CENTER  
Sherri Koski, Executive Director

## Nurturing our community's **FUTURE.**

*“Whenever there’s something happening in the community, people from Tompkins are there, really happy to participate and serve,” says Ithaca Community Childcare Center (IC3) Executive Director Sherri Koski. “They are deeply active, which allows them to understand what the community needs and what the community has to offer.” The team at Tompkins has been there for IC3 since its founding in 1976—offering the guidance and support the nonprofit has needed to provide decades of child-inspired, professionally-nurtured care for children in the Ithaca area. In addition to helping with financing and insurance coverage for a recently completed 7,000-square-foot building addition and 4,400-square-foot renovation, the Tompkins team helped Sherri fine-tune her fundraising efforts for the project. “They were my first meeting to ask for support,” Sherri says. “To me, that speaks to the comfort level of the relationship. They were really great at giving me feedback so I could be successful.”*

**A SPOTLIGHT ON CENTRAL NEW YORK** ■ The Central New York Tompkins team got creative with community support in 2021 to meet the needs of underserved populations and bring our community together. ■ By engaging in a new sponsorship with Gadabout Transportation Services, Tompkins was able to help homebound community members regain some of their independence. The CNY social justice team also developed and delivered financial literacy webinars for underserved communities that were very well received. ■ Tompkins also sponsored a number of local events—from the Greater Ithaca Activity Center’s annual MLK Community Breakfast to the local Hangar Theatre’s outdoor stage season, the Community Hero of the Month Awards and more—proving that they would not allow the pandemic to stand in the way of vital community building and engagement.

This new, intuitive online lending platform—launched in December 2020—has streamlined the mortgage application process, serving as a document collection and communication portal and automating tasks such as gathering pay stubs and bank statements. Throughout 2021, we saw a marked increase in completed applications with this new system. To date, over 80% of customers that start the process in the new platform continue and complete the process, an enormous improvement over the previous system. Customer feedback about the new platform and its ease of use has been overwhelmingly positive.

We have also made enhancements to our Lightning Loans product platform to provide the ability to customize application and documentation requirements based on the customer's selected products. With these updates, we have been able to streamline and automate areas like credit reports and online renewals, providing a better, more efficient customer experience.

### Supporting Business Growth

Our commitment to local businesses has remained a top priority during this critical

*Since taking the reins at Becker Farms, Melinda and Oscar Vizcarra have expanded the sixth-generation family farm into a successful agritourism business that includes wedding venues, a winery, a brewery and more—and much of that growth was made possible with the help of Tompkins. At a time when agritourism was new to the area, the Vizcarras found that many banks were unwilling to take a risk on an unprecedented business model. “Tompkins really listened to my ideas and vision and made it possible for us to build our infrastructure into what it is today,” Oscar says. “They saw the potential of our farm.” The Tompkins team helped make the Becker Farms vision a reality through financing for major expansions, new equipment and new constructions—plus early and consistent support during the Paycheck Protection Program loan process. “They know us and they know our business. We’re not just another account,” says Melinda. “We feel like they are on our side to make the business better.”*

**SPOTLIGHT ON WESTERN NEW YORK** ■ In Western New York, Tompkins became the Venture Jobs Foundation's Annual Revitalization Partner through a donation provided to further the nonprofit organization's mission. ■ The Venture Jobs Foundation's work is focused on investing in entrepreneurs and growing businesses in high-poverty neighborhoods to foster job creation and revitalize underserved communities in the Rochester area. Tompkins' donation will empower local small businesses to create new jobs and work toward rebuilding the region. ■ This is just one of the many initiatives the WNY Tompkins team took part in throughout 2021, as many members of the team have taken on leadership positions on community boards and committees throughout the area to help our communities grow and thrive.



and unprecedented time. We have worked diligently to deliver exceptional service for our business customers through each phase of the Paycheck Protection Program process. By enhancing our technology and growing our expertise as the process evolved, we have been able to continue providing personalized, timely support and sending ongoing communications to keep our customers ahead of each new change.

One industry that we remain uniquely positioned to serve through this time of change is agriculture. As one of the last truly local independent banks in the markets we

serve that are dedicated to agriculture, we continue to stay ahead of farmers' shifting needs and challenges, working hard to help these essential businesses grow and thrive in our communities.

### **Building Momentum in Our Markets**

Throughout 2021, we saw solid deposit performance, a high demand for loan originations, and strong successes for commercial lending in both our well-established and emerging markets.



BECKER FARMS | VIZCARRA VINEYARDS  
Oscar Vizcarra, Owner  
Melinda Vizcarra, Owner

In the business of **GROWTH.** 7

We have continued to build momentum in those emerging markets, establishing valuable relationships and growing brand recognition within the local areas.

As some of the **Western New York market's** local regional competitors become even larger, it's leading to a number of exciting opportunities in Buffalo and Rochester. We added a Business Development Officer whose main focus is establishing new relationships in these two cities, and we connected with and served the communities by hosting virtual seminars on cyber risk, first time home buying and retirement planning. We have continued to accelerate lending activity in Buffalo, adding a dedicated Mortgage Lending Officer and continuing that locations's run as one of our top offices in small business lending in WNY for the third year.

In **Central New York**, our Syracuse area market share has continued to grow since we opened our Lyndon Corners office in 2016. The office now includes multiple representatives from all our lines of business: commercial and retail banking, cash management, insurance and wealth management, as well as several senior officers. Anchored by renowned universities and medical centers, the city's downtown has seen extensive investment in housing and mixed use buildings. As our teams have focused on expanding our presence in the strong emerging business sector, they have established Tompkins as a trusted partner for top tier developers and business owners.

In the **Pennsylvania** market, Philadelphia saw significant disruption as competitor branches closed. Through a targeted and collaborative business development and marketing approach, we identified opportunities to introduce these competitors' former customers and employees to the value of community banking with Tompkins. We leveraged centers of influence and customer referrals, called on local businesses we knew we were uniquely positioned to serve, and connected with community members by hosting Food Truck Fridays.

The **Hudson Valley market** also experienced disruption, which opened up new opportunities for our Yonkers locations. We connected with both new and established customers—through targeted mail campaigns, relationship management calls and referrals—to offer the right combination of products and services to fit their needs. We also have made an ongoing effort to ensure our branches are well positioned to serve our communities, with convenient locations and the most modern in-branch technology. Our LaGrange branch moved into a more modern facility at the end of 2020, with a grand opening held in 2021. With this new facility, we implemented our future branch concept with universal bankers and teller pods to take better advantage of our digital capabilities.

## Earning Recognition for Insurance Excellence

Tompkins Insurance Agencies also continued to perfect its digital capabilities in order to meet client demands for the ability to self-serve virtually where possible. Throughout this time of change, our insurance team was as committed as ever to providing a top-notch claim experience.

**These efforts paid off—it was a record year for new business sales, a strong year for client retention, and Tompkins Insurance Agencies was once again publicly recognized with a number of awards and rankings:**

- 2021 Reader Rankings Award “Best Insurance Company” – Rochester Business Journal
- 2021 Best Places to Work – Buffalo Business First
- Top 50 Personal Lines Agencies – Insurance Journal
- Top 100 Commercial Insurance Brokers – Business Insurance
- Top 100 Independent Property/Casualty Agencies – Insurance Journal
- Top 3 Commercial Insurance Firms in Rochester/Monroe County – Rochester Business Journal
- “Best Practices Agency” for Operational Excellence – Independent Insurance Agents & Brokers of America (IIABA)
- Top 50 Bank Holding Companies in Insurance Brokerage Fee Income – Michael White Associates, as reported in Insurance Journal



WESTCHESTER INSTITUTE FOR HUMAN DEVELOPMENT  
Dr. Susan Fox, President and CEO  
Marianne Ventrice, Chief Financial and Administrative Officer

# Driving a vital mission **FORWARD.**

## **Delivering for Wealth Management Clients**

The Tompkins Financial Advisors team was strategically focused on continuing to enhance the client experience they provide. They continued to examine current offerings and developed surveys to better understand and deliver on evolving client needs and expectations. With the new, upgraded TotalWealth system, clients now experience

improved digital offerings and capabilities, a state-of-the-art website for online access and an easy-to-use app.

The Tompkins Financial Advisors team also provided invaluable resources and guidance through thought leadership articles, ongoing client communications and online education. They participated in virtual seminars along with branch partners to provide informative lessons on basic investment and planning to members of the community.

*As a not-for-profit organization that provides innovative services and support for vulnerable populations and their caregivers in the Hudson Valley, the Westchester Institute for Human Development (WIHD) needed a bank with a deep connection to the community. They found Tompkins, and discovered a level of personal service that could help them advance their mission. “They work very hands-on,” says Dr. Susan Fox, WIHD President and CEO. “That’s something you don’t find very often these days, so when you find it, you don’t let go.” From the beginning of the COVID pandemic, the Tompkins team was there to help WIHD secure their financial future—quickly releasing the organization’s line of credit, working around the clock to submit their application for the Paycheck Protection Program as early as possible, and helping them transition from paper checks to online bill pay and ACH payments. “They made the process as smooth as possible,” says Dr. Fox. “Working with a community bank and having those individual relationships makes all the difference in the world.”*

**A SPOTLIGHT ON HUDSON VALLEY** ■ As community banks dwindle in numbers, Tompkins remains committed to serving our communities in ways online banks and Fintechs are not able or willing to do. This commitment was recognized in 2021 by the Think Dutchess Alliance for Business, which selected Tompkins as its Large Business of the Year award winner—an award which recognizes Hudson Valley organizations for “their ability to thrive, expand, innovate and strengthen the Dutchess County workforce and community post-pandemic.” ■ The Hudson Valley Tompkins team was also recognized with Putnam County Business Council’s Trailblazer Award for businesses whose efforts embrace diversity and inclusivity despite the limitations and challenges of the pandemic—efforts in 2021 included helping formulate the Westchester Multicultural Chamber of Commerce. ■ Lastly, the team’s community service efforts did not go unnoticed. Tompkins was also recognized with the AFP Mid-Hudson Valley Region Philanthropist of the Year award.

## **Proudly Serving Our Communities**

Diversity, equity and inclusion have remained a vital area of focus across our footprint. We developed a series of virtual financial literacy classes and promoted them to underserved communities, starting in Central New York in 2021, with plans to expand across all our markets in 2022. Our local social justice teams also tailored our efforts to engage with local communities.

Continuing our deep involvement in the communities we serve, our teams have stepped up to support the local organizations and individuals who need it most. We once again held our Banksgiving initiative, donating to local food pantries to ensure that our neighbors could enjoy holiday meals with their loved ones. We also continued Food Truck Fridays, providing free lunch at select branches along with donations to local nonprofit organizations.

*“Tompkins is the first bank that treats us like a real customer,” says Christine Folk, Executive Director of Mary’s Shelter, a nonprofit comprehensive housing and social services provider for pregnant women and homeless youth. “The team at Tompkins believed in us and our program as much as we did.” When the organization was preparing to undergo a renovation that would add much-needed bedroom space to their transitional housing program, they needed a bank to sponsor their Federal Home Loan Bank grant application. The Tompkins team was happy to help—and also provided a bridge loan to get the project started as soon as possible. When the renovation was complete six months later, Tompkins had a crew of volunteers ready to jump in and decorate one of the new rooms using a design created by local high school students. “I can’t think of one program in our building that Tompkins hasn’t supported in one way or another,” Christine says. “When they say they’re a community bank, they really mean it.”*



**A SPOTLIGHT ON PENNSYLVANIA** ■ Pennsylvania team members see volunteerism as part of their responsibility as community bankers - and they took that responsibility seriously in 2021, completing thousands of hours of community service by adapting to how organizations were choosing to connect and engage in light of COVID. ■ Tompkins also committed to providing empowering educational opportunities across the area, using the Educational Improvement Tax Credit (EITC) to reallocate a portion of tax dollars to organizations that provide vital educational programming and scholarships. They committed over \$300,000 to nearly 50 youth education organizations in 2020-2021. ■ Continuing the focus on education, the market's social justice committee partnered with the Anti-Defamation League to provide educational programming for schools and organizations around the importance of diversity, inclusion and social justice.

# A place to call HOME.

MARY'S SHELTER  
Christine Folk  
Executive Director





As always, our employees worked to support the local organizations and causes that mean the most to them—our people donate time, provide financial gifts and serve on numerous boards and committees to ensure that community needs are met.

### Strengthening Our Local Boards

Also at the local level, our boards remain strong, and we remain committed to local representation from business and thought leaders in our communities. In 2021, we welcomed two new local board members:

- **Angela Lee** brings more than 30 years of human resources and talent development experience to our **Central New York** Board of Directors—along with an innovative leadership style and the ability to inspire collaboration among teams and organizations. Ms. Lee was named among 25 Influential Black Women in Business by Network Journal in 2019.
- **Joseph Kenner** brings more than a decade of financial and public policy expertise to our **Hudson Valley** Board of Directors. Mr. Kenner was recently appointed by then-New York Lieutenant Governor (now Governor) Kathy Hochul to the Hudson Valley Economic Development Council Board and the Mid-Hudson Regional Economic Development Council.



As 2021 presented us with continued pandemic-related challenges, we are so proud of how our banking, insurance and wealth teams came through for the individuals, families, businesses and organizations in our communities. It is thanks to our employees that we are able to keep our community banking tradition alive and well. The dedication of our teams is what makes it possible for our customers and communities to continue moving forward, even through the changing and uncertain times of the past two years.



## CONSOLIDATED STATEMENTS of CONDITION

IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA	YEAR ENDED DECEMBER 31	
	2021	2020
<b>ASSETS</b>		
Cash and noninterest bearing balances due from banks	\$23,078	\$21,245
Interest bearing balances due from banks	40,029	367,217
<b>Cash and Cash Equivalents</b>	<b>63,107</b>	<b>388,462</b>
Available-for-sale debt securities, at fair value (amortized cost of \$2,063,790 at December 31, 2021 and \$1,599,894 at December 31, 2020)	2,044,513	1,627,193
Held-to-maturity securities, at amortized cost (fair value of \$282,288 at December 31, 2021 and \$0 at December 31, 2020)	284,009	0
Equity securities, at fair value (amortized cost \$902 at December 31, 2021 and \$929 at December 31, 2020)	902	929
Total loans and leases, net of unearned income and deferred costs and fees	5,075,467	5,260,327
Less: Allowance for credit losses	42,843	51,669
<b>Net Loans and Leases</b>	<b>5,032,624</b>	<b>5,208,658</b>
Federal Home Loan Bank and other stock	10,996	16,382
Bank premises and equipment, net	85,416	88,709
Corporate owned life insurance	86,495	84,736
Goodwill	92,447	92,447
Other intangible assets, net	3,643	4,905
Accrued interest and other assets	115,830	109,750
<b>Total Assets</b>	<b>\$ 7,819,982</b>	<b>\$ 7,622,171</b>
<b>LIABILITIES</b>		
Deposits:		
Interest bearing:		
Checking, savings and money market	4,016,025	3,761,933
Time	639,674	746,234
Noninterest bearing	2,135,736	1,929,585
<b>Total Deposits</b>	<b>6,791,435</b>	<b>6,437,752</b>
Federal funds purchased and securities sold under agreements to repurchase	66,787	65,845
Other borrowings	124,000	265,000
Trust preferred debentures	0	13,220
Other liabilities	108,819	122,665
<b>Total Liabilities</b>	<b>\$ 7,091,041</b>	<b>\$ 6,904,482</b>
<b>EQUITY</b>		
Tompkins Financial Corporation shareholders' equity:		
Common Stock - par value \$.10 per share: Authorized 25,000,000 shares; Issued: 14,696,911 at December 31, 2021; and 14,964,389 at December 31, 2020	1,470	1,496
Additional paid-in capital	312,538	333,976
Retained earnings	475,262	418,413
Accumulated other comprehensive loss	(55,950)	(32,074)
Treasury stock, at cost - 122,824 shares at December 31, 2021, and 124,849 shares at December 31, 2020	(5,791)	(5,534)
<b>Total Tompkins Financial Corporation Shareholders' Equity</b>	<b>727,529</b>	<b>716,277</b>
Noncontrolling interests	1,412	1,412
<b>Total Equity</b>	<b>\$ 728,941</b>	<b>\$ 717,689</b>
<b>Total Liabilities and Equity</b>	<b>\$ 7,819,982</b>	<b>\$ 7,622,171</b>

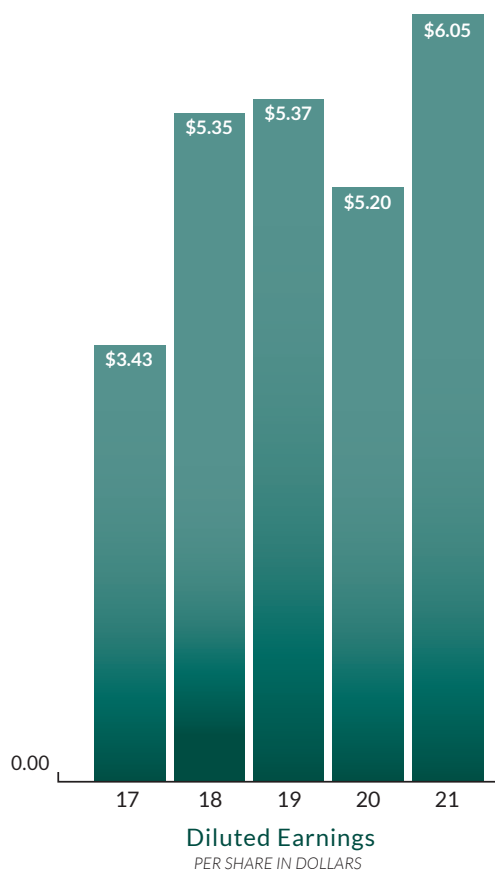
## CONSOLIDATED STATEMENTS of INCOME

IN THOUSANDS, EXCEPT PER SHARE DATA	YEAR ENDED DECEMBER 31		
	2021	2020	2019
<b>INTEREST AND DIVIDEND INCOME</b>			
Loans	\$ 214,684	\$ 227,313	\$ 226,723
Due from banks	343	194	41
Available-for-sale debt securities	23,440	25,450	28,460
Held-to-maturity securities	2,075	0	3,151
Federal Home Loan Bank stock and Federal Reserve Bank stock	776	1,373	3,003
<b>Total Interest and Dividend Income</b>	<b>241,318</b>	<b>254,330</b>	<b>261,378</b>
<b>INTEREST EXPENSE</b>			
Time certificates of deposits of \$250,000 or more	2,202	3,175	3,095
Other deposits	8,645	16,789	27,809
Federal funds purchased and securities sold under agreements to repurchase	64	95	143
Trust preferred debentures	2,233	1,133	1,276
Other borrowings	4,382	7,799	18,427
<b>Total Interest Expense</b>	<b>17,526</b>	<b>28,991</b>	<b>50,750</b>
<b>Net Interest Income</b>	<b>223,792</b>	<b>225,339</b>	<b>210,628</b>
Less: (Credit) provision for Credit Loss Expense	(2,219)	17,213	1,366
<b>Net Interest Income After Provision for Credit Loss Expense</b>	<b>226,011</b>	<b>208,126</b>	<b>209,262</b>
<b>NONINTEREST INCOME</b>			
Insurance commissions and fees	34,836	31,505	31,091
Investment services income	19,388	17,520	16,434
Service charges on deposit accounts	6,347	6,312	8,321
Card services income	10,826	9,263	10,526
Other income	7,203	8,817	8,416
Net gain on securities transactions	249	443	645
<b>Total Noninterest Income</b>	<b>78,849</b>	<b>73,860</b>	<b>75,433</b>
<b>NONINTEREST EXPENSES</b>			
Salaries and wages	96,038	92,519	89,399
Other employee benefits	24,172	24,812	23,488
Net occupancy expense of premises	13,179	12,930	13,210
Furniture and fixture expense	8,328	7,846	7,815
Amortization of intangible assets	1,317	1,484	1,673
Other operating expenses	47,253	44,729	46,249
<b>Total Noninterest Expenses</b>	<b>190,287</b>	<b>184,320</b>	<b>181,834</b>
<b>Income Before Income Tax Expense</b>	<b>114,573</b>	<b>97,666</b>	<b>102,861</b>
<b>Income Tax Expense</b>	<b>25,182</b>	<b>19,924</b>	<b>21,016</b>
<b>Net Income Attributable to Noncontrolling Interests and Tompkins Financial Corporation</b>	<b>89,391</b>	<b>77,742</b>	<b>81,845</b>
Less: Net income attributable to noncontrolling interests	127	154	127
<b>Net Income Attributable to Tompkins Financial Corporation</b>	<b>\$ 89,264</b>	<b>\$ 77,588</b>	<b>\$ 81,718</b>
<b>Basic Earnings Per Share</b>	<b>\$ 6.08</b>	<b>\$ 5.22</b>	<b>\$ 5.39</b>
<b>Diluted Earnings Per Share</b>	<b>\$ 6.05</b>	<b>\$ 5.20</b>	<b>\$ 5.37</b>

## MARKET of REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS and ISSUER PURCHASES of EQUITY SECURITIES

The Company's common stock is traded under the symbol "TMP" on the NYSE American. The high and low closing sale prices, which represent actual transactions as quoted on the Exchange, of the Company's common stock for each quarterly period in 2020 and 2021, are presented to the right. The per share dividends paid by the Company in each quarterly period in 2020 and 2021 and the payment dates of these dividends are also presented.

		MARKET PRICE		CASH DIVIDENDS	
		High	Low	Amount	Date Paid
2020	1st Quarter	\$92.88	\$61.75	\$0.52	2/18/20
	2nd Quarter	74.99	56.02	0.52	5/18/20
	3rd Quarter	70.64	55.47	0.52	8/14/20
	4th Quarter	71.79	54.65	0.54	11/13/20
2021	1st Quarter	\$92.36	\$66.87	\$0.54	2/16/21
	2nd Quarter	85.17	76.81	0.54	5/17/21
	3rd Quarter	81.76	73.63	0.54	8/13/21
	4th Quarter	85.02	77.45	0.57	11/15/21



## REPORT of INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Shareholders and Board of Directors Tompkins Financial Corporation:

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated statement of condition of Tompkins Financial Corporation and subsidiaries as of December 31, 2021, and the related consolidated statements of income, comprehensive income, cash flows, and changes in shareholders' equity, for the year then ended (not presented herein); and in our report dated March 1, 2022, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

**KPMG LLP**

Rochester, New York  
March 1, 2022

**TOMPKINS FINANCIAL CORPORATION**  
**BOARD of DIRECTORS**

**Thomas R. Rochon**  
*Chair*  
President, ERB Learn

**Stephen S. Romaine**  
*President & CEO*

**James W. Fulmer**  
*Vice Chair*

**John E. Alexander**  
Founder  
The CBORD Group, Inc.

**Paul J. Battaglia, CPA**  
Retired Director  
Freed Maxick CPAs, P.C.

**Daniel J. Fessenden**  
Executive Director  
Fred L. Emerson Foundation, Inc.

**Patricia A. Johnson**  
VP of Finance & Administration  
Lehigh University

**Frank C. Milewski**  
Retired VP Regional Operations  
Pathways Health

**Ita M. Rahilly, CPA, AEP**  
Partner  
RBT CPAs, LLP

**Michael H. Spain**  
Executive Vice President  
Brown & Brown

**Jennifer R. Tegan**  
Managing Director  
NY Ventures

**Alfred J. Weber**  
President  
Tweed-Weber-Danks, Inc.

**Craig Yunker**  
Managing Partner  
CY Farms

## AFFILIATE BOARDS of DIRECTORS\*

### TOMPKINS - Central New York

**Stephen S. Romaine**  
Chair  
President & CEO  
Tompkins Financial  
Corporation

**Gregory J. Hartz**  
President & CEO

**John E. Alexander**  
Founder  
The CBORD Group, Inc.

**Johanna Anderson**  
Executive Director  
Ithaca Neighborhood  
Housing Services

**Larry F. Baum\*\***  
Founder  
The Computing Center

**Daniel J. Fessenden**  
Executive Director  
Fred L. Emerson  
Foundation, Inc.

**Angela B. Lee**  
VP of Human Resources  
and Chief Diversity Officer  
Baxter International, Inc.

**Ryan Lombardi**  
VP Student & Campus Life  
Cornell University

**Jennifer R. Tegan**  
Managing Director  
NY Ventures

*\*\*Retiring April 2022*

### TOMPKINS - Western New York

**James W. Fulmer**  
Chair

**John M. McKenna**  
President & CEO

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Retired Director  
Freed Maxick CPAs, P.C

**Joseph G. Bucci Jr.**  
Environmental Manager  
American Rock Salt  
Company, LLC

**Nancy Catarisano, CPA**  
Managing Partner  
Insero & Co. CPAs, LLP

**David N. DeLaVergne\*\***  
Retired SVP  
Tompkins Bank of Castile

**John D. McClurg**  
President  
McClurg Chrysler Dodge  
Jeep, Inc.  
McClurg Chevrolet  
Buick, Inc.

**Stephen S. Romaine**  
President & CEO  
Tompkins Financial  
Corporation

**Stephen R. Stoddard, DVM**  
Partner  
Perry Veterinary Clinic

**Craig Yunker**  
Managing Partner  
CY Farms

*\*\*Retiring April 2022*

### TOMPKINS - Hudson Valley

**Michael H. Spain**  
Chair  
Executive Vice President  
Brown & Brown

**David M. DeMilia**  
President & CEO

**Francis M. Fetsko**  
EVP, CFO, COO & Treasurer  
Tompkins Financial  
Corporation

**Joseph D. Kenner**  
President & CEO  
Greyston Bakery  
Greyston Foundation

**Ita M. Rahilly, CPA, AEP**  
Partner  
RBT CPAs, LLP

**Kevin J. Plunkett\*\***  
Director of Strategic  
Initiatives  
Simone Development  
Companies

**Thomas R. Rochon**  
President  
ERB Learn

**Stephen S. Romaine**  
President & CEO  
Tompkins Financial  
Corporation

**C. Compton Spain**  
Attorney  
Spain & Spain, PC

*\*\*Retiring April 2022*

### TOMPKINS - Pennsylvania

**Alfred J. Weber**  
Chair  
President  
Tweed-Weber-Danks, Inc.

**Scott L. Gruber**  
President & CEO

**Helen S. Eaton**  
CEO  
Settlement Music School

**James W. Fulmer**  
Vice Chair  
Tompkins Financial  
Corporation

**Patricia A. Johnson**  
VP of Finance &  
Administration  
Lehigh University

**Frank C. Milewski**  
Retired VP Regional  
Operations  
Pathways Health

**Harry J. O'Neill, III\*\***  
President  
Empire Group

**Stephen S. Romaine**  
President & CEO  
Tompkins Financial  
Corporation

*\*\*Retiring April 2022*

### TOMPKINS INSURANCE AGENCIES

**James W. Fulmer**  
Chair  
Vice Chair  
Tompkins Financial  
Corporation

**David S. Boyce**  
President & CEO

**Stephen S. Romaine**  
President & CEO  
Tompkins Financial  
Corporation

*\* Effective January 1, 2022*

# CORPORATE INFORMATION

## TOMPKINS FINANCIAL CORPORATION CORPORATE OFFICERS

Stephen S. Romaine  
President & Chief Executive Officer

David S. Boyce  
Executive Vice President

David M. DeMilia  
Executive Vice President

Francis M. Fetsko  
Executive Vice President  
Chief Financial Officer, Chief  
Operating Officer & Treasurer

Alyssa H. Fontaine  
Executive Vice President  
General Counsel  
Corporate Secretary

Scott L. Gruber  
Executive Vice President

Gregory J. Hartz  
Executive Vice President

Brian A. Howard  
Executive Vice President

Ginger G. Kunkle  
Executive Vice President

John M. McKenna  
Executive Vice President

Susan M. Valenti  
Executive Vice President  
Corporate Marketing Officer

Steven W. Cribbs\*  
Senior Vice President  
Chief Risk Officer

Bradley G. James  
Senior Vice President  
Chief Technology Officer

Bonita N. Lindberg  
Senior Vice President  
Director of Human Resources

Cynthia M. Manuele  
Corporate Counsel  
& Deputy Corporate Secretary

Janet L. Hewitt  
Assistant Vice President  
Corporate Administrative &  
Investor Relations Officer

Wendy K. Fonder  
Governance Coordinator  
Assistant Corporate Secretary

## CORPORATE OFFICE

Tompkins Financial Corporation  
P.O. Box 460  
Ithaca, NY 14851  
(888) 503-5753

Website:  
[www.tompkinsfinancial.com](http://www.tompkinsfinancial.com)  
E-mail:  
[shareholder@tompkinsfinancial.com](mailto:shareholder@tompkinsfinancial.com)

## AFFILIATES

### Tompkins Community Bank

Central New York Market  
P.O. Box 460  
Ithaca, NY 14851  
(607) 273-3210

Western New York Market  
90 Main St.  
Batavia, NY 14020  
(585) 345-0122

Hudson Valley Market  
1441 Route 22  
Brewster, NY 10509  
(845) 278-1000

Pennsylvania Market  
P.O. Box 6219  
Wyomissing, PA 19610  
(610) 478-9922

Tompkins Insurance Agencies, Inc.  
90 Main St.  
Batavia, NY 14020  
(585) 344-0833  
[www.tompkinsins.com](http://www.tompkinsins.com)

Tompkins Financial Advisors†  
P.O. Box 6437  
Ithaca, NY 14851  
(607) 273-0037  
[tompkinsfinancialadvisors.com](http://tompkinsfinancialadvisors.com)

## STOCK LISTING

Tompkins Financial Corporation common stock is traded on the NYSE American under the symbol TMP.

The Tompkins Financial Stock Purchase Plan is administered by American Stock Transfer & Trust Company, LLC as transfer agent for Tompkins Financial Corporation. It offers a convenient way for shareholders to increase their investment in the Company. The plan enables shareholders to reinvest all or part of their cash dividends or to make optional cash payments, with some restrictions, in order to purchase shares of Tompkins Financial Corporation common stock without incurring charges for brokerage commissions or service charges. Shareholders who are interested in the plan may receive enrollment information and a plan enrollment application by contacting:

American Stock Transfer & Trust Company, LLC  
Toll-free number: 1-877-573-4008  
Website: [www.astfinancial.com](http://www.astfinancial.com)

Mailing address:  
American Stock Transfer & Trust Company, LLC  
Attn: Dividend Reinvestment Department  
P.O. Box 922  
Wall Street Station  
New York, NY 10269-0560

For answers to many of your shareholder questions or to request forms, visit American Stock Transfer & Trust Company's website [www.astfinancial.com](http://www.astfinancial.com) or contact:

American Stock Transfer & Trust Company, LLC  
Shareholder Relations  
6201 15th Avenue  
Brooklyn, NY 11219

Overnight address:  
6201 15th Avenue  
Brooklyn, NY 11219

1-800-937-5449 or  
1-718-921-8200  
E-mail address:  
[info@astfinancial.com](mailto:info@astfinancial.com)

Also, Tompkins Financial Stock Purchase Plan enrollment information can be requested and shareholder questions answered by contacting the Company:


Wendy Fonder  
Tompkins Financial Corporation  
P.O. Box 460  
Ithaca, NY 14851

1-888-503-5753 or 1-607-274-2096  
E-mail address:  
[wfounder@tompkinsfinancial.com](mailto:wfounder@tompkinsfinancial.com)

Form 10-K  
Copies of the Company's Form 10-K (Annual Report) for 2021, filed with the Securities and Exchange Commission, may be obtained by shareholders, by written request, from Francis M. Fetsko, Executive Vice President and Chief Financial Officer, P.O. Box 460, Ithaca, NY 14851.

Copies can also be obtained from our website:  
[www.tompkinsfinancial.com](http://www.tompkinsfinancial.com)

## GO GREEN

If you would like to receive future Tompkins Financial Corporation Corporate Reports and proxy materials electronically, please follow the instructions on your proxy card for voting via the internet and select the option for electronic transmission of proxy materials. 

The savings below are achieved when PC recycled paper is used in place of virgin fiber. This project uses 1,810 lbs of paper which has a postconsumer recycled percentage of 10%.

2.2 trees preserved for the future

200 gallons of wastewater flow saved

10 lbs solid waste not generated

1000 lbs net greenhouse gases prevented

.9 million BTUs energy not consumed

\*Deceased

†Securities and advisory services are offered through LPL Financial (LPL), a registered investment advisor and broker-dealer (member FINRA/SIPC).

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