

A full-page background image of a bright blue sky filled with soft, white, fluffy clouds. The clouds are scattered across the frame, with some appearing more prominent than others. The overall tone is bright and airy.

THE SKY IS THE LIMIT

“ *There are no
great limits to growth
because there are
no limits of
human intelligence,
imagination,
and wonder.* ”

RONALD REAGAN

MESSAGE FROM THE **PRESIDENT**

To the Valued Shareholders of Fidelity D & D Bancorp:

The Board of Directors and the Fidelity Bankers are very pleased to report that the Company ended the year with net income of \$11 million, or \$2.93 per share. The Fidelity Bankers continue to execute a strategic vision that provides retail and business clients with financial products and services based upon their needs. This strategic focus on building lasting relationships with clients and creating financial success for all key stakeholders has generated strong loan and deposit growth, has increased non-interest income and capital, and has produced exceptional shareholder value. The commitment both to provide clients with an exceptional experience and to build long-lasting relationships through a unique banking experience has differentiated the Fidelity Bank brand from its competition.

In 2018, our nation experienced contradicting economic results. Unemployment ended the year at 3.7%, a nearly a 50-year low, and wages had been rising. At the same time fears of a recession had increased. Corporate earnings were very strong while stock prices sank sharply into correction territory by the end of the year. The yield curve flattened throughout most of the year, and the short end of the curve actually inverted briefly in December. Both the 2-year and the 10-year treasury yields narrowed from 52 to 19 basis points by the last day of the year. Even though these economic results were mixed, the banking industry continued to maintain strong loan growth and asset quality.

Truly an Extraordinary Year

Fidelity Bank generated net income of \$11 million for 2018, a 26% increase over 2017, and established another historic year for the Company. In addition, the 26% increase in net income was produced on top of a 13.3% increase in net income in 2017—in a market place that had virtually zero growth. Earnings per share on a fully diluted basis were \$2.90 in 2018, when compared to \$2.33 in 2017. Both the return on average assets of 1.20% and the return on average equity of 12.26% produced robust growth.

Fidelity Bank has maintained its position as a market leader in Northeastern Pennsylvania by originating more than 4,100 loans totaling over \$280 million. The Company has achieved strong originations across all portfolios, from commercial and business banking, to residential mortgage lending and consumer lending.

As of December 31, 2018, the Company achieved a record, year-end level of loans in excess of \$722 million or a 13% increase over the 2017 year-end.

The growth of the loan portfolio was funded by a strong inflow of new deposits. As of December 31, 2018, the Company achieved a record year-end level of deposits. Total year-to-date average deposits increased by \$56.3 million, or by 8% when compared to 2017 year-to-date deposits. With Fidelity's focus on relationship banking, total year-to-date average, non-interest bearing checking deposits increased \$27.7 million, to a record level of \$196.8 million. By producing this growth in loans and deposits, the Company has generated an increase in net interest income by \$2.6 million.

The growth of the Wealth Management Division, consisting of the Trust and Financial Services Departments, along with a focus on collecting fees for services, produced a record level of non-interest income. This growth in non-interest income for 2018 was \$9.2 million, or a 10% increase when compared to 2017.

The Fidelity Bankers are the Company's most valued assets. A great client experience must begin with engaged and knowledgeable bankers. Through the support of the Board of Directors, the Company continues to invest a considerable amount of time and money in the training, education, and professional development of the Fidelity Bankers. The Fidelity Bankers unwavering commitment to continuous learning and improvement has made it possible for the Company to continue to reach new heights.

In 2018, Forbes Magazine named Fidelity Bank one of the Best-In-State Banks. Forbes rated Fidelity as one of the top 3 banks from a total of 196 banks operating branches in the Commonwealth of Pennsylvania. A bank's survey score is a direct reflection of customer opinion and satisfaction, from both in-branch and online perspectives. This recognition is most important because it measures the client experience, rather than the typical financial measurements that are lagging indicators. The Forbes Magazine recognition validates that the experience the Bank provides its clients is a key differentiator that enables Fidelity to achieve strong financial performance.

In addition, for the fourth year in a row Fidelity Bank has been voted the "Best Bank" by the readers of the Scranton Times, which is further evidence that the unique and differentiated customer experiences

provided by the Fidelity Bankers continue to deliver what is valued by banking clients.

As the Company grows and the banking industry continues to evolve rapidly with new technology, products, services, and regulations, the valued input of all 195 Fidelity Bankers is vital to the continued success of the Company.

Innovation has Driven Growth

The Fidelity Bankers' commitment to the financial success of the client is the foundation of Fidelity's continued growth. As clients continue to do more of their banking digitally, Fidelity believes that relationships will not disappear in the digital world. The Company is committed to being proactive by continuing to partner with the client and by providing him/her with the right financial solution.

Fidelity Bankers utilize a strong, robust digital banking platform that allows clients to execute their banking anytime and anywhere. The Company continues to invest in the newest technology available. In 2018, Fidelity introduced in-branch technology bars to educate clients on the various digital banking channels they have available. Fidelity also enhanced its retail and business mobile banking applications. The Company effectively demonstrated to clients the value of digital banking, which enable them to "get out of line" to perform their transactions and allow the Fidelity Bankers to engage in high-value, relationship-based consultative conversations.

In 2018, the Company created growth both in households and business clients, even though the number of in-branch transactions declined. Importantly, and at the same time, Fidelity generated an increase in the number of online deposit account openings in excess of 33% versus those of 2017. Mobile app and mobile deposit users increased by 30% and 240% respectively. The Company is committed to staying abreast of the ever-evolving banking technology platforms that address client needs.

Fidelity Bank Has Reached New Heights

Fidelity Bank has elevated shareholder value by creating a balance sheet consisting of adequate reserves, strong capital levels, favorable asset quality, robust core deposit base, and continuous earnings growth. The investor community has recognized the higher franchise value created by Fidelity Bank, as its overall market capitalization

has grown. This increase and growth in Fidelity Bank dividend payments produced a total shareholder return of 58% in 2018. Shareholder return ranked the Company #1 of all publicly traded financial institutions headquartered in the Mid-Atlantic Region.

The above measures, along with sound business practices, have been key to creating long-term shareholder value, as evidenced by the 324% return over the last five years.

On June 25, 2018, the Company was added to the broader-market Russell 2000 Index. The continued excellent financial performance and expectations for continued growth have resulted in a substantial share price appreciation. Specifically, over the past three years, the Company has seen its market capitalization grow from \$84 million to \$243 million, as of December 31, 2018. Becoming a member of the Russell 2000 index is confirmation that the Company's strategic plan is on the right track. Russell US Indexes are widely used by investment managers and institutional investors as the basis for index funds and as benchmarks for active investment strategies. Approximately \$9 trillion in assets are benchmarked against Russell US Indexes.

The total dividend for 2018 was \$0.98 per share as compared to \$0.88 per share, an 11% increase vs. the previous year. This was the fourth



consecutive year that the Company increased its dividend payment to the shareholder.

The Company's strong financial performance is reflective of its favorable comparison to other banks, where Fidelity Bank surpasses both local and national peers. For the sixth straight year, the Bank has earned a five star "Superior" rating for safety and soundness from the independent national rating agency, Bauer Financial. And for the fifth straight year Fidelity Bank was recognized by the American Bankers Association as one the top 200 Community Banks in the nation, based upon a three year average return on equity.

As a community bank, headquartered in Northeastern Pennsylvania, it is the responsibility of the Company and the Fidelity Bankers to continue to strengthen and to make the community it serves better by giving back their time, talent, and treasure. The strong growth in earnings has enabled the Company to give back over \$700,000 in philanthropic giving to the community. The Company has contributed to scholarship programs, educational improvement initiatives at local schools, colleges, and universities, as well as donating to local non-profit organizations.

All Fidelity Bankers are provided with volunteer time off to serve the community and

causes that they are passionate about. The Fidelity Bankers' have donated their time and talent to a countless number of non-profit organizations. In 2018, they contributed over 1,600 hours of volunteer hours to local community organizations.

The Best is Yet to Come

Continued focus on intelligent growth of assets and income has continued to produce long-term shareholder value. Fidelity Bank is proud to be recognized as a highly regarded and powerful brand. A strong management relationship strategy will continue to evolve as generations become more technologically savvy. The Company is committed to investing in the digital and traditional banking channels.

Expanding markets within concentric circles of existing offices continues to be a proven strategy. As the Company looks to the future and to new markets, the Bank will continue to focus on Luzerne County.

During the First quarter of 2019, the Bank will launch a new digital mortgage and home equity loan origination platform. This new platform will provide clients with real time access to mortgage and home equity lending with the ability to apply on-line, from the comfort of their home, or in-branch with the assistance of a Fidelity Banker. "Push

notifications", via text messages, will apprise applicants of their status and remove any uncertainty.

As cyber security incidents appear in the news almost nightly, the Company's priority remains to keep clients' information protected by investing in and by tightening the security around all information technology systems. The recent hire of Kerry Lobel, Chief Information Officer, provides the Bank with diverse experience in leading change and deploying strategic information technology solutions. Kerry will be an important asset in driving innovation.

The Company's belief is that an integrated Wealth Management solution will create great value for our clients and build long-term shareholder value. The Company's focus for 2019 will be the integration of the Trust Department, Fidelity Asset Management, and the Bank. This structure will enable the Company to look across the broad client base and identify those demographics with the greatest propensity to benefit from wealth management products and services. In addition, the Company will continue to invest in the necessary human capital and systems to ensure that Wealth Management product offerings of Fidelity Bank meet and exceed client expectations.

The Sky is the Limit

On October 24, 2018, the Company announced that Brian J. Cali, Esquire had been named Chairman of the Board for both the Company and the Bank. He succeeds Patrick J. Dempsey who will continue as a director of the Company and the Bank. The Board also designated Mr. Dempsey as Chairman Emeritus. Throughout his sixteen-year tenure as Chairman, Mr. Dempsey successfully guided Fidelity through the Great Recession to an outstanding operational and financial performance, to a strong increase in the stock price and to a Fidelity Bank vision of independence strategically founded on long-term financial strength. He has played two invaluable roles; the first, as a mentor; and the second, as a friend. I am very pleased that he will continue to maintain a role as Board member and Chairman Emeritus. He has led by example and has taught us that "the sky is the limit" when you make a commitment to continuous improvement through life-long learning.

The Company has 195 Fidelity Bankers who are passionate and committed to generate client relationships, to create long-term shareholder value, to build a sense of community, and to deliver success to Fidelity stakeholders. As the Company moves forward, it will continue to provide a unique customer experience delivered by trusted Financial Advisors, working together toward a common vision. Fidelity Bankers will continue to put clients' interests first, meeting their specific financial needs, and providing them with value. Fidelity Bankers are committed to being true to their mission to excel in making Fidelity Bank a community bank dedicated to strengthening the community. All stakeholders can be proud of the accomplishments of the Company.

Sincerely,



Brian J. Cali,
Chairman of the Board



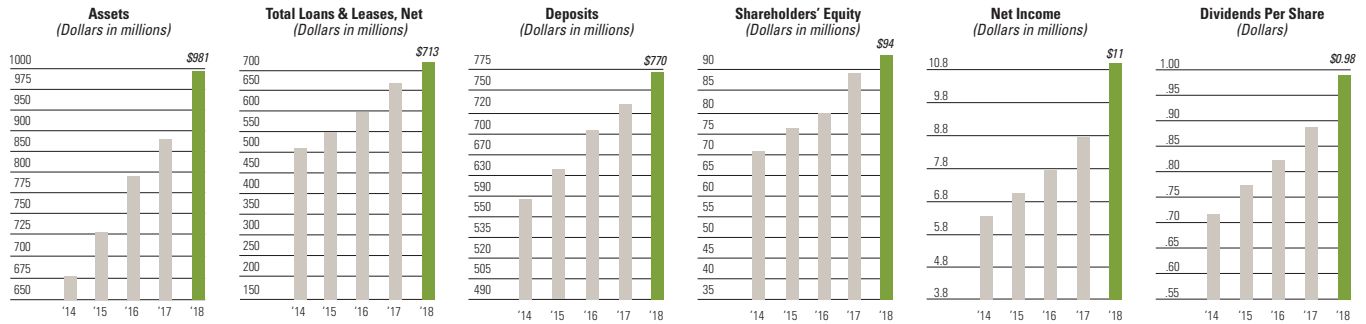
Daniel J. Santaniello,
President and Chief
Executive Officer



Board of Directors (L to R):

Michael J. McDonald, Vice Chairman; Richard J. Lettieri, Director; David L. Tressler, Sr., Director; Mary E. McDonald, Assistant Secretary; Patrick J. Dempsey, Past Chairman; Brian J. Cali, Chairman; Daniel J. Santaniello, President and Chief Executive Officer; Kristin D. O'Donnell, Director; John T. Cognetti, Secretary.

FINANCIAL HIGHLIGHTS



	2018		2017		2016	2015	2014
(dollars in thousands except per share data)	Amount	% Change	Amount	% Change	Amount	Amount	Amount
For the Year							
Net Interest Income	\$ 30,457	9.4%	\$ 27,841	10.8%	\$ 25,137	\$ 23,485	\$ 21,927
Net Income	\$ 11,006	26.3%	\$ 8,716	13.3%	\$ 7,693	\$ 7,103	\$ 6,352
Cash Dividends	\$ 3,708	12.9%	\$ 3,285	7.3%	\$ 3,061	\$ 2,844	\$ 2,667
Return on Average Assets	1.20%		1.03%		1.02%	1.00%	0.96%
Return on Average Equity	12.36%		10.34%		9.64%	9.55%	9.12%
Net Interest Margin	3.64%		3.70%		3.72%	3.70%	3.75%
Per Share							
Net Income - Diluted	\$ 2.90	24.4%	\$ 2.33	11.5%	\$ 2.09	\$ 1.94	\$ 1.75
Cash Dividends	\$ 0.98	11.4%	\$ 0.88	6.0%	\$ 0.83	\$ 0.77	\$ 0.73
Book Value	\$ 24.89	6.4%	\$ 23.40	6.8%	\$ 21.91	\$ 20.83	\$ 19.83
Average Shares Outstanding	3,752,704	1.1%	3,711,490	0.9%	3,679,507	3,658,687	3,619,443
At Year End							
Assets	\$ 981,102	13.6%	\$ 863,637	8.9%	\$ 792,944	\$ 729,358	\$ 676,485
Earning Assets	\$ 908,998	13.8%	\$ 798,599	8.1%	\$ 738,608	\$ 675,995	\$ 625,691
Investment Securities	\$ 182,810	16.2%	\$ 157,385	21.0%	\$ 130,037	\$ 125,232	\$ 97,896
Total Loans & Leases, Net	\$ 712,940	13.0%	\$ 630,948	6.8%	\$ 590,984	\$ 548,103	\$ 507,488
Deposits	\$ 770,183	5.5%	\$ 730,146	3.8%	\$ 703,459	\$ 620,675	\$ 586,944
Borrowings	\$ 108,070	172.2%	\$ 39,706	840.2%	\$ 4,223	\$ 28,204	\$ 13,969
Shareholders' Equity	\$ 93,557	7.1%	\$ 87,383	8.4%	\$ 80,631	\$ 76,351	\$ 72,219
Shares Outstanding	3,759,426	0.7%	3,734,478	1.5%	3,680,707	3,665,107	3,641,650
Ratios							
Net Loans to Deposits	92.57%		86.41%		84.01%	88.31%	86.46%
Non-performing Assets to Total Assets	0.64%		0.73%		1.33%	1.76%	1.18%
Equity to Assets	9.54%		10.12%		10.17%	10.47%	10.68%
Tier I Risk-Based Capital	13.50%		13.70%		13.62%	13.71%	13.97%
Total Risk-Based Capital	14.75%		14.95%		14.90%	14.99%	15.25%

**2018
WAS TRULY AN
EXTRAORDINARY
YEAR.**





EVOLVING

The Company's success is the result of 195 Fidelity Bankers working together to move the bank forward through their knowledge, expertise, and total dedication to success.

Fidelity Bank's clients are evolving and our Bankers are evolving with them. The Bank's vigorous commitment to training has empowered our Bankers to grow as trusted financial advisors, providing valuable advice to our clients as well as products and services tailored to their financial needs.

The Bank's emphasis on continuous growth and improvement has enabled Fidelity Bankers to build stronger and more lasting client relationships and create exceptional client experiences. In recognition of these outstanding experiences, Forbes Magazine has rated Fidelity Bank as one of the top 3 banks in Pennsylvania based on client satisfaction, while readers of the Scranton Times have voted Fidelity Bank "Best Bank" in the marketplace for the 5th time in 6 years.



Fidelity Bank takes great pride in our Bankers achievements and looks forward to the future success of an extraordinary team.



Senior Management Team (L to R):

Timothy O'Brien, Sr. EVP and Chief Lending Officer; Mary McNichols, SVP and Director of Human Resources; Daniel J. Santaniello, President and CEO; Salvatore R. DeFrancesco, EVP and Chief Financial Officer; Joann Marsili, SVP and Director of Marketing and Digital Sales; Eugene Walsh, EVP and Chief Operating Officer; Michael J. Pacyna, Jr., EVP and Chief Business Development Officer; Kerry Lobel, SVP and Chief Information Officer.



EXCELLING

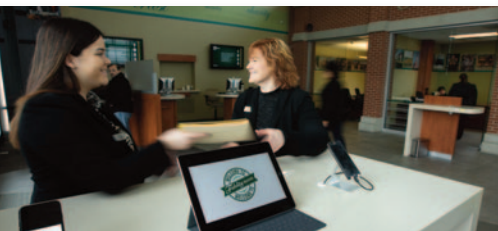
Fidelity Bankers are constantly finding new ways to deliver superior client experiences by developing innovative solutions that make each client's vision a reality. In recognition of the Bank's accomplishments, the Scranton Chamber of Commerce awarded Fidelity Bank the Chamber's "Sage Award" for "2018 Fastest Growing Company."

When Lackawanna County Government sought to purchase and renovate the old Globe Store building in downtown Scranton, Fidelity Bank's innovative lending

solution helped to bring the historic building back to life while saving county taxpayers millions of dollars over the term of the loan.

The Scranton and Pittston YMCAs provide programs of immense value to the communities they serve. In need of improvements, both organizations reached out to Fidelity Bank to assist with financing. The new updates have greatly enhanced the facilities' services and are helping to attract new members.

Great places to meet friends and enjoy a meal are a vital part of a dynamic community. When two sisters moved back to Scranton from New York City with a dream of opening their own unique café, Fidelity Bank's financial assistance helped to transform their dream into "Henry's on Clay" - a trendy, new Dunmore bistro that is getting rave reviews from locals and bringing new vitality to the neighborhood.



A person in a dark jacket and blue jeans stands on a wooden pier extending into the ocean. They are holding a large, transparent sheet that reveals a different scene behind it. The scene behind the sheet is a bright, sunny sky with white clouds and several birds flying. The pier and ocean are visible in the foreground and background, but the sheet acts as a window into a different, more optimistic scene.

**INNOVATION
HAS DRIVEN
GROWTH.**

**WE HAVE
REACHED NEW
HEIGHTS.**





EXCEEDING

After nearly a decade of strategic planning and a singular focus on delivering exceptional service to our clients, Fidelity Bank has reached new heights, accelerating our growth as never before. During 2018, the Bank attained record net income, resulting in an increase in earnings per share and strong returns on average assets and equity. For the fifth straight year, Fidelity Bank has earned a five star “Superior” rating for safety and soundness from the independent national rating agency, Bauer Financial.

Through a steady focus on the client experience, the ongoing pursuit of innovative solutions, and the successful execution of our strategic priorities, Fidelity D & D Bancorp, Inc. is consistently increasing long-term value for shareholders. Fidelity D & D Bancorp, Inc. stock is recognized as the highest appreciating publicly traded Company stock in the Mid-Atlantic and the fourth in the nation for total shareholder return, based on a 5-year average (2014-2018). The Company has also achieved a listing on the London-Based

Russell® 2000 Index, managed by London-based FTSE Russell, a global leader in indexing and a subsidiary of the London Stock Exchange Group (LSE Group).

Supported by strong capital levels and Bankers committed to building client relationships based on trust, Fidelity Bank is well positioned for continued success. The Company will continue to focus on using the relationship management strategy to deliver superior client experiences and to build long-term shareholder value.

**RUSSELL®
2000
INDEX**

4TH BANK IN THE
NATION FOR TOTAL
SHAREHOLDER
RETURN





EXPANDING

As a proud member of the Northeastern Pennsylvania community, the Bank is continually expanding opportunities for local businesses, families and youth, and helping to revitalize our area's communities.

Some say that banks only care about the numbers. Fidelity Bank's numbers show that we care. Each day Fidelity Bankers provide financing solutions to meet the needs of local businesses and homeowners. In 2018, the Bank helped 349 businesses expand their growth and create new jobs in our area. As the #1 mortgage lender in Northeastern Pennsylvania for the 8th year,

the Bank also opened the door to home ownership to more than 3,700 local families, enriching their quality of life while strengthening our neighborhoods.

An important part of the Bank's mission is to make the areas that we serve stronger and more vibrant by reinvesting earnings back into the community. This year, Fidelity Bank donated over \$700,000 to charitable organizations and non-profits that are working to improve the quality of life for area residents.

Fidelity Bankers also donated over 1,600 hours of volunteer time to these organizations -

over 900 of these hours were during the workday and were subsidized by the Bank.

Because innovation is key in creating dynamic communities, as part of the grand opening celebration of Fidelity Bank's newest branch in the Back Mountain region of Luzerne County, PA, the Bank invited area non-profits to present innovative concepts to improve the area. A \$15,000 IMPACT Grant will be awarded to the winning organization to help bring their concept to fruition.



**BUT THE
BEST IS YET
TO COME...**



**WE COULDN'T HAVE
DONE IT WITHOUT
OUR DEDICATED BANKERS.**

DA ANDES PAUL JOHN ARVAY RACY BARBER LOR BARRETT
OM PATRICIA BOHAN PATRICK BOLES M MICHELE BOUND JALEN
ANDA BURKE CYNTHIA CACIOPPO CARMEN CAPUTO JOSEPH CAR-
CITY CHEE ROSS CIANFLONE ALYSSA CICCO KAMILLA CIEHOSKI
EVELAND CATHY COLLINS JUDITH COMERFORD LATOYA COOPER
1 CRAHALL LAWRENCE CRIMI LESLY CULKIN PATRICIA CURLEY
SON DECKER SALVATORE DEFRANCESCO YVONNE DEL ROSSO
RISTOPHER DIPIETRO TYLENE DODGE CYNTHIA DOPKO BETHANY
CYRENA ERFMAN ROBERT FARRELL WILLIAM FENNIE BRITTANI
IANE FONNER CAREY GARVEY ELIZABETH GILGALLON NICHOLAS
VER KRISTIN GROW SHAWNA HALLEY LOGAN HANSMAN LAUREN
ROBERT HOOPER DENA HUGHES SUSAN HYNDS JAMES IGOE JOR-
S DRAGAN JOKIC NICOLE JUDGE MICHAEL KARPOVICH HEATHER
ELLE KREMPASKY NICHOLAS KUZDRO BRIAR LAURITO MARIA
RRY LOBEL BRYAN LOFTUS SUSAN MAE LUCAS LAUREN LUONGO
LIAM MCANDREW JASON MCCABE KEVIN MCCORMICK MICHELLE
NIQUE MONTAQUE SHARON MULLANEY LIRIKA NASHI GEORGE
Y CHRISTOPHER OBRIEN STEFAN OLSEN ERICH OLSEN MICHAEL
E PEHANICK S SONYA PETLISKI CAROL PETLISKI JOANNE PEZZUTI
GRACE PINEDA MAUREEN POLSTER CARMELLA PRINGLE-KUZDRO
DIS DEBORAH RATUSZNY TOM REGENSKI MARY REID KAREN REN-
ON RODRIGUEZ THERESA ROGINSKI ROSELIS ROJAS SADIE ROTH
R SAAR MELISSA SADAKA ALEXIS SANTANIELLO DANIEL SAN-
N SCOTCH BARBARA SCOTT TORRE SCRIMALLI ALLYSON SELIGA



H JEREMIAH BURDICK AMANDA BURKE CYNTHIA CACIOPPO CAR-
SO BURTON CHAPMAN FELICITY CHEE ROSS CIANFLONE ALYSSA
MANTHA CLARK KRISTI CLEVELAND CATHY COLLINS JUDITH COM-
SEMARIE COYNE ADAM CRAHALL LAWRENCE CRIMI LESLY CULKIN
ECESARIS MADISON DECKER SALVATORE DEFRANCESCO YVONNE
DEXHEIMER CHRISTOPHER DIPIETRO TYLENE DODGE CYNTHIA
SEN SEAN ELMAN CYRENA ERFMAN ROBERT FARRELL WILLIAM
ANAY FIGUEROA DIANE FONNER CAREY GARVEY ELIZABETH GIL-
EENE RHONDA GROVER KRISTIN GROW SHAWNA HALLEY LOGAN
THERESA HINTON ROBERT HOOPER DENA HUGHES SUSAN HYNDS
CHRISTA JENNINGS DRAGAN JOKIC NICOLE JUDGE MICHAEL KAR-
REN KNEBL NOELLE KREMPASKY NICHOLAS KUZDRO BRIAR LAU-
JODY LEWIS KERRY LOBEL BRYAN LOFTUS SUSAN MAE LUCAS
DANN MARSILI WILLIAM MCANDREW JASON MCCABE KEVIN MC-
Y LISA MINOR MONIQUE MONTAQUE SHARON MULLANEY LIRIKA
THOMAS O'MALLEY CHRISTOPHER OBRIEN STEFAN OLSEN ERICH
PEATEN MICHELE PEHANICK S SONYA PETLISKI CAROL PETLISKI
RRE MARY PIERRE GRACE PINEDA MAUREEN POLSTER CARMELLA
BEL VICTORIA RANDIS DEBORAH RATUSZNY TOM REGENSKI MARY
OBERTSON BRANDON RODRIGUEZ THERESA ROGINSKI ROSELIS
JDALAVAGE TYLER SAAR MELISSA SADAKA ALEXIS SANTANIELLO
SAXTON KEVIN SCOTCH BARBARA SCOTT TORRE SCRIMALLI
SON MARTIN SKODOCEK CHRIS SLEDZINSKI KATHLEEN SOLSMAN
Y TIGHE KATHLEEN TIMLIN KARA TOKASH HEENA TOLANI JOSEPH
INE VALVANO PAULINE VAN TASSEL AMANDA VINCIGUERRA EU-
WASKO CRYSTAL WELBY LINDA WISHARD GEORGE YAKUBISIN
BDELNABY KATELYN ABRAHAM DEBRA ALIMENTI BRENDA ANDES

**“ THE SKY
IS THE LIMIT. ”**

PATRICK J. DEMPSEY, 2018

THANK YOU

Thank you, Mr. Dempsey, for 16 years of outstanding service and invaluable guidance. As Chairman of the Boards of Directors of Fidelity D & D Bancorp, Inc. and Fidelity Bank, your steady hand and sound wisdom helped us navigate the troubled waters of the Great Recession, while your unwavering conviction in the Bank's potential to exceed expectations energized us to pursue the great possibilities ahead.

Thank you for inspiring us to take bold steps forward and to be the Best Bank for our Bankers to work; the Best Bank for our Clients to bank; the Best Bank

for our Shareholders to invest; and the Best Bank for the Community to prosper. Thank you most of all for steadfastly believing that for the Fidelity Bankers "the sky's the limit."

Now that you have passed the torch to Brian J. Cali, our new Chairman of the Boards, we will build on the solid achievements that you have helped us attain and look forward to your continued contribution to the organization as a director and Chairman Emeritus.



Products & Services

Consumer Deposit Products

- Start Fresh Checking
- First Step Checking
- Reliance Checking
- Relationship Checking
- Performance Checking
- Platinum Checking
- Money Market Deposit Accounts
- Optimum Choice Savings
- Statement Savings
- Green Team Savings
- Scholar Savings
- IRA Certificates of Deposit (Fixed & Variable Rate)
- IRA Optimum Savings
- Certificates of Deposit
- CDARS/ICS Programs
- Christmas & All Purpose Clubs

Consumer Loan Products

- Home Equity Loans & Lines of Credit
- Mortgage Loans
- Construction Mortgages
- FHA Mortgages
- Auto Loans
- Personal Loans
- Student Loans
- Preferred Credits

Card Services

- Visa® Consumer Check Card
- Visa® Business Check Card
- Visa® Business Credit Card
- Visa® Credit Card
- Visa® Business Line of Credit Cards
- American Express® Credit Card
- Card Valet
- Digital Wallet
- MasterCard® Business LOC Debit Card
- MasterCard® Gift Cards & General Purpose Reloadable Cards
- MasterCard® HELOC Debit Card
- Prepaid & Payroll Cards

Digital Services

- Mobile Banking
- Mobile Deposit
- Online Banking
- Web Bill Pay
- Electronic Statement Delivery
- Email Alerts & Text Alerts
- Secure Mail
- Pop Money™ Personal Payments
- Online Account Opening
- Buzz Points Rewards
- Telephone Link

Business Deposit Products and Services

- Business Checking
- Basic Business Checking
- Business Relationship Interest Checking
- Business Analysis Checking
- Community First Non-Profit Checking
- Community First Checking
- Estate Checking
- IOLTA Checking
- Fidelity Muni-Choice Checking
- CDARS/ICS Programs
- Savings Accounts
- Certificates of Deposit
- Money Market Deposit Accounts
- Fidelity Bank at Work Program

Business Loan Products

- Commercial Loans
- Equipment Loans
- Lines of Credit
- Municipal Loans
- Community Development Loans
- Commercial/Equipment Leasing
- Commercial Mortgages
- Letters of Credit
- Indirect Lending

Special Business Loan Programs

- SBA Loan Programs
- PEDFA Loans
- FHLB – BOB Program
- USDA Loan Programs

Business Services Cash Management

- Business Online Banking
- Fidelity Mobile Banking for Business
- Mobile Deposit for Business
- Direct Deposit Services
- Credit Card Processing
- Electronic Funds Receivables & Payables
- Positive Pay Fraud Detection
- Remote Deposit Capture
- Lock Box
- Cash Position Reporting
- Zero Balance Accounting (ZBA)
- eGiving (electronic donation/tithing)
- Wire Transfer Services
- Business Sweeps
- Business Bill Pay
- Sweep Line of Credit

Investment Services*

- Retirement Planning
- College Planning
- Estate Planning
- Exchange Traded Funds (ETFs)
- Life Insurance
- Fixed and Variable Annuities
- Unit Investment Trusts
- Mutual Funds
- Stocks
- Bonds
- Long Term Care Insurance
- 401(k) Plans (Including Solo 401(k) Plans)
- Profit Sharing Plans
- 403(b) Plans
- SEP-IRA Plans
- SIMPLE IRA Plans
- *Not FDIC insured. No Bank Guarantee. May Lose Value.

Trust Services

- Personal Trust
- Charitable Trusts
- Special Needs Trusts
- Revocable & Irrevocable Trusts
- Testamentary Trusts
- Estate Settlement & Services
- Endowments
- Guardianships
- Corporate Trust
- Bond Trustee
- Paying Agent
- Institutional Money Management

Additional Bank Services

- Acceptance of Dunmore Taxes
- Money Orders & Cashier Checks
- Safe Deposit Box Services
- Acceptance of Lackawanna River Basin Sewer Authority Payments

Branch & ATM Locations

ATM Only Locations

- Antonio's Pizza
45 Luzerne St.
West Pittston, PA 18643
- Ayers Country Market
1811 Red Barn Village Rd.
Clarks Summit, PA 18411
- Beerman Beverage
409 Washington Ave.
Jermyrn, PA 18612
- Cigna Healthcare
53 Glenmaura National Blvd.
Moosic, PA 18507
- Dallas Shopping Center
32 Dallas Shopping Center
Dallas, PA 18612
- Electric City Pizza
205 N. Washington Ave.
Scranton, PA 18503
- Eynon Location
511 Scranton Carbondale H Hwy.
Eynon, PA 18403
- Gino Merli Veterans' Center
401 Penn Ave.
Scranton, PA 18503
- Hilton Scranton & Conference Center
100 Adams Ave.
Scranton, PA 18503
- Joe's Beerman
1561 Main St.
Peckville, PA 18452
- Mountain Plaza
307 Moosic St.
Scranton, PA 18503
- Riverfront Sports
3 West Olive St.
Scranton, PA 18508
- Scranton Cultural Center
420 North Washington Ave.
Scranton, PA 18503
- The Shoppes at Montage
1035 Shoppes Blvd.
Moosic, PA 18507
- Thirst T's
12 Lincoln St.
Olyphant, PA 18447
- TJ Max
4000 Oldfield Rd.
Pittston, PA 18640
- Wilkes-Barre/Scranton
International Airport
100 Terminal Rd.
Avoca, PA 18641
- Zummo's Café
916 Marion St.
Scranton, PA 18509
- Marywood University
Nazareth Hall and Regina Hall
Dunmore, PA 18509

Branch and ATM Locations

- Abington Office
1311 Morgan Highway
Clarks Summit, PA 18411
570-586-3212
- Back Mountain Office
2363 Memorial Highway
Dallas, PA 18612
570-675-3332
External ATM at Dallas Shopping Center
- Dunmore Office
101 N. Blakely St.
Dunmore, PA 18512
570-342-8281
- Green Ridge Office
111 Green Ridge St.
Scranton, PA 18509
570-342-5532

- Keystone Industrial Park Office
1232 Keystone Industrial Park Rd.
Dunmore, PA 18512
570-348-4003
- Kingston Office
247 Wyoming Ave.
Kingston, PA 18704
570-338-0119
- Moosic Office
4010 Birney Ave.
Moosic, PA 18507
570-504-0789
- Peckville Office
1598 Main St.
Peckville, PA 18452
570-483-3300
- Scranton Financial Center
338 North Washington Ave.
Scranton, PA 18503
570-504-8001
- Pittston Office
225 Kennedy Blvd.
Pittston, PA 18640
570-908-0103
- West Scranton Office
400 South Main Ave.
Scranton, PA 18504
570-504-8180

Trust Department

Personal & Corporate Trust, Estate Administration & Investment Services

Theresa M. Hinton, Esq.,
Vice President & Trust Officer
570-504-2260

James T. O'Brien, Vice President
& Trust Officer
570-504-2250

Lawrence J. Crimi, Vice President
& Trust Investment Relationship Manager
570-504-8011

Diane Fonner, Assistant Vice President
& Corporate Trust Officer
570-504-2245

Lori A. Barrett, Esq., Trust Officer
570-504-2242

William J. Fennie, III, Trust Investment Officer
570-504-8084

101 N. Blakely St.
Dunmore, PA 18512
570-504-2260

Fidelity Bank Wealth Management Office
252 Sunbury St.
Minersville, PA 17954
570-504-2250

Fidelity Asset Management

Full Brokerage & Insurance Services
William P. McAndrew, AIF®
Senior Vice President & Wealth Advisor
570-504-2207

Thomas G. Regenski, AIF®
Assistant Vice President & Wealth Advisor
570-504-2204

Amanda Vinciguerra
Wealth Management Administrative Assistant
101 N. Blakely St.
Dunmore, PA 18512
570-504-2206

Business Banking

Timothy O'Brien, Senior Executive Vice President
& Chief Lending Officer
570-504-2230

Michael J. Pacyna, Executive Vice President
Chief Business Development Officer
570-504-8005

Customer Care Center
570-342-8281 | 800-388-4380

This Annual Report may contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Actual results and trends could differ materially from those set forth in such statements due to various factors. These factors include the possibility that increased demand or prices for the Company's financial services and products may not occur, changing economic, interest rate and competitive conditions, technological developments and other risks and uncertainties, including those detailed in the Company's filings with the Securities and Exchange Commission.



Investor Relations

Fidelity D & D Bancorp, Inc.

101 N. Blakely Street
Dunmore, PA 18512
(570) 342-8281

We are a public company whose stock is traded on The Nasdaq Global Market, under the symbol FDBC.

Transfer Agent and Registrar

Shareholders' Services Provided

- Stock transfer
- Dividend reinvestment plan
- Direct deposit of dividends
- Duplicate mailing notification

Computershare Trust Company, N.A.
P.O. Box 30170
College Station, TX 77842-3170
(877) 282-1168
www.computershare.com

Shareholder/Investor Inquiries

Requests for information or assistance regarding Fidelity D & D Bancorp, Inc. should be directed to John Pash, Investor Relations Officer, at (570) 504-8007 or john.pash@fddbanc.com.

Market Makers

The following firms are believed to presently make a market in Fidelity D & D Bancorp, Inc. stock on The Nasdaq Global Market, under the symbol FDBC.

Boenning & Scattergood, Inc.

4 Tower Bridge
200 Barr Harbor Dr., No. 300
W. Conshohocken, PA 19428
(610) 832-1212

Goldman Sachs & Co., LLC

200 West St.
New York, NY 10282
(212) 902-1000

Merrill Lynch, Pierce, Fenner & Smith, Inc.

One Bryant Park
New York, NY 10036
(800) 637-7455

Stifel, Nicolaus & Company, Inc.

501 North Broadway
St. Louis, MO 63102
(314) 342-2000

Citadel Securities, LLC

131 South Dearborn St., 32nd Fl.
Chicago, IL 60603
(312) 395-2100

Hovde Group, LLC

1629 Colonial Parkway
Inverness, IL 60067
(847) 991-6622

Virtu Americas, LLC

300 Vesey St.
New York, NY 10282
(646) 682-6000

UBS Securities, LLC

1285 Avenue of the Americas
New York, NY 10019
(203) 719-3000

Cowen and Company, LLC

599 Lexington Ave., 20th Fl.
New York, NY 10022
(646) 562-1010

IMC Financial Markets

233 South Wacker Drive #4300
Chicago, IL 60606
(312) 244-3300

Raymond James & Associates, Inc.

880 Carillon Parkway
St. Petersburg, FL 33716
(727) 567-1000

Wedbush Securities, Inc.

1000 Wilshire Blvd., Ste. 900
Los Angeles, CA 90017
(213) 688-8090

Deutsche Bank Securities, Inc.

60 Wall St.
New York, NY 10005
(212) 250-2500

Keefe, Bruyette & Woods, Inc.

787 7th Ave., 4th & 5th Flrs.
New York, NY 10019
(212) 887-7777

Two Sigma Securities, LLC

101 Avenue of the Americas, 19th Fl.
New York, NY 10013
(212) 625-5700

Latour Trading, LLC

377 Broadway, 10th Fl.
New York, NY 10013
(917) 388-8000

G1 Execution Services, LLC

175 W. Jackson Blvd., Ste. 1700
Chicago, IL 60604
(312) 362-0404

Maxim Group, LLC

405 Lexington Avenue
New York, NY 10174
(212) 895-3500

Susquehanna Securities

401 City Ave., Ste. 220
Bala Cynwyd, PA 19004
(610) 617-2600

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Member FDIC

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